

**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, 2024  
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, 2024 was approximately \$120.8 billion.

Number of shares of Citigroup Inc. common stock outstanding on January 31, 2025: 1,884,479,551

Documents Incorporated by Reference: Portions of the registrant's proxy statement for the annual meeting of stockholders scheduled to be held on April 29, 2025 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](http://www.citigroup.com)



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		** See “Compensation Discussion and Analysis,” “The Personnel and Compensation Committee Report,” and “2024 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.	

## CITIGROUP'S 2024 ANNUAL REPORT ON FORM 10-K

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## 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, 2024, Citi had approximately 229,000 full-time employees, compared to approximately 239,000 at December 31, 2023. 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. All "Note" references correspond to the Notes to the Consolidated Financial Statements herein, unless otherwise indicated.

For a list of certain terms and acronyms used in this Annual Report on Form 10-K and other Citigroup presentations, see "Glossary of Terms and Acronyms" at the end of this report.

### Additional Information

Additional information about Citigroup is available on Citi's website at [www.citigroup.com](http://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](http://www.sec.gov).

For a discussion of 2023 versus 2022 results of operations of *Services, Markets, Banking, Wealth, U.S. Personal Banking* and *All Other*, see each respective business's results of operations in Citigroup's Annual Report on Form 10-K for the year ended December 31, 2023 (Citigroup's 2023 Annual Report on Form 10-K).

Certain reclassifications have been made to the prior periods' financial statements and disclosures to conform to the current period's presentation, including certain reclassifications to align with Citi's organizational simplification and strategy, for all periods presented.

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**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.**

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### 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. These non-GAAP financial measures are not intended to be 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:

- Revenues excluding the Argentina currency devaluation and/or divestiture-related impacts
- Expenses excluding the Federal Deposit Insurance Corporation (FDIC) special assessment and/or divestiture-related impacts
- *Services* and Treasury and Trade Solutions (TTS) revenues and/or non-interest revenues excluding the impact of the Argentina currency devaluation
- *Banking* and Corporate Lending revenues excluding gain (loss) on loan hedges
- *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)
- Non-*Markets* net interest income

For more information on the Argentina currency devaluation and/or the FDIC special assessment, see "Executive Summary" below. Citi believes its results excluding the Argentina currency devaluation and the FDIC special assessment are useful to investors, industry analysts and others in evaluating Citi's results of operations and comparing its operational performance between periods, by providing a meaningful depiction of the underlying fundamentals of period-to-period operating results, particularly given the outsized impacts of these items, as well as additional comparability to peer companies.

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.

Citi believes its results excluding divestiture-related impacts are useful to investors, industry analysts and others in evaluating Citi's results of operations and comparing its operational performance between periods, by providing a meaningful depiction of the underlying fundamentals of

period-to-period operating results, particularly given the outsized impacts of the divestiture-related impacts; improved visibility into management decisions and their impacts on operational performance; and additional comparability to peer companies.

For more information on *Services* and TTS revenues and/or non-interest revenues excluding the impact of the Argentina currency devaluation, see “Executive Summary” and “*Services*” below.

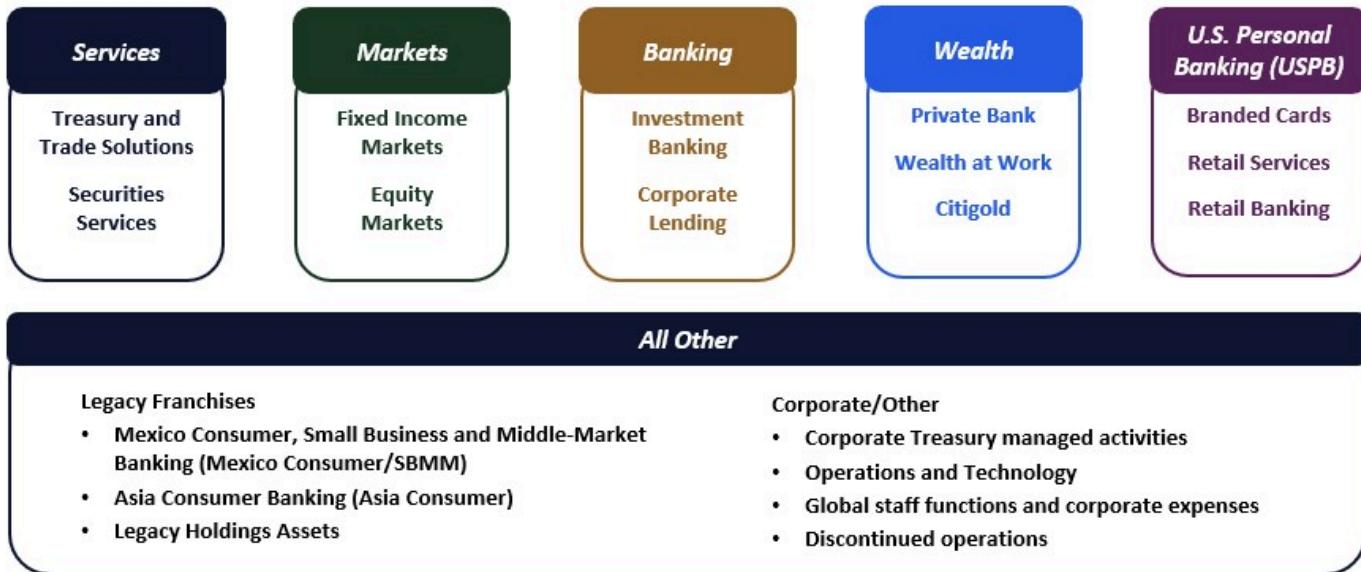
For more information on *Banking* and Corporate Lending revenues excluding gain (loss) on loan hedges, see “Executive Summary” and “*Banking*” below. Citi believes that *Banking* and Corporate Lending revenues excluding gain (loss) on loan hedges are useful to investors, industry analysts and others because the gain (loss) on loan hedges are independent of *Banking* and Corporate Lending’s core operations and not indicative of the performance of the business operations.

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. TCE, RoTCE and TBVPS are used by management, as well as investors, industry analysts and others, in assessing Citi’s use of equity. Citi believes TCE and RoTCE are useful to investors, industry analysts and others by providing alternative measures of capital strength and performance. Citi believes TBVPS provides additional useful information about the level of tangible assets in relation to Citi’s outstanding shares of common stock.

For more information on non-*Markets* net interest income, see “Market Risk—Non-*Markets* Net Interest Income” below. Management uses non-*Markets* net interest income to assess the performance of Citi’s lending, investing (including asset-liability management) and deposit-raising activities, apart from any volatility associated with *Markets* activities. Citi believes the use of this non-GAAP measure provides investors, industry analysts and others with an alternative measure to analyze the net interest income trends of Citi’s lending, investing and deposit-raising activities, by providing a meaningful depiction of the underlying fundamentals of period-to-period operating results of those activities; improved visibility into management decisions and their impacts on operational performance; and additional comparability to peer companies.

Citigroup is managed pursuant to five operating segments: *Services*, *Markets*, *Banking*, *Wealth* and *U.S. Personal Banking*. Activities not assigned to the operating segments are included in *All Other*. For additional information, see the results of operations for each of the operating segments and *All Other* within “Management’s Discussion and Analysis of Financial Condition and Results of Operations” below.

## CITIGROUP REPORTABLE OPERATING SEGMENTS



## REGIONS

**North America**

**International<sup>(1)</sup>**

Note: Mexico is included in LATAM within International.

(1) Within International, Citi is organized into six clusters: United Kingdom; Japan, Asia North and Australia (JANA); Latin America (LATAM); Asia South; Europe; and Middle East and Africa (MEA). Although the chief operating decision maker (CODM) does not manage Citi's reportable operating segments by cluster, Citi provides additional selected financial information (revenue and certain corporate credit metrics) below for the six clusters within International.

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

### EXECUTIVE SUMMARY

As described further throughout this Executive Summary, Citi demonstrated improved overall business performance and continued progress on its strategic priorities in 2024:

- Citi and its five reportable operating segments each achieved positive operating leverage for 2024. Citi's positive operating leverage in 2024 was driven by revenue growth of 3%, with record revenues in *Services, Wealth* and *USPB*, and disciplined expense management (down 4%), despite higher volume- and transformation-related expenses and other investments in risk and control initiatives. Excluding the impact of the FDIC special assessment in both 2024 and the prior year, expenses decreased 2%.
- Citi continued to advance its transformation, including its efforts to improve risk management, modernize technology and infrastructure and improve resiliency across the organization. Simultaneously, as a result of the July 2024 Civil Money Penalty Consent Orders and Consent Order Amendment, Citi recognized the need to accelerate progress in certain areas, particularly with regard to data quality management related to governance and regulatory reporting. (See "Citi's Multiyear Transformation" below).
- Citi completed its organizational simplification announced in September 2023, resulting in a simpler management structure that aligns to and facilitates Citi's strategy, while improving accountability and decision-making and advancing the execution of Citi's transformation.
- As part of its strategic refresh, Citi continued to make progress on its remaining divestitures, including exits of its consumer banking operations in Korea and Poland and its overall operations in Russia. Additionally, Citi completed the separation of its *Services, Markets, Banking* and *Wealth* businesses in Mexico from its consumer banking and small business and middle-market banking operations in Mexico (Mexico Consumer/SBMM) in December 2024, an important milestone toward the planned initial public offering (IPO) of Citi's Mexico Consumer/SBMM business. (See "All Other (Managed Basis)" below.)
- Citi returned \$6.7 billion to common shareholders in the form of dividends (\$4.2 billion) and share repurchases (\$2.5 billion) in 2024. As previously disclosed, on January 13, 2025, Citigroup's Board of Directors authorized a new, multiyear \$20 billion common stock repurchase program, with planned repurchases of \$1.5 billion during the first quarter of 2025, subject to market conditions and other factors. After the first quarter of 2025, Citi will continue to assess the level of common share repurchases on a quarter-by-quarter basis given uncertainty regarding regulatory capital requirements, among other factors.

### 2024 Results Summary

#### *Citigroup*

Citigroup reported net income of \$12.7 billion, or \$5.94 per share. This compared to net income of \$9.2 billion, or \$4.04 per share in the prior year, which included larger impacts from certain notable items, including an Argentina currency devaluation, an FDIC special assessment, restructuring charges related to Citi's organizational simplification and an ACL build for transfer risk (see "Cost of Credit" below).

Net income increased 37% versus the prior year, driven by the higher revenues, lower expenses and a lower effective tax rate, partially offset by higher cost of credit. Citigroup's effective tax rate was 25% in 2024 versus 27% in the prior year, largely driven by the geographic mix of earnings (see Note 10).

Citigroup revenues of \$81.1 billion in 2024 increased 3% on a reported basis. This increase in revenues largely reflected an increase in non-interest revenue (up 15%), including the benefit of a smaller impact from the Argentina currency devaluation (\$(253) million in 2024 versus approximately \$(1.9) billion in 2023) as well as strength in underlying fee drivers in each of Citi's reportable operating segments. The increase in non-interest revenue was partially offset by a decline in net interest income (down 1%). The decrease in net interest income primarily reflected lower revenues in *All Other* (managed basis), partially offset by higher interest-earning balance growth in *U.S. Personal Banking (USPB)*. Excluding divestiture-related impacts, primarily related to gains on the sales of Citi's India and Taiwan consumer banking businesses in the prior year, as well as the Argentina currency devaluation, revenues of \$81.4 billion in 2024 also increased 3% versus the prior year.

Citigroup's end-of-period loans were \$694 billion, up 1% versus the prior year, largely driven by loan growth in *USPB*.

Citigroup's end-of-period deposits were approximately \$1.3 trillion, down 2% versus the prior year, largely due to a decrease in *All Other* (managed basis). 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 \$54.0 billion decreased 4% from the prior year. Excluding the FDIC special assessment (\$203 million in 2024 versus approximately \$1.7 billion in the prior year), expenses of \$53.8 billion decreased 2%, driven by savings related to Citi's organizational simplification and stranded cost reduction, as well as the lower restructuring charges (\$259 million in 2024 versus \$781 million in the prior year) and repositioning costs. The decrease was partially offset by higher volume-related expenses, investments in Citi's transformation and other risk and controls initiatives, as well as the costs of the July 2024 Civil Money Penalty Consent Orders entered into with the Federal Reserve Board (FRB) and the Office of the Comptroller of the Currency (OCC).

Excluding the FDIC special assessment and divestiture-related impacts, expenses of \$53.5 billion also decreased 2%.

#### **Cost of Credit**

Citi's total provisions for credit losses and for benefits and claims was \$10.1 billion, compared to \$9.2 billion in the prior year. The increase was driven by higher net credit losses in Branded Cards and Retail Services in *USPB*, reflecting the continued maturation of multiple cards loan vintages originated in recent years. The maturation was delayed by unprecedented levels of government stimulus during the pandemic. In addition, the increase was due to macroeconomic pressures related to the elevated inflationary and interest rate environment impacting both card portfolios, with lower FICO band customers primarily driving the increase. The higher net credit losses were partially offset by a lower net build in the allowance for credit losses (ACL), primarily due to a smaller build related to transfer risk associated with exposures outside the U.S. (approximately \$0.2 billion in 2024 versus \$1.9 billion in 2023), 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—Citi's Allowance for Credit Losses (ACL)" below.

Net credit losses of \$9.0 billion increased 40% from the prior year. Consumer net credit losses of \$8.6 billion increased 39%, largely reflecting the continued rise in net credit loss rates in Branded Cards and Retail Services. Corporate net credit losses increased to \$397 million from \$250 million in the prior year.

Subject to evolving macroeconomic conditions, Citi expects to continue to experience an elevated net credit loss rate for full-year 2025 in line with 2024, with higher loss rates in the first half of the year in Branded Cards and Retail Services consistent with seasonal patterns. Citi also expects that its future ACL builds will be driven by both the macroeconomic environment and business volumes, among other factors. For additional information on Citi's consumer and corporate credit costs, see each respective business's results of operations and "Credit Risk" below.

In January 2025, a series of wildfires affected the Los Angeles metropolitan area and surrounding regions, causing loss of life and the destruction of more than 16,000 structures. While Citi continues to assess the wildfires' impact on its customers and clients in the affected areas, Citi does not currently expect the wildfires to have a direct material impact to its consumer or corporate credit portfolios or its overall results of operations.

#### **Capital**

Citigroup's CET1 Capital ratio was 13.6% as of December 31, 2024, compared to 13.4% as of December 31, 2023, based on the Basel III Standardized Approach for determining risk weighted assets (RWA). The increase was primarily driven by net income and a decrease in RWA, partially offset by the payment of common and preferred dividends, as well as common share repurchases and net adverse movements in *Accumulated other comprehensive income (AOCI)*.

In 2024, Citi repurchased \$2.5 billion of common shares and paid \$4.2 billion of common dividends (see "Unregistered

Sales of Equity Securities, Repurchases of Equity Securities and Dividends" below).

For additional information on capital-related risks, trends and uncertainties, see "Capital Resources—Regulatory Capital Standards and Developments" and "Risk Factors—Strategic Risks," "—Operational Risks" and "—Compliance Risks" below.

Citigroup's Supplementary Leverage ratio as of December 31, 2024 was 5.8%, largely unchanged from December 31, 2023, as higher Tier 1 Capital was offset by an increase in Total Leverage Exposure. For additional information on Citi's capital ratios and related components, see "Capital Resources" below.

#### **Services**

*Services* net income of \$6.5 billion increased 40%, as higher revenue and lower cost of credit were partially offset by higher expenses.

*Services* revenues of \$19.6 billion increased 9%, largely driven by a 28% increase in non-interest revenue and higher net interest income (up 1%). Excluding the impact of the Argentina currency devaluation (\$(178) million in 2024 versus approximately \$(1.2) billion in 2023), *Services* revenues increased 3% and its non-interest revenue increased 5%. The increase in net interest income reflected the benefit of higher deposit and loan volumes, largely offset by a decline in interest rates in Argentina.

TTS revenues of \$14.5 billion increased 6% on a reported basis, driven by a 37% increase in non-interest revenue, partially offset by a 1% decrease in net interest income. Excluding the impact of the Argentina currency devaluation (approximately \$(164) million in 2024 and approximately \$(1.0) billion in 2023), non-interest revenue increased 3%, driven by an increase in cross-border transaction value, as well as an increase in U.S. dollar clearing and commercial card spend volume. The decrease in TTS net interest income was primarily driven by the decline in interest rates in Argentina.

Securities Services revenues of \$5.1 billion increased 17%, driven by an 18% increase in non-interest revenue and a 15% increase in net interest income. The growth in non-interest revenue was primarily due to increased fees from higher AUC/AUA balances and continued elevated levels of corporate activity in Issuer Services, as well as the smaller impact from the currency devaluation in Argentina. The increase in net interest income was primarily due to higher spreads and volumes.

*Services* expenses of \$10.6 billion increased 6%, primarily driven by continued investments in technology and platform modernization, other risk and controls and product innovation, as well as an Argentina-related transaction tax expense and higher legal expenses, partially offset by the impact of productivity savings. Cost of credit decreased to \$276 million from \$950 million in the prior year, primarily driven by a smaller ACL build for transfer risk associated with exposures outside of the U.S., driven by safety and soundness considerations under U.S. banking law.

For additional information on the results of operations of *Services* in 2024, see "*Services*" below.

## **Markets**

*Markets* net income of \$4.9 billion increased 27%, driven by higher revenues, partially offset by higher cost of credit.

*Markets* revenues of \$19.8 billion increased 6%, driven by a 26% increase in Equity Markets and a 1% increase in Fixed Income Markets. The increase in Equity Markets was primarily driven by growth in cash equities, due to higher client activity and volumes, and equity derivatives on higher volatility, which also included the impact from an episodic gain related to the Visa B exchange. The increase was also driven by an increase in prime services. The increase in Fixed Income Markets was driven by growth in spread products and other fixed income (up 20%), partially offset by lower revenues in rates and currencies (down 6%). The increase in spread products and other fixed income revenues was largely driven by increased client activity due to growth in asset-backed financing, securitization activity and underwriting fees, partially offset by a decline in commodities revenues. The decline in rates and currencies revenues was primarily due to lower volatility and a strong prior-year performance, partially offset by the smaller impact of the Argentina currency devaluation.

*Markets* expenses of \$13.2 billion were largely unchanged versus the prior year, as higher legal and volume-related expenses were offset by productivity savings. Cost of credit increased to \$463 million from \$438 million in the prior year, primarily driven by higher net credit losses for loans in spread products, partially offset by a smaller ACL build on other assets for transfer risk associated with exposures outside the U.S., driven by safety and soundness considerations under U.S. banking law.

For additional information on the results of operations of *Markets* in 2024, see “*Markets*” below.

## **Banking**

*Banking* net income was \$1.5 billion, compared to a net loss of \$35 million in the prior year, driven by higher revenues, lower expenses and a higher benefit from cost of credit.

*Banking* revenues of \$6.2 billion increased 32%, including a \$180 million loss on loan hedges in 2024 versus a \$443 million loss on loan hedges in the prior year. Excluding the losses on loan hedges, *Banking* revenues of \$6.4 billion increased 24%, reflecting higher Investment Banking and Corporate Lending revenues. Investment Banking revenues of \$3.6 billion increased 38%, due to a rebound in overall wallet activity and wallet share gains across all products. Corporate Lending revenues increased 23%, including the impact of losses on loan hedges. Excluding the impact of losses on loan hedges, Corporate Lending revenues increased 9%, primarily driven by a smaller impact from the Argentina currency devaluation.

*Banking* expenses of \$4.5 billion decreased 8%, primarily driven by benefits of prior repositioning and other actions to lower the expense base, partially offset by higher volume-related expenses. Cost of credit was a benefit of \$224 million, compared to a benefit of \$143 million in the prior year, driven by an ACL release on other assets, primarily due to lower transfer risk associated with exposures outside the U.S., driven by safety and soundness considerations under U.S. banking law.

For additional information on the results of operations of *Banking* in 2024, see “*Banking*” below.

## **Wealth**

*Wealth* net income of \$1.0 billion increased 139%, reflecting higher revenues, lower expenses and a higher benefit from cost of credit.

*Wealth* revenues of \$7.5 billion increased 7%, largely driven by higher non-interest revenue (up 15%), reflecting higher investment fee revenues in Citigold, Wealth at Work and the Private Bank on growth in client investment assets, as well as an increase in net interest income (up 2%). The increase in net interest income was mainly due to higher average deposit spreads and volumes, partially offset by higher mortgage funding costs in the Private Bank and Wealth at Work.

*Wealth* expenses decreased 2% to \$6.4 billion, primarily driven by benefits from prior repositioning and restructuring actions, partially offset by higher volume-related expenses and technology investments focused on risk and controls and platform enhancements. Cost of credit was a net benefit of \$126 million, compared to a net benefit of \$3 million in the prior year, largely driven by a higher net ACL release due to a change in the ACL associated with the margin lending portfolio.

For additional information on the results of operations of *Wealth* in 2024, see “*Wealth*” below.

## **U.S. Personal Banking**

*USPB* net income of \$1.4 billion decreased 24%, driven by higher cost of credit, partially offset by higher revenues and lower expenses.

*USPB* revenues of \$20.4 billion increased 6%, due to higher net interest income (up 5%), driven by strong loan growth, primarily in cards, as well as higher non-interest revenue (up 24%) due to lower partner payments in Retail Services. Branded Cards revenues of \$10.7 billion increased 7%, primarily driven by higher net interest income, reflecting interest-earning balance growth (up 9%) from lower payment rates and card spend volume growth. Retail Services revenues of \$7.1 billion increased 8%, primarily driven by higher non-interest revenue due to the lower partner payments, as a result of higher net credit losses, as well as higher net interest income on growth in interest-earning balances (up 3%). Retail Banking revenues of \$2.6 billion decreased 1%, primarily driven by the impact of the transfers of certain relationships and the associated deposit balances to *Wealth*, partially offset by higher deposit spreads, as well as mortgage and installment loan growth.

*USPB* expenses of \$10 billion decreased 1%, primarily driven by continued productivity savings and lower technology costs, partially offset by higher volume-related expenses. Cost of credit increased to \$8.6 billion, compared to \$6.7 billion in the prior year. The increase was driven by higher net credit losses (up 45%), primarily reflecting the continued maturation of multiple cards loan vintages originated in recent years, as well as macroeconomic pressures related to the elevated inflationary and interest rate environment impacting both cards portfolios, with lower FICO band customers primarily driving the increase. The higher net

credit losses were partially offset by a lower ACL build for loans.

For additional information on the results of operations of USPB in 2024, see “*U.S. Personal Banking*” below.

#### ***All Other (Managed Basis)***

*All Other* (managed basis) net loss was \$2.4 billion, compared to a net loss of \$2.1 billion in the prior year, driven by lower revenues and lower income tax benefits, partially offset by lower expenses and lower cost of credit.

*All Other* (managed basis) revenues decreased 20%, driven by lower revenues in Corporate/Other and Legacy Franchises. The decline in Corporate/Other was largely driven by net investment securities losses due to the repositioning of the investment securities portfolio and higher funding costs. Legacy Franchises (managed basis) revenues declined 6%, due to lower revenues in Asia Consumer (managed basis) and Legacy Holdings Assets, partially offset by higher revenues in Mexico Consumer/SBMM (managed basis).

*All Other* (managed basis) expenses decreased 19%, primarily driven by the lower FDIC special assessment (\$203 million in 2024 versus approximately \$1.7 billion in the prior year) and a reduction from the closed exits and wind-downs, as well as the lower restructuring charges (\$259 million in 2024 versus \$781 million in 2023), partially offset by the civil money penalties imposed by the FRB and OCC in July 2024. Cost of credit was \$1.1 billion, compared to \$1.3 billion in the prior year, largely driven by a smaller ACL build for transfer risk associated with exposures outside the U.S., driven by safety and soundness considerations under U.S. banking law.

For additional information on the results of operations of *All Other* (managed basis) in 2024, see “*All Other—Divestiture-Related Impacts (Reconciling Items)*” and “*All Other (Managed Basis)*” below.

#### ***Macroeconomic and Other Risks and Uncertainties***

Various macroeconomic, geopolitical and regulatory uncertainties and challenges pose risks to economic conditions in the U.S. and globally, including, among others, any resurgence in inflation; changes to trade, immigration, energy and other policies resulting from the new U.S. administration; changes in interest rate policies; the Russia–Ukraine war; conflicts in the Middle East; and economic conditions and tensions involving China.

For example, on February 1, 2025 the new U.S. administration announced the imposition of new tariffs on imports from China, Mexico and Canada, although the tariffs for Mexico and Canada were delayed for 30 days. China responded with tariffs against certain imports from the U.S. Additionally, on February 10, 2025, the U.S. administration announced global 25% tariffs on steel and aluminum imports. The U.S. administration has also announced plans for reciprocal tariffs on all U.S. trading partners. While the resulting impacts are difficult to predict at this time, these and other tariffs, whether imposed by the U.S. or by any other country, may result in disruption of supply chains, increased inflationary pressures and higher interest rates.

These and other risks could negatively impact economic growth rates and unemployment levels in the U.S. and other countries and result in volatility and disruptions in financial markets. Such risks could also adversely affect Citi’s customers, clients, businesses, funding costs, cost of credit and overall results of operations and financial condition during 2025. 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 2025, 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 MULTIYEAR TRANSFORMATION

### Overview

As previously disclosed, Citi's transformation, including the remediation of its consent orders with the FRB and OCC, is a multiyear endeavor that is not linear. Citi is modernizing and simplifying the Company in order to lead in a dynamic, competitive and digital world. Citi's transformation is addressing decades of underinvestment in its infrastructure, going beyond remedying regulatory concerns to intentionally transform how the organization operates, and making investments that not only support current needs, but also benefit the Company over the long term.

Transformation efforts of this scale involve significant complexities and uncertainties, including ongoing regulatory challenges and risks. As discussed in the "Executive Summary" above, on July 10, 2024, the FRB entered into a Civil Money Penalty Consent Order with Citigroup, and the OCC entered into a Civil Money Penalty Consent Order with Citibank (collectively, the 2024 Consent Orders). In addition, the OCC and Citibank entered into an Amendment (the Amendment) to the October 7, 2020 Consent Order. For additional information about the 2024 Consent Orders and the Amendment, see Citi's July 10, 2024 Form 8-K and "Transformation Focus Areas and Status" and "FRB and OCC Consent Orders Compliance" below.

Citi may continue to experience significant challenges in progressing the transformation and satisfying the regulators' expectations in both sufficiency and timing, particularly with regard to data quality management related to governance and regulatory reporting. The regulators may also identify additional risk and control issues that could result in further regulatory actions. For additional information about these regulatory risks, see "Risk Factors—Compliance Risks" below.

Notwithstanding the 2024 Consent Orders and the Amendment, Citi's transformation target outcomes remain focused on changing its business and operating models such that they simultaneously (i) strengthen controls, enhance data quality, reduce risk and improve Citi's regulatory compliance and its culture, and (ii) enhance Citi's value to customers, clients and shareholders.

### Transformation Focus Areas and Status

Over the last several years, Citi has made key investments to, among other things, consolidate and modernize its infrastructure, simplify and automate manual processes, and enhance technology, data and analytics. In particular, Citi's transformation-related expenses include costs related to risk and controls, data and finance programs and other 2020 Consent Order programs, as well as spending on certain other regulatory initiatives unrelated to the 2020 Consent Orders, and spending on enterprise-wide technology infrastructure and the Transformation Bonus Program (see below).

Citi completed significant planning and foundational work for the transformation in 2021 and 2022. In 2023, Citi progressed its transformation efforts into implementation mode and those efforts continued in 2024.

In 2024, Citi's transformation-related expenses increased 1% to approximately \$2.9 billion from the prior year, largely driven by increased spending on certain programs, including data, largely offset by a reduction in the payout under the Transformation Bonus Program.

Citi's transformation initiatives will continue to entail significant investments during 2025 and beyond. Citi's transformation initiatives in 2025 will continue to focus on (i) automating regulatory processes and remediating data quality issues, particularly related to regulatory reporting, and (ii) further strengthening stress testing and resolution and recovery capabilities.

### Progress

Notwithstanding Citi's investments and remediation efforts, as set forth in the FRB's 2024 Civil Money Penalty Consent Order, the FRB found that, based on examinations conducted by the Federal Reserve Bank of New York, Citigroup had ongoing deficiencies related to its data quality management program and inadequate measures for managing and controlling its data quality risks. In addition, as set forth in the OCC's 2024 Civil Money Penalty Consent Order and the Amendment, the OCC deemed that Citibank had failed to make sufficient and sustainable progress toward achieving compliance with the OCC's 2020 Consent Order. As a result, Citi has made changes to its governance and structure of its data program as well as increased the level of investment in the program. For additional information about Citi's transformation investments, see "Transformation Focus Areas and Status" above.

Despite the ongoing regulatory challenges and risks, Citi's transformation progress includes the following:

#### Improved Risk Management

- Closed the 2013 Consent Order with the FRB related to anti-money laundering and Bank Secrecy Act deficiencies
- Built greater efficiency and scale in the risk management of Citi's global spread products business, with 99% of risk computations now occurring on cloud-based infrastructure
- Approximately 90% of derivative trades now subject to full revaluation each month using automated independent price verification
- Approximately 76% of all product data onboarded to strategic data redistribution platforms with stronger data quality controls
- Consolidated four new activity risk management platforms into one modern platform
- Implemented key technology capabilities for target state wholesale credit analysis, simplifying the process and execution of policy requirements
- Faster and more frequent stress testing for geopolitical risks, natural disasters and industry-specific events

#### Modernization

- Retired or replaced 714 legacy applications in 2024 with new, modern applications
- Launched a new regulatory reporting platform with advanced capabilities to improve quality and efficiency

- Scaled automated controls in *Markets*, including transaction monitoring (over 750 million trading records monthly) and Regulation W compliance (approximately 400,000 transactions monthly)
- Consolidated 20 cash equities platforms into one modern platform
- Reduced time to book new or amended loans in North America by over 50%

#### Resiliency

- Improved resiliency and reduced downtime by simplifying system restoration to a single click for approximately 26% of critical applications
- Reduced data center consumption through migration of workload to a private cloud and streamlined and reduced the time involved in the cloud onboarding process from over seven weeks to two weeks
- Upgraded 100% of Citi's more than 2,300 ATMs in North America, Singapore, Hong Kong and the UAE to next-generation software for better customer security and monitoring

#### ***Organizational Simplification***

During the first quarter of 2024, Citi completed its organizational simplification announced in September 2023. The result is a simpler management structure that aligns to and facilitates Citi's strategy, while improving accountability and decision-making. Citi's operating model changes included elimination of the *Institutional Clients Group, Personal Banking and Wealth Management* and *Legacy Franchises* operating segments and resulted in the five current reportable operating segments—*Services, Markets, Banking, Wealth* and *U.S. Personal Banking*—and a new financial reporting structure. Activities not assigned to the reportable operating segments are reflected in *All Other*, including Legacy Franchises and Corporate/Other. Citi also exited certain institutional business lines and consolidated its regional structure from four to two regions, consisting of North America and International. Citi's organizational simplification efforts also assist in advancing the execution of the transformation.

#### **FRB and OCC Consent Orders Compliance**

As previously disclosed, on July 10, 2024, the FRB entered into a Civil Money Penalty Consent Order with Citigroup in the amount of approximately \$61 million, and the OCC entered into a Civil Money Penalty Consent Order with Citibank, a wholly owned subsidiary of Citigroup, in the amount of \$75 million. The OCC and Citibank also entered into an Amendment to the October 7, 2020 OCC Consent Order. The Amendment requires Citibank to formalize a process to determine whether sufficient resources are being appropriately allocated toward achieving timely and sustainable compliance with the OCC's 2020 Consent Order, including any requirements on which Citibank is not making sufficient and sustainable progress (such process, the Resource Review Plan). Copies of the 2024 Consent Orders and the Amendment were included as exhibits to Citi's July 10, 2024 Form 8-K. For additional information regarding the 2024

Consent Orders and the Amendment, see the July 10, 2024 Form 8-K.

As discussed above, Citi's transformation efforts include effective implementation of the October 7, 2020 FRB and OCC Consent Orders issued to Citigroup and Citibank, respectively. The 2020 Consent Orders require Citigroup and Citibank to implement extensive targeted action plans and submit quarterly progress reports on a timely and sufficient basis, detailing the results and status of improvements relating principally to various aspects of (i) enterprise-wide risk management, (ii) compliance risk management, (iii) data quality management related to governance, and (iv) internal controls. Citi continues to work constructively with the FRB and OCC and provide additional information regarding its plans and progress to both regulators on an ongoing basis. Citi will continue to reflect their feedback in its project plans and execution efforts. Although there are no restrictions on Citi's ability to serve its clients, the 2020 OCC Consent Order requires Citibank to obtain prior approval of any significant new acquisition, including any portfolio or business acquisition, excluding ordinary course transactions. For additional information about the requirements under the 2020 Consent Orders, see Citi's Current Report on Form 8-K filed with the SEC on October 9, 2020.

#### **Governance**

Citi has built an organization and infrastructure to manage, guide and support its transformation, which spans all businesses and functions to ensure consistency. Additionally, the Citigroup and Citibank Boards of Directors each formed a Transformation Oversight Committee, an ad hoc committee of each Board, to provide oversight of Citi's efforts to improve its risk and control environment and management's remediation efforts under the consent orders.

While every member of Citi's executive management team, or EMT, is involved in the transformation and plays a key, direct role in its implementation, Citi's CEO has taken a leading role in managing the effort. As part of this effort, Citi's CEO has assembled a team consisting of long-tenured employees and new hires from across various disciplines and areas of expertise and experience, along with representatives from each of Citi's businesses and functions, to lead the various transformation programs. Citi is focusing the Company's most senior talent on this effort and has a detailed, integrated approach to execute on the transformation. Citi's Transformation Steering Committee, chaired by Citi's CEO, sets the overall direction for the transformation and communicates progress to the Citigroup Board of Directors, as well as seeks input and feedback from the Board.

In 2023, Citi appointed a Chief Operating Officer, who reports to the CEO and is responsible for running Citi's overall transformation efforts, as well as leading Citi's efforts to improve operating efficiency and returns along with Citi's enterprise-wide effort to strengthen its risk and controls and data quality, and modernize infrastructure, while simplifying the Company. In 2024, Citi hired a new Head of Technology and Business Enablement, who reports to the CEO and works closely with Citi's transformation team to drive improvements to data quality and modernize infrastructure, while driving simplification and automation across Citi.



**Transformation Bonus Program**

In 2021, the Compensation, Performance Management and Culture Committee (the Compensation Committee) of Citigroup's Board of Directors approved a long-term performance-based bonus program to incentivize effective execution in connection with the transformation and remediation of the consent orders and to drive change in Citi's risk and control environment and culture (the Transformation Bonus Program, or the Program). There are approximately 200 senior employees who were deemed critical to the execution of the transformation and are therefore eligible for the Program.

Performance is measured, and the bonus, if any, payable pursuant to the Transformation Bonus Program is paid in three tranches, each representing a separate performance period.

Well-defined goals and related metrics are established for each of the three tranches, which may reflect qualitative considerations, including regulatory actions. At the end of each year, the Compensation Committee determines the appropriate level of payout given the accomplishments for the performance period relative to the specific goals and related metrics. The maximum portion of the bonus payable for each tranche was 25% for the first tranche, 25% for the second tranche and is 50% for the third tranche.

For additional information on the Transformation Bonus Program, including the Compensation Committee's determination with respect to performance metrics, targets and achievements for the first and second performance measurement periods under the Program, see "Citi's Multiyear Transformation" in Citi's Second Quarter of 2024 Form 10-Q and Citi's 2024 Proxy Statement for Citigroup's Annual Meeting of Stockholders. For additional information on the Compensation Committee's determination with respect to performance metrics, targets and achievements for the third performance measurement period under the Program covering calendar year 2024, see Citi's upcoming 2025 Annual Meeting Proxy Statement to be filed with the SEC in March 2025.

## RESULTS OF OPERATIONS

### SUMMARY OF SELECTED FINANCIAL DATA

<i>In millions of dollars, except per share amounts</i>	2024	2023	2022	2021	2020
Net interest income	\$ 54,095	\$ 54,900	\$ 48,668	\$ 42,494	\$ 44,751
Non-interest revenue	27,044	23,562	26,670	29,390	30,750
<b>Revenues, net of interest expense</b>	<b>\$ 81,139</b>	<b>\$ 78,462</b>	<b>\$ 75,338</b>	<b>\$ 71,884</b>	<b>\$ 75,501</b>
Operating expenses	53,984	56,366	51,292	48,193	44,374
Provisions for credit losses and for benefits and claims	10,109	9,186	5,239	(3,778)	17,495
<b>Income from continuing operations before income taxes</b>	<b>\$ 17,046</b>	<b>\$ 12,910</b>	<b>\$ 18,807</b>	<b>\$ 27,469</b>	<b>\$ 13,632</b>
Income taxes	4,211	3,528	3,642	5,451	2,525
<b>Income from continuing operations</b>	<b>\$ 12,835</b>	<b>\$ 9,382</b>	<b>\$ 15,165</b>	<b>\$ 22,018</b>	<b>\$ 11,107</b>
<b>Income (loss) from discontinued operations, net of taxes</b>	<b>(2)</b>	<b>(1)</b>	<b>(231)</b>	<b>7</b>	<b>(20)</b>
<b>Net income before attribution of noncontrolling interests</b>	<b>\$ 12,833</b>	<b>\$ 9,381</b>	<b>\$ 14,934</b>	<b>\$ 22,025</b>	<b>\$ 11,087</b>
Net income attributable to noncontrolling interests	151	153	89	73	40
<b>Citigroup's net income</b>	<b>\$ 12,682</b>	<b>\$ 9,228</b>	<b>\$ 14,845</b>	<b>\$ 21,952</b>	<b>\$ 11,047</b>
<b>Earnings per share</b>					
<b>Basic</b>					
Income from continuing operations	\$ 6.03	\$ 4.07	\$ 7.16	\$ 10.21	\$ 4.75
Net income	6.03	4.07	7.04	10.21	4.74
<b>Diluted</b>					
Income from continuing operations	\$ 5.95	\$ 4.04	\$ 7.11	\$ 10.14	\$ 4.73
Net income	5.94	4.04	7.00	10.14	4.72
<b>Dividends declared per common share</b>	<b>2.18</b>	<b>2.08</b>	<b>2.04</b>	<b>2.04</b>	<b>2.04</b>
Common dividends	\$ 4,218	\$ 4,076	\$ 4,028	\$ 4,196	\$ 4,299
Preferred dividends	1,054	1,198	1,032	1,040	1,095
Common share repurchases	2,500	2,000	3,250	7,600	2,925

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 or as otherwise noted</i>	2024	2023	2022	2021	2020
<b>At December 31:</b>					
Total assets	\$ 2,352,945	\$ 2,411,834	\$ 2,416,676	\$ 2,291,413	\$ 2,260,090
Total deposits	1,284,458	1,308,681	1,365,954	1,317,230	1,280,671
Long-term debt	287,300	286,619	271,606	254,374	271,686
Citigroup common stockholders' equity	190,748	187,853	182,194	182,977	179,962
Total Citigroup stockholders' equity	208,598	205,453	201,189	201,972	199,442
Average assets	2,468,431	2,442,233	2,396,023	2,347,709	2,226,454
Direct staff (in thousands)	229	239	240	223	210
<b>Performance metrics</b>					
Return on average assets	0.51 %	0.38 %	0.62 %	0.94 %	0.50 %
Return on average common stockholders' equity <sup>(1)</sup>	6.1	4.3	7.7	11.5	5.7
Return on average total stockholders' equity <sup>(1)</sup>	6.1	4.5	7.5	10.9	5.7
Return on tangible common equity (RoTCE) <sup>(2)</sup>	7.0	4.9	8.9	13.4	6.6
Operating leverage <sup>(3)</sup>	764 bps	(575) bps	(163) bps	(1,340) bps	(314) bps
Efficiency ratio (total operating expenses/total revenues, net)	66.5	71.8	68.1	67.0	58.8
<b>Basel III ratios</b>					
CET1 Capital <sup>(4)</sup>	13.63 %	13.37 %	13.03 %	12.25 %	11.51 %
Tier 1 Capital <sup>(4)</sup>	15.31	15.02	14.80	13.91	13.06
Total Capital <sup>(4)</sup>	15.42	15.13	15.46	16.04	15.33
Supplementary Leverage ratio	5.85	5.82	5.82	5.73	6.99
Citigroup common stockholders' equity to assets	8.11 %	7.79 %	7.54 %	7.99 %	7.96 %
Total Citigroup stockholders' equity to assets	8.87	8.52	8.33	8.81	8.82
Dividend payout ratio <sup>(5)</sup>	37	51	29	20	43
Total payout ratio <sup>(6)</sup>	58	76	53	56	73
Book value per common share	\$ 101.62	\$ 98.71	\$ 94.06	\$ 92.21	\$ 86.43
Tangible book value per share (TBVPS) <sup>(2)</sup>	89.34	86.19	81.65	79.16	73.67

- (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) Represents the year-over-year growth rate in basis points (bps) of *Total revenues, net of interest expense* less the year-over-year growth rate of *Total operating expenses*. Positive operating leverage indicates that the revenue growth rate was greater than the expense growth rate.
- (4) Citi's binding CET1 Capital and Tier 1 Capital ratios were derived under the Basel III Standardized Approach as of December 31, 2024, 2023, 2022 and 2021, 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.
- (5) Dividends declared per common share as a percentage of net income per diluted share.
- (6) 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

In millions of dollars	2024	2023	2022	% Change 2024 vs. 2023	% Change 2023 vs. 2022
<b>Services</b>	\$ 19,649	\$ 18,102	\$ 15,665	9 %	16 %
<b>Markets</b>	19,836	18,649	19,945	6	(6)
<b>Banking</b>	6,201	4,715	5,527	32	(15)
<b>Wealth</b>	7,512	7,021	7,355	7	(5)
<b>USPB</b>	20,374	19,187	16,872	6	14
<b>All Other—managed basis<sup>(1)</sup></b>	7,541	9,442	9,120	(20)	4
<b>All Other—divestiture-related impacts (Reconciling Items)<sup>(1)</sup></b>	26	1,346	854	(98)	58
<b>Total Citigroup net revenues</b>	\$ 81,139	\$ 78,462	\$ 75,338	3 %	4 %

### INCOME

In millions of dollars	2024	2023	2022	% Change 2024 vs. 2023	% Change 2023 vs. 2022
<b>Income (loss) from continuing operations</b>					
<b>Services</b>	\$ 6,584	\$ 4,701	\$ 4,948	40 %	(5)%
<b>Markets</b>	5,005	3,938	5,852	27	(33)
<b>Banking</b>	1,529	(31)	334	NM	NM
<b>Wealth</b>	1,002	419	995	139	(58)
<b>USPB</b>	1,382	1,820	2,770	(24)	(34)
<b>All Other—managed basis<sup>(1)</sup></b>	(2,460)	(2,124)	450	(16)	NM
<b>All Other—divestiture-related impacts (Reconciling Items)<sup>(1)</sup></b>	(207)	659	(184)	NM	NM
<b>Income from continuing operations</b>	\$ 12,835	\$ 9,382	\$ 15,165	37 %	(38)%
<b>Discontinued operations</b>	\$ (2)	\$ (1)	\$ (231)	(100)%	100 %
<b>Less: Net income attributable to noncontrolling interests</b>	151	153	89	(1)	72
<b>Citigroup's net income</b>	\$ 12,682	\$ 9,228	\$ 14,845	37 %	(38)%

(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 IPO of Mexico Consumer/SBMM 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<sup>(1)</sup>—DECEMBER 31, 2024**

<i>In millions of dollars</i>	<b>Services</b>	<b>Markets</b>	<b>Banking</b>	<b>Wealth</b>	<b>USPB</b>	<b>All Other and consolidating eliminations<sup>(2)</sup></b>	<b>Citigroup parent company- issued long-term debt<sup>(3)</sup></b>	<b>Total Citigroup consolidated</b>
Cash and deposits with banks, net of allowance	\$ 15,281	\$ 80,175	\$ 1,350	\$ 1,858	\$ 2,975	\$ 174,893	—	\$ 276,532
Securities borrowed and purchased under agreements to resell, net of allowance	8,886	262,130	—	360	—	2,686	—	274,062
Trading account assets	49	428,656	831	1,126	292	11,793	—	442,747
Investments, net of allowance	606	120,107	937	1	—	355,006	—	476,657
Loans, net of unearned income and allowance for credit losses on loans	87,596	124,253	80,915	146,988	207,571	28,591	—	675,914
Deposits	\$ 807,002	\$ 12,713	\$ 564	\$ 312,795	\$ 89,432	\$ 61,952	—	\$ 1,284,458
Securities loaned and sold under agreements to repurchase	552	251,852	—	48	—	2,303	—	254,755
Trading account liabilities	1,067	132,097	4	328	193	157	—	133,846
Short-term borrowings	117	43,439	2	2	—	4,945	—	48,505
Long-term debt <sup>(3)</sup>	—	93,138	—	392	—	29,746	164,024	287,300

- (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.

## SERVICES

*Services* includes Treasury and Trade Solutions (TTS) and Securities Services. TTS provides an integrated suite of tailored cash management, payments and trade and working capital solutions to multinational corporations, financial institutions and public sector organizations. Securities Services provides a comprehensive product offering, connecting clients to global markets across the entire investment cycle, including 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 spreads and fees associated with these activities. *Services* earns spread revenue through generating deposits, as well as interest on loans. Revenue generated from these activities is primarily recorded in *Net interest income*. Fee income is earned 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 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 also 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, 2024, *Services* had \$584 billion in assets and \$807 billion in deposits. Securities Services managed \$25.4 trillion in assets under custody and administration, of which Citi provided both custody and administrative services to certain clients related to \$1.9 trillion of such assets.

<i>In millions of dollars, except as otherwise noted</i>	2024	2023	2022	% Change 2024 vs. 2023	% Change 2023 vs. 2022
Net interest income (including dividends)	\$ 13,423	\$ 13,251	\$ 10,365	1 %	28 %
Fee revenue					
Commissions and fees	3,327	3,125	2,887	6	8
Administration and other fiduciary fees, and other	2,716	2,501	2,483	9	1
Total fee revenue	\$ 6,043	\$ 5,626	\$ 5,370	7 %	5 %
Principal transactions	959	1,006	854	(5)	18
All other <sup>(1)</sup>	(776)	(1,781)	(924)	56	(93)
Total non-interest revenue	\$ 6,226	\$ 4,851	\$ 5,300	28 %	(8)%
<b>Total revenues, net of interest expense</b>	<b>\$ 19,649</b>	<b>\$ 18,102</b>	<b>\$ 15,665</b>	<b>9 %</b>	<b>16 %</b>
Total operating expenses	\$ 10,599	\$ 10,031	\$ 8,734	6 %	15 %
Net credit losses on loans	48	40	51	20	(22)
Credit reserve build (release) for loans	(130)	47	128	NM	(63)
Provision for credit losses on unfunded lending commitments	17	(18)	24	NM	NM
Provisions for credit losses on other assets and HTM debt securities	341	881	4	(61)	NM
Provision (release) for credit losses	\$ 276	\$ 950	\$ 207	(71)%	NM
Income from continuing operations before taxes	\$ 8,774	\$ 7,121	\$ 6,724	23 %	6 %
Income taxes	2,190	2,420	1,776	(10)	36
<b>Income from continuing operations</b>	<b>\$ 6,584</b>	<b>\$ 4,701</b>	<b>\$ 4,948</b>	<b>40 %</b>	<b>(5)%</b>
Noncontrolling interests	101	66	36	53	83
<b>Net income</b>	<b>\$ 6,483</b>	<b>\$ 4,635</b>	<b>\$ 4,912</b>	<b>40 %</b>	<b>(6)%</b>
<b>Balance Sheet data (in billions of dollars)</b>					
EOP assets	\$ 584	\$ 586	\$ 600	— %	(2)%
Average assets	586	583	546	1	7
Efficiency ratio	54 %	55 %	56 %		
<b>Revenue by component</b>					
Net interest income	\$ 10,923	\$ 11,085	\$ 8,884	(1)%	25 %
Non-interest revenue	3,609	2,631	2,954	37	(11)
<b>Treasury and Trade Solutions (TTS)</b>	<b>\$ 14,532</b>	<b>\$ 13,716</b>	<b>\$ 11,838</b>	<b>6 %</b>	<b>16 %</b>
Net interest income	\$ 2,500	\$ 2,166	\$ 1,481	15 %	46 %
Non-interest revenue	2,617	2,220	2,346	18	(5)
<b>Securities Services</b>	<b>\$ 5,117</b>	<b>\$ 4,386</b>	<b>\$ 3,827</b>	<b>17 %</b>	<b>15 %</b>
<b>Total Services</b>	<b>\$ 19,649</b>	<b>\$ 18,102</b>	<b>\$ 15,665</b>	<b>9 %</b>	<b>16 %</b>

<b>Revenue by geography</b>							
North America	\$	<b>5,415</b>	\$	5,131	\$	4,782	<b>6 %</b>
International		<b>14,234</b>		12,971		10,883	<b>10</b>
Total	\$	<b>19,649</b>	\$	18,102	\$	15,665	<b>9 %</b>
<b>International revenue by cluster</b>							
United Kingdom	\$	<b>1,972</b>	\$	1,811	\$	1,426	<b>9 %</b>
Japan, Asia North and Australia (JANA)		<b>2,678</b>		2,469		2,097	<b>8</b>
LATAM		<b>2,734</b>		2,512		2,193	<b>9</b>
Asia South		<b>2,428</b>		2,161		1,779	<b>12</b>
Europe		<b>2,283</b>		2,231		1,763	<b>2</b>
Middle East and Africa (MEA)		<b>2,139</b>		1,787		1,625	<b>20</b>
Total	\$	<b>14,234</b>	\$	12,971	\$	10,883	<b>10 %</b>
<b>Key drivers<sup>(2)</sup></b>							
<b>Average loans by component (in billions of dollars)</b>							
TTS	\$	<b>84</b>	\$	80	\$	80	<b>5 %</b>
Securities Services		<b>1</b>		1		2	—
<b>Total</b>	\$	<b>85</b>	\$	81	\$	82	<b>5 %</b>
ACLL as a percentage of EOP loans <sup>(3)</sup>							
<b>Average deposits by component (in billions of dollars)</b>							
TTS	\$	<b>689</b>	\$	688	\$	676	— %
Securities Services		<b>130</b>		123		133	<b>6</b>
<b>Total</b>	\$	<b>819</b>	\$	811	\$	809	<b>1 %</b>
<b>Cross-border transaction value (in billions of dollars)</b>							
<b>U.S. dollar clearing volume (in millions)<sup>(4)</sup></b>							
<b>Commercial card spend volume (in billions of dollars)</b>							
	\$	<b>379.7</b>	\$	358.0	\$	311.6	<b>6 %</b>
		<b>168.0</b>		157.3		148.6	<b>7</b>
	\$	<b>70.4</b>	\$	66.8	\$	57.4	<b>5</b>

- (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.
- (4) Represents the number of U.S. dollar clearing payment instructions processed on behalf of U.S. and foreign-domiciled entities (primarily financial institutions).

NM Not meaningful

## 2024 vs. 2023

*Net income* of \$6.5 billion increased 40%, driven by higher revenues and lower cost of credit, partially offset by higher expenses.

*Revenues* increased 9%, driven by higher non-interest revenue in TTS and Securities Services, as well as higher net interest income. Excluding the impact of the Argentina currency devaluation (approximately \$(178) million, compared to approximately \$(1.2) billion in the prior year), revenues increased 3%.

*Non-interest revenue* increased 28%, largely due to the smaller impact from the Argentina currency devaluation. Excluding the impact of the Argentina currency devaluation, non-interest revenue increased 5%, driven by continued strength across underlying fee drivers in TTS and Securities Services. Net interest income increased 1%, as the benefit of higher deposit and loan volumes was largely offset by a decline in interest rates in Argentina. Average deposits increased 1%, primarily driven by growth in Securities Services. Citi continued to increase operating deposits in both TTS and Securities Services.

TTS revenues increased 6%, primarily driven by a 37% increase in non-interest revenue, partially offset by a 1%

decrease in net interest income. The increase in non-interest revenue was largely driven by the smaller impact from the Argentina currency devaluation (approximately \$(164) million, compared to approximately \$(1.0) billion in the prior year). Excluding the Argentina currency devaluation, non-interest revenue grew 3%, reflecting growth in underlying fee drivers, including cross-border transaction value (up 6%), U.S. dollar clearing volume (up 7%) and commercial card spend volume (up 5%). The decrease in net interest income was primarily driven by the decline in interest rates in Argentina. Average deposits were largely unchanged, as growth in International was offset by a decrease in North America. For additional information about Citi's exposure in Argentina, see "Managing Global Risk—Other Risk—Country Risk—Argentina" below.

Securities Services revenues increased 17%, driven by a 15% increase in net interest income, primarily due to higher spreads and volumes, and an 18% increase in non-interest revenue. The increase in spreads was driven by higher interest rates and deposit mix across currencies. Average deposits increased 6%, driven by growth in both North America and International. The growth in non-interest revenue was primarily driven by increased fees from higher AUC/AUA

balances and continued elevated levels of corporate activity in Issuer Services, as well as the smaller impact from the Argentina currency devaluation. AUC/AUA balances increased 8%, benefiting from higher market valuations, new client onboarding and deepening share of existing client wallet.

*Expenses* increased 6%, primarily driven by continued investments in technology and platform modernization, other risk and controls and product innovation, as well as an Argentina-related transaction tax expense and higher legal expenses, partially offset by the impact of productivity savings.

*Provisions* were \$276 million, compared to \$950 million in the prior year, primarily driven by a lower ACL build on other assets.

The net ACL build was \$228 million, compared to \$910 million in the prior year. The lower net ACL build was primarily due to a smaller build for transfer risk associated with exposures outside the U.S., 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—Credit Risk—Loans" and "Managing Global Risk—Liquidity Risk—Deposits" below.

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

## 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 and prime brokerage.

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*. *Fee revenue* is earned through providing clients with a range of services including but not limited to trading, financing, brokerage, securitization and underwriting. *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>	2024	2023	2022	% Change 2024 vs. 2023	% Change 2023 vs. 2022
Net interest income (including dividends)	\$ 7,005	\$ 7,233	\$ 5,768	(3)%	25 %
Fee revenue					
Brokerage and fees	1,402	1,381	1,452	2	(5)
Investment banking fees <sup>(1)</sup>	426	392	482	9	(19)
Other <sup>(2)</sup>	238	147	138	62	7
Total fee revenue	\$ 2,066	\$ 1,920	\$ 2,072	8 %	(7)%
Principal transactions	11,201	10,472	12,994	7	(19)
All other <sup>(2)</sup>	(436)	(976)	(889)	55	(10)
Total non-interest revenue	\$ 12,831	\$ 11,416	\$ 14,177	12 %	(19)%
<b>Total revenues, net of interest expense<sup>(3)</sup></b>	<b>\$ 19,836</b>	<b>\$ 18,649</b>	<b>\$ 19,945</b>	<b>6 %</b>	<b>(6)%</b>
Total operating expenses	\$ 13,202	\$ 13,258	\$ 12,453	— %	6 %
Net credit losses (recoveries) on loans	168	32	(4)	425	NM
Credit reserve build (release) for loans	213	202	50	5	NM
Provision (release) for credit losses on unfunded lending commitments	17	5	3	240	67
Provisions for credit losses on other assets and HTM debt securities	65	199	68	(67)	NM
Provision (release) for credit losses	463	438	117	6 %	NM
Income (loss) from continuing operations before taxes	\$ 6,171	\$ 4,953	\$ 7,375	25 %	(33)%
Income taxes (benefits)	1,166	1,015	1,523	15	(33)
<b>Income (loss) from continuing operations</b>	<b>\$ 5,005</b>	<b>\$ 3,938</b>	<b>\$ 5,852</b>	<b>27 %</b>	<b>(33)%</b>
Noncontrolling interests	75	67	52	12	29
<b>Net income (loss)</b>	<b>\$ 4,930</b>	<b>\$ 3,871</b>	<b>\$ 5,800</b>	<b>27 %</b>	<b>(33)%</b>
<b>Balance Sheet data (in billions of dollars)</b>					
EOP assets	\$ 949	\$ 1,008	\$ 963	(6)%	5 %
Average assets	1,063	1,026	999	4	3
Efficiency ratio	67 %	71 %	62 %		
<b>Revenue by component</b>					
Fixed Income Markets	\$ 14,750	\$ 14,612	\$ 15,494	1 %	(6)%
Equity Markets	5,086	4,037	4,451	26	(9)
<b>Total</b>	<b>\$ 19,836</b>	<b>\$ 18,649</b>	<b>\$ 19,945</b>	<b>6 %</b>	<b>(6)%</b>

Rates and currencies	\$ 10,152	\$ 10,794	\$ 11,462	(6)%	(6)%
Spread products/other fixed income	\$ 4,598	\$ 3,818	\$ 4,032	20	(5)
<b>Total Fixed Income Markets revenues</b>	<b>\$ 14,750</b>	<b>\$ 14,612</b>	<b>\$ 15,494</b>	<b>1 %</b>	<b>(6)%</b>
<b>Revenue by geography</b>					
North America	\$ 7,562	\$ 6,839	\$ 6,726	11 %	2 %
International	\$ 12,274	\$ 11,810	\$ 13,219	4	(11)
<b>Total</b>	<b>\$ 19,836</b>	<b>\$ 18,649</b>	<b>\$ 19,945</b>	<b>6 %</b>	<b>(6)%</b>
<b>International revenue by cluster</b>					
United Kingdom	\$ 4,099	\$ 4,383	\$ 5,650	(6)%	(22)%
Japan, Asia North and Australia (JANA)	\$ 2,546	\$ 2,370	\$ 2,401	7	(1)
LATAM	\$ 1,962	\$ 1,444	\$ 1,584	36	(9)
Asia South	\$ 1,618	\$ 1,404	\$ 1,388	15	1
Europe	\$ 935	\$ 1,086	\$ 913	(14)	19
Middle East and Africa (MEA)	\$ 1,114	\$ 1,123	\$ 1,283	(1)	(12)
<b>Total</b>	<b>\$ 12,274</b>	<b>\$ 11,810</b>	<b>\$ 13,219</b>	<b>4 %</b>	<b>(11)%</b>
<b>Key drivers<sup>(4)</sup> (in billions of dollars)</b>					
Average loans	\$ 120	\$ 110	\$ 111	9 %	(1)%
NCLs as a percentage of average loans	0.14 %	0.03 %	— %		
ACLL as a percentage of EOP loans <sup>(5)</sup>	0.88 %	0.71 %	0.58 %		
Average trading account assets	\$ 436	\$ 379	\$ 334	15	13
Average deposits	\$ 21	\$ 23	\$ 21	(9)	10

- (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

## 2024 vs. 2023

*Net income* of \$4.9 billion increased 27%, driven by higher revenues, partially offset by higher cost of credit.

*Revenues* increased 6%, driven by higher Equity Markets and Fixed Income Markets revenues. Citi expects that revenues in its *Markets* businesses will reflect the overall market environment during 2025.

Fixed Income Markets revenues increased 1%, driven by spread products and other fixed income, partially offset by lower revenues in rates and currencies. Rates and currencies revenues decreased 6%, largely reflecting lower volatility and a strong prior-year performance, partially offset by the smaller impact of the Argentina currency devaluation. Spread products and other fixed income revenues increased 20%, largely driven by increased client activity due to growth in asset-backed financing, securitization activity and underwriting fees. These increases were partially offset by a decline in commodities revenues on lower overall volatility.

Equity Markets revenues increased 26%, driven by growth in cash equities due to higher client activity and volumes. The increase in revenues was also due to growth in equity derivative revenues on higher volatility, which also included the impact from an episodic gain related to the Visa B exchange. The increase in revenues was also driven by growth in prime services, as Equity Markets continued to experience an increase in prime balances.

*Expenses* were largely unchanged, as higher legal expenses and higher volume-related expenses were offset by productivity savings.

*Provisions* were \$463 million, compared to \$438 million in the prior year, primarily driven by higher net credit losses, partially offset by a lower ACL build on other assets.

Net credit losses were \$168 million, compared to \$32 million in the prior year, largely driven by higher losses on loans in spread products.

The net ACL build was \$295 million, compared to a net build of \$406 million in the prior year. The lower net ACL build was primarily due to a smaller build for transfer risk associated with exposures outside the U.S., 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—Credit Risk—Loans" and "Managing Global Risk—Liquidity Risk—Deposits" below.

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

## 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 and loan syndication structuring, 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 for Citi's full product suite to clients.

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

At December 31, 2024, *Banking* had \$143 billion in assets including \$82 billion in loans and \$0.6 billion in deposits.

<i>In millions of dollars, except as otherwise noted</i>	2024	2023	2022	% Change 2024 vs. 2023	% Change 2023 vs. 2022
Net interest income (including dividends)	\$ 2,157	\$ 2,161	\$ 2,130	— %	1 %
Fee revenue					
Investment banking fees <sup>(1)</sup>	3,857	2,713	3,052	42	(11)
Other	174	160	175	9	(9)
Total fee revenue	\$ 4,031	\$ 2,873	\$ 3,227	40 %	(11)%
Principal transactions	(759)	(938)	(133)	19	NM
All other <sup>(2)</sup>	772	619	303	25	NM
Total non-interest revenue	\$ 4,044	\$ 2,554	\$ 3,397	58 %	(25)%
<b>Total revenues, net of interest expense</b>	<b>6,201</b>	<b>4,715</b>	<b>5,527</b>	<b>32</b>	<b>(15)</b>
Total operating expenses	\$ 4,477	\$ 4,877	\$ 4,460	(8)%	9 %
Net credit losses on loans	149	169	107	(12)	58
Credit reserve build (release) for loans	(200)	(345)	321	42	NM
Provision (release) for credit losses on unfunded lending commitments	(128)	(354)	158	64	NM
Provisions (releases) for credit losses on other assets and HTM debt securities	(45)	387	18	NM	NM
Provisions (releases) for credit losses	\$ (224)	\$ (143)	\$ 604	(57)%	NM
Income (loss) from continuing operations before taxes	\$ 1,948	\$ (19)	\$ 463	NM	NM
Income taxes (benefits)	419	12	129	NM	(91)%
<b>Income (loss) from continuing operations</b>	<b>\$ 1,529</b>	<b>\$ (31)</b>	<b>\$ 334</b>	<b>NM</b>	<b>NM</b>
Noncontrolling interests	5	4	(3)	25 %	NM
<b>Net income (loss)</b>	<b>\$ 1,524</b>	<b>\$ (35)</b>	<b>\$ 337</b>	<b>NM</b>	<b>NM</b>
<b>Balance Sheet data (in billions of dollars)</b>					
EOP assets	\$ 143	\$ 148	\$ 152	(3)%	(3)%
Average assets	152	153	159	(1)	(4)
Efficiency ratio	72 %	103 %	81 %		
<b>Revenue by component</b>					
Total Investment Banking	\$ 3,637	\$ 2,632	\$ 2,608	38 %	1 %
Corporate Lending (excluding gain (loss) on loan hedges) <sup>(2)(3)</sup>	2,744	2,526	2,612	9	(3)
<b>Total <i>Banking</i> revenues (excluding gain (loss) on loan hedges)<sup>(2)(3)</sup></b>	<b>\$ 6,381</b>	<b>\$ 5,158</b>	<b>\$ 5,220</b>	<b>24 %</b>	<b>(1)%</b>
Gain (loss) on loan hedges <sup>(2)(3)</sup>	(180)	(443)	307	59	NM
<b>Total <i>Banking</i> revenues (including gain (loss) on loan hedges)<sup>(2)(3)</sup></b>	<b>\$ 6,201</b>	<b>\$ 4,715</b>	<b>\$ 5,527</b>	<b>32 %</b>	<b>(15)%</b>
<b>Business metrics—investment banking fees</b>					
Advisory	\$ 1,245	\$ 1,017	\$ 1,332	22 %	(24)%
Equity underwriting (Equity Capital Markets (ECM))	688	500	621	38	(19)
Debt underwriting (Debt Capital Markets (DCM))	1,924	1,196	1,099	61	9
Total	\$ 3,857	\$ 2,713	\$ 3,052	42 %	(11)%
<b>Revenue by geography</b>					
North America	\$ 3,097	\$ 1,898	\$ 2,563	63 %	(26)%

<b>International</b>	<b>3,104</b>	<b>2,817</b>	<b>2,964</b>	<b>10</b>	<b>(5)</b>
Total	\$ 6,201	\$ 4,715	\$ 5,527	32 %	(15)%
<b>International revenue by cluster</b>					
United Kingdom	\$ 686	\$ 637	\$ 635	8 %	— %
Japan, Asia North and Australia (JANA)	524	591	662	(11)	(11)
LATAM	662	522	502	27	4
Asia South	411	381	423	8	(10)
Europe	588	498	468	18	6
Middle East and Africa (MEA)	233	188	274	24	(31)
Total	\$ 3,104	\$ 2,817	\$ 2,964	10 %	(5)%
<b>Key drivers<sup>(4)</sup> (in billions of dollars)</b>					
Average loans	\$ 88	\$ 92	\$ 100	(4)%	(8)%
NCLs as a percentage of average loans	0.17 %	0.18 %	0.11 %		
ACLL as a percentage of EOP loans <sup>(5)</sup>	1.42 %	1.59 %	1.88 %		
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 are non-GAAP financial measures.  
(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.*

## 2024 vs. 2023

*Net income* was \$1.5 billion, compared to a net loss of \$35 million in the prior year, driven by higher revenues, lower expenses and a higher benefit from cost of credit.

*Revenues* increased 32% (including losses on loan hedges), reflecting higher Investment Banking and Corporate Lending revenues, along with a lower loss on loan hedges (\$180 million versus \$443 million in the prior year). Excluding the impact of losses on loan hedges, *Banking* revenues increased 24%.

*Investment Banking* revenues increased 38%, reflecting a 42% increase in investment banking fees, due to a rebound in overall wallet activity and wallet share gains across all products. DCM underwriting fees increased 61%, benefiting from near record debt issuance, particularly in investment grade and higher leveraged finance activity. Advisory fees increased 22%, due to strong announced deal volume from earlier in the year coming to fruition as those transactions closed. Equity underwriting fees increased 38%, due to stronger follow-on and convertibles activity.

*Corporate Lending* revenues increased 23%, including the impact of gain (loss) on loan hedges. Excluding the impact of losses on loan hedges, *Corporate Lending* revenues increased 9%, primarily driven by a smaller impact from the currency devaluation in Argentina.

*Expenses* decreased 8%, primarily driven by benefits of prior repositioning actions and other actions to lower the

expense base, partially offset by higher volume-related expenses.

*Provisions* reflected a benefit of \$224 million, compared to a benefit of \$143 million in the prior year, primarily driven by an ACL release on other assets.

The net ACL release was \$373 million, compared to a net release of \$312 million in the prior year, primarily due to lower transfer risk associated with exposures outside the U.S., driven by safety and soundness considerations under U.S. banking law. The net ACL releases on loans and unfunded lending commitments in 2024 were primarily driven by improved macroeconomic conditions.

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—Credit Risk—Loans" and "Managing Global Risk—Liquidity Risk—Deposits" below.

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

## WEALTH

*Wealth* includes the Private Bank, Wealth at Work and Citigold businesses 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 and Citigold Private Client provide financial services to affluent and high net worth clients through elevated product offerings and financial relationships.

At December 31, 2024, *Wealth* had \$313 billion in deposits, \$587 billion in client investment assets and \$148 billion in loans, including \$89 billion in mortgage loans, \$29 billion in margin loans, \$24 billion in personal, small business and other loans and \$5 billion in outstanding credit card balances. In addition, *Wealth* had net new investment asset flows of \$42 billion during 2024. 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>	2024	2023	2022	% Change 2024 vs. 2023	% Change 2023 vs. 2022
Net interest income	\$ 4,508	\$ 4,413	\$ 4,681	2 %	(6)%
Fee revenue					
Commissions and fees	1,409	1,204	1,206	17	—
Other <sup>(1)</sup>	949	802	858	18	(7)
Total fee revenue	\$ 2,358	\$ 2,006	\$ 2,064	18 %	(3)%
All other <sup>(2)</sup>	646	602	610	7	(1)
Total non-interest revenue	\$ 3,004	\$ 2,608	\$ 2,674	15 %	(2)%
<b>Total revenues, net of interest expense</b>	<b>7,512</b>	7,021	7,355	7	(5)
Total operating expenses	\$ 6,355	\$ 6,485	\$ 5,912	(2)%	10 %
Net credit losses on loans	121	98	103	23	(5)
Credit reserve build (release) for loans	(236)	(85)	190	(178)	NM
Provision (release) for credit losses on unfunded lending commitments	(9)	(12)	12	25	NM
Provisions for benefits and claims (PBC), and other assets	(2)	(4)	2	50	NM
Provisions (releases) for credit losses and PBC	\$ (126)	\$ (3)	\$ 307	NM	NM
Income from continuing operations before taxes	\$ 1,283	\$ 539	\$ 1,136	138 %	(53)%
Income taxes	281	120	141	134	(15)
<b>Income from continuing operations</b>	<b>\$ 1,002</b>	\$ 419	\$ 995	139 %	(58)%
Noncontrolling interests	—	—	—	—	—
<b>Net income</b>	<b>\$ 1,002</b>	\$ 419	\$ 995	139 %	(58)%
<b>Balance Sheet data (in billions of dollars)</b>					
EOP assets	\$ 224	\$ 229	\$ 256	(2)%	(11)%
Average assets	231	244	256	(5)	(5)
Efficiency ratio	85 %	92 %	80 %		
<b>Revenue by component</b>					
Private Bank	\$ 2,386	\$ 2,332	\$ 2,811	2 %	(17)%
Wealth at Work	876	862	730	2	18
Citigold	4,250	3,827	3,814	11	—
Total	\$ 7,512	\$ 7,021	\$ 7,355	7 %	(5)%
<b>Revenue by geography</b>					
North America	\$ 3,628	\$ 3,615	\$ 3,927	— %	(8)%
International	3,884	3,406	3,428	14	(1)
Total	\$ 7,512	\$ 7,021	\$ 7,355	7 %	(5)%

<b>International revenue by cluster</b>							
United Kingdom	\$	<b>336</b>	\$	288	\$	356	17 %
Japan, Asia North and Australia (JANA)		<b>1,365</b>		1,152		1,159	<b>18</b>
LATAM		<b>129</b>		118		203	<b>9</b>
Asia South		<b>1,369</b>		1,199		1,093	<b>14</b>
Europe		<b>301</b>		301		310	—
Middle East and Africa (MEA)		<b>384</b>		348		307	<b>10</b>
<b>Total</b>	<b>\$</b>	<b>3,884</b>	<b>\$</b>	<b>3,406</b>	<b>\$</b>	<b>3,428</b>	<b>14 %</b>
<b>Key drivers<sup>(3)</sup> (in billions of dollars)</b>							
<b>EOP client balances</b>							
Client investment assets <sup>(4)</sup>	\$	<b>587</b>	\$	496	\$	441	18 %
Deposits		<b>313</b>		319		318	<b>(2)</b>
Loans		<b>148</b>		151		149	<b>(3)</b>
<b>Total</b>	<b>\$</b>	<b>1,048</b>	<b>\$</b>	<b>966</b>	<b>\$</b>	<b>908</b>	<b>8 %</b>
Average loans	\$	<b>149</b>	\$	<b>150</b>	\$	<b>150</b>	<b>(1)%</b>
ACLL as a percentage of EOP loans		<b>0.36 %</b>		<b>0.51 %</b>		<b>0.59 %</b>	—%

(1) Primarily related to fiduciary and administrative fees.

(2) Primarily related to principal transactions revenue including FX translation.

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

(4) Includes assets under management, and trust and custody assets.

NM Not meaningful

## 2024 vs. 2023

*Net income* was \$1.0 billion, compared to \$419 million in the prior year, reflecting higher revenues, lower expenses and a higher benefit from cost of credit.

*Revenues* increased 7%, largely driven by an increase in non-interest revenue (up 15%), reflecting higher investment fee revenues on growth in client investment assets, as well as an increase in net interest income (up 2%). The increase in net interest income was mainly due to higher average deposit spreads and volumes, partially offset by higher mortgage funding costs.

Client balances increased 8%, primarily driven by higher client investment assets (up 18%), reflecting strong net new investment assets generation and higher market valuations.

Average deposits increased 2%, reflecting the transfers of relationships and the associated deposits from USPB (\$17 billion at the time of transfer over the last 12 months), partially offset by a shift in deposits to higher-yielding investments on Citi's platform. Average loans decreased 1%, as *Wealth* continued to optimize capital usage.

Private Bank and Wealth at Work revenues both increased 2%, driven by the improved deposit spreads and the higher investment fee revenues, partially offset by the higher mortgage funding costs.

Citigold revenues increased 11%, driven by the higher investment fee revenues, as well as higher deposit spreads and volumes, reflecting the transfer of relationships and the associated deposits from USPB.

*Expenses* decreased 2%, mainly driven by benefits from prior repositioning and restructuring actions, partially offset by higher volume-related expenses and technology investments focused on risk and controls and platform enhancements.

*Provisions* were a benefit of \$126 million, compared to a benefit of \$3 million in the prior year, largely driven by a higher net ACL release. The higher net ACL release was primarily due to a change in the ACL associated with the margin lending portfolio.

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.

## U.S. PERSONAL BANKING

*U.S. Personal Banking (USPB)* includes Branded Cards and Retail Services, with proprietary credit card portfolios (Value, Rewards and Cash) 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, Macy's and Sears). *USPB* also includes Retail Banking, which provides traditional banking services to retail and small business customers.

In December 2024, Citi announced a 10-year extension and expansion of its co-branded credit card partnership with American Airlines. In addition, Citi reached an agreement to acquire the Barclays American Airlines co-branded card portfolio and will begin transitioning cardmembers to the Citi portfolio in 2026. With the acquisition of the Barclays portfolio, Citi will become American Airlines' exclusive credit card issuing partner in 2026.

At December 31, 2024, *USPB* had 642 retail bank branches concentrated in the six key metropolitan areas of New York, Chicago, Los Angeles, San Francisco, Washington, D.C. and Miami. *USPB* had \$171 billion in outstanding credit card balances, \$89 billion in deposits, \$46 billion in mortgages and \$5 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>	2024	2023	2022	% Change 2024 vs. 2023	% Change 2023 vs. 2022
Net interest income	\$ 21,103	\$ 20,150	\$ 18,062	5 %	12 %
Fee revenue					
Interchange fees	9,910	9,674	9,190	2	5
Card rewards and partner payments	(11,226)	(11,083)	(10,862)	(1)	(2)
Other <sup>(1)</sup>	468	349	462	34	(24)
Total fee revenue	\$ (848)	\$ (1,060)	\$ (1,210)	20 %	12 %
All other <sup>(2)</sup>	119	97	20	23	NM
Total non-interest revenue	\$ (729)	\$ (963)	\$ (1,190)	24 %	19 %
<b>Total revenues, net of interest expense</b>	<b>20,374</b>	<b>19,187</b>	<b>16,872</b>	<b>6</b>	<b>14</b>
Total operating expenses	\$ 9,965	\$ 10,102	\$ 9,782	(1)%	3 %
Net credit losses on loans	7,579	5,234	2,918	45	79
Credit reserve build (release) for loans	1,006	1,464	517	(31)	NM
Provision for credit losses on unfunded lending commitments	—	1	(1)	(100)	NM
Provisions for benefits and claims (PBC), and other assets	13	8	14	63	(43)
Provisions for credit losses and PBC	\$ 8,598	\$ 6,707	\$ 3,448	28 %	95 %
Income from continuing operations before taxes	\$ 1,811	\$ 2,378	\$ 3,642	(24)%	(35)%
Income taxes	429	558	872	(23)	(36)
<b>Income from continuing operations</b>	<b>\$ 1,382</b>	<b>\$ 1,820</b>	<b>\$ 2,770</b>	<b>(24)%</b>	<b>(34)%</b>
Noncontrolling interests	—	—	—	—	—
<b>Net income</b>	<b>\$ 1,382</b>	<b>\$ 1,820</b>	<b>\$ 2,770</b>	<b>(24)%</b>	<b>(34)%</b>
<b>Balance Sheet data (in billions of dollars)</b>					
EOP assets	\$ 252	\$ 242	\$ 231	4 %	5 %
Average assets	241	231	213	4	8
Efficiency ratio	49 %	53 %	58 %		
<b>Revenue by component</b>					
Branded Cards	\$ 10,702	\$ 9,988	\$ 8,962	7 %	11 %
Retail Services	7,114	6,617	5,469	8	21
Retail Banking	2,558	2,582	2,441	(1)	6
Total	\$ 20,374	\$ 19,187	\$ 16,872	6 %	14 %
<b>Key Drivers<sup>(3)</sup></b>					
<i>Average loans and deposits (in billions of dollars)</i>					
Average loans	\$ 209	\$ 193	\$ 171	8 %	13 %
ACLL as a percentage of EOP loans <sup>(4)</sup>	6.38 %	6.28 %	6.31 %		
Average deposits	91	110	115	(17)	(4)

<b>Credit card spend volume (in billions of dollars)</b>						
	\$	<b>516.1</b>	\$	497.4	\$	474.6
Branded Cards		<b>90.6</b>		94.9		99.1
Retail Services						(5)
<b>New account acquisitions<sup>(5)</sup> (in thousands of accounts)</b>						
Branded Cards		<b>4,667</b>		4,546		4,173
Retail Services		<b>7,882</b>		9,138		9,957
						(14)

(1) Primarily related to retail banking and credit card-related fees.

(2) Primarily related to revenue incentives from card networks and partners.

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

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

(5) Represents the number of new credit card accounts opened.

NM Not meaningful

## 2024 vs. 2023

*Net income* was \$1.4 billion, compared to \$1.8 billion in the prior year, reflecting higher cost of credit, partially offset by higher revenues and lower expenses.

*Revenues* increased 6%, due to higher net interest income (up 5%), driven by strong loan growth, primarily in cards, as well as higher non-interest revenue (up 24%). 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 (see Note 5), driven by higher card spend volume 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 volume.

Cards revenues increased 7%. Branded Cards revenues increased 7%, primarily driven by interest-earning balance growth (up 9%), as payment rates continued to moderate, and card spend volume growth. Branded Cards average loans increased 9%, also reflecting the lower card payment rates and higher card spend volume. Branded Cards spend volume increased 4%, driven by higher FICO band customers.

Retail Services revenues increased 8%, primarily driven by higher non-interest revenue due to the lower partner payments, driven by the higher net credit losses (see "Provisions" below and Note 5), as well as higher net interest income on growth in interest-earning balances. Retail Services average loans increased 3%, largely reflecting lower card payment rates, partially offset by lower card spend volume. Retail Services card spend volume decreased 5%, primarily due to lower in-store foot traffic.

Retail Banking revenues decreased 1%, driven by the impact of the transfers of certain relationships and the associated deposit balances to *Wealth*, partially offset by higher deposit spreads, as well as mortgage and installment loan growth. Average mortgage loans increased 15%, primarily driven by lower refinancings due to higher interest rates and higher mortgage originations. Average deposits decreased 17%, largely reflecting the transfer of certain relationships and the associated deposit balances to *Wealth* (\$17 billion at the time of transfer over the last 12 months).

*Expenses* decreased 1%, driven by continued productivity savings and lower technology costs, partially offset by higher volume-related expenses.

*Provisions* were \$8.6 billion, compared to \$6.7 billion in the prior year, largely driven by higher net credit losses, partially offset by a lower ACL build for loans.

Net credit losses of \$7.6 billion increased 45%, primarily reflecting the continued maturation of multiple cards loan vintages originated in recent years. The maturation was delayed by unprecedented levels of government stimulus during the pandemic. In addition, the increase was driven by macroeconomic pressures related to the elevated inflationary and interest rate environment impacting both cards portfolios, with lower FICO band customers primarily driving the increase. Branded Cards net credit losses of \$4.0 billion and Retail Services net credit losses of \$3.2 billion increased 51% and 39%, respectively.

The net ACL build was \$1.0 billion, compared to \$1.5 billion in the prior year. The net ACL build on loans was primarily driven by the impact of macroeconomic pressures related to the elevated inflationary and interest rate environment, as well as growth in cards balances.

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.

## ALL OTHER—Divestiture-Related Impacts (Reconciling Items)

*All Other* includes activities not assigned to the reportable operating segments (*Services, Markets, Banking, Wealth* and *USPB*), which are reported within 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 IPO of Mexico Consumer Banking (Mexico Consumer) and Mexico Small Business and Middle-Market Banking (Mexico SBMM), collectively known as Mexico Consumer/SBMM, 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.

In millions of dollars, except as otherwise noted	2024		2023		2022				
	All Other (U.S. GAAP)	Reconciling Items <sup>(1)</sup>	All Other (managed basis)	All Other (U.S. GAAP)	Reconciling Items <sup>(2)</sup>	All Other (managed basis)	All Other (U.S. GAAP)	Reconciling Items <sup>(3)</sup>	All Other (managed basis)
Net interest income	\$ 5,899	\$ —	\$ 5,899	\$ 7,692	\$ —	\$ 7,692	\$ 7,662	\$ —	\$ 7,662
Non-interest revenue	1,668	26	1,642	3,096	1,346	1,750	2,312	854	1,458
<b>Total revenues, net of interest expense</b>	<b>\$ 7,567</b>	<b>\$ 26</b>	<b>\$ 7,541</b>	<b>\$ 10,788</b>	<b>\$ 1,346</b>	<b>\$ 9,442</b>	<b>\$ 9,974</b>	<b>\$ 854</b>	<b>\$ 9,120</b>
Total operating expenses	\$ 9,386	\$ 318	\$ 9,068	\$ 11,613	\$ 372	\$ 11,241	\$ 9,951	\$ 696	\$ 9,255
Net credit losses on loans	935	7	928	864	(6)	870	614	(156)	770
Credit reserve build (release) for loans	73	—	73	66	(61)	127	(250)	259	(509)
Provision for credit losses on unfunded lending commitments	(16)	—	(16)	(47)	—	(47)	95	(27)	122
Provisions for benefits and claims (PBC), other assets and HTM debt securities	130	—	130	354	—	354	97	—	97
Provisions (benefits) for credit losses and PBC	\$ 1,122	\$ 7	\$ 1,115	\$ 1,237	\$ (67)	\$ 1,304	\$ 556	\$ 76	\$ 480
Income (loss) from continuing operations before taxes	\$ (2,941)	\$ (299)	\$ (2,642)	\$ (2,062)	\$ 1,041	\$ (3,103)	\$ (533)	\$ 82	\$ (615)
Income taxes (benefits)	(274)	(92)	(182)	(597)	382	(979)	(799)	266	(1,065)
<b>Income (loss) from continuing operations</b>	<b>\$ (2,667)</b>	<b>\$ (207)</b>	<b>\$ (2,460)</b>	<b>\$ (1,465)</b>	<b>\$ 659</b>	<b>\$ (2,124)</b>	<b>\$ 266</b>	<b>\$ (184)</b>	<b>\$ 450</b>
<b>Income (loss) from discontinued operations, net of taxes</b>	<b>(2)</b>	<b>—</b>	<b>(2)</b>	<b>(1)</b>	<b>—</b>	<b>(1)</b>	<b>(231)</b>	<b>—</b>	<b>(231)</b>
Noncontrolling interests	(30)	—	(30)	16	—	16	4	—	4
<b>Net income (loss)</b>	<b>\$ (2,639)</b>	<b>\$ (207)</b>	<b>\$ (2,432)</b>	<b>\$ (1,482)</b>	<b>\$ 659</b>	<b>\$ (2,141)</b>	<b>\$ 31</b>	<b>\$ (184)</b>	<b>\$ 215</b>
<b>Asia Consumer revenues</b>	<b>\$ 845</b>	<b>\$ 26</b>	<b>\$ 819</b>	<b>\$ 2,870</b>	<b>\$ 1,346</b>	<b>\$ 1,524</b>	<b>\$ 3,780</b>	<b>\$ 854</b>	<b>\$ 2,926</b>

- (1) 2024 includes approximately \$318 million (approximately \$220 million after-tax) in operating expenses, primarily related to separation costs in Mexico and severance costs in the Asia exit markets.
- (2) 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.
- (3) 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; (iii) an approximate \$209 million gain on sale recorded in revenue (approximately \$115 million after-tax) related to the Thailand consumer banking business sale; and (iv) approximately \$161 million (approximately \$108 million after-tax) in operating expenses primarily related to separation costs in Mexico and severance costs in the Asia exit markets.

## ALL OTHER—Managed Basis

At December 31, 2024, *All Other* (managed basis) had \$201 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 Citi's deferred tax assets (DTAs) reported within Corporate/Other.

### Legacy Franchises (Managed Basis)

Legacy Franchises (managed basis) includes:

- Mexico Consumer/SBMM;
- Asia Consumer Banking (Asia Consumer), representing the consumer banking operations of the remaining three exit countries (Korea, Poland and Russia); and
- Legacy Holdings Assets, primarily \$2.0 billion of legacy consumer mortgage loans in North America, as well as the U.K. retail banking business, both of which Citi continues to wind down.

Since announcing its intention to exit consumer banking across 14 markets in Asia, Europe, the Middle East and Mexico as part of its strategic refresh, Citi has now closed sales in nine of those markets, has a sale process underway in Poland and has continued to make progress on its wind-downs in Korea and Russia. The previously announced wind-down of Citi's consumer business in China is substantially complete. 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.

Mexico Consumer/SBMM operates primarily through Banamex 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 well as retirement fund administration and insurance products through certain Banamex affiliate entities. As previously disclosed, Citi completed the separation of Mexico Consumer/SBMM from its *Services, Markets, Banking and Wealth* businesses in Mexico in the fourth quarter of 2024, and intends to pursue an IPO of Mexico Consumer/SBMM, the timing of which will be driven by regulatory approvals and market conditions. Citi will retain its *Services, Markets, Banking and Wealth* businesses in Mexico.

At December 31, 2024, on a combined basis, Legacy Franchises (managed basis) had 1,317 retail branches, \$42 billion in deposits, \$16 billion in retail banking loans and \$8 billion in outstanding credit card balances, while Mexico SBMM had \$6 billion in outstanding corporate loans. For additional information on the loans and deposits of Mexico Consumer/SBMM and Asia Consumer, see "Mexico Consumer/SBMM —" and "Asia Consumer—key indicators" in the table below.

### 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>	2024	2023	2022	% Change 2024 vs. 2023	% Change 2023 vs. 2022
Net interest income	\$ 5,899	\$ 7,692	\$ 7,662	(23)%	—%
Non-interest revenue	1,642	1,750	1,458	(6)	20
<b>Total revenues, net of interest expense</b>	<b>\$ 7,541</b>	<b>\$ 9,442</b>	<b>\$ 9,120</b>	<b>(20)%</b>	<b>4 %</b>
Total operating expenses	\$ 9,068	\$ 11,241	\$ 9,255	(19)%	21 %
Net credit losses on loans	928	870	770	7	13
Credit reserve build (release) for loans	73	127	(509)	(43)	NM
Provision (release) for credit losses on unfunded lending commitments	(16)	(47)	122	66	NM
Provisions (release) for benefits and claims (PBC), other assets and HTM debt securities	130	354	97	(63)	NM
Provisions for credit losses and PBC	\$ 1,115	\$ 1,304	\$ 480	(14)%	NM
Income (loss) from continuing operations before taxes	\$ (2,642)	\$ (3,103)	\$ (615)	15 %	NM
Income taxes (benefits)	(182)	(979)	(1,065)	81	8 %
<b>Income (loss) from continuing operations</b>	<b>\$ (2,460)</b>	<b>\$ (2,124)</b>	<b>\$ 450</b>	<b>(16)%</b>	<b>NM</b>
<b>Income (loss) from discontinued operations, net of taxes</b>	<b>(2)</b>	<b>(1)</b>	<b>(231)</b>	<b>(100)</b>	<b>100 %</b>
Noncontrolling interests	(30)	16	4	NM	NM
<b>Net income (loss)</b>	<b>\$ (2,432)</b>	<b>\$ (2,141)</b>	<b>\$ 215</b>	<b>(14)%</b>	<b>NM</b>
<b>Balance Sheet data (in billions of dollars)</b>					
EOP assets	\$ 201	\$ 199	\$ 215	1 %	(7)%
Average assets	195	205	223	(5)	(8)
<b>Revenue by reporting unit and component</b>					
Mexico Consumer/SBMM	\$ 6,172	\$ 5,693	\$ 4,651	8 %	22 %
Asia Consumer	819	1,524	2,926	(46)	(48)
Legacy Holdings Assets	(118)	110	33	NM	NM
Corporate/Other	668	2,115	1,510	(68)	40
<b>Total</b>	<b>\$ 7,541</b>	<b>\$ 9,442</b>	<b>\$ 9,120</b>	<b>(20)%</b>	<b>4 %</b>
<b>Mexico Consumer/SBMM—key indicators (in billions of dollars)</b>					
EOP loans	\$ 23.1	\$ 25.2	\$ 20.5	(8)%	23 %
EOP deposits	34.1	40.2	34.8	(15)	16
Average loans	24.4	22.8	18.7	7	22
NCLs as a percentage of average loans (Mexico Consumer only)	4.52 %	4.01 %	3.50 %		
Loans 90+ days past due as a percentage of EOP loans (Mexico Consumer only)	1.43	1.35	1.28		
Loans 30–89 days past due as a percentage of EOP loans (Mexico Consumer only)	1.41	1.35	1.26		
<b>Asia Consumer—key indicators<sup>(1)</sup> (in billions of dollars)</b>					
EOP loans	\$ 4.7	\$ 7.4	\$ 13.3	(36)%	(44)%
EOP deposits	7.5	9.5	14.5	(21)	(34)
Average loans	5.9	9.5	17.4	(38)	(45)
<b>Legacy Holdings Assets—key indicators (in billions of dollars)</b>					
EOP loans	\$ 2.2	\$ 2.8	\$ 3.4	(21)%	(18)%

Note: Certain reclassifications have been made to the prior periods' financial statements to conform to the current period's presentation effective as of the second quarter of 2024, for all periods presented. During the second quarter of 2024, Citi made certain reclassifications to align with its organizational simplification and strategy. In connection therewith, Citi transferred the retail banking business in the U.K., which is being wound down, from *Wealth* to Legacy Franchises (managed basis) within *All Other* (managed basis).

(1) The key indicators for Asia Consumer also 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

**2024 vs. 2023**

*Net loss* was \$2.4 billion, compared to a net loss of \$2.1 billion in the prior year, driven by lower revenues and lower income tax benefits due to the absence of discrete tax benefits recognized in the prior year, partially offset by lower expenses and lower cost of credit.

*All Other* (managed basis) revenues of \$7.5 billion decreased 20%, driven by lower revenues in Corporate/Other and Legacy Franchises (managed basis).

Legacy Franchises (managed basis) revenues of \$6.9 billion decreased 6%, due to 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 of \$6.2 billion increased 8%, primarily due to higher loan balances in retail banking, cards and SBMM, and higher deposits in SBMM.

Asia Consumer (managed basis) revenues of \$819 million decreased 46%, primarily driven by the reduction from the closed exits and wind-downs.

Legacy Holdings Assets revenues decreased to \$(118) million, compared to \$110 million in the prior year, primarily due to higher funding costs related to the transfer of the retail banking business in the U.K.

Corporate/Other revenues decreased to \$668 million, compared to \$2.1 billion in the prior year, largely driven by the net investment securities losses due to the repositioning of the investment securities portfolio and higher funding costs.

*Expenses* decreased 19%, primarily driven by lower FDIC expenses (\$203 million in 2024 versus approximately \$1.7 billion in the prior year) and the reduction from the closed exits and wind-downs, as well as lower restructuring charges (\$259 million in 2024 versus \$781 million in the prior year), partially offset by the costs of the July 2024 Consent Orders entered into with the FRB and OCC.

*Provisions* were \$1.1 billion, compared to \$1.3 billion in the prior year, largely driven by a smaller ACL build for transfer risk associated with exposures outside the U.S., driven by safety and soundness considerations under U.S. banking law, partially offset by a 7% increase in net credit losses, primarily driven by the ongoing normalization from post-pandemic lows in Mexico Consumer.

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.

## CAPITAL RESOURCES

### Overview

Citi uses capital principally to support its 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 acquisitions and divestitures and changes in interest and foreign exchange rates.

During 2024, Citi returned a total of \$6.7 billion of capital to common shareholders in the form of \$4.2 billion in dividends and \$2.5 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 \$0.56 per share for the fourth quarter of 2024, and on January 11, 2025, declared common dividends of \$0.56 per share for the first quarter of 2025. Citi plans to maintain a quarterly common dividend of \$0.56 per share, subject to financial and macroeconomic conditions as well as its Board of Directors' approval.

On January 13, 2025, Citigroup's Board of Directors authorized a new, multiyear \$20 billion common stock repurchase program, beginning in the first quarter of 2025. Repurchases by Citigroup under this common stock repurchase program are subject to quarterly approval by Citigroup's Board of Directors; may be effected from time to time through open market purchases, trading plans established in accordance with SEC rules or other means; and, as determined by Citigroup, may be subject to satisfactory market conditions, Citigroup's capital position and capital requirements, applicable legal requirements and other factors.

As previously announced, during the first quarter of 2025, Citi plans to repurchase \$1.5 billion of common shares, subject to market conditions and other factors. After the first quarter of 2025, Citi will continue to assess common share repurchases on a quarter-by-quarter basis.

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.

Citi's Chief Risk Officer (CRO) and Chief Financial Officer (CFO) co-chair Citigroup's Capital Committee, which includes Citi's Treasurer and other senior executives. 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 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. Banking and broker-dealer subsidiaries of Citigroup are also subject to local capital requirements in the jurisdictions in which they operate, which impact allocations of capital within Citigroup, and may restrict the ability to remit earnings to Citigroup. The availability of such earnings may impact the ability of Citigroup to engage in return of capital to common shareholders in the form of dividends and share repurchases, absorb potential losses and support business growth.

### 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 2024, Citigroup's required regulatory CET1 Capital ratio was 12.1% under the Standardized Approach (incorporating its Stress Capital Buffer of 4.1% 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, 2020 until January 1, 2022, followed by a three-year transition to phase out the regulatory capital benefit provided by the delay.

In addition, for the ongoing impact of CECL, the agencies 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 were fully reflected in Citi's regulatory capital as of January 1, 2025.

As of December 31, 2024, Citigroup's reported Standardized Approach CET1 Capital ratio of 13.6% benefited from the deferrals of the CECL transition provision by 8 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, 2024, 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, 2024, Citi's required regulatory CET1 Capital ratio decreased to 12.1% from 12.3% under the Standardized Approach, incorporating the 4.1% SCB through September 30, 2025 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.

Citi, as a GSIB, is annually required 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 2025 will be based on 2024 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 2025 using data as of December 31, 2024 would not become effective until January 1, 2027). 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 2025 using data as of December 31, 2024 would become effective January 1, 2026).

The following table presents Citi's effective GSIB surcharge as determined under method 1 and method 2 during 2024 and 2023:

	2024	2023
Method 1	2.0 %	2.0 %
Method 2	3.5	3.5

Citi's GSIB surcharge effective during 2024 and 2023 was 3.5%, as derived under the higher method 2 result. For 2025, Citi's GSIB surcharge 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. Based on Citi's method 2 result as of December 31, 2023 and as of December 31, 2024, Citi's GSIB surcharge is expected to remain at 3.5% for 2026.

### **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, 2024.

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.

### Citigroup's Capital Resources

The following table presents Citi's required risk-based capital ratios as of December 31, 2024, September 30, 2024 and December 31, 2023:

	Advanced Approaches <sup>(1)</sup>			Standardized Approach <sup>(2)</sup>		
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	September 30, 2024	December 31, 2023
CET1 Capital ratio	10.5 %	10.5 %	10.5 %	12.1 %	12.3 %	12.3 %
Tier 1 Capital ratio	12.0	12.0	12.0	13.6	13.8	13.8
Total Capital ratio	14.0	14.0	14.0	15.6	15.8	15.8

(1) For all periods presented, Citi's required risk-based capital ratios under the Advanced Approaches included the 2.5% Capital Conservation Buffer and 3.5% GSIB surcharge (all of which must be composed of CET1 Capital).

(2) Beginning October 1, 2024, Citi's required risk-based capital ratios under the Standardized Approach included the 4.1% SCB through September 30, 2025 and 3.5% GSIB surcharge (all of which must be composed of CET1 Capital). For prior periods presented, Citi's required risk-based capital ratios under the Standardized Approach included the 4.3% SCB and 3.5% GSIB surcharge. See "Regulatory Capital Buffers" above.

The following tables present Citi's capital components and ratios as of December 31, 2024, September 30, 2024 and December 31, 2023:

In millions of dollars, except ratios	Advanced Approaches			Standardized Approach		
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	September 30, 2024	December 31, 2023
CET1 Capital <sup>(1)</sup>	\$ 155,363	\$ 158,106	\$ 153,595	\$ 155,363	\$ 158,106	\$ 153,595
Tier 1 Capital <sup>(1)</sup>	174,527	175,788	172,504	174,527	175,788	172,504
Total Capital (Tier 1 Capital + Tier 2 Capital) <sup>(1)</sup>	197,371	197,784	191,919	205,827	206,434	201,768
Total Risk-Weighted Assets	1,280,190	1,300,152	1,268,723	1,139,988	1,153,150	1,148,608
Credit Risk <sup>(1)</sup>	\$ 901,345	\$ 918,595	\$ 910,226	\$ 1,073,354	\$ 1,085,499	\$ 1,087,019
Market Risk	66,221	67,269	61,194	66,634	67,651	61,589
Operational Risk	312,624	314,288	297,303	—	—	—
CET1 Capital ratio <sup>(2)</sup>	12.14 %	12.16 %	12.11 %	13.63 %	13.71 %	13.37 %
Tier 1 Capital ratio <sup>(2)</sup>	13.63	13.52	13.60	15.31	15.24	15.02
Total Capital ratio <sup>(2)</sup>	15.42	15.21	15.13	18.06	17.90	17.57

In millions of dollars, except ratios	Required Capital Ratios	December 31, 2024			September 30, 2024	December 31, 2023
		December 31, 2024	September 30, 2024	December 31, 2023		
Quarterly Adjusted Average Total Assets <sup>(1)(3)</sup>	\$ 2,433,364	\$ 2,455,486	\$ 2,394,272			
Total Leverage Exposure <sup>(1)(4)</sup>	2,985,418	3,005,709	2,964,954			
Leverage ratio	4.0%	7.17 %	7.16 %			7.20 %
Supplementary Leverage ratio	5.0	5.85	5.85			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. As of September 30, 2024, the Total Capital ratio under the Basel III Advanced Approaches framework was the most binding ratio. For all other periods presented, the CET1 Capital ratio under the Basel III Standardized Approach was the most binding ratio.

(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, 2024 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, 2024.

**Common Equity Tier 1 Capital Ratio**

Citi's Common Equity Tier 1 (CET1) Capital ratio under the Basel III Standardized Approach was 13.6% as of December 31, 2024, relative to a required regulatory CET1 Capital ratio of 12.1% as of such date under the Standardized Approach. This compares to a CET1 Capital ratio of 13.7% as of September 30, 2024 and 13.4% as of December 31, 2023, relative to a required regulatory CET1 Capital ratio of 12.3% as of such dates under the Standardized Approach.

Citi's CET1 Capital ratio under the Basel III Advanced Approaches was 12.1% as of December 31, 2024, 12.2% as of September 30, 2024, and 12.1% as of December 31, 2023, relative to a required regulatory CET1 Capital ratio of 10.5% as of such dates under the Advanced Approaches framework.

Citi's CET1 Capital ratio decreased under both the Standardized Approach and Advanced Approaches from September 30, 2024, driven primarily by net adverse movements in *AOCI* and the payment of common and preferred dividends as well as common share repurchases, partially offset by net income and decreases in Standardized Approach RWA and Advanced Approaches RWA.

Citi's CET1 Capital ratio increased under the Standardized Approach from year-end 2023, driven primarily by net income and a decrease in RWA, partially offset by the payment of common and preferred dividends, common share repurchases and net adverse movements in *AOCI*.

Citi's CET1 Capital ratio under the Advanced Approaches framework was largely unchanged from year-end 2023, as the payment of common and preferred dividends, common share repurchases, net adverse movements in *AOCI* and an increase in RWA were offset by net income.

**Components of Citigroup Capital**

In millions of dollars	December 31, 2024	December 31, 2023
<b>CET1 Capital</b>		
Citigroup common stockholders' equity <sup>(1)</sup>	\$ 190,815	\$ 187,937
Add: Qualifying noncontrolling interests	186	153
<b>Regulatory capital adjustments and deductions:</b>		
Add: CECL transition provision <sup>(2)</sup>	757	1,514
Less: Accumulated net unrealized gains (losses) on cash flow hedges, net of tax	(220)	(1,406)
Less: Cumulative unrealized net gain (loss) related to changes in fair value of financial liabilities attributable to own creditworthiness, net of tax	(910)	(410)
Less: Intangible assets:		
Goodwill, net of related DTLs <sup>(3)</sup>	17,994	18,778
Identifiable intangible assets other than MSRs, net of related DTLs	3,357	3,349
Less: Defined benefit pension plan net assets and other	1,504	1,317
Less: DTAs arising from net operating loss, foreign tax credit and general business credit carry-forwards <sup>(4)</sup>	11,628	12,075
Less: Excess over 10%/15% limitations for other DTAs, certain common stock investments and MSRs <sup>(4)(5)</sup>	3,042	2,306
<b>Total CET1 Capital (Standardized Approach and Advanced Approaches)</b>	<b>\$ 155,363</b>	<b>\$ 153,595</b>
<b>Additional Tier 1 Capital</b>		
Qualifying noncumulative perpetual preferred stock <sup>(1)</sup>	\$ 17,783	\$ 17,516
Qualifying trust preferred securities <sup>(6)</sup>	1,422	1,413
Qualifying noncontrolling interests	30	29
<b>Regulatory capital deductions:</b>		
Less: Other	71	49
<b>Total Additional Tier 1 Capital (Standardized Approach and Advanced Approaches)</b>	<b>\$ 19,164</b>	<b>\$ 18,909</b>
<b>Total Tier 1 Capital (CET1 Capital + Additional Tier 1 Capital) (Standardized Approach and Advanced Approaches)</b>	<b>\$ 174,527</b>	<b>\$ 172,504</b>
<b>Tier 2 Capital</b>		
Qualifying subordinated debt	\$ 18,185	\$ 16,137
Qualifying noncontrolling interests	38	37
Eligible allowance for credit losses <sup>(2)(7)</sup>	13,560	13,703
<b>Regulatory capital deduction:</b>		
Less: Other	483	613
<b>Total Tier 2 Capital (Standardized Approach)</b>	<b>\$ 31,300</b>	<b>\$ 29,264</b>
<b>Total Capital (Tier 1 Capital + Tier 2 Capital) (Standardized Approach)</b>	<b>\$ 205,827</b>	<b>\$ 201,768</b>
Adjustment for excess of eligible credit reserves over expected credit losses <sup>(2)(7)</sup>	(8,456)	(9,849)
<b>Total Tier 2 Capital (Advanced Approaches)</b>	<b>\$ 22,844</b>	<b>\$ 19,415</b>
<b>Total Capital (Tier 1 Capital + Tier 2 Capital) (Advanced Approaches)</b>	<b>\$ 197,371</b>	<b>\$ 191,919</b>

(1) Issuance costs of \$67 million and \$84 million related to outstanding noncumulative perpetual preferred stock at December 31, 2024 and 2023, 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 \$29.8 billion of net DTAs at December 31, 2024, \$11.6 billion of net DTAs arising from net operating loss, foreign tax credit and general business credit tax carry-forwards, as well as \$3.0 billion of DTAs arising from temporary differences that exceeded the 10% limitation, were excluded from Citi's CET1 Capital as of December 31, 2024. 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, 2024 and 2023, 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 \$5.1 billion and \$3.9 billion at December 31, 2024 and 2023, respectively.

**Citigroup Capital Rollforward**

In millions of dollars	Three months ended December 31, 2024	Twelve months ended December 31, 2024
<b>CET1 Capital, beginning of period</b>	<b>\$ 158,106</b>	<b>\$ 153,595</b>
Net income (loss)	2,856	12,682
Common and preferred dividends declared	(1,331)	(5,271)
Treasury stock	(1,002)	(1,604)
Common stock and additional paid-in capital	152	145
CTA net of hedges, net of tax	(2,891)	(5,161)
Unrealized gains (losses) on debt securities AFS, net of tax	(489)	907
Defined benefit plans liability adjustment, net of tax	118	423
Adjustment related to change in fair value of financial liabilities attributable to own creditworthiness, net of tax <sup>(1)</sup>	49	89
Other Accumulated other comprehensive income (loss) ( <i>AOCI</i> )	9	4
Goodwill, net of related DTLs	403	784
Identifiable intangible assets other than MSRs, net of related DTLs	(296)	(8)
Defined benefit pension plan net assets	(34)	(133)
DTAs arising from net operating loss, foreign tax credit and general business credit carry-forwards	(310)	447
Excess over 10%/15% limitations for other DTAs, certain common stock investments and MSRs	29	(736)
CECL transition provision	—	(757)
Other	(6)	(43)
<b>Net change in CET1 Capital</b>	<b>\$ (2,743)</b>	<b>\$ 1,768</b>
<b>CET1 Capital, end of period (Standardized Approach and Advanced Approaches)</b>	<b>\$ 155,363</b>	<b>\$ 155,363</b>
<b>Additional Tier 1 Capital, beginning of period</b>	<b>\$ 17,682</b>	<b>\$ 18,909</b>
Qualifying perpetual preferred stock	1,496	267
Qualifying trust preferred securities	2	9
Other	(16)	(21)
<b>Net change in Additional Tier 1 Capital</b>	<b>\$ 1,482</b>	<b>\$ 255</b>
<b>Tier 1 Capital, end of period (Standardized Approach and Advanced Approaches)</b>	<b>\$ 174,527</b>	<b>\$ 174,527</b>
<b>Tier 2 Capital, beginning of period (Standardized Approach)</b>	<b>\$ 30,646</b>	<b>\$ 29,264</b>
Qualifying subordinated debt	642	2,048
Eligible allowance for credit losses	(150)	(143)
Other	162	131
<b>Net change in Tier 2 Capital (Standardized Approach)</b>	<b>\$ 654</b>	<b>\$ 2,036</b>
<b>Tier 2 Capital, end of period (Standardized Approach)</b>	<b>\$ 31,300</b>	<b>\$ 31,300</b>
<b>Total Capital, end of period (Standardized Approach)</b>	<b>\$ 205,827</b>	<b>\$ 205,827</b>
<b>Tier 2 Capital, beginning of period (Advanced Approaches)</b>	<b>\$ 21,996</b>	<b>\$ 19,415</b>
Qualifying subordinated debt	642	2,048
Excess of eligible credit reserves over expected credit losses	44	1,250
Other	162	131
<b>Net change in Tier 2 Capital (Advanced Approaches)</b>	<b>\$ 848</b>	<b>\$ 3,429</b>
<b>Tier 2 Capital, end of period (Advanced Approaches)</b>	<b>\$ 22,844</b>	<b>\$ 22,844</b>
<b>Total Capital, end of period (Advanced Approaches)</b>	<b>\$ 197,371</b>	<b>\$ 197,371</b>

(1) Includes the changes in Citigroup (own credit) credit valuation adjustments (CVA) attributable to own creditworthiness, net of tax.

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

<i>In millions of dollars</i>	Three months ended December 31, 2024	Twelve months ended December 31, 2024
<b>Total Risk-Weighted Assets, beginning of period</b>	\$ 1,153,150	\$ 1,148,608
General credit risk exposures <sup>(1)</sup>	(2,728)	(1,905)
Derivatives <sup>(2)</sup>	(4,542)	(6,898)
Repo-style transactions <sup>(3)</sup>	(5,513)	308
Securitization exposures	361	972
Equity exposures <sup>(4)</sup>	262	(7,914)
Other exposures	15	1,772
<b>Net change in Credit Risk-Weighted Assets</b>	\$ (12,145)	\$ (13,665)
<b>Net change in Market Risk-Weighted Assets<sup>(5)</sup></b>	\$ (1,017)	\$ 5,045
<b>Total Risk-Weighted Assets, end of period</b>	\$ 1,139,988	\$ 1,139,988

(1) General credit risk exposures include cash and balances due from depository institutions, securities, and loans and leases. General credit risk exposures decreased during the three and 12 months ended December 31, 2024, attributable to changes in lending exposures and hedging activities, partially offset by an increase in card activities.

(2) Derivatives decreased during the three and 12 months ended December 31, 2024, mainly driven by changes in exposures.

(3) Repo-style transactions include repurchase and reverse repurchase transactions, as well as securities borrowing and securities lending transactions. Repo-style transactions decreased during the three months ended December 31, 2024, mainly due to business activities.

(4) Equity exposures decreased during the 12 months ended December 31, 2024, primarily driven by activities related to the Visa B exchange completed in the second quarter of 2024.

(5) Market risk increased during the 12 months ended December 31, 2024, primarily due to model changes, model parameter updates and changes in exposures.

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

<i>In millions of dollars</i>	<b>Three months ended December 31, 2024</b>	<b>Twelve months ended December 31, 2024</b>
<b>Total Risk-Weighted Assets, beginning of period</b>	\$ 1,300,152	\$ 1,268,723
General credit risk exposures <sup>(1)</sup>	3,212	24,303
Derivatives <sup>(2)</sup>	(18,739)	(20,146)
Repo-style transactions <sup>(3)</sup>	(3,743)	(10,473)
Securitization exposures <sup>(4)</sup>	1,505	2,183
Equity exposures <sup>(5)</sup>	270	(8,234)
Other exposures <sup>(6)</sup>	245	3,486
<b>Net change in Credit Risk-Weighted Assets</b>	\$ (17,250)	\$ (8,881)
<b>Net change in Market Risk-Weighted Assets<sup>(7)</sup></b>	\$ (1,048)	\$ 5,027
<b>Net change in Operational Risk-Weighted Assets<sup>(8)</sup></b>	\$ (1,664)	\$ 15,321
<b>Total Risk-Weighted Assets, end of period</b>	\$ 1,280,190	\$ 1,280,190

- (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 and 12 months ended December 31, 2024, mainly driven by card activities, lending exposures and deposits, as well as model enhancements and risk-weighting parameter updates.
- (2) Derivative exposures decreased during the three and 12 months ended December 31, 2024, primarily driven by model enhancements and changes in exposures.
- (3) Repo-style transactions decreased during the three and 12 months ended December 31, 2024, primarily driven by business activities.
- (4) Securitizations exposures increased during the three and 12 months ended December 31, 2024, mainly driven by changes in exposures and risk-weighting parameters.
- (5) Equity exposures decreased during the 12 months ended December 31, 2024, primarily driven by activities related to the Visa B exchange completed in the second quarter of 2024.
- (6) Other exposures increased during the 12 months ended December 31, 2024, mainly due to accounts receivable and other broad-based increases.
- (7) Market risk increased during the 12 months ended December 31, 2024, primarily due to model changes, model parameter updates and changes in exposures.
- (8) Operational risk decreased during the three months ended December 31, 2024, primarily driven by loss frequency decreases, and increased during the 12 months ended December 31, 2024, mainly due to both loss frequency and loss severity increases.

***Supplementary Leverage Ratio***

The following table presents Citi's Supplementary Leverage ratio and related components as of December 31, 2024, September 30, 2024 and December 31, 2023:

<i>In millions of dollars, except ratios</i>	<b>December 31, 2024</b>	September 30, 2024	December 31, 2023
<b>Tier 1 Capital</b>	<b>\$ 174,527</b>	\$ 175,788	\$ 172,504
<b>Total Leverage Exposure</b>			
On-balance sheet assets <sup>(1)(2)</sup>	\$ 2,494,016	\$ 2,515,063	\$ 2,432,146
<b>Certain off-balance sheet exposures<sup>(3)</sup></b>			
Potential future exposure on derivative contracts	136,931	150,462	164,148
Effective notional of sold credit derivatives, net <sup>(4)</sup>	36,507	34,420	33,817
Counterparty credit risk for repo-style transactions <sup>(5)</sup>	23,391	22,072	22,510
Other off-balance sheet exposures	332,169	321,043	350,207
<b>Total of certain off-balance sheet exposures</b>	<b>\$ 528,998</b>	\$ 527,997	\$ 570,682
Less: Tier 1 Capital deductions	37,596	37,351	37,874
<b>Total Leverage Exposure</b>	<b>\$ 2,985,418</b>	\$ 3,005,709	\$ 2,964,954
<b>Supplementary Leverage ratio</b>	<b>5.85 %</b>	5.85 %	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 and securities lending transactions.

As presented in the table above, Citigroup's Supplementary Leverage ratio was 5.8% at December 31, 2024, September 30, 2024 and December 31, 2023. The ratios remained largely unchanged as changes in Tier 1 Capital were offset by changes in Total Leverage Exposure.

**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, 2024, September 30, 2024 and December 31, 2023:

In millions of dollars, except ratios	Required Capital Ratios <sup>(1)</sup>	Advanced Approaches			Standardized Approach		
		December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	September 30, 2024	December 31, 2023
CET1 Capital <sup>(2)</sup>	\$ 153,483	\$ 153,533	\$ 147,109	\$ 153,483	\$ 153,533	\$ 147,109	
Tier 1 Capital <sup>(2)</sup>	155,613	155,665	149,238	155,613	155,665	149,238	
Total Capital (Tier 1 Capital + Tier 2 Capital) <sup>(2)(3)</sup>	165,581	167,687	160,706	173,060	175,165	168,571	
Total Risk-Weighted Assets	1,109,387	1,101,907	1,057,194	998,817	993,917	983,960	
Credit Risk <sup>(2)</sup>	\$ 811,464	\$ 803,333	\$ 769,940	\$ 953,377	\$ 949,115	\$ 937,319	
Market Risk	45,383	44,710	46,540	45,440	44,802	46,641	
Operational Risk	252,540	253,864	240,714	—	—	—	
CET1 Capital ratio <sup>(4)(5)</sup>	7.0 %	13.83 %	13.93 %	13.92 %	15.37 %	15.45 %	14.95 %
Tier 1 Capital ratio <sup>(4)(5)</sup>	8.5	14.03	14.13	14.12	15.58	15.66	15.17
Total Capital ratio <sup>(4)(5)</sup>	10.5	14.93	15.22	15.20	17.33	17.62	17.13
In millions of dollars, except ratios		Required Capital Ratios	December 31, 2024	September 30, 2024	December 31, 2023		
Quarterly Adjusted Average Total Assets <sup>(2)(6)</sup>		\$ 1,726,312	\$ 1,721,363	\$ 1,666,609			
Total Leverage Exposure <sup>(2)(7)</sup>		2,195,386	2,185,316	2,166,334			
Leverage ratio <sup>(5)</sup>	5.0 %	9.01 %	9.04 %	8.95 %			
Supplementary Leverage ratio <sup>(5)</sup>	6.0	7.09	7.12	6.89			

- (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, 2024 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, 2024.

Citibank's Supplementary Leverage ratio was 7.1% at December 31, 2024 and September 30, 2024 compared to 6.9% at December 31, 2023. The increase in the ratio was primarily driven by net income, partially offset by the payment of common and preferred dividends and an increase in Total Leverage Exposure.

### ***Impact of Changes on Citigroup and Citibank Capital Ratios***

The following tables present the hypothetical sensitivity of Citigroup's and Citibank's capital ratios to changes of \$100 million in CET1 Capital, Tier 1 Capital and Total Capital (numerator), and changes of \$1 billion in Advanced Approaches and Standardized Approach RWA and quarterly adjusted average total assets, as well as Total Leverage Exposure (denominator), as of December 31, 2024. This information is provided for the purpose of analyzing the

impact that a change in Citigroup's or Citibank's financial position or results of operations could have on these ratios. These sensitivities only consider a single change to either a component of capital, RWA, quarterly adjusted average total assets or Total Leverage Exposure. Accordingly, an event that affects more than one factor may have a larger basis point impact than is reflected in these tables.

	CET1 Capital ratio		Tier 1 Capital ratio		Total Capital ratio	
	In basis points	Impact of \$100 million change in CET1 Capital	Impact of \$1 billion change in RWA	Impact of \$100 million change in Tier 1 Capital	Impact of \$1 billion change in RWA	Impact of \$100 million change in Total Capital
<b>Citigroup</b>						
Advanced Approaches	0.8	0.9	0.8	1.1	0.8	1.2
Standardized Approach	0.9	1.2	0.9	1.3	0.9	1.6
<b>Citibank</b>						
Advanced Approaches	0.9	1.2	0.9	1.3	0.9	1.3
Standardized Approach	1.0	1.5	1.0	1.6	1.0	1.7
	Leverage ratio		Supplementary Leverage ratio			
	In basis points	Impact of \$100 million change in Tier 1 Capital	Impact of \$1 billion change in quarterly adjusted average total assets	Impact of \$100 million change in Tier 1 Capital	Impact of \$1 billion change in Total Leverage Exposure	
<b>Citigroup</b>						
Citibank	0.4	0.3	0.3	0.2	0.2	
	0.6	0.5	0.5	0.3	0.3	

### ***Citigroup Broker-Dealer Subsidiaries***

At December 31, 2024, Citigroup Global Markets Inc., a U.S. broker-dealer registered with the SEC that is an indirect wholly owned subsidiary of Citigroup, had net capital, computed in accordance with the SEC's net capital rule, of \$18 billion, which exceeded the minimum requirement by \$13 billion.

Moreover, Citigroup Global Markets Limited, a broker-dealer registered with the United Kingdom's Prudential Regulation Authority (PRA) that is also an indirect wholly owned subsidiary of Citigroup, had total regulatory capital of \$26 billion at December 31, 2024, which exceeded the PRA's minimum regulatory capital requirements.

In addition, certain of Citi's other broker-dealer subsidiaries are subject to regulation in the countries in which they do business, including requirements to maintain specified levels of net capital or its equivalent. Citigroup's other principal broker-dealer subsidiaries were in compliance with their regulatory capital requirements at December 31, 2024.

### **Total Loss-Absorbing Capacity (TLAC)**

U.S. GSIBs, including Citi, are required to maintain minimum levels of TLAC and eligible long-term debt (LTD), each set by reference to the GSIB's consolidated risk-weighted assets (RWA) and total leverage exposure.

#### *Minimum External TLAC Requirement*

The minimum external TLAC requirement is the greater of (i) 18% of the GSIB's RWA plus the then-applicable RWA-based TLAC buffer (see below) and (ii) 7.5% of the GSIB's total leverage exposure plus a leverage-based TLAC buffer of 2% (i.e., 9.5%).

The RWA-based TLAC buffer equals the 2.5% Capital Conservation Buffer, plus any applicable Countercyclical Capital Buffer (currently 0%), plus the GSIB's capital surcharge as determined under method 1 of the GSIB surcharge rule (2.0% for Citi for 2024). Accordingly, Citi's total current minimum TLAC requirement was 22.5% of RWA for 2024.

#### *Minimum Long-Term Debt (LTD) Requirement*

The minimum LTD requirement is the greater of (i) 6% of the GSIB's RWA plus its capital surcharge as determined under method 2 of the GSIB surcharge rule (3.5% for Citi for 2024), for a total current requirement of 9.5% of RWA for Citi, and (ii) 4.5% of the GSIB's total leverage exposure.

The table below details Citi's eligible external TLAC and LTD amounts and ratios, and each TLAC and LTD regulatory requirement, as well as the surplus amount in dollars in excess of each requirement:

<i>In billions of dollars, except ratios</i>	December 31, 2024	
	External TLAC	LTD
Total eligible amount	\$ 331	\$ 144
% of Advanced Approaches risk-weighted assets	25.9 %	11.2 %
Regulatory requirement <sup>(1)(2)</sup>	22.5	9.5
Surplus amount	\$ 43	\$ 22
% of Total Leverage Exposure	11.1 %	4.8 %
Regulatory requirement	9.5	4.5
Surplus amount	\$ 47	\$ 9

(1) External TLAC includes method 1 GSIB surcharge of 2.0%.

(2) LTD includes method 2 GSIB surcharge of 3.5%.

As of December 31, 2024, Citi exceeded each of the TLAC and LTD regulatory requirements, resulting in a \$9 billion surplus above its binding TLAC requirement of LTD as a percentage of Total Leverage Exposure.

For additional information on Citi's TLAC-related requirements, see "Liquidity Risk—Total Loss-Absorbing Capacity (TLAC)" below.

### **Capital Resources (Full Adoption of CECL)**

The following tables present Citigroup's and Citibank's capital components and ratios under a hypothetical scenario where the full impact of CECL is reflected as of December 31, 2024<sup>(1)</sup>:

Citigroup				Citibank		
Required Capital Ratios, Advanced Approaches	Required Capital Ratios, Standardized Approach	Advanced Approaches	Standardized Approach	Required Capital Ratios <sup>(2)</sup> Advanced Approaches	Standardized Approach	
CET1 Capital ratio	10.5 %	12.1 %	12.06 %	13.55 %	7.0 %	13.77 %
Tier 1 Capital ratio	12.0	13.6	13.56	15.23	8.5	15.51
Total Capital ratio	14.0	15.6	15.35	17.98	10.5	14.86
Required Capital Ratios				Required Capital Ratios		
Leverage ratio				7.13 %	Required Capital Ratios	
Supplementary Leverage ratio				5.81	Citibank	
				5.0 %	8.98 %	
				6.0	7.06	

(1) The capital effects resulting from adoption of the CECL methodology were fully reflected in Citi's regulatory capital as of January 1, 2025. See footnote 2 to the "Components of Citigroup Capital" table above.

(2) Citibank's required capital ratios were the same under the Standardized Approach and the Advanced Approaches framework.

## Regulatory Capital Standards and Developments

### **Basel III Revisions**

On July 27, 2023, the U.S. banking agencies issued a notice of proposed rulemaking, known as the Basel III Endgame (capital proposal), that would amend U.S. regulatory capital requirements. Citi continues to monitor developments related to this rulemaking, including as a result of new leadership at the U.S. banking agencies.

The capital proposal would maintain the current capital rule's dual-requirement structure for RWA, but would eliminate the use of internal models to calculate credit risk and operational risk components of RWA. The capital proposal would also replace the current market risk framework with a new standardized methodology and a new models-based methodology for calculating RWA for market risk. Large banking organizations, such as Citi, would be required to calculate their risk-based capital ratios under both the new expanded risk-based approach and the Standardized Approach and use the lower of the two for each risk-based capital ratio for determining the binding constraints.

The expanded risk-based approach is designed to align with the international capital standards adopted by the Basel Committee on Banking Supervision (Basel Committee). The Basel Committee finalized the Basel III reforms in December 2017, which included revisions to the methodologies to determine credit, market and operational RWA amounts.

If adopted as proposed, the capital proposal's impact on RWA amounts would also affect several other requirements including TLAC, external long-term debt and the short-term wholesale funding score included in the GSIB surcharge under method 2 (see "GSIB Surcharge" below). The proposal has a three-year transition period that would begin July 1, 2025. If finalized as proposed, the capital proposal would materially increase Citi's required regulatory capital.

For information about risks related to changes in regulatory capital requirements, see "Risk Factors—Strategic Risks," "—Operational Risks" and "—Compliance Risks" below.

### **GSIB Surcharge**

Separately on July 27, 2023, the FRB proposed changes to the GSIB surcharge rule that aim to make it more risk sensitive. Proposed changes include measuring certain systemic indicators on a daily versus quarterly average basis, changing certain of the risk indicators and shortening the time to come into compliance with each year's surcharge. In addition, the proposal would narrow surcharge bands under method 2 from 50 bps to 10 bps to reduce cliff effects when moving between bands.

### **Long-Term Debt Requirements**

On August 29, 2023, the FRB issued a notice of proposed rulemaking to amend the TLAC rule to change the haircuts (i.e., the percentage reductions) that are applied to eligible long-term debt. Under the proposed rule, only 50% of eligible long-term debt with a maturity of one year or more but less than two years would count toward the TLAC requirement, instead of the current 100%. These proposed revisions are estimated to decrease the TLAC percentage of Advanced Approaches RWA as well as the TLAC percentage of Total Leverage Exposure. The proposed rule in its current form has no proposed transition period for its implementation and is not expected to be material to Citi.



**Tangible Common Equity, Book Value Per Share, Tangible Book Value Per Share and Return on Equity**

As defined by Citi, tangible common equity (TCE) represents common stockholders' equity less goodwill and identifiable intangible assets (other than mortgage servicing rights (MSRs)).

Return on tangible common equity (RoTCE) represents annualized net income available to common shareholders as a percentage of average TCE. Tangible book value per share (TBVPS) represents average TCE divided by average common shares outstanding.

Other companies may calculate these measures differently.

**At December 31,**

<i>In millions of dollars or shares, except per share amounts</i>	2024	2023	2022	2021	2020
<b>Total Citigroup stockholders' equity</b>	<b>\$208,598</b>	\$205,453	\$201,189	\$201,972	\$199,442
Less: Preferred stock	<b>17,850</b>	17,600	18,995	18,995	19,480
<b>Common stockholders' equity</b>	<b>\$190,748</b>	\$187,853	\$182,194	\$182,977	\$179,962
Less:					
Goodwill	<b>19,300</b>	20,098	19,691	21,299	22,162
Identifiable intangible assets (other than MSRs)	<b>3,734</b>	3,730	3,763	4,091	4,411
Goodwill and identifiable intangible assets (other than MSRs) related to businesses held-for-sale (HFS)	<b>16</b>	—	589	510	—
<b>Tangible common equity (TCE)</b>	<b>\$167,698</b>	\$164,025	\$158,151	\$157,077	\$153,389
<b>Common shares outstanding (CSO)</b>	<b>1,877.1</b>	1,903.1	1,937.0	1,984.4	2,082.1
<b>Book value per share (common stockholders' equity/CSO)</b>	<b>\$ 101.62</b>	\$ 98.71	\$ 94.06	\$ 92.21	\$ 86.43
<b>Tangible book value per share (TCE/CSO)</b>	<b>89.34</b>	86.19	81.65	79.16	73.67

**For the year ended December 31,**

<i>In millions of dollars</i>	2024	2023	2022	2021	2020
<b>Net income available to common shareholders</b>	<b>\$ 11,628</b>	\$ 8,030	\$ 13,813	\$ 20,912	\$ 9,952
<b>Average common stockholders' equity</b>	<b>\$190,070</b>	\$187,730	\$180,093	\$182,421	\$175,508

Less:

Average goodwill	<b>19,732</b>	20,313	19,354	21,771	21,315
Average intangible assets (other than MSRs)	<b>3,611</b>	3,835	3,924	4,244	4,301
Average goodwill and identifiable intangible assets (other than MSRs) related to businesses HFS	<b>6</b>	226	872	153	—
<b>Average TCE</b>	<b>\$166,721</b>	\$163,356	\$155,943	\$156,253	\$149,892
<b>Return on average common stockholders' equity</b>	<b>6.1 %</b>	4.3 %	7.7 %	11.5 %	5.7 %
<b>RoTCE</b>	<b>7.0</b>	4.9	8.9	13.4	6.6

## RISK FACTORS

The following discussion presents what management currently believes could be the material risks and uncertainties that could impact Citi's businesses, results of operations and financial condition. Other risks and uncertainties, including those not currently known to Citi or its management, could also negatively impact Citi's businesses, results of operations and financial condition. Thus, the following should not be considered a complete discussion of all of the risks and uncertainties that Citi may face. For additional information about risks and uncertainties that could impact Citi, see "Executive Summary," "Citi's Multiyear Transformation" and each respective business's results of operations above and "Managing Global Risk" below. The following risk factors are categorized to improve the readability and usefulness of the risk factor disclosure, and, while the headings and risk factors generally align with Citi's risk categorization, in certain instances the risk factors may not directly correspond with how Citi categorizes or manages its risks.

### MARKET-RELATED RISKS

#### *Macroeconomic, Geopolitical and Other Challenges and Uncertainties Could Continue to Have a Negative Impact on Citi.*

Citi has experienced, and could experience in the future, negative impacts to its businesses, results of operations and financial condition as a result of various macroeconomic, geopolitical and other challenges, uncertainties and volatility. These include, among other things, any resurgence in inflation; government fiscal and monetary actions or expected actions, including changes in interest rate policy, reductions in central bank balance sheets or other monetary policies; and increases in unemployment rates, recessions or weak or slowing economic growth in the U.S., Europe and other regions or countries. These impacts could adversely affect Citi's consumer and institutional clients, businesses, cost of credit and overall results of operations.

For example, inflation could resurge if the FRB were to reduce interest rates prematurely and/or at too accelerated a pace, or if certain policies were further pursued in the U.S., including those related to trade, tariffs and immigration.

Interest rates on loans Citi makes are typically based off or set at a spread over a benchmark interest rate and would likely decline or rise as benchmark rates decline or rise, respectively. A decline in interest rates would generally be expected to result in lower overall net interest income for Citi, although Corporate Treasury has various tools to manage Citi's total interest rate risk position (see "Managing Global Risk—Market Risk—Market Risk of Non-Trading Portfolios" below). In addition, Citi's net interest income could be adversely affected due to a flattening (a lower spread between shorter-term versus longer-term interest rates) or inversion (shorter-term interest rates exceeding longer-term interest rates) of the interest rate yield curve, as Citi typically pays interest on deposits based on shorter-term interest rates and earns money on loans based on longer-term interest rates. For additional information on Citi's interest rate risk, see

"Managing Global Risk—Market Risk—Banking Book Interest Rate Risk" below.

Additional areas of uncertainty include, among others, geopolitical challenges, tensions and conflicts, including those related to the Russia–Ukraine war (see below) and conflicts in the Middle East; potential policies and priorities resulting from the new U.S. administration; economic and geopolitical challenges related to China, including weak economic growth, related policy actions, challenges in the Chinese real estate sector, banking and credit markets, trade restrictions, and tensions or conflicts between China and Taiwan and/or China and the U.S.; high and rising government debt levels in the U.S. and other countries; significant volatility and disruptions in financial markets, including foreign currency volatility and devaluations; natural disasters; and pandemics.

For example, the Russia–Ukraine war could have further negative impacts on regional and global energy and other commodities and financial markets and macroeconomic conditions, adversely impacting jurisdictions where Citi operates and its customers, clients or employees. In addition, Citi's remaining operations in Russia subject Citi to various other risks, including foreign currency volatility, such as appreciations or devaluations; restrictions arising from retaliatory Russian laws and regulations on the conduct of Citi's remaining businesses, including, without limitation, its provision of certain securities services to customers; sanctions or asset freezes; and other deconsolidation events. For additional information about these Russia-related risks, see the operational processes and systems, cybersecurity and emerging markets risk factors and "Managing Global Risk—Other Risks—Country Risk—Russia" below.

### STRATEGIC RISKS

#### *Citi's Ability to Return Capital to Common Shareholders Substantially Depends on Regulatory Capital Requirements, Including the Results of the CCAR Process and Dodd-Frank Act Regulatory Stress Tests, and Other Factors.*

Citi's ability to return capital to its common shareholders consistent with its capital planning efforts and targets, whether through its common stock dividend or through share repurchases, substantially depends, among other things, on its regulatory capital requirements, including the annual recalibration of the Stress Capital Buffer (SCB), which is based upon the results of the CCAR process required by the FRB, and recalibration of the GSIB surcharge, as well as the supervisory expectations and assessments regarding individual institutions.

The FRB's annual stress testing requirements are integrated into ongoing regulatory capital requirements. Citi's SCB equals the maximum projected decline in its CET1 Capital ratio under the supervisory severely adverse scenario over a nine-quarter CCAR measurement period, plus four quarters of planned common stock dividends as a percentage of Citi's risk-weighted assets, subject to a minimum requirement of 2.5%. The SCB is calculated by the FRB using its proprietary data and modeling of each firm's results. Accordingly, Citi's SCB may go up, based on the supervisory stress test results, thus potentially resulting in an increase in Citi's required regulatory CET1 Capital ratio under the

Standardized Approach. In addition, a breach of the SCB and other regulatory capital buffers may result in gradual limitations on capital distributions and discretionary bonus payments to executive officers. For additional information on the SCB, see “Capital Resources—Regulatory Capital Buffers” above.

Moreover, changes in regulatory capital rules, requirements or interpretations could materially increase Citi’s required regulatory capital. For example, the U.S. banking regulators proposed a number of changes to the U.S. regulatory capital framework, including, but not limited to, significant revisions to the U.S. Basel III rules. These potential changes, if adopted as originally proposed, would likely impact Citi’s regulatory capital position and materially increase Citi’s regulatory capital requirements, and thus adversely impact the extent to which Citi is able to return capital to shareholders (see “Capital Resources—Regulatory Capital Standards and Developments” above).

Citi’s ability to return capital also depends on its results of operations and financial condition, including the capital impact related to its remaining divestitures, such as, among other things, any temporary capital impact from CTA losses, net of hedges (see the incorrect assumptions or estimates and the emerging markets risk factors below); Citi’s effectiveness in planning, managing and calculating its level of regulatory capital and risk-weighted assets under both the Advanced Approaches and the Standardized Approach, as well as the Supplementary Leverage ratio (SLR); its implementation and maintenance of an effective capital planning process and management framework; forecasts of macroeconomic conditions; and deferred tax asset (DTA) utilization (see the ability to utilize DTA risk factor below).

All firms subject to CCAR requirements, including Citi, will continue to be subject to a rigorous regulatory evaluation of capital planning practices and other reviews and examinations, including, but not limited to data quality, which is a key regulatory focus, governance, risk management and internal controls. For example, the FRB has stated that it expects capital adequacy practices to continue to evolve and to likely be determined by its yearly cross-firm review of capital plan submissions. Similarly, the FRB has indicated that, as part of its stated goal to continually evolve its annual stress testing requirements, several parameters of the annual stress testing process may continue to be altered, including the number and severity of the stress test scenarios, the FRB modeling of Citi’s balance sheet, pre-provision net revenue and stress losses, and the addition of components deemed important by the FRB. Additionally, Citi’s ability to return capital may be adversely impacted if a regulatory evaluation or examination were to result in negative findings regarding absolute capital levels or other aspects of Citi’s or any of its subsidiaries’ operations, including as a result of the imposition of additional capital buffers, limitations on capital distributions or otherwise. For information on limitations on Citi’s ability to return capital to common shareholders, as well as the CCAR process, supervisory stress test requirements and GSIB surcharge, see “Capital Resources—Overview” and “Capital Resources—Stress Testing Component of Capital Planning” above and the risk management and legal and regulatory proceedings risk factors below.

In October 2024, the FRB announced that it will maintain its current framework for calculating allowances on loans in the supervisory stress test through the 2025 stress test cycle, while continuing to evaluate appropriate future enhancements to this framework. The impacts on Citi’s capital adequacy of any potential incorporation by the FRB of CECL into its supervisory stress tests in future stress test cycles, and of other potential regulatory changes in the FRB’s stress testing methodologies, remain unclear. For additional information regarding the CECL methodology, including the transition provisions related to the adverse regulatory capital effects resulting from adoption of the CECL methodology, see “Capital Resources—Current Regulatory Capital Standards—Regulatory Capital Treatment—Modified Transition of the Current Expected Credit Losses Methodology” above and Note 1.

Although various uncertainties exist regarding the extent of, and the ultimate impact to Citi from, changes to regulatory capital, results from the FRB’s stress testing and CCAR regimes, and regulatory evaluation or examination findings, these changes could increase the level of capital Citi is required or elects to hold, including as part of Citi’s management buffer, thus potentially adversely impacting the extent to which Citi is able to return capital to shareholders.

***Citi Must Continually Review, Analyze and Successfully Adapt to Ongoing Regulatory and Legislative Uncertainties and Changes in the U.S. and Globally.***

Citi, its management and its businesses continue to face regulatory and legislative uncertainties and changes, both in the U.S. and globally. While the ongoing regulatory and legislative uncertainties and changes facing Citi are too numerous to list completely, examples include, but are not limited to (i) potential changes to various aspects of the U.S. regulatory capital framework and requirements applicable to Citi, including, among others, significant revisions to the U.S. Basel III rules (see the capital return risk factor and “Capital Resources—Regulatory Capital Standards and Developments” above) and (ii) potential fiscal, monetary, tax, sanctions, human capital and other changes promulgated by the U.S. federal government and other governments (see the macroeconomic and geopolitical risk factor above and the ability to utilize DTAs risk factor below). References to “regulatory” refer to both formal regulation and the views and expectations of Citi’s regulators in their supervisory and enforcement roles, which, as they change over time, can have a major impact. In particular, U.S. regulators have indicated that the level of their expectations is increasing and prompt negative examination findings/ratings and enforcements actions are more likely.

Additionally, U.S. and international regulatory and legislative initiatives have not always been undertaken or implemented on a coordinated basis, and areas of divergence have developed and continue to develop with respect to their scope, interpretation, timing, structure or approach, leading to inconsistent or even conflicting requirements, including within a single jurisdiction.

Further, ongoing regulatory and legislative uncertainties and changes make Citi’s long-term business, balance sheet and strategic budget planning difficult, subject to change and

potentially more costly and may impact its results of operations. U.S. and other regulators globally have implemented and continue to discuss various changes to certain regulatory requirements, which would require ongoing assessment by management as to the impact to Citi, its businesses and business planning. Business planning must necessarily be based on possible or proposed rules or outcomes, which can change significantly upon finalization, or upon implementation or interpretive guidance from numerous regulatory bodies worldwide, and such guidance can change. Regulatory and legislative changes have also significantly increased Citi's compliance risks and costs (see the implementation and interpretation of regulatory changes risk factor below) and can adversely affect Citi's competitive position, as well as its businesses, revenues, results of operations and financial condition.

***Citi's Ability to Achieve Its Objectives from Its Transformation, Simplification and Other Priorities May Not Be as Successful as It Projects or Expects.***

As part of its multiyear transformation, Citi continues to make significant investments and undertake substantial actions across the Company to improve its risk and controls environment, modernize its data and technology infrastructure and further enhance safety and soundness (see "Executive Summary" and "Citi's Multiyear Transformation" above and the legal and regulatory proceedings risk factor below).

Citi has also been pursuing overall simplification initiatives that have included management and operating model changes and actions to enhance focus on clients and reduce expenses. Citi's simplification actions also include completing its remaining divestitures, including the planned IPO of Mexico Consumer/SBMM. These simplification initiatives involve various execution challenges, may take longer than expected and may result in higher than expected expenses, CTA and other losses or other negative financial or strategic impacts, which could be material, and litigation and regulatory scrutiny (for information about potential CTA impacts, see the capital return risk factor above and the incorrect assumptions or estimates and emerging markets risk factors below).

Additionally, Citi continues to make business-led investments, as part of the execution of its strategic priorities. For example, Citi has been making investments across the Company, including hiring front office employees in key strategic markets and businesses; enhancing product capabilities and platforms to grow key businesses, improve client digital experiences and add scalability; and implementing new capabilities and partnerships. These business-led investments are designed to reduce expenses and grow revenues as well as result in retention and efficiency improvements.

Citi's transformation, as well as its simplification and business investment initiatives, involve significant complexities and uncertainties. In addition, there is inherent risk that these initiatives will not be as productive or effective as Citi expects, or at all. Conversely, failure to adequately invest in and upgrade Citi's technology and processes or properly implement its enterprise-wide simplification could result in Citi's inability to meet regulatory expectations, be

sufficiently competitive, serve clients effectively and avoid disruptions to its businesses and operational errors (see the operational processes and systems and legal and regulatory proceedings risk factors below).

Citi's ability to achieve its expected returns, including expense savings and revenue growth objectives, and operational improvements from these priorities depends, in part, on factors that it cannot control, including, among others, macroeconomic challenges and uncertainties; customer, client and competitor actions; and ongoing regulatory requirements or changes.

Moreover, Citi's transformation, simplification and other priorities may continue to evolve as its business strategies, the market environment and regulatory expectations change, which could make the initiatives more costly and more challenging to implement, and limit their effectiveness.

***Climate Change Presents Various Financial and Non-Financial Risks to Citi and Its Customers and Clients.***

Climate change presents both immediate and long-term risks to Citi and its customers and clients, with the risks expected to increase over time. Climate risks can arise from both physical risks (those risks related to the physical effects of climate change) and transition risks (risks related to regulatory, market, technological, stakeholder and legal changes from a transition to a low-carbon economy). Physical and transition risks can manifest themselves differently across Citi's risk categories in the short, medium and long terms.

Physical risks from climate change include acute risks, such as wildfires, hurricanes, floods and droughts, as well as consequences of chronic changes in climate, such as rising sea levels, prolonged droughts and systemic changes to geographies and any resulting population migration. For example, physical risks could have adverse financial, operational and other impacts on Citi, both directly on its business and operations, and indirectly as a result of impacts to Citi's clients, customers, vendors and other counterparties. These impacts can include destruction, damage or impairment of owned or leased properties and other assets, destruction or deterioration of the value of collateral, such as real estate, disruptions to business operations and supply chains, and reduced availability or increase in the cost of insurance. Physical risks can also impact Citi's credit risk exposures, for example, in its mortgage and commercial real estate lending businesses.

Transition risks may arise from changes in regulations or market preferences toward low-carbon industries or sectors, which in turn could have negative impacts on asset values, results of operations or the reputations of Citi and its customers and clients. For example, Citi's corporate credit exposures include oil and gas, power and other industries that may experience reduced demand for carbon-intensive products due to the transition to a low-carbon economy. Failure to adequately consider transition risk in developing and executing on its business strategy could lead to a loss of market share, lower revenues and higher credit costs. Transition risks also include potential increased operational, compliance and energy costs driven by government policies to promote decarbonization.

Moreover, increasing legislative and regulatory changes and uncertainties regarding climate-related risk management and disclosures may result in increased regulatory, compliance, credit, reputational and other risks and costs for Citi. In addition, Citi could face increased regulatory scrutiny and reputation and litigation risks as a result of its climate risk, sustainability and other environmental and social commitments, disclosures, marketing and positioning. For example, any actual or perceived overstatement of the environmental benefits of Citi's actions may result in legal or regulatory actions and/or reputational harm.

Even as some regulators seek to mandate additional disclosure of climate-related information, Citi's ability to comply with such requirements and conduct more robust climate-related risk analyses may be hampered by lack of information and reliable data. Data on climate-related risks is limited in availability, often based on estimated or unverified figures, collected and reported on a time-lag, and variable in quality. Modeling capabilities to analyze climate-related risks and interconnections continue to evolve.

Additionally, if Citi is unable to achieve its objectives or commitments relating to climate change, its businesses, reputation, attractiveness to certain investors and efforts to recruit and retain employees may suffer. For example, Citi's approach to supporting client decarbonization in a gradual and orderly way, while promoting energy security, may lead to both continued exposure to carbon-intensive activity and increased reputation risks from stakeholders with divergent points of view. Citi may also face challenges and scrutiny from stakeholders with varied views on climate change that may impact its ability to conduct certain business.

For information on Citi's climate and other sustainability initiatives, see "Net Zero and Sustainability" below. For additional information on Citi's management of climate risk, see "Managing Global Risk—Strategic Risk—Climate Risk" below.

#### ***Citi's Ability to Utilize Its DTAs, and Thus Reduce the Negative Impact of the DTAs on Citi's Regulatory Capital, Will Be Driven by Its Ability to Generate U.S. Taxable Income.***

At December 31, 2024, Citi's net DTAs were \$29.8 billion, net of a valuation allowance of \$4.3 billion, of which \$12.8 billion was deducted from Citi's CET1 Capital under the U.S. Basel III rules. Of this deducted amount, \$11.6 billion related to net operating losses, foreign tax credit and general business credit carry-forwards, with \$3.0 billion related to temporary differences in excess of the 10%/15% regulatory limitations, reduced by \$1.8 billion of deferred tax liabilities, primarily associated with goodwill and certain other intangible assets that were separately deducted from capital.

Citi's overall ability to realize its DTAs will primarily be dependent upon Citi's ability to generate U.S. taxable income in the relevant reversal periods. Failure to realize any portion of the net DTAs would have a corresponding negative impact on Citi's net income and financial returns.

The accounting treatment for realization of DTAs is complex and requires significant judgment and estimates regarding future taxable earnings in the jurisdictions in which the DTAs arise and available tax planning strategies. Forecasts

of future taxable earnings will depend upon various factors, including, among others, macroeconomic conditions. In addition, any future increase in U.S. corporate tax rates could result in an increase in Citi's DTAs, which may subject more of Citi's DTAs to exclusion from regulatory capital.

Citi has not been and does not expect to be subject to the base erosion anti-abuse tax (BEAT), which, if applicable to Citi in any given year, would have a significantly adverse effect on both Citi's net income and regulatory capital.

The new U.S. administration has discussed potential reductions to the U.S. federal corporate tax rate and changes to the U.S. approach to the Organization for Economic Cooperation and Development (OECD) Pillar 2 framework. It is unclear whether any corporate tax rate reduction would apply to services companies like Citi. If the U.S. federal corporate tax rate applicable to Citi is reduced, Citi may benefit on a prospective net income basis, but the reduction could result in a material decrease in the value of Citi's DTAs, which would also result in a material reduction to Citi's net income during the period in which the change is enacted. Citi's regulatory capital could also be reduced if the decrease in the value of Citi's DTAs exceeds certain levels.

For additional information on Citi's DTAs, including FTCs, see "Significant Accounting Policies and Significant Estimates—Income Taxes" below and Notes 1 and 10.

#### ***Citi's Interpretation or Application of the Complex Tax Laws to Which It Is Subject Could Differ from Those of Governmental Authorities, Which Could Result in Litigation or Examinations and the Payment of Additional Taxes, Penalties or Interest.***

Citi is subject to various income-based tax laws of the U.S. and its states and municipalities, as well as the numerous non-U.S. jurisdictions in which it operates. These tax laws are inherently complex, and Citi must make judgments and interpretations about the application of these laws to its entities, operations and businesses.

For example, the OECD Pillar 2 framework contemplates a 15% global minimum tax with respect to earnings in each country. The majority of EU member states have adopted the OECD Pillar 2 rules, and other non-U.S. countries have similarly adopted or are expected to adopt the rules. Under these rules, Citi will be required to pay a "top-up" tax to the extent that Citi's effective tax rate in any given country is below 15%. Beginning in 2024, countries that adopted the OECD Pillar 2 rules can collect the top-up tax only with respect to earnings of entities in their jurisdiction or subsidiaries of such entities. Beginning in 2025, all countries that have adopted the OECD Pillar 2 rules can collect a share of the top-up tax owed with respect to any member of the Pillar 2 multinational group. While Citi does not currently expect the rules to have a material impact on its earnings, many aspects of the application of the rules and their implementation remain uncertain. Separately, the new U.S. administration has stated its opposition to the application of the global minimum tax to U.S. companies' U.S. operations, and has indicated it may take retaliatory measures against other countries that seek to collect the minimum tax with respect to the U.S. operations of U.S. companies. Citi is

closely monitoring developments relating to the Pillar 2 negotiations to determine their potential impact.

Additionally, Citi is subject to litigation or examinations with U.S. and non-U.S. tax authorities regarding non-income-based tax matters. While Citi has appropriately reserved for such matters where there is a probable loss, and has disclosed reasonably possible losses, the outcome of the matters may be different than Citi's expectations. Citi's interpretations or application of the tax laws, including with respect to withholding, stamp, service and other non-income taxes, could differ from that of the relevant governmental taxing authority, which could result in the requirement to pay additional taxes, penalties or interest, the reduction of certain tax benefits or the requirement to make adjustments to amounts recorded, which could be material. See Note 30 for additional information on litigation and examinations involving non-U.S. tax authorities.

***A Deterioration in or Failure to Maintain Citi's Co-Branding or Private Label Credit Card Relationships Could Have a Negative Impact on Citi.***

Citi has co-branding and private label relationships with various retailers and merchants through its Branded Cards and Retail Services credit card businesses in *USPB*, whereby in the ordinary course of business Citi issues credit cards to consumers, including customers of the retailers or merchants. The five largest relationships across both businesses in *USPB* constituted an aggregate of approximately 12% of Citi's revenues in 2024 (see "U.S. Personal Banking" above). Citi's co-branding and private label agreements often provide for shared economics between the parties and generally have a fixed term.

Competition among credit card issuers, including Citi, for these relationships is significant, and Citi may not be able to maintain such relationships on existing terms or at all. Citi's co-branding and private label relationships could also be negatively impacted by, among other things, the general economic environment, including the impacts stemming from potential increases in unemployment, inflation or interest rates or lower economic growth rates, as well as a risk of recession; changes in consumer sentiment, spending patterns and credit card usage behaviors; a decline in sales and revenues, partner store closures, any reduction in air and business travel, or other operational difficulties of the retailer or merchant; changes in partner business strategies, including changes in products and services offered; termination or non-renewal of partner agreements, including early termination due to a contractual breach or exercise of other early termination right; or other factors, including bankruptcies, liquidations, restructurings, consolidations or other similar events, whether due to a challenging macroeconomic environment or otherwise.

These events, particularly early termination and bankruptcies or liquidations, could negatively impact the results of operations or financial condition of Branded Cards, Retail Services or Citi as a whole, including as a result of loss of revenues, increased expenses, higher cost of credit, impairment of purchased credit card relationships and contract-related intangibles or other losses (see Note 17 for information on Citi's credit card related intangibles generally).

***The Application of U.S. Resolution Plan Requirements May Pose a Greater Risk of Loss to Citi's Debt and Equity Securities Holders, and Citi's Inability in Its Resolution Plan Submissions to Address Any Shortcomings or Deficiencies or Guidance Could Subject Citi to More Stringent Capital, Leverage or Liquidity Requirements, or Restrictions on Its Growth, Activities or Operations, and Could Eventually Require Citi to Divest Assets or Operations.***

Title I of the Dodd-Frank Act requires Citi to prepare and submit a plan to the FRB and the FDIC for the orderly resolution of Citigroup (the bank holding company) and its significant legal entities under the U.S. Bankruptcy Code in the event of future material financial distress or failure.

Under Citi's preferred "single point of entry" resolution plan strategy, only Citigroup, the parent holding company, would enter into bankruptcy, while Citigroup's material legal entities (as defined in the public section of its 2023 resolution plan, which can be found on the FRB's and FDIC's websites) would remain operational outside of any resolution or insolvency proceedings. As a result, Citigroup's losses and any losses incurred by its material legal entity subsidiaries would be imposed first on holders of Citigroup's equity securities and thereafter on its unsecured creditors, including holders of eligible long-term debt and other debt securities.

In addition, a wholly owned, direct subsidiary of Citigroup serves as a resolution funding vehicle (the intermediate holding company, or IHC) to which Citigroup has transferred, and has agreed to transfer on an ongoing basis, certain assets. The obligations of Citigroup and of the IHC, respectively, under the amended and restated secured support agreement, are secured on a senior basis by the assets of Citigroup (other than shares in subsidiaries of the parent company and certain other assets), and the assets of the IHC, as applicable. As a result, claims of the operating material legal entities against the assets of Citigroup with respect to such secured assets are effectively senior to unsecured obligations of Citigroup. Citi's single point of entry resolution plan strategy and the obligations under the amended and restated secured support agreement may result in the recapitalization of and/or provision of liquidity to Citi's operating material legal entities, and the commencement of bankruptcy proceedings by Citigroup at an earlier stage of financial stress than might otherwise occur without such mechanisms in place.

In line with the FRB's total loss-absorbing capacity (TLAC) rule, Citigroup's shareholders and unsecured creditors—including its unsecured long-term debt holders—would bear any losses resulting from Citigroup's bankruptcy. Accordingly, any value realized by holders of its unsecured long-term debt may not be sufficient to repay the amounts owed to such debt holders in the event of a bankruptcy or other resolution proceeding of Citigroup. For additional information on Citi's single point of entry resolution plan strategy and the IHC and secured support agreement, see "Managing Global Risk—Liquidity Risk" below.

On November 22, 2022, the FRB and FDIC issued feedback on the resolution plans filed on July 1, 2021 by the eight U.S. GSIBs, including Citigroup. The FRB and FDIC jointly identified one shortcoming in Citigroup's 2021 resolution plan. The shortcoming related to data integrity and

data quality management issues, specifically, weaknesses in Citi's processes and practices for producing certain data that could materially impact its resolution capabilities. On June 20, 2024, the FRB and FDIC issued feedback on the resolution plans filed on July 1, 2023 by the eight U.S. GSIBs, including Citigroup. The FRB and FDIC jointly identified one shortcoming in Citigroup's 2023 resolution plan regarding Citi's derivatives unwind capabilities. If a shortcoming is not satisfactorily explained or addressed before, or in, the submission of the next resolution plan, the shortcoming may be found to be a deficiency in the next resolution plan (see discussion below). Citi is required to submit a targeted resolution plan by July 1, 2025. More generally, data continues to be a subject of regulatory focus, and Citi continues to work on enhancing its data availability and quality (see "Citi's Multiyear Transformation" above and the legal and regulatory proceedings risk factor below).

Under Title I, if the FRB and the FDIC jointly determine that Citi's resolution plan is not "credible" (which, although not defined, is generally understood to mean the regulators do not believe the plan is feasible or would otherwise allow Citi to be resolved in a way that protects systemically important functions without severe systemic disruption), or would not facilitate an orderly resolution of Citi under the U.S. Bankruptcy Code, and Citi fails to resubmit a resolution plan that remedies any identified deficiencies, Citi could be subjected to more stringent capital, leverage or liquidity requirements, or restrictions on its growth, activities or operations. If within two years from the imposition of any such requirements or restrictions Citi has still not remediated any identified deficiencies, then Citi could eventually be required to divest certain assets or operations. Any such restrictions or actions would negatively impact Citi's reputation, market and investor perception, operations and strategy.

#### ***Citi's Performance and Its Ability to Effectively Execute Its Transformation, Simplification and Other Priorities Could Be Negatively Impacted if It Is Not Able to Hire and Retain Qualified Employees.***

Citi's performance and the performance of its individual businesses largely depend on the talents and efforts of its diverse and highly qualified employees. Specifically, Citi's continued ability to compete in each of its lines of business, to manage its businesses effectively and to execute its transformation, simplification and other priorities, including, for example, hiring employees to grow businesses or hiring employees to support Citi's priorities, depends on its ability to hire new employees and to retain and motivate its existing employees. If Citi is unable to continue to hire, retain and motivate highly qualified employees, Citi's performance, including its competitive position, the execution of its transformation, simplification and other priorities and its results of operations could be negatively impacted.

Citi's ability to attract, retain and motivate employees depends on numerous factors, some of which are outside of Citi's control. For example, the competition for talent continues to be particularly intense due to various factors, such as changes in worker expectations, concerns and preferences, including demands for remote work options and other job

flexibility. Also, the banking industry generally is subject to more comprehensive regulation of employee compensation than other industries, including deferral and clawback requirements for incentive compensation, which can make it unusually challenging for Citi to compete in labor markets against businesses, including, for example, technology companies, that are not subject to such regulation. In addition, Citi recently completed a significant organizational simplification initiative, which included reducing management layers and significant reductions in functional roles that could continue to impact its ability to attract and retain employees.

Other factors that could impact Citi's ability to attract, retain and motivate employees include, among other things, Citi's presence in a particular market or region, the professional and development opportunities it offers, its reputation and its diversity. For information on Citi's employee and workforce management, see "Human Capital Resources and Management" below.

#### ***Citi Faces Increased Competitive Challenges, Including from Financial Services and Other Companies and Emerging Technologies.***

Citi operates in an increasingly evolving and competitive business environment, which includes both financial and non-financial services firms, such as traditional banks, online banks, private credit and financial technology companies and others. These companies compete on the basis of, among other factors, size, reach, quality and type of products and services offered, price, technology and reputation. Certain competitors may be subject to different and, in some cases, less stringent legal, regulatory and supervisory requirements, whether due to size, jurisdiction, entity type or other factors, placing Citi at a competitive disadvantage. Moreover, new or rapidly developing technologies with the potential to have significant economic or social effects (emerging technologies) also pose competitive challenges for Citi.

For example, Citi competes with other financial services companies in the U.S. and globally that have grown rapidly over the last several years or have introduced new products and services. Potential mergers and acquisitions involving traditional financial services companies, such as regional banks or credit card issuers, as well as networks and merchant acquirers, may also increase competition and impact Citi's ability to offer competitive pricing and rewards. Non-traditional financial services firms, such as private credit, financial technology and digital asset companies, are less regulated and supervised and continue to expand their offerings of services traditionally provided by financial institutions.

In addition, emerging technologies have the potential to intensify competition and accelerate disruption in the financial services industry. Clients and investors have shown increased interest in these technologies, prompting financial services firms and other market participants to develop related products and services. As blockchain and digital assets continue to evolve, customer demand for enhanced offerings may increase. Failure to strategically embrace the potential of emerging technologies may result in a competitive disadvantage to Citi. The new U.S. administration has stated its support for the growth and use of digital assets and

blockchain technology, including a more favorable regulatory approach to crypto assets. Citi may not be able to provide the same or similar products and services for legal or regulatory reasons, which may be exacerbated by rapidly evolving and conflicting regulatory requirements, as well as increased compliance and other risks. Further, the introduction of mobile platforms and emerging technologies, such as artificial intelligence (AI) and digital assets, and changes in the payments space (e.g., instant and 24/7 payments) are accelerating, and, as a result, certain of Citi's products and services could become less competitive.

Increased competition and emerging technologies have required and could require Citi to change or adapt its products and services, as well as invest in and develop related infrastructure, to attract and retain customers or clients or to compete more effectively with competitors, including new market entrants.

Simultaneously, as Citi develops new products and services leveraging emerging technologies, new risks may emerge that, if not designed and governed adequately, may result in control gaps and in Citi operating outside of its risk appetite. For example, the use or development of emerging technologies, such as AI or digital assets, without sufficient controls, governance and risk management may result in increased risks across various risk categories (for additional information, see the operational processes and systems risk factor below).

As another example, instant and 24/7 payments products could be accompanied by challenges to forecasting and managing liquidity, as well as increased operational and compliance risks. Additionally, the growth of certain competitors has increased market and counterparty credit risks, with such risks particularly heightened in the case of a challenging macroeconomic environment (see the risk factor on credit and concentrations of risk below).

Moreover, Citi relies on third parties to support certain of its product and service offerings, which may put Citi at a disadvantage to competitors who may directly offer a broader array of products and services. Also, Citi's businesses, results of operations and reputation may suffer if any third party is unable to provide adequate support for such product and service offerings, whether due to operational incidents or otherwise (see the operational processes and systems, cybersecurity and emerging markets risk factors below).

To the extent that Citi is not able to compete effectively with other financial services companies, including private credit and financial technology companies, and non-financial services firms, or adequately assess the competitive landscape, Citi could be placed at a competitive disadvantage, which could result in loss of customers and market share, and its businesses, results of operations and financial condition could suffer. For additional information on Citi's competitors, see the co-brand and private label cards and qualified employees risk factors above and "Supervision, Regulation and Other—Competition" below.

## OPERATIONAL RISKS

### *A Failure or Disruption of Citi's Operational Processes or Systems Could Negatively Impact Its Reputation, Customers, Clients, Businesses or Results of Operations and Financial Condition.*

Citi's global operations rely heavily on its technology systems and infrastructure, including the accurate, complete, timely and secure processing, management, storage and transmission of data, including confidential transactions, and other information, as well as the monitoring of a substantial amount of data and complex transactions in real time. Citi obtains and stores an extensive amount of personal and client-specific information for its consumer and institutional customers and clients, and must accurately record and reflect their account transactions.

Citi's operations must also comply with complex and evolving laws, regulations and heightened regulatory expectations in the jurisdictions in which it operates (see the implementation and interpretation of regulatory changes and legal proceedings risk factors below). With the proliferation of emerging technologies, including AI, and the use of the internet, mobile devices and cloud services to conduct financial transactions, and customers' and clients' increasing use of online banking and trading systems and other platforms, large global financial institutions such as Citi have been, and will continue to be, subject to an ever-increasing risk of operational loss, failure or disruption.

Citi has been working with AI and machine learning for a period of time and has more recently begun using Generative AI, a type of artificial intelligence that uses generative models to create text and other content. Generative AI tools are available to employees within parts of the Company, and in the future Citi may more broadly use, develop and incorporate Generative AI within its technology platform and services, systems and its businesses and functions. While Citi has policies which govern the use of emerging technologies, ineffective, inadequate or faulty Generative AI development or deployment practices by Citi or third parties could result in unintended consequences, such as AI algorithms that produce inaccurate or incomplete output or output based on biased, incomplete and/or inaccurate datasets, or cause other issues, concerns or deficiencies. Moreover, the use of increasingly sophisticated AI technologies by malicious actors and others has increased the risk of fraud, including identity theft and bypassing of verification controls, and failure to effectively manage such risks could result in misappropriation of funds, unauthorized transactions, exposure of sensitive client or Company information, reputational harm and increased litigation and regulatory risk. In addition, compliance with new or changing laws, regulations or industry standards relating to AI may impose additional operational risks and costs.

Although Citi has continued to upgrade its technology, including systems to automate processes and gain efficiencies, operational incidents are unpredictable and can arise from numerous sources, not all of which are fully within Citi's control. These include, among others, operational or execution failures or deficiencies by third parties and third parties that provide products or services to Citi (e.g., cloud service

providers), including such third parties' downstream service providers, other market participants or those that otherwise have an ongoing partnership or business relationship with Citi; deficiencies in processes or controls; inadequate management of data governance practices, data controls and monitoring mechanisms that may adversely impact internal or external reporting and decision-making; cyber or information security incidents (see the cybersecurity risk factor below); human error, such as manual transaction processing errors (e.g., erroneous payments to lenders or manual errors by traders that cause system and market disruptions or losses), which can be exacerbated by staffing challenges and processing backlogs; fraud or malice on the part of employees or third parties; insufficient (or limited) straight-through processing between legacy or bespoke systems and any failure to design and effectively operate controls that mitigate operational risks associated with those legacy or bespoke systems, leading to potential risk of errors and operating losses; accidental system or technological failure; electrical or telecommunication outages; failures of or cyber incidents involving computer servers or infrastructure, including software updates and cloud services; or other similar losses or damage to Citi's property or assets (see also the climate change risk factor above). Additionally, Citi's ability to effectively maintain and upgrade systems and infrastructure can become more challenging as the speed, frequency, volume, interconnectivity and complexity of transactions continue to increase.

For example, operational incidents can arise due to failures by third parties with which Citi does business, such as failures by internet, mobile technology and cloud service providers or other vendors to adequately follow procedures or processes, safeguard their systems or prevent system disruptions or cyberattacks. Failure by Citi to develop, implement and operate a third-party risk management program commensurate with the level of risk, complexity and nature of its third-party relationships can also result in operational incidents. In addition, Citi has experienced and could experience further losses associated with manual transaction processing errors, including erroneous payments to lenders or manual errors by Citi traders that cause system and market disruptions and losses for Citi and its clients. Irrespective of the sophistication of the technology utilized by Citi, there will always be some room for human and other errors. In view of the large transactions in which Citi engages, such errors have in the past resulted, and could result, in significant losses. While Citi has change management processes in place to appropriately upgrade its operational processes and systems to ensure that any changes introduced do not adversely impact security and operational continuity, such change management can fail or be ineffective. Furthermore, when Citi introduces new products, systems or processes, new operational risks that may arise from those changes may not be identified, or adequate controls to mitigate the identified risks may not be appropriately implemented or operate as designed.

Incidents that impact information security, technology operations or other operational processes may cause disruptions and/or malfunctions within Citi's businesses (e.g., the temporary loss of availability of Citi's online banking system or mobile banking platform), as well as the operations of its clients, customers or other third parties. In addition,

operational incidents could involve the failure or ineffectiveness of internal processes or controls. Given Citi's global footprint and the high volume of transactions processed by Citi, certain failures, errors or actions may be repeated or compounded before they are discovered and rectified, which would further increase the consequences and costs. Operational incidents could result in financial losses and other costs as well as misappropriation, corruption or loss of confidential and other information or assets, which could significantly negatively impact Citi's reputation, customers, clients, businesses or results of operations and financial condition. Cyber-related and other operational incidents can also result in legal and regulatory actions or proceedings, fines and other costs (see the legal and regulatory proceedings risk factor below).

Citi will need to continue to increase its operational resilience, ensuring important business services and their impact tolerance time and severity scales are clearly defined. Failure to do so could expose Citi to service disruptions identified through scenario testing, leading to harms to Citi clients, market integrity, financial stability or Citi safety and soundness.

For information on Citi's management of operational risk, see "Managing Global Risk—Operational Risk" below.

***Citi's and Third Parties' Computer Systems and Networks Will Continue to Be Susceptible to an Increasing Risk of Continually Evolving, Sophisticated Cybersecurity Incidents That Could Result in the Theft, Loss, Non-Availability, Misuse or Disclosure of Confidential Client or Customer Information, Damage to Citi's Reputation, Additional Costs to Citi, Regulatory Penalties, Legal Exposure and Financial Losses.***

Citi's computer systems, software and networks are subject to ongoing attempted cyberattacks, such as unauthorized access, loss or destruction of data (including confidential client information), account takeovers, disruptions of service, phishing, malware, ransomware, computer viruses or other malicious code and other similar events. These threats can arise from external parties, including cyber criminals, cyber terrorists, hacktivists (individuals or groups using cyberattacks to promote a political or social agenda) and nation-state actors, as well as insiders who knowingly or unknowingly engage in or enable malicious cyber activities. For example, nation-state actors have recently targeted critical U.S. infrastructure with cyberattacks.

Citi develops its own software and relies on third-party applications and software, which are susceptible to vulnerability exploitations. Software leveraged in financial services and other industries continues to be impacted by an increasing number of zero-day vulnerabilities, thus increasing inherent cyber risk to Citi.

The increasing use of mobile and other digital banking platforms and services, cloud technologies, new and emerging technologies (such as AI) and connectivity solutions to facilitate remote working for Citi's employees all increase Citi's exposure to cybersecurity risks. Citi is also susceptible to cyberattacks given, among other things, its size and scale, high-profile brand, global footprint and prominent role in the financial system, as well as the ongoing wind-down of its

businesses in Russia (see the emerging markets risk factor and “Managing Global Risk—Other Risks—Country Risk—Russia” below). Additionally, Citi continues to operate in multiple jurisdictions in the midst of geopolitical unrest or uncertainties, including the Russia–Ukraine war and the conflicts in the Middle East, which could expose Citi to heightened risk of insider threat, cyber threats from nation-state actors, hacktivism or other cyber incidents.

Citi continues to experience increased exposure to cyberattacks through third parties, in part because financial institutions are becoming increasingly interconnected with central agents, exchanges and clearing houses. Third parties with which Citi does business, as well as retailers and other third parties with which Citi’s customers do business, and any such third parties’ downstream service providers, also pose cybersecurity risks, particularly where activities of customers are beyond Citi’s security and control systems. For example, Citi outsources certain functions, such as processing customer credit card transactions, uploading content on customer-facing websites and developing software for new products and services. These relationships allow for the storage and processing of customer information by third-party hosting of, or access to, Citi websites. This could lead to compromise or the potential to introduce vulnerable or malicious code, resulting in security breaches or business disruptions impacting Citi customers, employees or operations. While many of Citi’s agreements with third parties include indemnification provisions, Citi may not be able to recover sufficiently under these provisions, or at all, to adequately offset any losses and other adverse impacts Citi may incur from third-party cyber incidents.

Citi and some of its third-party partners have been subjected to attempted and sometimes successful cyberattacks over the last several years, including (i) denial of service attacks, which attempt to interrupt service to clients and customers; (ii) hacking and malicious software installations intended to gain unauthorized access to information systems or to disrupt those systems and/or impact availability or privacy of confidential data, with objectives including, but not limited to, extortion payments or causing reputational damage; (iii) data breaches due to unauthorized access to customer account or other data; and (iv) malicious software attacks on client systems, in attempts to gain unauthorized access to Citi systems or client data under the guise of normal client transactions.

While Citi’s monitoring and protection services have historically generally succeeded in detecting, thwarting and/or responding to attacks targeting its systems before they become significant, certain past incidents resulted in limited losses, as well as increases in expenditures to monitor against the threat of similar future cyber incidents. There can be no assurance that such cyber incidents will not occur again, and they could occur more frequently, via novel tactics, including leveraging of tools made possible by emerging technologies, and on a more significant scale.

Despite the significant resources Citi allocates to implement, maintain, monitor and regularly upgrade its systems and networks with measures such as intrusion detection and prevention systems and firewalls to safeguard critical business applications, there is no guarantee that these

measures or any other measures can provide sufficient security. Because the techniques used to initiate cyberattacks change frequently or, in some cases, are not recognized until launched or even later, Citi may be unable to implement effective preventive measures or otherwise proactively address these methods. In addition, cyber threats and cyberattack techniques change, develop and evolve rapidly, including from emerging technologies such as AI, cloud computing and quantum computing. Given the frequency and sophistication of cyberattacks, the determination of the severity and potential impact of a cyber incident may not become apparent for a substantial period of time following detection of the incident. Also, while Citi strives to implement measures to reduce the exposure resulting from outsourcing risks, such as performing security control assessments of third-party vendors and limiting third-party access to the least privileged level necessary to perform job functions, these measures cannot prevent all third-party-related cyberattacks or data breaches. In addition, the risk of insider threats may continue to be elevated in the near term due to Citi’s recent overall simplification initiatives, including streamlining its global staff functions.

Cyber incidents can result in the disclosure of personal, confidential or proprietary customer, client or employee information; damage to Citi’s reputation with its clients, other counterparties and the market; customer dissatisfaction; and additional costs to Citi, including expenses such as repairing or replacing systems, replacing customer payment cards, credit monitoring or adding new personnel or protection technologies. Cyber incidents can also result in regulatory penalties, loss of revenues, deposit flight, exposure to litigation and regulatory action and other financial losses, including loss of funds to both Citi and its clients and customers, and disruption to Citi’s operational systems (see the operational processes and systems risk factor above).

Moreover, the increasing risk of cyber incidents has resulted in increased legislative and regulatory action on cybersecurity, including, among other things, scrutiny of firms’ cybersecurity protection processes and services, laws and regulations to enhance protection of consumers’ personal data and mandated disclosure on cybersecurity matters.

While Citi maintains insurance coverage that may, subject to policy terms and conditions including significant self-insured deductibles, cover certain aspects of cyber risks, such insurance coverage may be insufficient to cover all losses and may not take into account reputational harm, the costs of which are impossible to quantify.

For additional information about Citi’s management of cybersecurity risk, see “Managing Global Risk—Operational Risk—Cybersecurity Risk” below.

***Changes or Errors in Accounting Assumptions, Judgments or Estimates, or the Application of Certain Accounting Principles, Could Result in Significant Losses or Other Adverse Impacts.***

U.S. GAAP requires Citi to use certain assumptions, judgments and estimates in preparing its financial statements, including, among other items, the estimate of the ACL; reserves related to litigation, regulatory and tax matters; valuation of DTAs; the fair values of certain assets and liabilities; and the assessment of goodwill and other assets for



impairment. These assumptions, judgments and estimates are inherently limited because they involve techniques, which could include the use of historical data and AI, that cannot anticipate or model every economic and financial outcome in the markets in which Citi operates, nor can they anticipate the specific impact and timing of such outcomes. For example, many models used by Citi include assumptions about correlation or lack thereof among prices of various asset classes or other market indicators that may not hold in times of market stress, limited liquidity or other unforeseen circumstances.

If Citi's assumptions, judgments or estimates underlying its financial statements are incorrect or differ from actual or subsequent events, Citi could experience unexpected losses or other adverse impacts, some of which could be significant. Citi could also experience declines in its stock price, be subject to legal and regulatory proceedings and incur fines and other losses. For additional information on the key areas for which assumptions and estimates are used in preparing Citi's financial statements, see "Significant Accounting Policies and Significant Estimates" below and Notes 1 and 16.

For example, the CECL methodology requires that Citi provide reserves for a current estimate of lifetime expected credit losses for its loan portfolios and other financial assets, as applicable, at the time those assets are originated or acquired. This estimate is adjusted each period for changes in expected lifetime credit losses. Citi's ACL estimate is subject to judgments and depends upon its CECL models and assumptions; forecasted macroeconomic conditions, including, among other things, the U.S. unemployment rate and U.S. inflation-adjusted gross domestic product (real GDP); and the credit indicators, composition and other characteristics of Citi's loan portfolios and other applicable financial assets. These model assumptions and forecasted macroeconomic conditions will change over time, resulting in variability in Citi's ACL and, thus, impact its results of operations and financial condition, as well as regulatory capital due to the CECL phase-in (see the capital return risk factor above). For additional information on Citi's ACL, see "Significant Accounting Policies and Significant Estimates" below and Notes 1 and 16.

Moreover, Citi has incurred losses related to its foreign operations that are reported in the CTA components of *Accumulated other comprehensive income (loss) (AOCI)*. In accordance with U.S. GAAP, a sale, substantial liquidation or other deconsolidation event of any foreign operations, such as those related to Citi's remaining divestitures or legacy businesses, would result in reclassification of any foreign CTA component of *AOCI* related to that foreign operation, including related hedges and taxes, into Citi's earnings. For example, Citi could incur a significant loss on sale due to CTA losses related to any such divestitures (see the capital risk factor above and the emerging markets risk factor below). The majority of these losses would be regulatory capital neutral at the completion of the divestiture. For additional information on Citi's accounting policy for foreign currency translation and its foreign CTA components of *AOCI*, see Notes 1 and 21.

***Changes to Financial Accounting and Reporting Standards or Interpretations Could Have a Material Impact on How Citi Records and Reports Its Financial Condition and Results of Operations.***

Periodically, the Financial Accounting Standards Board (FASB) issues financial accounting and reporting standards that govern key aspects of Citi's financial statements or interpretations thereof when those standards become effective, including those areas where Citi is required to make assumptions or estimates. Changes to financial accounting or reporting standards or interpretations, whether promulgated or required by the FASB, the SEC, U.S. banking regulators or others, could present operational challenges and could also require Citi to change certain of the assumptions or estimates it previously used in preparing its financial statements, which could negatively impact how it records and reports its financial condition and results of operations generally and/or with respect to particular businesses. See Note 1 for additional information on Citi's accounting policies and changes in accounting, including the expected impacts on Citi's results of operations and financial condition.

***If Citi's Risk Management and Other Processes, Strategies or Models Are Deficient or Ineffective, Citi May Incur Significant Losses and Its Regulatory Capital and Capital Ratios Could Be Negatively Impacted.***

Citi utilizes a broad and diversified set of risk management and other processes and strategies, including the use of models in analyzing and monitoring the various risks Citi assumes in conducting its activities. For example, Citi uses models across the Company as part of its comprehensive stress testing initiatives. Citi also relies on data to aggregate, assess and manage various risk exposures. Management of these risks and the reliability of the data are made more challenging within a large, global financial institution, such as Citi, particularly due to complex, diverse and rapidly changing financial markets and conditions in which Citi operates. Unexpected losses can result from untimely, inaccurate or incomplete processes and data. In 2020 Citigroup and Citibank entered into Consent Orders with the FRB and OCC that require Citigroup and Citibank to make improvements in various aspects of enterprise-wide risk management, compliance, data quality management related to governance, and internal controls (see the legal and regulatory proceedings risk factor below).

In addition, Citi's risk management and other processes, strategies and models are inherently limited because they involve techniques, including the use of historical data in many circumstances, assumptions and judgments that cannot anticipate every economic and financial outcome in the markets in which Citi operates, particularly given various macroeconomic, geopolitical and other challenges and uncertainties (see the macroeconomic challenges and uncertainties risk factor above), nor can they anticipate the specifics and timing of such outcomes. For example, many models used by Citi include assumptions about correlation or lack thereof among prices of various asset classes or other market indicators that may not necessarily hold in times of market stress, limited liquidity or other unforeseen

circumstances, or identify changes in markets or client behaviors not yet inherent in historical data.

Citi could incur significant losses, receive negative regulatory evaluation or examination findings or be subject to additional enforcement actions, and its regulatory capital, capital ratios and ability to return capital could be negatively impacted, if Citi's risk management and other processes, including its ability to manage and aggregate data in a timely and accurate manner, strategies or models are deficient or ineffective. For additional information, see the capital return risk factor above and the heightened regulatory scrutiny and ongoing interpretation of regulatory changes risk factor below. Such deficiencies or ineffectiveness could also result in inaccurate financial, regulatory or risk reporting.

Moreover, Citi's Basel III regulatory capital models, including its credit, market and operational risk models, currently remain subject to ongoing regulatory review and approval, which may result in refinements, modifications or enhancements (required or otherwise) to these models. Citi is required to notify and obtain preapproval from both the OCC and FRB prior to implementing certain risk-weighted asset treatments, as well as certain model changes, resulting in a more challenging environment within which Citi must operate in managing its risk-weighted assets. Modifications or requirements resulting from these ongoing reviews, as well as any future changes or guidance provided by the U.S. banking regulators regarding the U.S. regulatory capital framework applicable to Citi, including, but not limited to, potential revisions to the U.S. Basel III rules (see the capital return risk factor and "Capital Resources—Regulatory Capital Standards and Developments" above), have resulted, and could continue to result, in significant changes to Citi's risk-weighted assets. These changes can negatively impact Citi's capital ratios and its ability to meet its regulatory capital requirements.

## CREDIT RISKS

### ***Credit Risk and Concentrations of Risk Can Increase the Potential for Citi to Incur Significant Losses.***

Citi has credit exposures to consumer, corporate and public sector borrowers and other counterparties in the U.S. and various countries and jurisdictions globally, including end-of-period consumer loans of \$393 billion and end-of-period corporate loans of \$301 billion at December 31, 2024. For additional information on Citi's corporate and consumer loan portfolios, see "Managing Global Risk—Corporate Credit" and "—Consumer Credit" below. For information on Citi's credit and country risk, see also each respective business's results of operations above and "Managing Global Risk—Other Risks—Country Risk" below and Notes 15 and 16.

A default by or a significant downgrade in the credit ratings of a borrower or other counterparty, or a decline in the credit quality or value of any underlying collateral, exposes Citi to credit risk. Additionally, despite Citi's target client strategy, various macroeconomic, geopolitical, market and other factors, among other things, can increase Citi's credit risk and credit costs, particularly for vulnerable sectors, industries or countries (see the macroeconomic challenges and uncertainties and co-branding and private label credit card risk factors above and the emerging markets risk factor below). For

example, a weakening of economic conditions can adversely affect borrowers' ability to repay their obligations, as well as result in Citi being unable to liquidate the collateral it holds or forced to liquidate the collateral at prices that do not cover the full amount owed to Citi.

Citi is also a member of various central clearing counterparties and could incur financial losses as a result of defaults by other clearing members due to the requirements of clearing members to share losses. Additionally, due to the interconnectedness among financial institutions, concerns about the creditworthiness of or defaults by a financial institution could spread to other financial market participants and result in market-wide losses and disruption. For example, the failure of regional banks and other banking stresses in recent years resulted in market volatility across the financial sector.

While Citi provides reserves for expected losses for its credit exposures, as applicable, such reserves are subject to judgments and estimates that could be incorrect or differ from actual future events. For additional information, see the incorrect assumptions or estimates risk factor above.

Concentrations of risk to clients or counterparties engaged in the same or related industries or doing business in a particular geography, or to a particular product or asset class, especially credit and market risks, can also increase Citi's risk of significant losses. For example, Citi routinely executes a high volume of securities, trading, derivative and foreign exchange transactions with non-U.S. sovereigns and with counterparties in the financial services industry, including banks, insurance companies, investment banks, governments, central banks and other financial institutions. Moreover, Citi has indemnification obligations in connection with various transactions that expose it to concentrations of risk, including credit risk from hedging or reinsurance arrangements related to those obligations (see Note 28). A rapid deterioration of a large borrower or other counterparty or within a sector or country in which Citi has large exposures or indemnifications or unexpected market dislocations could lead to concerns about the creditworthiness of other borrowers or counterparties in a certain geography and in related or dependent industries, and such conditions could cause Citi to incur significant losses.

## LIQUIDITY RISKS

### ***Citi's Businesses, Results of Operations and Financial Condition Could Be Negatively Impacted if It Does Not Effectively Manage Its Liquidity.***

As a large, global financial institution, adequate liquidity and sources of funding are essential to Citi's businesses. Citi's liquidity, sources of funding and costs of funding can be significantly and negatively impacted by factors it cannot control, such as general disruptions in the financial markets; changes in fiscal and monetary policies; regulatory requirements, including changes in regulations; negative investor or counterparty perceptions of Citi's creditworthiness; deposit outflows or unfavorable changes in deposit mix; unexpected increases in cash or collateral requirements; credit ratings; and the consequent inability to monetize available liquidity resources. In addition, Citi competes with other banks



and financial institutions for both institutional and consumer deposits, which represent Citi's most stable and lowest cost source of long-term funding. The competition for deposits has continued to increase in recent years, including as a result of quantitative tightening by central banks and fixed income alternatives for customer funds.

Citi's costs to obtain and access wholesale funding are directly related to changes in interest and currency exchange rates and its credit spreads. Changes in Citi's credit spreads are driven by both external market factors and factors specific to Citi, such as negative views by investors of the financial services industry or Citi's financial prospects, and can be highly volatile. For additional information on Citi's primary sources of funding, see "Managing Global Risk—Liquidity Risk" below.

Citi's ability to obtain funding may be impaired and its cost of funding could also increase if other market participants are seeking to access the markets at the same time or to a greater extent than expected, or if market appetite for corporate debt securities declines, as is likely to occur in a liquidity stress event or other market crisis. In such circumstances, Citi's ability to sell assets may also be impaired if other market participants are seeking to sell similar assets at the same time or a liquid market does not exist for such assets. Additionally, unexpected changes in client needs due to idiosyncratic events or market conditions could result in greater than expected drawdowns from off-balance sheet committed facilities. A sudden drop in market liquidity could also cause a temporary or protracted dislocation of capital markets activity. In addition, clearing organizations, central banks, clients and financial institutions with which Citi interacts may exercise the right to require additional collateral during challenging market conditions, which could further impair Citi's liquidity. If Citi fails to effectively manage its liquidity, its businesses, results of operations and financial condition could be negatively impacted.

Limitations on the payments that Citigroup Inc. receives from its subsidiaries could also impact its liquidity. As a holding company, Citigroup Inc. relies on interest, dividends, distributions and other payments from its subsidiaries to fund dividends as well as to satisfy its debt and other obligations. Several of Citi's U.S. and non-U.S. subsidiaries are or may be subject to capital adequacy or other liquidity, regulatory or contractual restrictions on their ability to provide such payments, including any local regulatory stress test requirements and inter-affiliate arrangements entered into in connection with Citigroup Inc.'s resolution plan. Citigroup Inc.'s broker-dealer and bank subsidiaries are subject to restrictions on their ability to lend or transact with affiliates, as well as restrictions on their ability to use funds deposited with them in brokerage or bank accounts to fund their businesses.

A bank holding company is also required by law to act as a source of financial and managerial strength for its subsidiary banks. As a result, the FRB may require Citigroup Inc. to commit resources to its subsidiary banks even if doing so is not otherwise in the interests of Citigroup Inc. or its shareholders or creditors, reducing the amount of funds available to meet its obligations.

#### ***A Ratings Downgrade Could Adversely Impact Citi's Funding and Liquidity.***

The credit rating agencies, such as Fitch Ratings, Moody's Ratings and S&P Global Ratings, continuously evaluate Citi and certain of its subsidiaries. Their ratings of Citi and its rated subsidiaries' long-term debt and short-term obligations are based on firm-specific factors, including the financial strength of Citi and such subsidiaries, as well as factors that are not entirely within the control of Citi and its subsidiaries, such as the agencies' proprietary rating methodologies and assumptions, potential impact from negative actions on U.S. sovereign ratings and conditions affecting the financial services industry and markets generally.

A ratings downgrade could result from, among other factors, delays or missteps in Citi's transformation efforts, including risk management and internal controls improvements, public statements by Citi's management or regulators, operational risk charges, control failures, substantial failure to meet cost targets, deterioration in Citi's funding structure or liquidity, declines in profitability, significant increases in risk appetite or material reductions in regulatory capitalization levels.

Citi and its subsidiaries may not be able to maintain their current respective ratings and outlooks. Ratings downgrades could negatively impact Citi and its rated subsidiaries' ability to access the capital markets and other sources of funds as well as increase credit spreads and the costs of those funds. A ratings downgrade could also have a negative impact on Citi and its rated subsidiaries' ability to obtain funding and liquidity due to reduced funding capacity and the impact from derivative triggers, which could require Citi and its rated subsidiaries to meet cash obligations and collateral requirements or permit counterparties to terminate certain contracts. In addition, a ratings downgrade could have a negative impact on other funding sources such as secured financing and other margined transactions for which there may be no explicit triggers.

Furthermore, a credit ratings downgrade could have impacts that may not be currently known to Citi or are not possible to quantify. Some of Citi's counterparties and clients could have ratings limitations on their permissible counterparties, of which Citi may or may not be aware. Certain of Citi's corporate customers and trading counterparties, among other clients, could re-evaluate their business relationships with Citi and limit the trading of certain market instruments, and limit or withdraw deposits placed with Citi in response to ratings downgrades. Changes in customer and counterparty behavior could impact not only Citi's funding and liquidity but also the results of operations of certain Citi businesses. For additional information on the potential impact of a reduction in Citi's or Citibank's credit ratings, see "Managing Global Risk—Liquidity Risk—Potential Impacts of Ratings Downgrades" below.

## COMPLIANCE RISKS

***Significantly Heightened Regulatory Expectations and Scrutiny in the U.S. and Globally and Ongoing Interpretation and Implementation of Regulatory and Legislative Requirements and Changes Have Increased Citi's Compliance, Regulatory and Other Risks and Costs.***

Large financial institutions, such as Citi, face significantly heightened regulatory and supervisory expectations and scrutiny in the U.S. and globally, including with respect to, among other things, governance, infrastructure, data and risk management practices and controls. These regulatory and supervisory expectations extend to employees and agents and also include, among other things, those related to customer and client protection, market practices, anti-money laundering, increasingly complex sanctions and disclosure regimes and various regulatory reporting requirements.

U.S. financial institutions also face increased expectations and scrutiny in the wake of the failures of several regional banks and other banking stresses in 2023. In addition, Citi is continually required to interpret and implement extensive and frequently changing regulatory and legislative requirements in the U.S. and other jurisdictions in which it does business, which may overlap or conflict across jurisdictions, resulting in substantial compliance, regulatory and other risks and costs.

A failure to comply with these expectations and requirements, even if inadvertent, or resolve any identified deficiencies in a timely and sufficiently satisfactory manner to regulators, could result in increased regulatory oversight; material restrictions, including, among others, imposition of additional capital buffers and limitations on capital distributions; enforcement proceedings; penalties; and fines (see the capital return risk factor above and legal and regulatory proceedings risk factor below).

Moreover, over the past several years, Citi has been required to implement a large number of regulatory, supervisory and legislative changes, including new regulatory, supervisory or legislative requirements or regimes, across its businesses and functions, and these changes continue. The changes themselves may be complex and subject to interpretation, and result in changes to Citi's businesses. In addition, the changes require continued substantial technology and other investments. In some cases, Citi's implementation of a regulatory or legislative requirement is occurring simultaneously with changing or conflicting regulatory guidance from multiple jurisdictions (including various U.S. states) and regulators, legal challenges or legislative action to modify or repeal existing rules or enact new rules.

Examples of regulatory or legislative changes that have resulted in increased compliance risks and costs include (i) the U.S. regulatory capital framework and requirements, which have continued to evolve (see the capital return risk factor and "Capital Resources" above); (ii) various laws relating to the limitation of cross-border data movement and/or collection and use of customer information, including data localization and protection and privacy laws, which also can conflict with or increase compliance complexity with respect to other laws, including anti-money laundering laws; and (iii) the EU's Corporate Sustainability Reporting Directive, which may overlap but also diverge from climate-related disclosure

requirements expected to come into effect in other jurisdictions.

***Citi Is Subject to Extensive Legal and Regulatory Proceedings, Examinations, Investigations, Consent Orders and Related Compliance Efforts and Other Inquiries That Could Result in Large Monetary Penalties, Supervisory or Enforcement Orders, Business Restrictions, Limitations on Dividends, Changes to Directors and/or Officers and Collateral Consequences Arising from Such Outcomes.***

Citi's regulators have broad powers and discretion under their prudential and supervisory authority, and have pursued active inspection and investigatory oversight. At any given time, Citi is a party to a significant number of legal and regulatory proceedings and is subject to numerous governmental and regulatory examinations. Additionally, Citi remains subject to governmental and regulatory investigations, consent orders (see discussion below) and related compliance efforts, and other inquiries. Citi could also be subject to enforcement proceedings and negative regulatory evaluation or examination findings not only because of violations of laws and regulations, but also due to failures, as determined by its regulators, to have adequate policies and procedures, or to remedy deficiencies on a timely basis (see also the capital return and resolution plan risk factors above). Citi could face further scrutiny and consequences from regulators for failing to timely resolve open regulatory issues or having repeat regulatory issues.

As previously disclosed, the 2020 FRB Consent Order and the 2020 OCC Consent Order require Citigroup and Citibank, respectively, to implement extensive targeted action plans and submit quarterly progress reports on a timely and sufficient basis detailing the results and status of improvements relating principally to various aspects of enterprise-wide risk management, compliance, data quality management related to governance, and internal controls. These improvements will result in continued significant investments by Citi during 2025 and beyond, as an essential part of Citi's broader transformation efforts to enhance its risk, controls, data and finance infrastructure and compliance (see the transformation, simplification and other priorities-related risk factor above).

Additionally, on July 10, 2024, the FRB entered into a Civil Money Penalty Consent Order with Citigroup, and the OCC entered into a Civil Money Penalty Consent Order with Citibank. The OCC and Citibank also entered into an Amendment to the OCC's 2020 Consent Order (the Amendment). The FRB found that Citigroup had ongoing deficiencies related to its data quality management program and had inadequate measures for managing and controlling its data quality risks. The OCC found that Citibank had failed to make sufficient and sustainable progress toward achieving compliance with its 2020 Consent Order.

The Amendment requires Citibank to formalize a process to determine whether sufficient resources are being appropriately allocated toward achieving timely and sustainable compliance with the OCC's 2020 Consent Order, including any requirements on which Citibank is not making sufficient and sustainable progress (such process, the Resource Review Plan). There can be no assurance that the Resource



Review Plan and other efforts by Citi to address the deficiencies and resolve the OCC and FRB Consent Orders will occur in a manner satisfactory, in both timing and sufficiency, to the FRB and OCC. (For additional information, see “Citi’s Multiyear Transformation” above.)

Although there are no restrictions on Citi’s ability to serve its clients, the OCC Consent Order requires Citibank to obtain prior approval of any significant new acquisition, including any portfolio or business acquisition, excluding ordinary course transactions.

Moreover, the OCC Consent Order provides that the OCC has the right to assess future civil money penalties or take other supervisory and/or enforcement actions. Such actions by the OCC could include imposing business restrictions, including possible additional limitations on the declaration or payment of dividends by Citibank and changes in directors and/or senior executive officers. More generally, the OCC and/or the FRB could again take enforcement or other actions if the regulatory agency believes that Citi has not met regulatory expectations regarding compliance with the consent orders.

The global judicial, regulatory and political environment has generally been challenging for large financial institutions, which have been subject to increased regulatory scrutiny. The complexity of the federal and state regulatory and enforcement regimes in the U.S., coupled with the global scope of Citi’s operations, also means that a single event or issue may give rise to a large number of overlapping investigations and regulatory proceedings, either by multiple federal and state agencies and authorities in the U.S. or by multiple regulators and other governmental entities in foreign jurisdictions, as well as multiple civil litigation claims in multiple jurisdictions. Violations of law by other financial institutions may also result in regulatory scrutiny of Citi. Responding to regulatory inquiries and proceedings can be time consuming and costly, and divert management attention from Citi’s businesses.

U.S. and non-U.S. regulators have been increasingly focused on the culture of financial services firms, including Citi, as well as “conduct risk,” a term used to describe the risks associated with behavior by employees and agents, including third parties, that could harm clients, customers, employees or the integrity of the markets, such as improperly creating, selling, marketing or managing products and services or improper incentive compensation programs with respect thereto, failures to safeguard a party’s personal information or failures to identify and manage conflicts of interest.

In addition to the greater focus on conduct risk, the general heightened scrutiny and expectations from regulators could lead to investigations and other inquiries, as well as remediation requirements, regulatory restrictions, structural changes, more regulatory or other enforcement proceedings, civil litigation and higher compliance and other risks and costs. For additional information, see the capital return and heightened regulatory scrutiny and ongoing interpretation of regulatory changes risk factors above. Further, while Citi takes numerous steps to prevent and detect conduct by employees and agents that could potentially harm clients, customers, employees or the integrity of the markets, such behavior may not always be deterred or prevented.

Moreover, the severity of the remedies sought in legal and regulatory proceedings to which Citi is subject has remained elevated. For example, U.S. and certain non-U.S. governmental entities have increasingly brought criminal actions against, or have sought and obtained criminal guilty pleas or deferred prosecution agreements from, financial institutions and individual employees. These types of actions by U.S. and other governments may, in the future, have significant collateral consequences for Citi, including loss of customers and business, operational loss and the inability to offer certain products or services and/or operate certain businesses. Citi may be required to accept or be subject to similar types of criminal remedies, consent orders, sanctions, substantial fines and penalties, remediation and other financial costs or other requirements in the future, including for matters or practices not yet known to Citi, any of which could materially and negatively affect Citi’s businesses, business practices, financial condition or results of operations, require material changes in Citi’s operations or cause Citi substantial reputational harm.

Additionally, many large claims—both private civil and regulatory—asserted against Citi are highly complex, slow to develop and may involve novel or untested legal theories. The outcome of such proceedings is difficult to predict or estimate until late in the proceedings. Although Citi establishes accruals for its legal and regulatory matters according to accounting requirements, Citi’s estimates of, and changes to, these accruals involve significant judgment and may be subject to significant uncertainty, and the amount of loss ultimately incurred in relation to those matters may be substantially higher than the amounts accrued (see the incorrect assumptions or estimates risk factor above). In addition, certain settlements are subject to court approval and may not be approved. Furthermore, regulators may be more likely to pursue investigations or proceedings against financial institutions, such as Citi, that have previously been the subject of other regulatory actions.

For further information on Citi’s legal and regulatory proceedings, see Note 30.

## OTHER RISKS

***Citi’s Emerging Markets Presence Subjects It to Various Risks as well as Increased Compliance and Regulatory Risks and Costs.*** Citi’s presence in the emerging markets subjects it to various risks. During 2024, emerging markets revenues accounted for approximately 28% of Citi’s total revenues (based, beginning in 2024, on the IMF and FFIEC classifications, which resulted in the exclusion of certain countries that Citi previously classified as emerging markets).

Emerging market risks include, among others, limitations or unavailability of hedges on foreign investments; foreign currency volatility, including devaluations and strength in the U.S. dollar; central bank interest rate and other monetary policies, including the impact of sustained high interest rates in the U.S.; unemployment, recessions or weak or slowing economic growth; elevated inflation and hyperinflation; foreign exchange controls, including an inability to access indirect foreign exchange mechanisms; macroeconomic,

geopolitical and domestic political challenges, uncertainties and volatility, including with respect to China, the Russia–Ukraine war and conflicts in the Middle East; cyberattacks; restrictions arising from retaliatory laws and regulations; sanctions or asset freezes; sovereign debt volatility; fluctuations in commodity prices; the effects of potential policy and other changes resulting from the new U.S. administration, including those related to Mexico; the effects of potential policy and other changes resulting from the new Mexican administration and Congress, including judicial reforms; regulatory changes, including potential conflicts among regulations with other jurisdictions where Citi does business; limitations on foreign investment; sociopolitical instability; civil unrest; crime, corruption and fraud; nationalization or loss of licenses; potential criminal charges; closure of branches or subsidiaries; and confiscation of assets; and these risks can be exacerbated in the event of a deterioration in the relationship between the U.S. and an emerging market country.

For example, Citi operates in several countries that have, or have had in the past, strict capital controls, currency controls and/or sanctions, such as Argentina and Russia, that limit its ability to convert local currency into U.S. dollars and/or transfer funds outside of those countries. For instance, Citi may need to record additional translation losses due to currency controls in Argentina (see “Managing Global Risk—Other Risks—Country Risk—Argentina” below). Moreover, Citi may need to record additional reserves for expected losses for its credit exposures based on the transfer risk associated with exposures outside the U.S., driven by safety and soundness considerations under U.S. banking law (see “Managing Global Risk—Other Risks—Country Risk—Argentina” and “—Russia” and “Significant Accounting Policies and Significant Estimates” below).

In the event of a loss of control of AO Citibank in Russia, Citi would be required to (i) write off its remaining nominal net investment, (ii) recognize a CTA loss of approximately \$1.6 billion through earnings and (iii) recognize a loss of \$0.9 billion on intercompany liabilities owed by AO Citibank to other Citi entities outside of Russia. In the sole event of a substantial liquidation, as opposed to a loss of control, Citi would be required to recognize the CTA loss of approximately \$1.6 billion through earnings and would evaluate its remaining net investment as circumstances evolve. For additional information about these risks and related potential impacts, see the operational processes and systems and cybersecurity risk factors above and “Managing Global Risk—Other Risks—Country Risk—Russia” below.

In addition, political turmoil and instability; geopolitical challenges, tensions and conflicts (including those related to China, the Russia–Ukraine war and the conflicts in the Middle East); terrorism; and other instabilities have occurred in various regions and emerging market countries across the globe, which impact Citi’s businesses, results of operations and financial conditions in those countries where Citi operates and have required, and may continue to require, management time and attention and other resources, such as managing the impact of sanctions and their effect on Citi’s operations in certain emerging market countries. For additional information, see the macroeconomic challenges and uncertainties risk factor above.

## NET ZERO AND SUSTAINABILITY

This section summarizes Citi's net zero commitment, sustainable operations and sustainable finance goals. For information regarding Citi's management of climate risk, see "Managing Global Risk—Strategic Risk—Climate Risk" below.

### Net Zero Emissions by 2050

As previously disclosed, Citi has committed to achieving net zero greenhouse gas (GHG) emissions associated with its financing by 2050, and net zero GHG emissions for its own operations by 2030. This commitment spans Citi's select lending portfolios, capital markets business and operational footprint.

Citi's Net Zero Plan:

- *Implementation Strategy:* Engage with and assess clients to determine transition opportunities.
- *Engagement Strategy:* Solicit feedback from clients, investors and other stakeholders as this work continues to evolve.
- *Metrics and Targets:* Calculate financed emissions metrics for each applicable carbon-intensive sector and report on progress for emissions reductions targets for 2030 and beyond.

Progress on Citi's Net Zero Financing Commitment:

- Citi has published interim 2030 emissions targets for 10 loan portfolios: aluminum, auto manufacturing, aviation, cement, commercial real estate (North America), energy, power, shipping, steel and thermal coal mining. Three of these targets (auto manufacturing, energy and power) include facilitated emissions from capital markets activities as well.
- In 2024, Citi completed the initial assessments in the auto manufacturing and steel sectors, to complement those in the energy and power sectors concluded in 2023, to better understand their strategies and approach to the climate transition.

Citi recognizes that energy transition, energy security and economic growth are not mutually exclusive and must be addressed simultaneously. Citi works on executing its climate commitments and supports its clients in financing their transition to low-carbon business models, while also working with clients to prioritize global energy security, including for emerging markets where access to affordable energy is a top concern.

### Sustainable Operations

In addition to the 2030 net zero GHG emissions commitment for its own operations, Citi measures progress against operational footprint goals, which include efforts to reduce the environmental impact of its facilities through reductions in emissions, energy usage, water consumption and waste generation. In 2024, Citi made progress toward these goals by increasing on-site solar generation, promoting initiatives on waste diversion and recycling, and employing more carbon-efficient techniques for building renovations.

### Sustainable Finance

Citi's \$1 Trillion Sustainable Finance Goal, as previously disclosed, is an integrated effort across the organization to finance and facilitate \$1 trillion in environmental and social finance activities with product and service offerings across multiple lines of business.

### Additional Information

The "Citi Climate Report," formerly the "Task Force on Climate-Related Financial Disclosure (TCFD) Report," provides additional information on Citi's continued progress to manage climate risk and its Net Zero Plan, including information on financed and facilitated emissions and 2030 interim emissions reduction targets. For additional information on Citi's environmental and social policies and priorities, click on "Our Impact" on Citi's website at [www.citigroup.com](http://www.citigroup.com). For information on Citi's environmental and social governance, see Citi's 2025 Annual Meeting Proxy Statement to be filed with the SEC in March 2025.

Citi's climate reporting and any other environmental and social governance-related reports and information included elsewhere on Citi's website are not incorporated by reference into, and do not form any part of, this Form 10-K.

## HUMAN CAPITAL RESOURCES AND MANAGEMENT

Citi strives to deliver to its full potential by focusing on its strategic priority of attracting and retaining highly qualified and motivated employees. Citi's vision remains—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. Citi is structured around five core interconnected businesses—*Services, Markets, Banking, Wealth* and *USPB*, a centralized client organization to strengthen how Citi delivers for clients across the Company and an international unit to oversee the local delivery of the Company's services and products to clients in each of the markets where Citi has an on-the-ground presence to serve and support large and mid-sized companies. Citi seeks to enhance the competitive strength of its workforce through the following efforts:

- Continuously innovating its efforts to recruit, train, develop, compensate, promote and engage employees
- Actively seeking and listening to diverse perspectives at all levels of the organization
- Providing compensation programs that are competitive in the market and aligned to strategic objectives

### Workforce Size and Distribution

As of December 31, 2024, Citi employed approximately 229,000 people in over 90 countries. The Company's workforce is constantly evolving and developing, benefiting from a strong mix of internal and external hiring into new and existing positions. In 2024, Citi welcomed over 24,000 new employees in addition to 39,700 roles filled by existing employees through internal mobility, including promotions. Citi also maintains connections with former employees through its alumni network, and in 2024, welcomed more than 3,400 individuals back to Citi.

The following table presents the geographic distribution of Citi's employees by segment, component and gender:

Segment or component <sup>(1)(2)</sup> (in thousands)	North America	International <sup>(3)</sup>	Total <sup>(4)</sup>	Women	Men
<i>Services</i>	4	20	24	51.8 %	48.2 %
<i>Markets</i>	3	6	9	38.8	61.2
<i>Banking</i>	2	6	8	43.5	56.5
<i>Wealth</i>	5	7	12	50.9	49.1
<i>USPB</i>	19	2	21	64.1	35.9
<i>All Other, including Legacy Franchises, Operations and Technology, and Global Staff Functions</i>	53	102	155	47.6	52.4
<b>Total</b>	<b>86</b>	<b>143</b>	<b>229</b>	<b>49.2 %</b>	<b>50.8 %</b>

(1) Employee distribution is based on business and region, which may not reflect where the employee physically resides.

(2) See Note 3 for compensation by reportable segment. Compensation expense related to services provided by employees in the Corporate/Other unit within *All Other* is allocated to each respective reportable segment, as applicable, through non-compensation expense.

(3) Mexico is included in International.

(4) Part-time employees represented less than 1.0% of Citi's global workforce.

### Talent Management

Citi is committed to a workforce consisting of the best talent from the broadest pools available to drive innovation and best serve its clients, customers and communities.

#### *Driving a Culture of Excellence and Accountability*

Citi's talent and culture initiatives focus on fostering a culture of excellence and accountability that is supported by strong risk and controls management.

Citi's Leadership Principles of "taking ownership, delivering with pride and succeeding together" have been reinforced through a behavioral science-led campaign, Citi's New Way, which reinforces the key working habits that support Citi's leadership culture.

Citi's performance management approach emphasizes the Leadership Principles through a four-pillar system, evaluating what employees deliver against financial, risk and controls, and client and franchise goals, as well as how employees deliver from a leadership perspective. The performance management and incentive compensation processes, policies and frameworks promote accountability and consistency, in particular for risk and controls.

Citi's culture initiatives are also supported by changes in the way Citi identifies, assesses, develops and promotes talent, particularly at the most senior levels of the organization.

### Workforce Development

Citi's numerous programmatic offerings aim to reinforce its culture and values, foster understanding of compliance requirements and develop competencies required to deliver excellence to its clients. Citi encourages career growth and development by offering broad and diverse

opportunities to employees, including the following:

- Providing a range of internal development and rotational programs to employees at all levels, including an extensive leadership curriculum, allowing the opportunity to build the skills needed to transition to supervisory and managerial roles. Citi's tuition assistance program further enables employees in North America to pursue their educational goals.
- Continuing to focus on internal talent development and aims to provide employees with career growth opportunities. There was a total of 39,700 mobility opportunities filled in 2024. These opportunities are particularly important as Citi focuses on providing career paths for its internal talent base as part of its efforts to increase organic growth within the organization.
- Continuing to encourage all employees to create developmental plans and consider the competencies and skills they need to develop in order to achieve their career aspirations. In 2023, Citi launched a "Development 365" campaign that drove significant increases in the number of employees across Citi who had developmental plans and conversations with their managers.

### ***Pay Transparency and Pay Equity***

In addition, Citi has continued its effort to support its global workforce, including taking actions with respect to pay equity.

Citi values pay transparency and has taken significant action to provide managers and other employees with greater clarity about Citi's compensation philosophy. Citi has introduced market-based salary structures and bonus opportunity guidelines in various countries worldwide, and posts salary ranges on all external U.S. job postings, which aligns with strategic objectives of pay equity and transparency.

In addition, Citi has focused on measuring and addressing pay equity within the organization.

Citi's annual pay equity analysis for 2024 determined that on an adjusted basis, global gender and U.S. racial pay gaps are in each case less than 1%. The adjusted pay gap is a true measure of pay equity, or "like for like," that compares the compensation of women to men and U.S. minorities to non-minorities when adjusting for factors such as job function, title/level and geography.

### **Benefits and Well-being**

Citi is proud to provide a wide range of benefits that support its employees' mental, social, physical and financial well-being through various life stages and events. Such benefits contribute to Citi's ability to attract, engage and retain employees.

Among the benefits Citi offers are mental health counseling for employees and their family members, access to onsite medical care clinics, fitness centers, subsidized gym memberships and virtual physical therapy in several locations, and leave programs, including parental and caregiver leaves in certain locations to continue to support employees and their families.

In addition, Citi was the first major U.S. bank to publicly embrace a flexible, hybrid work model, which Citi fully implemented across the organization. Most of Citi's employees now work in hybrid roles, working remotely up to two days a week.

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(1) For additional information regarding certain credit risk, market risk and other quantitative and qualitative information, refer to Citi's Pillar 3 Basel III Advanced Approaches Disclosures, as required by the rules of the FRB, on Citi's Investor Relations website. These Pillar 3 disclosures are not incorporated by reference into, and do not form any part of, this Form 10-K.

## MANAGING GLOBAL RISK

### Overview

For Citi, effective risk management is of primary importance to its overall operations. Accordingly, Citi has established an Enterprise Risk Management (ERM) Framework to ensure that all of Citi's risks are managed appropriately and consistently across the Company and at an aggregate, enterprise-wide level. Citi's culture drives a strong risk and control environment, and is at the heart of the ERM Framework, underpinning the way Citi conducts business. The activities that Citi engages in, and the risks those activities generate, must be consistent with Citi's Mission and Value Proposition (see below) and the key Leadership Principles that support it, as well as Citi's risk appetite. As discussed above, Citi also continues its efforts to comply with the 2020 FRB and OCC Consent Orders and the OCC's 2024 Consent Order Amendment, relating principally to various aspects of risk management, compliance, data quality management related to governance, and internal controls (see "Citi's Multiyear Transformation—FRB and OCC Consent Orders Compliance" and "Risk Factors—Compliance Risks" above).

Under Citi's Mission and Value Proposition, which was developed by its senior leadership and distributed throughout the Company, Citi strives to serve its clients as a trusted partner by responsibly providing financial services that enable growth and economic progress while earning and maintaining the public's trust by constantly adhering to the highest ethical standards. As such, Citi asks all employees to ensure that their decisions pass three tests: they are in Citi's clients' best interests, create economic value and are always systemically responsible.

As discussed in "Human Capital Resources and Management" above, Citi has designed Leadership Principles that represent the qualities, behaviors and expectations all employees must exhibit to deliver on Citi's mission of enabling growth and economic progress. The Leadership Principles inform Citi's ERM Framework and contribute to creating a culture that drives client, control and operational excellence. Citi employees share a common responsibility to uphold these Leadership Principles and hold themselves to the highest standards of ethics and professional behavior in dealing with Citi's clients, business colleagues, shareholders, communities and each other.

Citi's ERM Framework details the principles used to support effective enterprise-wide risk management across the end-to-end risk management lifecycle. The ERM Framework covers the risk management roles and responsibilities of the Citigroup Board of Directors (the Board), Citi's Executive Management Team (see "Risk Governance—Executive Management Team" below) and employees across the lines of defense. The underlying pillars of the framework encompass:

- *Culture*—the core principles and behaviors that underpin a strong culture of risk awareness, in line with Citi's Mission and Value Proposition, and Leadership Principles;
- *Governance*—the committee structure and reporting arrangements that support the appropriate oversight of risk management activities at the Board and Executive

Management Team levels and establish Citi's Lines of Defense model;

- *Risk Management*—the end-to-end risk management cycle including the identification, measurement, monitoring, controlling and reporting of all risks including top, material, growing, idiosyncratic and emerging risks, and aggregated to an enterprise-wide level; and
- *Enterprise Programs*—the key risk management programs performed across the risk management lifecycle for all risk categories.

Each of these pillars is underpinned by supporting capabilities covering people, infrastructure and tools that are in place to enable the execution of the ERM Framework. Controls are established to mitigate the risks associated with the execution of these pillars and supporting capabilities.

Citi's approach to risk management requires that its risk-taking be consistent with its risk appetite. Risk appetite is the aggregate level of risk that Citi is willing to tolerate in order to achieve its strategic objectives and business plan. Risk limits and thresholds represent allocations of Citi's risk appetite to businesses and risk categories. Concentration risks are controlled through a subset of these limits and thresholds.

Citi's risks are generally categorized and summarized as follows:

- *Credit risk* is the risk of loss resulting from the decline in credit quality (or downgrade risk) or failure of a borrower, counterparty, third party or issuer to honor its financial or contractual obligations.
- *Liquidity risk* is the risk that Citi will not be able to efficiently meet both expected and unexpected current and future cash flow and collateral needs without adversely affecting either daily operations or financial conditions of Citi. Risk may be exacerbated by the inability of the Company to access funding sources or monetize assets and the composition of liability funding and liquid assets.
- *Market risk (trading and non-trading)*: Market risk of trading portfolios is the risk of economic or trading loss arising from changes in the value of Citi's assets and liabilities resulting from changes in market variables, such as interest rates, equity and commodity prices, foreign exchange rates or credit spreads. Market risk of non-trading portfolios is the impact of adverse changes in market variables such as interest rates, foreign exchange rates, credit spreads and equity prices on Citi's net interest income, economic value of equity or *AOCI*.
- *Operational risk* is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. It includes legal risk, which is the risk of loss (including litigation costs, settlements and regulatory fines) resulting from Citi's failure to comply with laws, regulations, prudent ethical standards or contractual obligations in any aspect of Citi's business, but excludes strategic and reputation risks (see below).
- *Compliance risk* is the risk to current or projected financial condition and resilience arising from violations of laws, rules or regulations, or from non-conformance

- with prescribed practices, internal policies and procedures or ethical standards.
- *Reputation risk* is the risk to current or projected financial conditions and resilience from negative opinion held by stakeholders. This risk may impair Citi's competitiveness by affecting its ability to establish new relationships or services or continue servicing existing relationships.
- *Strategic risk* is the risk of a sustained impact (not episodic impact) to Citi's core strategic objectives as measured by impacts on anticipated earnings, market capitalization or capital, arising from the external factors affecting the Company's operating environment, as well as the risks associated with defining the strategy and executing the strategy, which are identified, measured and managed as part of the Strategic Risk Framework at the Enterprise Level.

Additionally, Citi categorizes and summarizes risks that span the above risk categories, such as concentration risk, country risk and climate risk.

Citi uses a lines of defense model as a key component of its ERM Framework to manage its risks. As discussed below, the lines of defense model brings together risk-taking, risk oversight and risk assurance under one umbrella and provides an avenue for risk accountability of the first line of defense, a construct for effective challenge by the second line of defense (Independent Risk Management and Independent Compliance Risk Management), and empowers independent risk assurance by the third line of defense (Internal Audit). In addition, the lines of defense model includes organizational units tasked with supporting a strong control environment (enterprise support functions). The first, second and third lines of defense, along with enterprise support functions, have distinct roles and responsibilities and are empowered to perform relevant risk management processes and responsibilities in order to manage Citi's risks in a consistent and effective manner.

#### **First Line of Defense: Front Line Units and Front Line Unit Activities**

Citi's first line of defense owns the risks and associated controls inherent in, or arising from, the execution of its business activities and is responsible for identifying, measuring, monitoring, controlling and reporting those risks consistent with Citi's strategy, Mission and Value Proposition, Leadership Principles and risk appetite.

Front line units are responsible and held accountable for managing the risks associated with their activities within the boundaries set by independent risk management. They are also responsible for designing and implementing effective internal controls and maintaining processes for managing their risk profile, including through risk mitigation, so that it remains consistent with Citi's established risk appetite.

Front line unit activities are considered part of the first line of defense and are subject to the oversight and challenge of independent risk management.

The first line of defense is composed of Citi's operating segments (i.e., *Services, Markets, Banking, Wealth, U.S. Personal Banking*), as well as International, North America and *All Other* (including certain corporate functions (i.e., Chief Operating Office, Enterprise Services and Public

Affairs, Finance, Technology and Business Enablement). In addition, the first line of defense includes the front line unit activities of other organizational units. Front line units may also include lower-level enterprise support functions and/or conduct enterprise support activities—see “Enterprise Support Functions” below.

#### **Second Line of Defense: Independent Risk Management**

Independent risk management units are independent of the first line of defense. They are responsible for overseeing the risk-taking activities of the first line of defense and challenging the first line of defense in the execution of its risk management responsibilities. They are also responsible for independently identifying, measuring, monitoring, controlling and reporting aggregate risks and for setting standards for the management and oversight of risk. Independent risk management is composed of Independent Risk Management (IRM) and Independent Compliance Risk Management (ICRM), which are led by the Group Chief Risk Officer (CRO) and Group Chief Compliance Officer (CCO) who have unrestricted access to the Board and its Risk Management Committee to facilitate the ability to execute their specific responsibilities pertaining to escalation to the Board.

#### **Independent Risk Management**

The IRM organization sets risk and control standards for the first line of defense and actively manages and oversees aggregate credit, market (trading and non-trading), liquidity, strategic, operational and reputation risks across Citi, including risks that span categories, such as concentration risk, country risk and climate risk.

IRM is organized to align to businesses, risk categories, legal entities/clusters and Company-wide, cross-risk functions or processes. Each of these units reports to a member of the Risk Management Executive Council, who all report to the Citigroup CRO.

#### **Independent Compliance Risk Management**

The ICRM organization actively oversees compliance risk across Citi, sets compliance standards for the first line of defense to manage compliance risk and promotes business conduct and activity that is consistent with Citi's Mission and Value Proposition and the compliance risk appetite. Citi's objective is to embed an enterprise-wide compliance risk management framework and culture that identifies, measures, monitors, controls and escalates compliance risk across Citi.

ICRM is aligned by business, function and geography to provide compliance risk management advice and credible challenge on day-to-day matters and strategic decision-making for key initiatives. ICRM also has program-level Enterprise Compliance units responsible for setting standards and establishing priorities for program-related compliance efforts. The CCO reports to Citi's Chief Legal Officer and ICRM is organizationally part of the Global Legal Affairs & Compliance group. In addition, the CCO has matrix reporting into the CRO and is part of the Risk Management Executive Council.



### **Third Line of Defense: Internal Audit**

Internal Audit is independent of the first line, second line and enterprise support functions. The role of Internal Audit is to provide independent, objective, reliable, valued and timely assurance to the Board, its Audit Committee, Citi senior management and regulators over the effectiveness of governance, risk management and controls that mitigate current and evolving risks and enhance the control culture within Citi. The Citi Chief Auditor manages Internal Audit and reports functionally to the Chair of the Citi Audit Committee and administratively to Citi's CEO. The Citi Chief Auditor has unrestricted access to the Board and the Board Audit Committee to address risks and issues identified through Internal Audit's activities.

### **Enterprise Support Functions**

Enterprise support functions engage in activities that support safety and soundness across Citi. These functions provide advisory services and/or design, implement, maintain and oversee Company-wide programs that support Citi in maintaining an effective control environment.

Enterprise support functions are composed of Human Resources and Global Legal Affairs and Compliance (exclusive of ICRM, which is part of the second line of defense). Front line units may also include enterprise support units and/or conduct enterprise support activities (e.g., the Controllers Group within Finance).

Enterprise support functions, units and activities are subject to the relevant Company-wide independent oversight processes specific to the risks for which they are accountable (e.g., operational risk, compliance risk, reputation risk).

### **Risk Governance**

Citi's ERM Framework encompasses risk management processes to address risks undertaken by Citi through identification, measurement, monitoring, controlling and reporting of all risks. The ERM Framework integrates these processes with appropriate governance to complement Citi's commitment to maintaining strong and consistent risk management practices.

### **Board Oversight**

The Board is responsible for oversight of Citi and holds the Executive Management Team accountable for implementing the ERM Framework and meeting strategic objectives within Citi's risk appetite.

### **Executive Management Team**

The Citigroup CEO directs and oversees the day-to-day management of Citi as delegated by the Board of Directors. The CEO leads the Company through the Executive Management Team and provides oversight of group activities, both directly and through authority delegated to committees established to oversee the management of risk, to ensure continued alignment with Citi's risk strategy.

### **Board and Executive Management Committees**

The Board executes its responsibilities either directly or through its committees. The Board has delegated authority to the following Board standing committees to help fulfill its oversight and risk management responsibilities:

- *Audit Committee:* assists the Board in fulfilling its oversight responsibility relating to (i) the integrity of Citigroup's consolidated financial statements, financial reporting process and systems of internal accounting and financial controls, (ii) the performance of the internal audit function (Internal Audit), (iii) the annual independent integrated audit of Citigroup's consolidated financial statements and effectiveness of Citigroup's internal control over financial reporting, the engagement of the independent registered public accounting firm (Independent Auditors) and the evaluation of the Independent Auditors' qualifications, independence and performance, (iv) holding management accountable for the effectiveness of Citigroup's control environment and status of corrective actions, including the timely remediation of control breaks (including, without limitation, significant compliance or operational control breaks), (v) policy standards and guidelines for risk assessment and risk management, (vi) Citigroup's compliance with legal and regulatory requirements, including Citigroup's disclosure controls and procedures and (vii) the fulfillment of the other responsibilities set out in the Audit Committee's Charter.
- *Compensation, Performance Management and Culture Committee:* is responsible for overseeing compensation of employees of the Company and its subsidiaries and affiliates and Citi management's sustained focus on fostering a principled culture of sound ethics, responsible conduct and accountability within the organization. The Committee regularly reviews Citi's management resources and the performance of senior management. The Committee is responsible for determining the compensation for the Chief Executive Officer and approving the compensation of other executive officers of the Company and members of Citi's Executive Management Team. The Committee is also responsible for approving the incentive compensation structure for other members of senior management and certain highly compensated employees (including discretionary incentive awards to covered employees as defined in applicable bank regulatory guidance), in accordance with guidelines established by the Committee from time to time. The Committee also has broad oversight over compliance with bank regulatory guidance governing Citi's incentive compensation.
- *Nomination, Governance and Public Affairs Committee:* is responsible for (i) identifying individuals qualified to become Board members and recommending to the Board the director nominees for the next annual meeting of stockholders, (ii) leading the Board in its annual review of the Board's performance, (iii) recommending to the Board directors for each committee for appointment by the Board, (iv) reviewing the Company's policies and programs that relate to public issues of significance to the

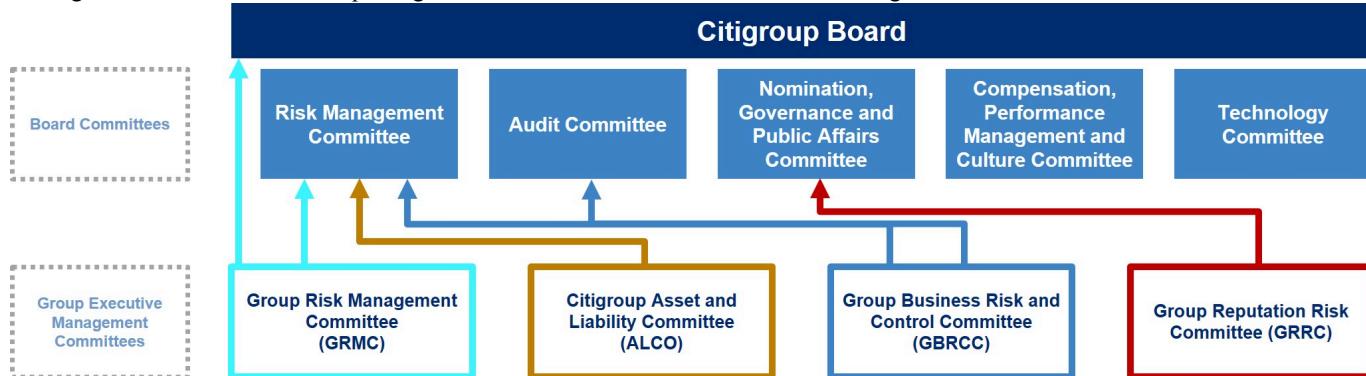
Company and the public at large and (v) reviewing the Company's relationships with external constituencies and issues that impact the Company's reputation, and advising management as to its approach to each.

- **Risk Management Committee:** assists the Board in fulfilling its responsibility with respect to (i) oversight of Citigroup's risk management framework and risk culture, including the significant policies and practices used in managing credit, market (trading and non-trading), liquidity, strategic, operational, compliance and reputation, including those pertaining to capital management, and (ii) oversight of the performance of the Global Risk Review (GRR) credit and collateral review function. The Committee reports to the Board of Directors regarding Citigroup's risk profile, as well as management's adherence to its risk management framework, including the significant policies and practices employed to manage risks in Citigroup, as well as the overall adequacy of the Risk Management function.
- **Technology Committee:** assists the Board in fulfilling its responsibility for oversight of the Company and its subsidiaries and affiliates with respect to (i) the planning and execution of Citigroup's technology strategy and operating plan, (ii) the development of Citi's target state operating model and architecture, (iii) technology-based risk management, including risk management framework, risk appetite and risk exposures of the Company, including cybersecurity, (iv) resource and talent planning of the Technology function and (v) the Company's third-party management policies, practices and standards that relate to Technology.

In addition to the above, the Board has established the following ad hoc committee:

- **Transformation Oversight Committee:** provides oversight of the actions of Citi's management to develop and execute a transformation of Citi's risk and control environment pursuant to the FRB and OCC Consent Orders (see "Citi's Multiyear Transformation—FRB and OCC Consent Orders Compliance" above).

The figure below illustrates the reporting lines between the Board and Executive Management committees:



The Citigroup CEO has established four standing committees that cover the primary risks to which Citi (i.e., Group) is exposed. These consist of:

- **Citigroup Asset and Liability Committee (ALCO):** responsible for governance over management's liquidity risk and market risk (non-trading) management and for monitoring and influencing the balance sheet, investment securities and capital management activities of Citigroup.
- **Group Business Risk and Control Committee (GBRCC):** provides governance oversight of Citi's compliance and operational risks and is responsible for ensuring that these risks are adequately identified, monitored, reported, managed and escalated, and that appropriate action is taken.
- **Group Reputation Risk Committee (GRRC):** provides governance oversight for reputation risk management across Citi, while promoting the culture of risk awareness and high standards of culture and conduct.
- **Group Risk Management Committee (GRMC):** the primary senior executive level committee responsible for (i) overseeing the execution of Citigroup's ERM Framework, (ii) monitoring Citi's risk profile at an aggregate level inclusive of individual risk categories, (iii) ensuring that Citi's risk profile remains consistent with its approved risk appetite and (iv) discussing material and emerging risks facing the Company. The Committee also provides comprehensive Group-wide coverage of credit risk, market risk (trading) and strategic risk.

In addition to the Executive Management committees listed above, management may establish ad-hoc committees in response to regulatory feedback or to manage additional activities when deemed necessary.

## CREDIT RISK

### Overview

Credit risk is the risk of loss resulting from the decline in credit quality of a client, customer or counterparty (or downgrade risk) or the failure of a borrower, counterparty, third party or issuer to honor its financial or contractual obligations. For example, credit risk can arise from a deterioration in (i) the operating and financial performance of a borrower or (ii) a decline in the quality or value of any underlying collateral, both of which may also be impacted by adverse changes in macroeconomic, geopolitical, market and other factors. Credit risk is one of the most significant risks Citi faces as an institution (see “Risk Factors—Credit Risks” above). Credit risk arises in many of Citigroup’s business activities, including:

- consumer, commercial and corporate lending;
- capital markets derivative transactions;
- structured finance; and
- securities financing transactions (repurchase and reverse repurchase agreements, and securities loaned and borrowed).

Credit risk also arises from clearing and settlement activities, when Citi transfers an asset in advance of receiving its counter-value or advances funds to settle a transaction on behalf of a client. Concentration risk, within credit risk, is the risk associated with having credit exposure concentrated within a specific client, industry, region or other category.

Citi has an established framework in place for managing credit risk across all businesses that includes a defined risk appetite, credit limits and credit policies. Citi’s credit risk management framework also includes policies and procedures to manage problem exposures.

To manage concentration risk, Citi has in place a framework consisting of industry limits, single-name concentrations for each business and across Citigroup and a specialized product limit framework.

Credit exposures are generally reported in notional terms for accrual loans, reflecting the value at which the loans as well as other off-balance sheet commitments are carried on the Consolidated Balance Sheet. Credit exposure arising from capital markets activities is generally expressed as the current mark-to-market, net of margin, reflecting the net value owed to Citi by a given counterparty.

Citi’s loans are reported in two categories: corporate and consumer. These categories are classified primarily according to the operating segment, reporting unit and component that manage the loans in addition to the nature of the obligor, with corporate loans generally made for corporate institutional and public sector clients around the world and consumer loans to retail and small business customers.

The credit risk associated with Citi’s credit exposures is a function of the idiosyncratic creditworthiness of the obligor, as well as the terms and conditions of the specific obligation. Citi assesses the credit risk associated with its credit exposures on a regular basis through its allowance for credit losses (ACL) process (see “Significant Accounting Policies and Significant Estimates—Allowance for Credit Losses” below and Notes 1

and 16), as well as through regular stress testing at the company, business, geography and product levels. These stress-testing processes typically estimate potential incremental credit costs that would occur as a result of either downgrades in the credit quality or defaults of the obligors or counterparties. See Notes 15 and 16 for additional information on Citi’s credit risk management.

### Loans

The table below details the average loans, by segment and/or business, and the total Citigroup end-of-period loans for each of the periods indicated:

<i>In billions of dollars</i>	<b>4Q24</b>	<b>3Q24</b>	<b>4Q23</b>
<b>Services</b>	\$ 87	\$ 87	\$ 83
<b>Markets</b>	122	119	115
<b>Banking</b>	84	88	89
<b>Wealth</b>	148	150	150
<b>USPB</b>			
Branded Cards	\$ 113	\$ 111	\$ 107
Retail Services	52	51	52
Retail Banking	51	48	43
<b>Total USPB</b>	\$ 216	\$ 210	\$ 202
<b>All Other</b>	\$ 31	\$ 33	\$ 36
<b>Total Citigroup loans (AVG)</b>	\$ 688	\$ 687	\$ 675
<b>Total Citigroup loans (EOP)</b>	\$ 694	\$ 689	\$ 689

On an average basis, loans increased 2% year-over-year and were relatively unchanged sequentially. The year-over-year increase was largely due to growth in *USPB*, *Markets* and *Services*.

As of the fourth quarter of 2024, average loans for:

- *Services* increased 5% year-over-year, primarily driven by strong demand in TTS for export and agency finance, as well as working capital loans.
- *Markets* increased 6% year-over-year, largely driven by asset-backed securitization lending and North America residential financing in spread products.
- *Banking* decreased 6% year-over-year, primarily driven by regulatory capital optimization efforts.
- *Wealth* decreased 1%, primarily driven by regulatory capital optimization efforts.
- *USPB* increased 7% year-over-year, driven by growth in Retail Banking due to an increase in mortgage loans as a result of lower refinancings due to a higher interest rate environment and higher mortgage originations, as well as Branded Cards due to lower card payment rates and higher card spend volume.

End-of-period loans increased 1% year-over-year and sequentially. The year-over-year increase was largely due to growth in Branded Cards and Retail Banking in *USPB*, as well as growth in *Markets* and *Services*.



## CORPORATE CREDIT

Consistent with its overall strategy, Citi's corporate clients are typically corporations that value the depth and breadth of Citi's global network. Citi aims to establish relationships with these clients whose needs encompass multiple products, including cash management and trade services, foreign exchange, lending, capital markets and M&A advisory.

### Corporate Credit Portfolio

The following table details Citi's corporate credit portfolio across *Services, Markets, Banking* and the Mexico SBMM component of *All Other—Legacy Franchises* (excluding loans carried at fair value and loans held-for-sale), and before consideration of collateral or hedges, by remaining tenor for the periods indicated:

In billions of dollars	December 31, 2024				September 30, 2024				December 31, 2023			
	Due within 1 year	Greater than 1 year but within 5 years		Total exposure	Due within 1 year	Greater than 1 year but within 5 years		Total exposure	Due within 1 year	Greater than 1 year but within 5 years		Total exposure
		Greater than 5 years	Total exposure			Greater than 5 years	Total exposure			Greater than 5 years	Total exposure	
Direct outstandings (on-balance sheet) <sup>(1)</sup>	\$ 133	\$ 122	\$ 39	\$ 294	\$ 137	\$ 118	\$ 37	\$ 292	\$ 132	\$ 122	\$ 39	\$ 293
Unfunded lending commitments (off-balance sheet) <sup>(2)</sup>	131	274	24	429	132	285	25	442	134	268	18	420
<b>Total exposure</b>	<b>\$ 264</b>	<b>\$ 396</b>	<b>\$ 63</b>	<b>\$ 723</b>	<b>\$ 269</b>	<b>\$ 403</b>	<b>\$ 62</b>	<b>\$ 734</b>	<b>\$ 266</b>	<b>\$ 390</b>	<b>\$ 57</b>	<b>\$ 713</b>

(1) Includes drawn loans, overdrafts, bankers' acceptances and leases.

(2) Includes unused commitments to lend, letters of credit and financial guarantees.

### Portfolio Mix—Geography and Counterparty

Citi's corporate credit portfolio is diverse across geography and counterparty. The following table presents the percentages of this portfolio across North America and the clusters within International, based on Citi's internal management geography (see "Other Risks—Country Risk—Top 25 Country Exposures" below):

	December 31, 2024	September 30, 2024	December 31, 2023
North America	56 %	57 %	56 %
International	44	43	44
<b>Total</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>
<b>International by cluster</b> <i>(percentages are based on total Citi)</i>			
United Kingdom	11 %	11 %	10 %
Japan, Asia North and Australia (JANA)	7	7	7
LATAM	6	6	8
Asia South	5	5	5
Europe	12	11	11
Middle East and Africa (MEA)	3	3	3

The maintenance of accurate and consistent risk ratings across the corporate credit portfolio facilitates the comparison of credit exposure across all lines of business, geographies and products. Counterparty risk ratings reflect an estimated probability of default for a counterparty, and internal risk ratings are derived by leveraging validated statistical models and scorecards in combination with consideration of factors specific to the obligor or market, such as management experience, competitive position, regulatory environment and commodity prices. Facility risk ratings are assigned that reflect the probability of default of the obligor and factors that affect the loss given default of the facility, such as support or collateral. Internal ratings that generally correspond to BBB and above are considered investment grade, while those below are considered non-investment grade.

The following table presents the corporate credit portfolio by facility risk rating as a percentage of the total corporate credit portfolio:

	Total exposure		
	December 31, 2024	September 30, 2024	December 31, 2023
AAA/AA/A	49 %	49 %	50 %
BBB	30	33	33
BB/B	19	17	16
CCC or below	2	1	1
<b>Total</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>

Note: Total exposure includes direct outstandings and unfunded lending commitments.



In addition to the obligor and facility risk ratings assigned to all exposures, Citi may classify exposures in the corporate credit portfolio. These classifications are consistent with Citi's interpretation of the U.S. banking regulators' definition of criticized exposures, which may categorize exposures as special mention, substandard, doubtful or loss.

Risk ratings and classifications are reviewed regularly and adjusted as appropriate. The credit review process incorporates quantitative and qualitative factors, including financial and non-financial disclosures or metrics, idiosyncratic events or changes to the competitive, regulatory or macroeconomic environment.

Citi believes the corporate credit portfolio to be appropriately rated and classified as of December 31, 2024. Citi has applied management judgment to adjust internal ratings and classifications of exposures as both the macroeconomic environment and obligor-specific factors have changed, particularly where additional stress has been observed.

As obligor risk ratings are downgraded, the probability of default increases. Downgrades of obligor risk ratings tend to result in a higher provision for credit losses. In addition, appetite per obligor is reduced consistent with the ratings, and downgrades may result in the purchase of additional credit derivatives or other risk/structural mitigants to hedge the incremental credit risk, or may result in Citi seeking to reduce exposure to an obligor or an industry sector. Citi will continue to review exposures to ensure that the appropriate probability of default is incorporated into all risk assessments.

See Note 15 for additional information on Citi's corporate credit portfolio.

#### **Portfolio Mix—Industry**

Citi's corporate credit portfolio is diversified by industry. The following table details the allocation of Citi's total corporate credit portfolio by industry:

	<b>Total exposure</b>		
	<b>December 31, 2024</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Transportation and industrials	<b>20 %</b>	20 %	21 %
Technology, media and telecom	<b>12</b>	12	12
Banks and finance companies <sup>(1)</sup>	<b>12</b>	11	12
Consumer retail	<b>11</b>	12	11
Real estate	<b>11</b>	10	10
Commercial	<b>8</b>	7	8
Residential	<b>3</b>	3	2
Power, chemicals, metals and mining	<b>9</b>	8	8
Energy and commodities	<b>6</b>	6	7
Health	<b>5</b>	5	5
Insurance	<b>4</b>	5	4
Public sector	<b>4</b>	4	3
Asset managers and funds	<b>3</b>	3	3
Financial markets infrastructure	<b>2</b>	3	3
Other industries	<b>1</b>	1	1
<b>Total</b>	<b>100 %</b>	100 %	100 %

(1) As of the periods in the table, Citi had less than 1% exposure to securities firms. See corporate credit portfolio by industry, below.

The following table details Citi's corporate credit portfolio by industry as of December 31, 2024:

In millions of dollars	Total credit exposure	Funded <sup>(1)</sup>	Unfunded	Investment grade	Non-investment grade			Selected metrics		
					Non-criticized	Criticized performing	Criticized non-performing <sup>(2)</sup>	30 days or more past due and accruing	Net credit losses (recoveries)	Credit derivative hedges <sup>(3)</sup>
<b>Transportation and industrials</b>	\$ 144,381	\$ 57,166	\$ 87,215	\$ 106,336	\$ 32,849	\$ 4,944	\$ 252	\$ 73	\$ 19	\$ (7,643)
Autos <sup>(4)</sup>	50,266	23,427	26,839	40,758	8,591	909	8	3	4	(2,420)
Transportation	26,138	11,416	14,722	19,460	5,792	795	91	3	(7)	(1,165)
Industrials	67,977	22,323	45,654	46,118	18,466	3,240	153	67	22	(4,058)
<b>Technology, media and telecom</b>	88,797	29,534	59,263	68,615	16,776	3,217	189	68	55	(6,720)
<b>Banks and finance companies</b>	86,500	56,716	29,784	76,754	8,625	882	239	7	5	(560)
<b>Consumer retail</b>	80,871	32,212	48,659	57,425	19,579	3,676	191	30	43	(5,423)
<b>Real estate</b>	74,481	53,186	21,295	61,430	8,976	3,545	530	6	173	(813)
Commercial	55,810	36,200	19,610	42,960	8,782	3,545	523	6	156	(813)
Residential	18,671	16,986	1,685	18,470	194	—	7	—	17	—
<b>Power, chemicals, metals and mining</b>	66,669	18,504	48,165	49,383	12,653	4,416	217	35	75	(5,267)
Power	32,185	5,092	27,093	27,204	4,414	417	150	1	48	(2,406)
Chemicals	20,618	7,529	13,089	12,747	5,034	2,779	58	33	28	(2,064)
Metals and mining	13,866	5,883	7,983	9,432	3,205	1,220	9	1	(1)	(797)
<b>Energy and commodities<sup>(5)</sup></b>	41,919	11,686	30,233	33,899	7,266	555	199	3	(5)	(3,153)
<b>Health</b>	39,028	8,537	30,491	29,579	8,018	1,411	20	19	13	(3,267)
<b>Insurance</b>	28,317	2,115	26,202	26,734	1,560	17	6	2	—	(4,089)
<b>Public sector</b>	26,022	13,209	12,813	23,344	2,308	360	10	28	7	(678)
<b>Asset managers and funds</b>	19,648	5,258	14,390	17,679	1,788	181	—	—	(4)	(97)
<b>Financial markets infrastructure</b>	17,368	181	17,187	17,238	130	—	—	—	—	(29)
<b>Securities firms</b>	1,876	590	1,286	1,407	468	1	—	—	—	(20)
<b>Other industries<sup>(6)</sup></b>	7,213	4,733	2,480	4,979	2,099	114	21	42	16	(51)
<b>Total</b>	\$ 723,090	\$ 293,627	\$ 429,463	\$ 574,802	\$ 123,095	\$ 23,319	\$ 1,874	\$ 313	\$ 397	\$ (37,810)

(1) Funded excludes loans carried at fair value of \$7.8 billion at December 31, 2024.

(2) Includes non-accrual loan exposures and related criticized unfunded exposures.

(3) Represents the amount of purchased credit protection in the form of derivatives to economically hedge funded and unfunded exposures. Of the \$37.8 billion of purchased credit protection, \$34.8 billion represents the total notional amount of purchased credit derivatives on individual reference entities. The remaining \$3 billion represents the first loss tranche of portfolios of purchased credit derivatives with a total notional amount of \$22.9 billion, where the protection seller absorbs the first loss on the referenced loan portfolios.

(4) Autos total credit exposure includes securitization financing facilities secured by auto loans and leases, extended mainly to the finance company subsidiaries of global auto manufacturers, bank subsidiaries and independent auto finance companies, of approximately \$17.5 billion (\$10.5 billion of which was funded exposure with 100% rated investment grade) as of December 31, 2024.

(5) In addition to this exposure, Citi has energy-related exposure within the public sector (e.g., energy-related state-owned entities) and the transportation and industrials sector (e.g., offshore drilling entities) included in the table above. As of December 31, 2024, Citi's total exposure to these energy-related entities was approximately \$4.4 billion, of which approximately \$2.1 billion consisted of direct outstanding funded loans.

(6) Includes \$0.6 billion and \$0.1 billion of funded and unfunded exposure at December 31, 2024, respectively, primarily related to commercial credit card delinquency-managed loans.

### Exposure to Commercial Real Estate

As of December 31, 2024 and 2023, Citi's total credit exposure to commercial real estate (CRE) was \$65 billion and \$66 billion, including \$6 billion and \$8 billion of exposure related to office buildings, respectively. This total CRE exposure consisted of approximately \$56 billion and \$55 billion, respectively, related to corporate clients, included in the real estate category in the tables above and below. Total CRE exposure also includes approximately \$9 billion and \$11 billion, respectively, related to *Wealth* clients that is not in the tables as they are not considered corporate exposures.

In addition, as of December 31, 2024, approximately 78% of Citi's total CRE exposure was rated investment grade and more than 75% was to borrowers in the U.S. (compared to approximately 80% rated investment grade and more than 77% to borrowers in the U.S. as of December 31, 2023).

As of December 31, 2024, the ACCL attributed to the total funded CRE exposure (including *Wealth*) was approximately 1.60%, and there were \$574 million of non-accrual CRE loans. As of December 31, 2023, the ACCL attributed to the total funded CRE exposure (including *Wealth*) was approximately 1.49%, and there were \$759 million of non-accrual CRE loans.

The following table details Citi's corporate credit portfolio by industry as of December 31, 2023:

In millions of dollars	Total credit exposure	Non-investment grade						Selected metrics			
		Funded <sup>(1)</sup>	Unfunded	Investment grade	Non-criticized	Criticized performing	Criticized non-performing <sup>(2)</sup>	30 days or more past due and accruing	Net credit losses (recoveries)	Credit derivative hedges <sup>(3)</sup>	
Transportation and industrials	\$ 149,429	\$ 59,917	\$ 89,512	\$ 118,380	\$ 26,345	\$ 4,469	\$ 235	\$ 125	\$ 39	\$ (7,060)	
Autos <sup>(4)</sup>	49,443	22,843	26,600	43,008	5,376	999	60	7	19	(2,304)	
Transportation Industrials	28,448	11,996	16,452	21,223	6,208	952	65	3	5	(1,185)	
Technology, media and telecom	84,409	29,832	54,577	67,077	13,637	3,212	483	112	56	(5,546)	
Banks and finance companies	83,512	52,569	30,943	74,364	7,768	1,277	103	7	37	(638)	
Consumer retail	81,799	33,548	48,251	63,017	15,259	3,342	181	130	57	(5,360)	
Real estate	72,827	51,660	21,167	61,226	7,084	3,602	915	69	31	(608)	
Commercial	54,843	35,058	19,785	43,340	7,042	3,602	859	69	31	(608)	
Residential	17,984	16,602	1,382	17,886	42	—	56	—	—	—	
Power, chemicals, metals and mining	59,572	19,004	40,568	46,551	10,098	2,696	227	36	4	(4,884)	
Power	24,535	5,220	19,315	20,967	3,200	209	159	1	4	(2,280)	
Chemicals	21,963	8,287	13,676	16,418	3,888	1,613	44	34	1	(2,019)	
Metals and mining	13,074	5,497	7,577	9,166	3,010	874	24	1	(1)	(585)	
Energy and commodities <sup>(5)</sup>	46,290	12,606	33,684	40,081	5,528	543	138	5	(15)	(3,090)	
Health	36,230	9,135	27,095	30,099	4,871	1,098	162	16	22	(3,023)	
Insurance	27,216	2,390	24,826	25,580	1,607	29	—	7	—	(4,516)	
Public sector	24,736	12,621	12,115	21,845	2,399	479	13	36	15	(1,092)	
Asset managers and funds	19,681	4,232	15,449	17,826	1,723	112	20	4	—	(65)	
Financial markets infrastructure	18,705	156	18,549	18,705	—	—	—	—	—	(7)	
Securities firms	1,737	734	1,003	870	822	45	—	2	—	(2)	
Other industries <sup>(6)</sup>	6,992	4,480	2,512	5,079	1,629	257	27	45	4	(6)	
Total	\$ 713,135	\$ 292,884	\$ 420,251	\$ 590,700	\$ 98,770	\$ 21,161	\$ 2,504	\$ 594	\$ 250	\$ (35,897)	

(1) Funded excludes loans carried at fair value of \$7.3 billion at December 31, 2023.

(2) Includes non-accrual loan exposures and related criticized unfunded exposures.

(3) Represents the amount of purchased credit protection in the form of derivatives to economically hedge funded and unfunded exposures. Of the \$35.9 billion of purchased credit protection, \$33.7 billion represents the total notional amount of purchased credit derivatives on individual reference entities. The remaining \$2.2 billion represents the first loss tranche of portfolios of purchased credit derivatives with a total notional amount of \$16.7 billion, where the protection seller absorbs the first loss on the referenced loan portfolios.

(4) Autos total credit exposure includes securitization financing facilities secured by auto loans and leases, extended mainly to the finance company subsidiaries of global auto manufacturers, bank subsidiaries and independent auto finance companies, of approximately \$16.9 billion (\$10.6 billion of which was funded exposure with 100% rated investment grade) as of December 31, 2023.

(5) In addition to this exposure, Citi has energy-related exposure within the public sector (e.g., energy-related state-owned entities) and the transportation and industrials sector (e.g., offshore drilling entities) included in the table above. As of December 31, 2023, Citi's total exposure to these energy-related entities was approximately \$4.9 billion, of which approximately \$2.5 billion consisted of direct outstanding funded loans.

(6) Includes \$0.6 billion and \$0.1 billion of funded and unfunded exposure at December 31, 2023, respectively, primarily related to commercial credit card delinquency-managed loans.

### **Credit Risk Mitigation**

As part of its overall risk management activities, Citigroup uses credit derivatives, both partial and full term, and other risk mitigants to economically hedge portions of the credit risk in its corporate credit portfolio, in addition to outright asset sales. In advance of the expiration of partial-term economic hedges, Citi will determine, among other factors, the economic feasibility of hedging the remaining life of the instrument. The results of the mark-to-market and any realized gains or losses on credit derivatives are reflected primarily in *Principal transactions* in the Consolidated Statement of Income.

At December 31, 2024, September 30, 2024 and December 31, 2023, *Banking* had economic hedges on the corporate credit portfolio of \$37.8 billion, \$39.7 billion and \$35.9 billion, respectively. Citi's expected credit loss model used in the calculation of its ACL does not include the favorable impact of credit derivatives and other mitigants that are marked-to-market. In addition, the reported amounts of direct outstandings and unfunded lending commitments in the tables above do not reflect the impact of these hedging transactions. The credit protection was economically hedging underlying *Banking* corporate credit portfolio exposures with the following risk rating distribution:

#### **Rating of Hedged Exposure**

	<b>December 31, 2024</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
AAA/AA/A	44 %	44 %	45 %
BBB	45	47	44
BB/B	10	8	10
CCC or below	1	1	1
<b>Total</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>

### **Loan Maturities and Fixed/Variable Pricing of Corporate Loans**

<i>In millions of dollars at December 31, 2024</i>	<b>Due within 1 year</b>	<b>Over 1 year but within 5 years</b>	<b>Over 5 years but within 15 years</b>	<b>Over 15 years</b>	<b>Total</b>
<b>Corporate loans</b>					
<b>In North America offices<sup>(1)</sup></b>					
Commercial and industrial	\$ 24,848	\$ 30,481	\$ 2,335	\$ 66	\$ 57,730
Financial institutions	16,283	24,960	426	146	41,815
Mortgage and real estate <sup>(2)</sup>	8,495	3,716	4,791	1,409	18,411
Installment and other	14,699	9,664	1,044	122	25,529
Lease financing	166	69	—	—	235
<b>Total</b>	<b>\$ 64,491</b>	<b>\$ 68,890</b>	<b>\$ 8,596</b>	<b>\$ 1,743</b>	<b>\$ 143,720</b>
<b>In offices outside North America<sup>(1)</sup></b>					
Commercial and industrial	\$ 63,633	\$ 21,369	\$ 7,845	\$ 9	\$ 92,856
Financial institutions	15,808	8,985	2,333	150	27,276
Mortgage and real estate <sup>(2)</sup>	3,057	4,202	810	67	8,136
Installment and other	4,530	15,350	3,819	2,101	25,800
Lease financing	3	24	13	—	40
Governments and official institutions	885	746	1,384	615	3,630
<b>Total</b>	<b>\$ 87,916</b>	<b>\$ 50,676</b>	<b>\$ 16,204</b>	<b>\$ 2,942</b>	<b>\$ 157,738</b>
<b>Corporate loans, net of unearned income<sup>(3)(4)</sup></b>	<b>\$ 152,407</b>	<b>\$ 119,566</b>	<b>\$ 24,800</b>	<b>\$ 4,685</b>	<b>\$ 301,458</b>
<b>Loans at fixed interest rates<sup>(5)</sup></b>					
Commercial and industrial	\$ 4,255	\$ 1,091	\$ 16		
Financial institutions	1,374	59	146		
Mortgage and real estate <sup>(2)</sup>	1,191	4,725	1,006		
Other <sup>(6)</sup>	3,169	377	122		
Lease financing	77	—	—		
<b>Total</b>	<b>\$ 10,066</b>	<b>\$ 6,252</b>	<b>\$ 1,290</b>		
<b>Loans at floating or adjustable interest rates<sup>(4)</sup></b>					
Commercial and industrial	\$ 47,595	\$ 9,089	\$ 59		
Financial institutions	32,571	2,700	150		
Mortgage and real estate <sup>(2)</sup>	6,727	876	470		
Other <sup>(6)</sup>	22,591	5,870	2,716		
Lease financing	16	13	—		
<b>Total</b>	<b>\$ 109,500</b>	<b>\$ 18,548</b>	<b>\$ 3,395</b>		
<b>Total fixed/variable pricing of corporate loans with maturities due after one year, net of unearned income<sup>(3)(4)</sup></b>	<b>\$ 119,566</b>	<b>\$ 24,800</b>	<b>\$ 4,685</b>		

- (1) North America includes the U.S., Canada and Puerto Rico. Mexico is included in offices outside North America. The classification between offices in North America and outside North America is based on the domicile of the booking unit. The differences between the domicile of the booking unit and the domicile of the managing unit are not material.
- (2) Loans secured primarily by real estate.
- (3) Corporate loans are net of unearned income of \$(969) million. Unearned income on corporate loans primarily represents loan origination fees, net of certain direct origination costs, that are deferred and recognized as *Interest income* over the lives of the related loans.
- (4) Excludes \$(72) million of unallocated portfolio-layer cumulative basis adjustments at December 31, 2024.
- (5) Based on contractual terms. Repricing characteristics may effectively be modified from time to time using derivative contracts. See Note 24.
- (6) Other includes installment and other and loans to government and official institutions.

## CONSUMER CREDIT

Citi's consumer credit risk management framework is designed for a variety of environments. Underwriting and portfolio management policies are calibrated based on risk-return trade-offs by product and segment and changes are made based on performance against benchmarks as well as environmental stress. As warranted, Citi adjusts underwriting criteria to address consumer credit risks and macroeconomic challenges and uncertainties.

*USPB* provides credit cards, consumer mortgages, personal loans, small business banking and retail banking, and *Wealth* offers wealth management lending and other products globally that range from the affluent to ultra-high net worth customer segments through the Private Bank, Wealth at Work and Citigold. *USPB*'s retail banking products include a generally prime portfolio built through well-defined lending parameters within Citi's risk appetite framework.

*All Other*—Legacy Franchises also provides such products in its remaining markets through Mexico Consumer and Asia Consumer (Korea, Poland and Russia).

### Consumer Credit Portfolio

The following table presents Citi's quarterly end-of-period consumer loans<sup>(1)</sup>:

In billions of dollars	4Q23	1Q24	2Q24	3Q24	4Q24
<b>Wealth<sup>(2)(3)</sup></b>					
Mortgages <sup>(4)</sup>	\$ 89.9	\$ 90.2	\$ 92.0	\$ 91.5	\$ 89.0
Margin lending <sup>(5)</sup>	29.4	27.3	27.6	28.1	29.4
Personal, small business and other <sup>(6)</sup>	27.1	26.7	25.9	26.4	24.1
Cards	5.0	4.7	4.9	5.0	5.0
<b>Total</b>	<b>\$ 151.4</b>	<b>\$ 148.9</b>	<b>\$ 150.4</b>	<b>\$ 151.0</b>	<b>\$ 147.5</b>
<b>USPB</b>					
Branded Cards	\$ 111.1	\$ 108.0	\$ 111.8	\$ 112.1	\$ 117.3
Retail Services	53.6	50.8	51.7	51.6	53.8
Retail Banking	44.4	45.6	46.2	49.4	50.6
Mortgages <sup>(4)</sup>	39.9	41.0	41.4	44.4	45.5
Personal, small business and other	4.5	4.6	4.8	5.0	5.1
<b>Total</b>	<b>\$ 209.1</b>	<b>\$ 204.4</b>	<b>\$ 209.7</b>	<b>\$ 213.1</b>	<b>\$ 221.7</b>
<b>All Other—Legacy Franchises</b>					
Mexico Consumer (excludes Mexico SBMM)	\$ 18.7	\$ 19.6	\$ 18.2	\$ 17.4	\$ 17.2
Asia Consumer <sup>(7)</sup>	7.4	6.5	5.6	5.5	4.7
Legacy Holdings Assets <sup>(8)</sup>	2.6	2.4	2.2	2.2	2.0
<b>Total</b>	<b>\$ 28.7</b>	<b>\$ 28.5</b>	<b>\$ 26.0</b>	<b>\$ 25.1</b>	<b>\$ 23.9</b>
<b>Total consumer loans</b>	<b>\$ 389.2</b>	<b>\$ 381.8</b>	<b>\$ 386.1</b>	<b>\$ 389.2</b>	<b>\$ 393.1</b>

(1) End-of-period loans include interest and fees on credit cards.

(2) Consists of \$98.0 billion, \$99.8 billion, \$100.9 billion, \$100.0 billion and \$101.6 billion of loans in North America as of December 31, 2024, September 30, 2024, June 30, 2024, March 31, 2024 and December 31, 2023, respectively. For additional information on the credit quality of the *Wealth* portfolio, see Note 15.

(3) Consists of \$49.5 billion, \$51.2 billion, \$49.5 billion, \$48.9 billion and \$49.8 billion of loans outside North America as of December 31, 2024, September 30, 2024, June 30, 2024, March 31, 2024 and December 31, 2023, respectively.

(4) See Note 15 for details on loan-to-value ratios for the portfolios and FICO scores for the U.S. portfolio.

(5) At December 31, 2024, includes approximately \$24 billion of classifiably managed loans fully collateralized by eligible financial assets and securities that have experienced very low historical net credit losses. Approximately 63% of the classifiably managed portion of these loans is investment grade.

(6) At December 31, 2024, includes approximately \$20 billion of classifiably managed loans. Approximately 83% of these loans are fully collateralized (consisting primarily of marketable investment securities, commercial real estate and limited partner capital commitments in private equity) and have experienced very low historical net credit losses. As discussed below, approximately 83% of the classifiably managed portion of these loans is investment grade.

(7) Asia Consumer loan balances, reported within *All Other*—Legacy Franchises, include the three remaining Asia Consumer loan portfolios—Korea, Poland and Russia—as well as China until the completion of the sales of substantially all portfolios in July 2024.

(8) Primarily consists of certain North America consumer mortgages.

For information on changes to Citi's consumer loans, see "Credit Risk—Loans" above.

## Consumer Credit Trends

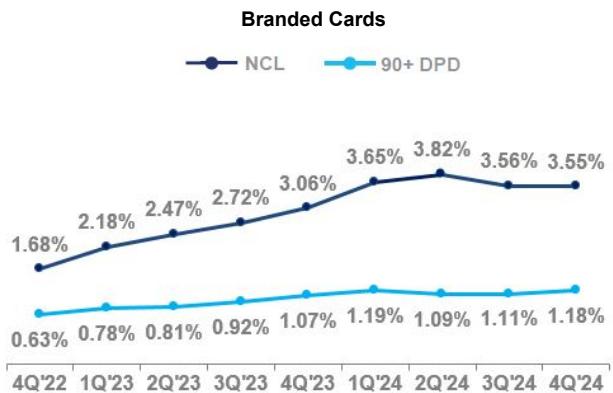


As indicated above, *USPB* provides credit card products through Branded Cards and Retail Services, and mortgages and home equity, small business and personal consumer loans through Citi's Retail Banking network. Retail Banking is concentrated in six major U.S. metropolitan areas. *USPB* also provides mortgages through correspondent channels.

As of December 31, 2024, approximately 77% of *USPB* EOP loans consisted of Branded Cards and Retail Services credit card loans, which generally drives the overall credit performance of *USPB*, as Branded Cards and Retail Services net credit losses represented approximately 95% of total *USPB* net credit losses for the fourth quarter of 2024. As of December 31, 2024, Branded Cards and Retail Services represented 69% and 31%, respectively, of EOP cards loans in *USPB*.

As presented in the chart above, the fourth quarter of 2024 net credit loss rate in *USPB* was broadly stable quarter-over-quarter. The net credit loss rate increased year-over-year, primarily reflecting the continued maturation of multiple cards loan vintages originated in recent years. The maturation was delayed by unprecedented levels of government stimulus during the pandemic. In addition, the increase was driven by macroeconomic pressures related to the elevated inflationary and interest rate environment impacting both cards portfolios, with lower FICO band customers primarily driving the increase.

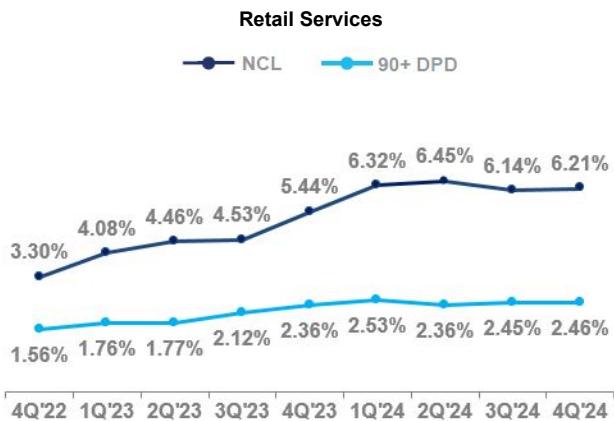
The 90+ days past due delinquency rate increased quarter-over-quarter, primarily driven by seasonality, and increased year-over-year, primarily reflecting the continued maturation of multiple cards loan vintages originated in recent years. The maturation was delayed by unprecedented levels of government stimulus during the pandemic. In addition, the increase was driven by macroeconomic pressures related to the elevated inflationary and interest rate environment impacting both cards portfolios, with lower FICO band customers primarily driving the increase.



*USPB*'s Branded Cards portfolio consists of both proprietary Citi branded cards portfolios (Value, Rewards and Cash) and co-branded cards portfolios (including Costco and American Airlines). Citi's Branded Cards portfolio benefits from a diverse combination of products. Citi's proprietary cards provide customers with a suite of products with rewards, cash rebates and lending solutions, while co-branded cards provide significant affinity benefits through partnerships with large-scale partners across the airline, retail and telecom sectors.

As presented in the chart above, the fourth quarter of 2024 net credit loss rate in Branded Cards was broadly stable quarter-over-quarter. The net credit loss rate increased year-over-year, primarily reflecting the continued maturation of multiple cards loan vintages originated in recent years. The maturation was delayed by unprecedented levels of government stimulus during the pandemic. In addition, the increase was driven by macroeconomic pressures related to the elevated inflationary and interest rate environment, with lower FICO band customers primarily driving the increase.

The 90+ days past due delinquency rate increased quarter-over-quarter, primarily driven by seasonality, and increased year-over-year, primarily reflecting the continued maturation of multiple cards loan vintages originated in recent years. The maturation was delayed by unprecedented levels of government stimulus during the pandemic. In addition, the increase was driven by macroeconomic pressures related to the elevated inflationary and interest rate environment, with lower FICO band customers primarily driving the increase.



USPB's Retail Services partners directly with more than 20 retailers and dealers to offer private label and co-branded cards. Retail Services' target market focuses on select industry segments such as home improvement, specialty retail, consumer electronics and fuel. Retail Services continually evaluates opportunities to add partners within target industries that have strong loyalty, lending or payment programs and growth potential.

As presented in the chart above, the fourth quarter of 2024 net credit loss rate in Retail Services increased quarter-over-quarter, primarily driven by seasonality, and increased year-over-year, primarily reflecting the continued maturation of multiple cards loan vintages originated in recent years. The maturation was delayed by unprecedented levels of government stimulus during the pandemic. In addition, the increase was driven by macroeconomic pressures related to the elevated inflationary and interest rate environment, with lower FICO band customers primarily driving the increase.

The 90+ days past due delinquency rate was broadly stable quarter-over-quarter and increased year-over-year, primarily reflecting the continued maturation of multiple cards loan vintages originated in recent years. The maturation was delayed by unprecedented levels of government stimulus during the pandemic. In addition, the increase was driven by macroeconomic pressures related to the elevated inflationary and interest rate environment, with lower FICO band customers primarily driving the increase.

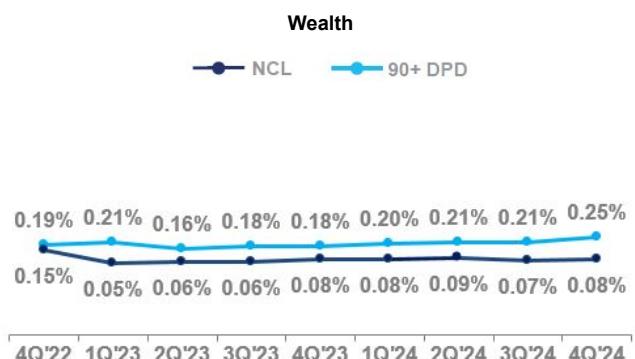
For additional information on cost of credit, loan delinquency and other information for Citi's cards portfolios, see each respective business's results of operations above and Note 15.



USPB's Retail Banking portfolio consists primarily of consumer mortgages (including home equity) and unsecured lending products, such as small business loans and personal loans. The portfolio is generally delinquency managed, where Citi evaluates credit risk based on FICO scores, delinquencies and the value of underlying collateral. The consumer mortgages in this portfolio have historically been extended to high credit quality customers, generally with loan-to-value ratios that are less than or equal to 80% on first and second mortgages. For additional information, see "Loan-to-Value (LTV) Ratios" in Note 15.

As presented in the chart above, the fourth quarter of 2024 net credit loss rate in Retail Banking increased quarter-over-quarter and year-over-year, primarily driven by consumer overdraft loans.

The 90+ days past due delinquency rate was largely unchanged quarter-over-quarter and decreased year-over-year. The decrease was primarily driven by lower delinquencies in consumer mortgages.

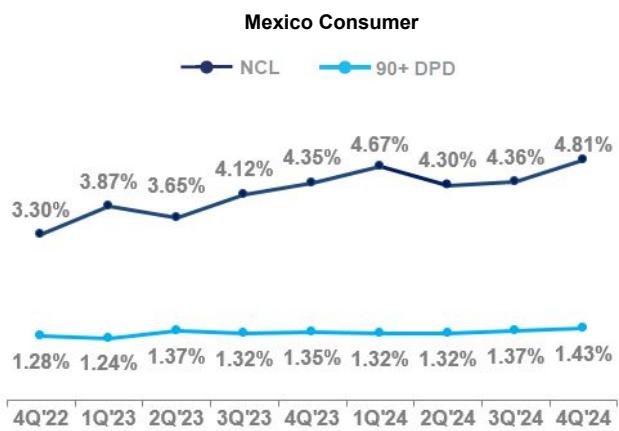


Wealth provides consumer mortgages, margin lending, credit cards and other lending products to customer segments that range from affluent to ultra-high net worth through the Private Bank, Wealth at Work and Citigold businesses. These customer segments represent a target market that is characterized by historically low default rates and delinquencies and includes loans that are delinquency managed or classifiably managed. The delinquency-managed portfolio consists primarily of mortgages, margin lending and credit cards.



As of December 31, 2024, approximately \$43 billion, or 29%, of the portfolios were classifiably managed and primarily consisted of mortgage loans, margin loans, personal and small business loans and other lending programs. These classifiably managed loans are primarily evaluated for credit risk based on their internal risk rating, of which 72% were rated investment grade. While the 90+ days past due delinquency rates shown in the chart above were calculated only for the delinquency-managed portfolio, the net credit loss rates presented were calculated using net credit losses for both the delinquency and classifiably managed portfolios.

As presented in the chart above, the fourth quarter of 2024 net credit loss rate in *Wealth* was broadly stable quarter-over-quarter and year-over-year. The 90+ days past due delinquency rate increased quarter-over-quarter and year-over-year, primarily driven by consumer mortgages. The low net credit loss and the 90+ days past due delinquency rates continued to reflect the strong credit profiles of the portfolios.



Mexico Consumer operates in Mexico through Banamex and provides credit cards, consumer mortgages and small business and personal loans. Mexico Consumer serves a mass-market segment in Mexico and focuses on developing multiproduct relationships with customers.

As of December 31, 2024, approximately 40% of Mexico Consumer EOP loans consisted of credit card loans, which generally drives the overall credit performance of Mexico Consumer, as the cards net credit losses represented approximately 60% of total Mexico Consumer net credit losses for the fourth quarter of 2024.

As presented in the chart above, the fourth quarter of 2024 net credit loss rate and the 90+ days past due delinquency rate in Mexico Consumer increased quarter-over-quarter and year-over-year, primarily driven by the ongoing normalization of loss and delinquency rates from post-pandemic lows.

For additional details on cost of credit, loan delinquency and other information for Citi's consumer loan portfolios, see each respective business's results of operations above and Note 15.

## U.S. Cards FICO Distribution

The following tables present the current FICO score distributions for Citi's Branded Cards and Retail Services portfolios based on end-of-period receivables. FICO scores are updated as they become available.

### Branded Cards

FICO distribution <sup>(1)</sup>	Dec. 31, 2024	Sept. 30, 2024	Dec. 31, 2023
≥ 740	56 %	55 %	57 %
660–739	33	34	33
< 660	11	11	10
<b>Total</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>

### Retail Services

FICO distribution <sup>(1)</sup>	Dec. 31, 2024	Sept. 30, 2024	Dec. 31, 2023
≥ 740	36 %	34 %	36 %
660–739	41	42	41
< 660	23	24	23
<b>Total</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>

(1) Excludes immaterial balances for Canada and for customers for which no FICO scores are available.

The FICO distribution of both Branded Cards and Retail Services portfolios was broadly stable quarter-over-quarter and year-over-year. The FICO distribution continued to reflect the strong underlying credit quality of the portfolios. See Note 15 for additional information on FICO scores.

## Additional Consumer Credit Details

### Consumer Loan Delinquencies Amounts and Ratios

In millions of dollars, except EOP loan amounts in billions	EOP loans <sup>(1)</sup>		90+ days past due <sup>(2)</sup>			30–89 days past due <sup>(2)</sup>		
	December 31,		December 31,			December 31,		
	2024	2024	2023	2022	2024	2023	2022	2022
<b>Wealth delinquency-managed loans<sup>(3)</sup></b>	\$ 104.1	\$ 260 0.25 %	\$ 191 0.18 %	\$ 186 0.19 %	\$ 242 0.23 %	\$ 312 0.30 %	\$ 317 0.32 %	
<b>Wealth classifiably managed loans<sup>(4)</sup></b>	\$ 43.4	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>USPB<sup>(5)(6)</sup></b>								
Total	\$ 221.7	\$ 2,871 1.30 %	\$ 2,635 1.26 %	\$ 1,578 0.84 %	\$ 2,604 1.18 %	\$ 2,563 1.23 %	\$ 1,720 0.92 %	
Ratio								
Cards <sup>(6)</sup>								
Total	171.1	2,705	2,461	1,415	2,333	2,293	1,511	
Ratio		1.58 %	1.49 %	0.94 %	1.36 %	1.39 %	1.00 %	
Branded Cards	117.3	1,383	1,194	629	1,210	1,143	693	
Ratio		1.18 %	1.07 %	0.63 %	1.03 %	1.03 %	0.69 %	
Retail Services	53.8	1,322	1,267	786	1,123	1,150	818	
Ratio		2.46 %	2.36 %	1.56 %	2.09 %	2.15 %	1.62 %	
Retail Banking <sup>(5)</sup>	50.6	166	174	163	271	270	209	
Ratio		0.33 %	0.40 %	0.45 %	0.54 %	0.62 %	0.57 %	
<b>All Other</b>								
Total	\$ 23.9	\$ 341 1.44 %	\$ 407 1.43 %	\$ 389 1.26 %	\$ 329 1.39 %	\$ 384 1.35 %	\$ 335 1.08 %	
Ratio								
Mexico Consumer	17.2	246	252	190	242	252	186	
Ratio		1.43 %	1.35 %	1.28 %	1.41 %	1.35 %	1.26 %	
Asia Consumer <sup>(7)(8)</sup>	4.7	23	51	49	27	59	70	
Ratio		0.49 %	0.69 %	0.37 %	0.57 %	0.80 %	0.53 %	
Legacy Holdings Assets (consumer) <sup>(9)</sup>	2.0	72	104	150	60	73	79	
Ratio		4.00 %	4.33 %	5.36 %	3.33 %	3.04 %	2.82 %	
<b>Total Citigroup consumer</b>	<b>\$ 393.1</b>	<b>\$ 3,472 0.99 %</b>	<b>\$ 3,233 0.94 %</b>	<b>\$ 2,153 0.68 %</b>	<b>\$ 3,175 0.91 %</b>	<b>\$ 3,259 0.95 %</b>	<b>\$ 2,372 0.75 %</b>	
<b>Ratio</b>								

(1) End-of-period (EOP) loans include interest and fees on credit cards.

(2) The ratios of 90+ days past due and 30–89 days past due are calculated based on EOP loans, net of unearned income.

(3) Excludes EOP classifiably managed Private Bank loans. These loans are not included in the delinquency numerator, denominator and ratios.

(4) These loans are evaluated for non-accrual status and write-off primarily based on their internal risk classification and not solely on their delinquency status, and, therefore, delinquency metrics are excluded from this table. As of December 31, 2024, 2023 and 2022, 72%, 85% and 96% of *Wealth* classifiably managed loans were rated investment grade. For additional information on the credit quality of the *Wealth* portfolio, including classifiably managed portfolios, see “Consumer Credit Trends” above.

(5) The 90+ days past due and 30–89 days past due and related ratios for Retail Banking exclude loans guaranteed by U.S. government-sponsored agencies since the potential risk of loss predominantly resides with the U.S. government-sponsored agencies. The amounts excluded for loans 90+ days past due and (EOP loans) were \$69 million (\$0.5 billion), \$63 million (\$0.5 billion) and \$89 million (\$0.6 billion) at December 31, 2024, 2023 and 2022, respectively. The amounts excluded for loans 30–89 days past due (the 30–89 days past due EOP loans have the same adjustments as the 90+ days past due EOP loans) were \$66 million, \$73 million and \$70 million at December 31, 2024, 2023 and 2022, respectively. The EOP loans in the table include the guaranteed loans.

(6) The 90+ days past due balances for Branded Cards and Retail Services are generally still accruing interest. Citi’s policy is generally to accrue interest on credit card loans until 180 days past due, unless notification of bankruptcy filing has been received earlier.

(7) Asia Consumer includes delinquencies and loans in Poland and Russia for all periods presented.

(8) Citi has entered into agreements to sell certain Asia Consumer banking businesses. Accordingly, the loans of these businesses have been reclassified as HFS in *Other assets* on the Consolidated Balance Sheet, and, hence, the loans and related delinquencies and ratios are not included in this table. The most recent reclassifications commenced as follows: Taiwan and Indonesia in the first quarter of 2022; Taiwan closed in the third quarter of 2023 and Indonesia closed in the fourth quarter of 2023. See Note 2.

- (9) The 90+ days past due and 30–89 days past due and related ratios exclude U.S. mortgage loans that are primarily related to U.S. mortgages guaranteed by U.S. government-sponsored agencies since the potential risk of loss predominantly resides with the U.S. agencies. The amounts excluded for 90+ days past due and (EOP loans) were \$66 million (\$0.2 billion), \$67 million (\$0.2 billion) and \$90 million (\$0.3 billion) at December 31, 2024, 2023 and 2022, respectively. The amounts excluded for loans 30–89 days past due (the 30–89 days past due EOP loans have the same adjustments as the 90+ days past due EOP loans) were \$34 million, \$36 million and \$37 million at December 31, 2024, 2023 and 2022, respectively. The EOP loans in the table include the guaranteed loans.

N/A Not applicable

### **Consumer Loan Net Credit Losses (NCLs) and Ratios**

<i>In millions of dollars, except average loan amounts in billions</i>	<b>Average loans<sup>(1)</sup></b>	<b>Net credit losses<sup>(2)</sup></b>		
		<b>2024</b>	<b>2024</b>	<b>2023</b>
<b>Wealth</b>	<b>\$ 149.4</b>	<b>\$ 121</b>	<b>\$ 98</b>	<b>\$ 103</b>
<i>Ratio</i>		<b>0.08 %</b>	<b>0.07 %</b>	<b>0.07 %</b>
<b>USPB</b>				
<b>Total</b>	<b>\$ 209.2</b>	<b>\$ 7,579</b>	<b>\$ 5,234</b>	<b>\$ 2,918</b>
<i>Ratio</i>		<b>3.62 %</b>	<b>2.72 %</b>	<b>1.71 %</b>
Cards				
Total	<b>161.8</b>	<b>7,245</b>	<b>4,981</b>	<b>2,640</b>
<i>Ratio</i>		<b>4.48 %</b>	<b>3.29 %</b>	<b>1.95 %</b>
Branded Cards	<b>110.3</b>	<b>4,015</b>	<b>2,664</b>	<b>1,384</b>
<i>Ratio</i>		<b>3.64 %</b>	<b>2.62 %</b>	<b>1.54 %</b>
Retail Services	<b>51.5</b>	<b>3,230</b>	<b>2,317</b>	<b>1,256</b>
<i>Ratio</i>		<b>6.27 %</b>	<b>4.64 %</b>	<b>2.74 %</b>
Retail Banking	<b>47.4</b>	<b>334</b>	<b>253</b>	<b>278</b>
<i>Ratio</i>		<b>0.70 %</b>	<b>0.62 %</b>	<b>0.79 %</b>
<b>All Other—Legacy Franchises (managed basis)<sup>(3)</sup></b>				
<b>Total</b>	<b>\$ 26.3</b>	<b>\$ 896</b>	<b>\$ 861</b>	<b>\$ 746</b>
<i>Ratio</i>		<b>3.41 %</b>	<b>2.94 %</b>	<b>2.16 %</b>
Mexico Consumer	<b>18.3</b>	<b>828</b>	<b>682</b>	<b>476</b>
<i>Ratio</i>		<b>4.52 %</b>	<b>4.01 %</b>	<b>3.50 %</b>
Asia Consumer (managed basis) <sup>(3)(4)(5)</sup>	<b>5.9</b>	<b>67</b>	<b>198</b>	<b>316</b>
<i>Ratio</i>		<b>1.14 %</b>	<b>2.08 %</b>	<b>1.82 %</b>
Legacy Holdings Assets (consumer)	<b>2.1</b>	<b>1</b>	<b>(19)</b>	<b>(46)</b>
<i>Ratio</i>		<b>0.05 %</b>	<b>(0.68)%</b>	<b>(1.27)%</b>
Reconciling Items <sup>(3)</sup>		<b>\$ 7</b>	<b>\$ (6)</b>	<b>\$ (156)</b>
<b>Total Citigroup</b>	<b>\$ 384.9</b>	<b>\$ 8,603</b>	<b>\$ 6,187</b>	<b>\$ 3,611</b>
<i>Ratio</i>		<b>2.24 %</b>	<b>1.66 %</b>	<b>1.02 %</b>

(1) Average loans include interest and fees on credit cards.

(2) The ratios of net credit losses are calculated based on average loans, net of unearned income.

(3) 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 IPO of Mexico Consumer/SBMM 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)" above.

(4) Asia Consumer also includes NCLs and average loans in Poland and Russia for all periods presented.

(5) Approximately \$0 million, \$25 million and \$155 million in NCLs relating to certain Asia Consumer businesses classified as held-for-sale in *Other assets* and *Other liabilities* on the Consolidated Balance Sheet were recorded as a reduction in revenue (*Other revenue*) in 2024, 2023 and 2022, respectively. Accordingly, these NCLs are not included in this table. See footnote 3 to this table.

### **Loan Maturities and Fixed/Variable Pricing of Consumer Loans**

#### **Loan Maturities**

<i>In millions of dollars at December 31, 2024</i>	<b>Due within 1 year</b>	<b>Greater than 1 year but within 5 years</b>	<b>Greater than 5 years but within 15 years</b>	<b>Greater than 15 years</b>	<b>Total</b>
<b>In North America offices</b>					
Residential first mortgages	\$ 2	\$ 272	\$ 2,738	\$ 111,581	\$ 114,593
Home equity loans	6	15	1,247	1,873	3,141
Credit cards <sup>(1)</sup>	168,789	2,270	—	—	171,059
Personal, small business and other	17,844	13,853	1,288	170	33,155
<b>Total</b>	<b>\$ 186,641</b>	<b>\$ 16,410</b>	<b>\$ 5,273</b>	<b>\$ 113,624</b>	<b>\$ 321,948</b>
<b>In offices outside North America</b>					
Residential mortgages	\$ 165	\$ 215	\$ 3,899	\$ 20,177	\$ 24,456
Credit cards <sup>(1)</sup>	12,895	32	—	—	12,927
Personal, small business and other	26,932	6,440	230	393	33,995
<b>Total</b>	<b>\$ 39,992</b>	<b>\$ 6,687</b>	<b>\$ 4,129</b>	<b>\$ 20,570</b>	<b>\$ 71,378</b>
<b>Total Consumer</b>	<b>\$ 226,633</b>	<b>\$ 23,097</b>	<b>\$ 9,402</b>	<b>\$ 134,194</b>	<b>\$ 393,326</b>

(1) Credit card loans with maturities greater than one year represent loan modifications to borrowers experiencing financial difficulty and are at fixed interest rates.

#### **Fixed/Variable Pricing**

<i>In millions of dollars at December 31, 2024</i>	<b>Due within 1 year</b>	<b>Greater than 1 year but within 5 years</b>	<b>Greater than 5 years but within 15 years</b>	<b>Greater than 15 years</b>	<b>Total</b>
<b>Loans at fixed interest rates</b>					
Residential first mortgages	\$ 52	\$ 344	\$ 3,887	\$ 69,660	\$ 73,943
Home equity loans	4	11	220	203	438
Credit cards <sup>(1)</sup>	49,549	2,302	—	—	51,851
Personal, small business and other	13,370	7,769	286	141	21,566
<b>Total</b>	<b>\$ 62,975</b>	<b>\$ 10,426</b>	<b>\$ 4,393</b>	<b>\$ 70,004</b>	<b>\$ 147,798</b>
<b>Loans at floating or adjustable interest rates</b>					
Residential first mortgages	\$ 115	\$ 143	\$ 2,750	\$ 62,098	\$ 65,106
Home equity loans	2	4	1,027	1,670	2,703
Credit cards <sup>(1)</sup>	132,135	—	—	—	132,135
Personal, small business and other	31,406	12,524	1,232	422	45,584
<b>Total</b>	<b>\$ 163,658</b>	<b>\$ 12,671</b>	<b>\$ 5,009</b>	<b>\$ 64,190</b>	<b>\$ 245,528</b>
<b>Total Consumer</b>	<b>\$ 226,633</b>	<b>\$ 23,097</b>	<b>\$ 9,402</b>	<b>\$ 134,194</b>	<b>\$ 393,326</b>

(1) Credit card loans with maturities greater than one year represent loan modifications to borrowers experiencing financial difficulty and are at fixed interest rates.

## ADDITIONAL CONSUMER AND CORPORATE CREDIT DETAILS

### Loans Outstanding

<i>In millions of dollars</i>	December 31,				
	2024	2023	2022	2021	2020
<b>Consumer loans</b>					
<i>In North America offices<sup>(1)</sup></i>					
Residential first mortgages <sup>(2)</sup>	\$ 114,593	\$ 108,711	\$ 96,039	\$ 83,361	\$ 83,956
Home equity loans <sup>(2)</sup>	3,141	3,592	4,580	5,745	7,890
Credit cards	171,059	164,720	150,643	133,868	130,385
Personal, small business and other	33,155	36,135	37,752	40,713	39,259
<b>Total</b>	<b>\$ 321,948</b>	<b>\$ 313,158</b>	<b>\$ 289,014</b>	<b>\$ 263,687</b>	<b>\$ 261,490</b>
<i>In offices outside North America<sup>(1)</sup></i>					
Residential mortgages <sup>(2)</sup>	\$ 24,456	\$ 26,426	\$ 28,114	\$ 37,889	\$ 42,817
Credit cards	12,927	14,233	12,955	17,808	22,692
Personal, small business and other	33,995	35,380	37,984	57,150	59,475
<b>Total</b>	<b>\$ 71,378</b>	<b>\$ 76,039</b>	<b>\$ 79,053</b>	<b>\$ 112,847</b>	<b>\$ 124,984</b>
<b>Consumer loans, net of unearned income, excluding portfolio-layer cumulative basis adjustments<sup>(3)</sup></b>					
	<b>\$ 393,326</b>	<b>\$ 389,197</b>	<b>\$ 368,067</b>	<b>\$ 376,534</b>	<b>\$ 386,474</b>
Unallocated portfolio-layer cumulative basis adjustments	\$ (224)	\$ —	\$ —	\$ —	\$ —
<b>Consumer loans, net of unearned income<sup>(3)</sup></b>	<b>\$ 393,102</b>	<b>\$ 389,197</b>	<b>\$ 368,067</b>	<b>\$ 376,534</b>	<b>\$ 386,474</b>
<b>Corporate loans</b>					
<i>In North America offices<sup>(1)</sup></i>					
Commercial and industrial	\$ 57,730	\$ 61,008	\$ 56,176	\$ 48,364	\$ 53,930
Financial institutions	41,815	39,393	43,399	49,804	39,390
Mortgage and real estate <sup>(2)</sup>	18,411	17,813	17,829	15,965	16,522
Installment and other <sup>(4)</sup>	25,529	23,335	23,767	20,143	17,362
Lease financing	235	227	308	415	673
<b>Total</b>	<b>\$ 143,720</b>	<b>\$ 141,776</b>	<b>\$ 141,479</b>	<b>\$ 134,691</b>	<b>\$ 127,877</b>
<i>In offices outside North America<sup>(1)</sup></i>					
Commercial and industrial	\$ 92,856	\$ 93,402	\$ 93,967	\$ 102,735	\$ 103,234
Financial institutions	27,276	26,143	21,931	22,158	25,111
Mortgage and real estate <sup>(2)</sup>	8,136	7,197	4,179	4,374	5,277
Installment and other <sup>(4)</sup>	25,800	27,907	23,347	22,812	24,034
Lease financing	40	48	46	40	65
Governments and official institutions	3,630	3,599	4,205	4,423	3,811
<b>Total</b>	<b>\$ 157,738</b>	<b>\$ 158,296</b>	<b>\$ 147,675</b>	<b>\$ 156,542</b>	<b>\$ 161,532</b>
<b>Corporate loans, net of unearned income, excluding portfolio-layer cumulative basis adjustments<sup>(5)</sup></b>					
	<b>\$ 301,458</b>	<b>\$ 300,072</b>	<b>\$ 289,154</b>	<b>\$ 291,233</b>	<b>\$ 289,409</b>
Unallocated portfolio-layer cumulative basis adjustments	\$ (72)	\$ 93	\$ —	\$ —	\$ —
<b>Corporate loans, net of unearned income<sup>(5)</sup></b>	<b>\$ 301,386</b>	<b>\$ 300,165</b>	<b>\$ 289,154</b>	<b>\$ 291,233</b>	<b>\$ 289,409</b>
<b>Total loans—net of unearned income</b>	<b>\$ 694,488</b>	<b>\$ 689,362</b>	<b>\$ 657,221</b>	<b>\$ 667,767</b>	<b>\$ 675,883</b>
Allowance for credit losses on loans (ACLL)	(18,574)	(18,145)	(16,974)	(16,455)	(24,956)
<b>Total loans—net of unearned income and ACLL</b>	<b>\$ 675,914</b>	<b>\$ 671,217</b>	<b>\$ 640,247</b>	<b>\$ 651,312</b>	<b>\$ 650,927</b>
<b>ACLL as a percentage of total loans—net of unearned income<sup>(6)</sup></b>	<b>2.71 %</b>	<b>2.66 %</b>	<b>2.60 %</b>	<b>2.49 %</b>	<b>3.73 %</b>
<b>ACLL for consumer loan losses as a percentage of total consumer loans—net of unearned income<sup>(6)</sup></b>	<b>4.08 %</b>	<b>3.97 %</b>	<b>3.84 %</b>	<b>3.73 %</b>	<b>5.22 %</b>
<b>ACLL for corporate loan losses as a percentage of total corporate loans—net of unearned income<sup>(6)</sup></b>	<b>0.87 %</b>	<b>0.93 %</b>	<b>1.01 %</b>	<b>0.85 %</b>	<b>1.69 %</b>

- (1) North America includes the U.S., Canada and Puerto Rico. Mexico is included in offices outside North America. The classification of corporate loans between offices in North America and outside North America is based on the domicile of the booking unit. The difference between the domicile of the booking unit and the domicile of the managing unit is not material.
- (2) Loans secured primarily by real estate.
- (3) Consumer loans are net of unearned income of \$889 million, \$802 million, \$712 million, \$629 million and \$692 million at December 31, 2024, 2023, 2022, 2021 and 2020, respectively. Unearned income on consumer loans primarily represents loan origination fees, net of certain direct origination costs, that are deferred and recognized as *Interest income* over the lives of the related loans.
- (4) Installment and other includes loans to SPEs and TTS commercial cards.
- (5) Corporate loans include Mexico SBMM loans and are net of unearned income of \$(969) million, \$(917) million, \$(797) million, \$(770) million and \$(787) million at December 31, 2024, 2023, 2022, 2021 and 2020, respectively. Unearned income on corporate loans primarily represents loan origination fees, net of certain direct origination costs, that are deferred and recognized as *Interest income* over the lives of the related loans.
- (6) Because loans carried at fair value do not have an ACLL, they are excluded from the ACLL ratio calculation.

## Details of Credit Loss Experience

<i>In millions of dollars</i>	2024	2023	2022	2021	2020
<b>Allowance for credit losses on loans (ACLL) at beginning of year</b>	\$ 18,145	\$ 16,974	\$ 16,455	\$ 24,956	\$ 12,783
Adjustments to opening balance:					
Financial instruments—TDRs and vintage disclosures <sup>(1)</sup>	—	(352)	—	—	—
Financial instruments—credit losses (CECL) <sup>(2)</sup>	—	—	—	—	4,201
Variable post-charge-off third-party collection costs	—	—	—	—	(443)
<b>Adjusted ACLL at beginning of year</b>	<b>\$ 18,145</b>	<b>\$ 16,622</b>	<b>\$ 16,455</b>	<b>\$ 24,956</b>	<b>\$ 16,541</b>
<b>Provision for credit losses on loans (PCLL)</b>					
Consumer	\$ 9,459	\$ 7,665	\$ 4,128	\$ (1,159)	\$ 12,222
Corporate	267	121	617	(1,944)	3,700
<b>Total</b>	<b>\$ 9,726</b>	<b>\$ 7,786</b>	<b>\$ 4,745</b>	<b>\$ (3,103)</b>	<b>\$ 15,922</b>
<b>Gross credit losses on loans</b>					
<b>Consumer</b>					
In U.S. offices	\$ 8,989	\$ 6,339	\$ 3,944	\$ 4,076	\$ 6,141
In offices outside the U.S.	1,212	1,214	934	2,144	2,146
<b>Corporate</b>					
Commercial and industrial, and other					
In U.S. offices	149	129	110	228	466
In offices outside the U.S.	170	119	81	259	409
Loans to financial institutions					
In U.S. offices	—	4	—	1	14
In offices outside the U.S.	10	36	80	1	12
Mortgage and real estate					
In U.S. offices	144	31	—	10	71
In offices outside the U.S.	20	9	7	1	4
<b>Total</b>	<b>\$ 10,694</b>	<b>\$ 7,881</b>	<b>\$ 5,156</b>	<b>\$ 6,720</b>	<b>\$ 9,263</b>
<b>Gross recoveries on loans</b>					
<b>Consumer</b>					
In U.S. offices	\$ 1,406	\$ 1,124	\$ 1,045	\$ 1,215	\$ 1,094
In offices outside the U.S.	192	242	222	496	482
<b>Corporate</b>					
Commercial and industrial, and other					
In U.S. offices	51	38	44	57	34
In offices outside the U.S.	35	37	46	54	27
Loans to financial institutions					
In U.S. offices	5	—	6	2	—
In offices outside the U.S.	4	—	3	1	14
Mortgage and real estate					
In U.S. offices	—	—	—	—	—
In offices outside the U.S.	1	3	1	—	1

<b>Total</b>	\$ 1,694	\$ 1,444	\$ 1,367	\$ 1,825	\$ 1,652
<b>Net credit losses on loans (NCLs)</b>					
In U.S. offices	\$ 7,820	\$ 5,341	\$ 2,959	\$ 3,041	\$ 5,564
In offices outside the U.S.	\$ 1,180	\$ 1,096	\$ 830	\$ 1,854	\$ 2,047
<b>Total</b>	<b>\$ 9,000</b>	<b>\$ 6,437</b>	<b>\$ 3,789</b>	<b>\$ 4,895</b>	<b>\$ 7,611</b>
Other—net <sup>(3)(4)(5)(6)(7)(8)</sup>	\$ (297)	\$ 174	\$ (437)	\$ (503)	\$ 104
<b>Allowance for credit losses on loans (ACLL) at end of year</b>	<b>\$ 18,574</b>	<b>\$ 18,145</b>	<b>\$ 16,974</b>	<b>\$ 16,455</b>	<b>\$ 24,956</b>
ACLL as a percentage of EOP loans <sup>(9)</sup>	2.71 %	2.66 %	2.60 %	2.49 %	3.73 %
Allowance for credit losses on unfunded lending commitments (ACLUC) <sup>(10)</sup>	\$ 1,601	\$ 1,728	\$ 2,151	\$ 1,871	\$ 2,655
<b>Total ACLL and ACLUC</b>	<b>\$ 20,175</b>	<b>\$ 19,873</b>	<b>\$ 19,125</b>	<b>\$ 18,326</b>	<b>\$ 27,611</b>
Net consumer credit losses on loans	\$ 8,603	\$ 6,187	\$ 3,611	\$ 4,509	\$ 6,711
As a percentage of average consumer loans	2.24 %	1.66 %	1.02 %	1.20 %	1.77 %
Net corporate credit losses on loans	\$ 397	\$ 250	\$ 178	\$ 386	\$ 900
As a percentage of average corporate loans	0.13 %	0.09 %	0.06 %	0.13 %	0.29 %
<b>ACLL by type at end of year<sup>(11)</sup></b>					
Consumer	\$ 16,018	\$ 15,431	\$ 14,119	\$ 14,040	\$ 20,180
Corporate	\$ 2,556	\$ 2,714	\$ 2,855	\$ 2,415	\$ 4,776
<b>Total</b>	<b>\$ 18,574</b>	<b>\$ 18,145</b>	<b>\$ 16,974</b>	<b>\$ 16,455</b>	<b>\$ 24,956</b>

- (1) On January 1, 2023, Citi adopted Accounting Standards Update (ASU) 2022-02, *Financial Instruments—Credit Losses (Topic 326): TDRs and Vintage Disclosures*. The ASU eliminated the accounting and disclosure requirements for TDRs, including the requirement to measure the ACLL for TDRs using a discounted cash flow (DCF) approach. On January 1, 2023, Citi recorded a \$352 million decrease in the *Allowance for loan losses*, along with a \$290 million after-tax increase to *Retained earnings*. See Note 1.
- (2) On January 1, 2020, Citi adopted Accounting Standards Codification (ASC) 326, *Financial Instruments—Credit Losses (CECL)*. The ASC introduces a new credit loss methodology requiring earlier recognition of credit losses while also providing additional disclosure about credit risk. On January 1, 2020, Citi recorded a \$4.1 billion, or an approximate 29%, pretax increase in the *Allowance for credit losses*, along with a \$3.1 billion after-tax decrease in *Retained earnings* and a deferred tax asset increase of \$1.0 billion. This transition impact reflects (i) a \$4.9 billion build to the consumer ACL due to longer estimated tenors than under the incurred loss methodology under prior U.S. GAAP, net of recoveries, and (ii) a \$0.8 billion decrease to the corporate ACL due to shorter remaining tenors, incorporation of recoveries and use of more specific historical loss data based on an increase in portfolio segmentation across industries and geographies.
- (3) Includes all adjustments to the allowance for credit losses, such as changes in the allowance from acquisitions, dispositions, securitizations, FX translation, purchase accounting adjustments, etc.
- (4) 2024 includes an approximate \$300 million decrease related to FX translation, as well as an initial allowance for credit losses on newly purchased credit-deteriorated assets during the year.
- (5) 2023 includes an approximate \$175 million increase related to FX translation.
- (6) 2022 includes an approximate \$350 million reclassification related to the announced sales of Citi's consumer banking businesses in Thailand, India, Malaysia, Taiwan, Indonesia, Bahrain and Vietnam. Also includes a decrease of approximately \$100 million related to FX translation.
- (7) 2021 includes an approximate \$280 million reclassification related to Citi's agreement to sell its Australia consumer banking business and an approximate \$90 million reclassification related to Citi's agreement to sell its Philippines consumer banking business. Those ACLL were reclassified to *Other assets* during 2021. 2021 also includes a decrease of approximately \$134 million related to FX translation.
- (8) 2020 includes reductions of approximately \$4 million related to the transfer to HFS of various real estate loan portfolios. In addition, 2020 includes an increase of approximately \$97 million related to FX translation.
- (9) December 31, 2024, 2023, 2022, 2021 and 2020 exclude \$8.0 billion, \$7.6 billion, \$5.4 billion, \$6.1 billion and \$6.9 billion, respectively, of loans that are carried at fair value.
- (10) Represents additional credit reserves recorded as *Other liabilities* on the Consolidated Balance Sheet.
- (11) The ACLL represents management's estimate of expected credit losses in the portfolio and troubled debt restructurings. See "Significant Accounting Policies and Significant Estimates" below. Attribution of the allowance is made for analytical purposes only and is available to absorb probable credit losses inherent in the overall portfolio.

**Allowance for Credit Losses on Loans (ACLL)**

The following tables detail information on Citi's ACLL, loans and coverage ratios:

<i>In billions of dollars</i>	December 31, 2024		
	ACLL	EOP loans, net of unearned income	ACLL as a % of EOP loans <sup>(1)</sup>
<b>Consumer</b>			
North America cards <sup>(2)</sup>	\$ 13.6	\$ 171.1	7.9 %
North America mortgages <sup>(3)</sup>	0.1	117.2	0.1
North America other <sup>(3)</sup>	0.7	33.2	2.1
International cards	0.9	12.9	7.0
International other <sup>(3)</sup>	0.7	58.4	1.2
<b>Total<sup>(1)</sup></b>	<b>\$ 16.0</b>	<b>\$ 392.8</b>	<b>4.1 %</b>
<b>Corporate<sup>(4)</sup></b>			
Commercial and industrial	\$ 1.3	\$ 148.7	0.9 %
Financial institutions	0.4	68.4	0.6
Mortgage and real estate <sup>(4)</sup>	0.7	26.4	2.7
Installment and other	0.2	50.1	0.4
<b>Total<sup>(1)</sup></b>	<b>\$ 2.6</b>	<b>\$ 293.6</b>	<b>0.9 %</b>
<b>Loans at fair value<sup>(1)</sup></b>		<b>N/A \$</b>	<b>8.0</b>
<b>Total Citigroup</b>	<b>\$ 18.6</b>	<b>\$ 694.5</b>	<b>2.7 %</b>

<i>In billions of dollars</i>	December 31, 2023		
	ACLL	EOP loans, net of unearned income	ACLL as a % of EOP loans <sup>(1)</sup>
<b>Consumer</b>			
North America cards <sup>(2)</sup>	\$ 12.6	\$ 164.7	7.7 %
North America mortgages <sup>(3)</sup>	0.2	112.0	0.2
North America other <sup>(3)</sup>	0.7	36.2	1.9
International cards	0.9	14.2	6.3
International other <sup>(3)</sup>	1.0	61.8	1.6
<b>Total<sup>(1)</sup></b>	<b>\$ 15.4</b>	<b>\$ 388.9</b>	<b>4.0 %</b>
<b>Corporate<sup>(4)</sup></b>			
Commercial and industrial	\$ 1.7	\$ 151.5	1.1 %
Financial institutions	0.3	65.1	0.5
Mortgage and real estate <sup>(4)</sup>	0.6	24.9	2.4
Installment and other	0.1	51.4	0.2
<b>Total<sup>(1)</sup></b>	<b>\$ 2.7</b>	<b>\$ 292.9</b>	<b>0.9 %</b>
<b>Loans at fair value<sup>(1)</sup></b>		<b>N/A \$</b>	<b>7.6</b>
<b>Total Citigroup</b>	<b>\$ 18.1</b>	<b>\$ 689.4</b>	<b>2.7 %</b>

(1) Excludes loans carried at fair value, since they do not have an ACLL and are excluded from the ACLL ratio calculation.

(2) Includes both Branded Cards and Retail Services. As of December 31, 2024, the \$13.6 billion of ACLL represented approximately 22 months of coincident net credit loss coverage (based on 4Q24 NCLs). As of December 31, 2024, Branded Cards ACLL as a percentage of EOP loans was 6.4% and Retail Services ACLL as a percentage of EOP loans was 11.3%. As of December 31, 2023, the \$12.6 billion of ACLL represented approximately 25 months of coincident net credit loss coverage (based on 4Q23 NCLs). As of December 31, 2023, Branded Cards ACLL as a percentage of EOP loans was 6.0% and Retail Services ACLL as a percentage of EOP loans was 11.1%.

(3) Includes residential mortgages, retail loans and personal, small business and other loans, including those extended through the Private Bank network.

(4) The above corporate loan classifications are broadly based on the loan's collateral, purpose and type of borrower, which may be different from the following industry table. For example, commercial and industrial, financial institutions, and installment and other loan classifications include various forms of loans to borrowers across multiple industries, whereas mortgage and real estate includes loans secured primarily by real estate.

N/A Not applicable

The following table details Citi's corporate credit ACLL by industry exposure:

<i>In millions of dollars, except percentages</i>	December 31, 2024		
	Funded exposure <sup>(1)</sup>	ACLL	ACLL as a % of funded exposure
Transportation and industrials	\$ 57,166	\$ 460	0.8 %
Banks and finance companies	56,716	307	0.5
Real estate <sup>(2)</sup>	53,186	717	1.3
Commercial	36,200	645	1.8
Residential	16,986	72	0.4
Consumer retail	32,212	258	0.8
Technology, media and telecom	29,534	238	0.8
Power, chemicals, metals and mining	18,504	257	1.4
Public sector	13,209	47	0.4
Energy and commodities	11,686	136	1.2
Health	8,537	77	0.9
Asset managers and funds	5,258	28	0.5
Insurance	2,115	8	0.4
Securities firms	590	9	1.5
Financial markets infrastructure	181	1	0.6
Other industries <sup>(3)</sup>	4,733	13	0.3
<b>Total<sup>(4)</sup></b>	<b>\$ 293,627</b>	<b>\$ 2,556</b>	<b>0.9 %</b>

(1) Funded exposure excludes loans carried at fair value of \$7.8 billion that are not subject to ACLL under the CECL standard.

(2) As of December 31, 2024, the portion of the ACLL attributed to the total funded CRE exposure (including the Private Bank) was approximately 1.60%.

(3) Includes \$0.6 billion of funded exposure at December 31, 2024, primarily related to commercial credit card delinquency-managed loans.

(4) As of December 31, 2024, the ACLL above reflects coverage of 0.4% of funded investment-grade exposure and 2% of funded non-investment-grade exposure.

The following table details Citi's corporate credit ACLL by industry exposure:

<i>In millions of dollars, except percentages</i>	December 31, 2023		
	Funded exposure <sup>(1)</sup>	ACLL	ACLL as a % of funded exposure
Transportation and industrials	\$ 59,917	\$ 453	0.8 %
Banks and finance companies	52,569	179	0.3
Real estate <sup>(2)</sup>	51,660	663	1.3
Commercial	35,058	599	1.7
Residential	16,602	64	0.4
Consumer retail	33,548	282	0.8
Technology, media and telecom	29,832	376	1.3
Power, chemicals, metals and mining	19,004	270	1.4
Public sector	12,621	102	0.8
Energy and commodities	12,606	166	1.3
Health	9,135	72	0.8
Asset managers and funds	4,232	36	0.9
Insurance	2,390	14	0.6
Securities firms	734	23	3.1
Financial markets infrastructure	156	—	—
Other industries <sup>(3)</sup>	4,480	78	1.7
<b>Total<sup>(4)</sup></b>	<b>\$ 292,884</b>	<b>\$ 2,714</b>	<b>0.9 %</b>

(1) Funded exposure excludes loans carried at fair value of \$7.3 billion that are not subject to ACLL under the CECL standard.

(2) As of December 31, 2023, the portion of the ACLL attributed to the total funded CRE exposure (including the Private Bank) was approximately 1.49%.

(3) Includes \$0.6 billion of funded exposure at December 31, 2023, primarily related to commercial credit card delinquency-managed loans.

(4) As of December 31, 2023, the ACLL above reflects coverage of 0.3% of funded investment-grade exposure and 2.9% of funded non-investment-grade exposure.



**Non-Accrual Loans and Assets**

There is a certain amount of overlap among non-accrual loans and assets. The following summary provides a general description of each category:

- Corporate and consumer (including commercial banking) non-accrual status is based on the determination that payment of interest or principal is doubtful.
- A corporate loan may be classified as non-accrual and still be current on principal and interest payments under the terms of the loan structure.
- Consumer non-accrual status is generally based on aging, i.e., the borrower has fallen behind on payments.
- Consumer mortgage loans, other than Federal Housing Administration (FHA)-insured loans, are classified as non-accrual within 60 days of notification that the borrower has filed for bankruptcy. Uninsured consumer mortgage loans are classified as non-accrual if the loan is 90 days or more past due. In addition, home equity loans are classified as non-accrual if the related residential first mortgage loan is 90 days or more past due.
- U.S. Branded Cards and Retail Services are not included because, under industry standards, credit card loans accrue interest until such loans are charged off, which typically occurs at 180 days of contractual delinquency.

***Non-Accrual Loans***

The table below summarizes Citigroup's non-accrual loans (NAL) as of the periods indicated. Non-accrual loans may still be current on interest payments. In situations where Citi reasonably expects that only a portion of the principal owed will ultimately be collected, all payments received are reflected as a reduction of principal and not as interest income. For all other non-accrual loans, cash interest receipts are generally recorded as revenue.

In millions of dollars	December 31,				
	2024	2023	2022	2021	2020
<b>Corporate non-accrual loans by region<sup>(1)(2)(3)</sup></b>					
North America	\$ 757	\$ 978	\$ 138	\$ 510	\$ 1,486
International	620	904	984	1,043	1,560
<b>Total</b>	<b>\$ 1,377</b>	<b>\$ 1,882</b>	<b>\$ 1,122</b>	<b>\$ 1,553</b>	<b>\$ 3,046</b>
<b>International NAL by cluster</b>					
United Kingdom	\$ 190	\$ 268	\$ 288	\$ 227	\$ 422
Japan, Asia North and Australia (JANA)	22	70	50	82	118
LATAM	301	367	429	568	719
Asia South	17	35	3	26	94
Europe	58	139	117	88	193
Middle East and Africa (MEA)	32	25	97	52	14
<b>Corporate non-accrual loans<sup>(1)(2)(3)</sup></b>					
Banking	\$ 498	\$ 799	\$ 757	\$ 1,166	\$ 2,595
Services	65	103	153	70	79
Markets	715	791	13	85	193
Mexico SBMM	99	189	199	232	179
<b>Total</b>	<b>\$ 1,377</b>	<b>\$ 1,882</b>	<b>\$ 1,122</b>	<b>\$ 1,553</b>	<b>\$ 3,046</b>
<b>Consumer non-accrual loans<sup>(1)</sup></b>					
Wealth	\$ 404	\$ 288	\$ 259	\$ 336	\$ 494
USPB	290	291	282	344	456
Mexico Consumer	411	479	457	524	774
Asia Consumer <sup>(4)</sup>	19	22	30	209	296
Legacy Holdings Assets (consumer)	186	235	289	413	602
<b>Total</b>	<b>\$ 1,310</b>	<b>\$ 1,315</b>	<b>\$ 1,317</b>	<b>\$ 1,826</b>	<b>\$ 2,622</b>
<b>Total non-accrual loans</b>	<b>\$ 2,687</b>	<b>\$ 3,197</b>	<b>\$ 2,439</b>	<b>\$ 3,379</b>	<b>\$ 5,668</b>

- (1) Corporate loans are placed on non-accrual status based on a review by Citigroup's risk officers. Corporate non-accrual loans may still be current on interest payments. With limited exceptions, the following practices are applied for consumer loans: consumer loans, excluding credit cards and mortgages, are placed on non-accrual status at 90 days past due and are charged off at 120 days past due; residential mortgage loans are placed on non-accrual status at 90 days past due and written down to net realizable value at 180 days past due. Consistent with industry conventions, Citigroup generally accrues interest on credit card loans until such loans are charged off, which typically occurs at 180 days contractual delinquency. As such, the non-accrual loan disclosures do not include credit card loans. The balances above represent non-accrual loans within *Corporate loans* and *Consumer loans* on the Consolidated Balance Sheet.
- (2) Approximately 61%, 50%, 50%, 56% and 64% of Citi's corporate non-accrual loans remain current on interest and principal payments at December 31, 2024, 2023, 2022, 2021 and 2020, respectively.
- (3) The December 31, 2024 total corporate non-accrual loans represented 0.46% of total corporate loans.
- (4) Asia Consumer includes balances in Poland and Russia for all periods presented and in Bahrain for December 31, 2021 and 2020.

The changes in Citigroup's non-accrual loans were as follows:

In millions of dollars	Year ended December 31, 2024			Year ended December 31, 2023		
	Corporate	Consumer	Total	Corporate	Consumer	Total
<b>Non-accrual loans at beginning of year</b>	\$ 1,882	\$ 1,315	\$ 3,197	\$ 1,122	\$ 1,317	\$ 2,439
Additions	1,517	1,966	3,483	2,103	1,702	3,805
Sales and transfers to HFS	(443)	(14)	(457)	(110)	(22)	(132)
Returned to performing	(269)	(206)	(475)	(141)	(315)	(456)
Paydowns/settlements	(934)	(531)	(1,465)	(819)	(476)	(1,295)
Charge-offs	(372)	(951)	(1,323)	(264)	(851)	(1,115)
Other	(4)	(269)	(273)	(9)	(40)	(49)
<b>Ending balance</b>	<b>\$ 1,377</b>	<b>\$ 1,310</b>	<b>\$ 2,687</b>	<b>\$ 1,882</b>	<b>\$ 1,315</b>	<b>\$ 3,197</b>

The table below summarizes Citigroup's other real estate owned (OREO) assets. OREO is recorded on the Consolidated Balance Sheet within *Other assets*. This represents the carrying value of all real estate property acquired by foreclosure or other legal proceedings when Citi has taken possession of the collateral:

In millions of dollars	December 31,					
	2024	2023	2022	2021	2020	
<b>OREO</b>						
North America	\$ 9	\$ 17	\$ 10	\$ 15	\$ 19	
International <sup>(1)</sup>	9	19	5	12	24	
<b>Total OREO</b>	<b>\$ 18</b>	<b>\$ 36</b>	<b>\$ 15</b>	<b>\$ 27</b>	<b>\$ 43</b>	
<b>Non-accrual assets</b>						
Corporate non-accrual loans	\$ 1,377	\$ 1,882	\$ 1,122	\$ 1,553	\$ 3,046	
Consumer non-accrual loans	1,310	1,315	1,317	1,826	2,622	
Non-accrual loans (NAL)	\$ 2,687	\$ 3,197	\$ 2,439	\$ 3,379	\$ 5,668	
<b>OREO</b>	<b>18</b>	<b>36</b>	<b>15</b>	<b>27</b>	<b>43</b>	
Non-accrual assets (NAA)	\$ 2,705	\$ 3,233	\$ 2,454	\$ 3,406	\$ 5,711	
NAL as a percentage of total loans	0.39 %	0.46 %	0.37 %	0.51 %	0.84 %	
NAA as a percentage of total assets	0.11	0.13	0.10	0.15	0.25	
ACLL as a percentage of NAL <sup>(2)</sup>	691	568	696	487	440	

(1) The International OREO details by cluster are not provided due to the immateriality of such amounts.

(2) The ACLL includes the allowance for Citi's credit card portfolios and purchased credit-deteriorated loans, while the non-accrual loans exclude credit card balances (with the exception of certain international portfolios).

## LIQUIDITY RISK

### Overview

Adequate and diverse sources of funding and liquidity are essential to Citi's businesses. Funding and liquidity risks arise from several factors, many of which are mostly or entirely outside of Citi's control, such as disruptions in the financial markets, changes in key funding sources, credit spreads, changes in Citi's credit ratings and macroeconomic, geopolitical and other conditions. For additional information, see "Risk Factors—Liquidity Risks" above.

Citi's funding and liquidity management objectives are aimed at (i) funding its existing asset base, (ii) growing its core businesses, (iii) maintaining sufficient liquidity, structured appropriately, so that Citi can operate under a variety of adverse circumstances, including potential Company-specific and/or market liquidity events in varying durations and severity, and (iv) satisfying regulatory requirements, including, but not limited to, those related to resolution planning (see "Resolution Plan" and "Total Loss-Absorbing Capacity (TLAC)" below). Citigroup's primary liquidity objectives are established by entity, and in aggregate, across two major categories:

- Citibank (including Citibank Europe plc, Citibank Singapore Ltd. and Citibank (Hong Kong) Ltd.); and
- Citi's non-bank and other entities, including the parent holding company (Citigroup Inc.), Citi's primary intermediate holding company (Citicorp LLC), Citi's broker-dealer subsidiaries (including Citigroup Global Markets Inc., Citigroup Global Markets Limited and Citigroup Global Markets Japan Inc.) and other bank and non-bank subsidiaries that are consolidated into Citigroup (including Banamex).

At an aggregate Citigroup level, Citi's goal is to maintain sufficient funding in amount and tenor to fully fund customer assets and to provide an appropriate amount of cash and high-quality liquid assets (as discussed below), even in times of stress, in order to meet its payment obligations as they come due. The liquidity risk management framework provides that, in addition to the aggregate requirements, certain entities be self-sufficient or net providers of liquidity, including in conditions established under their designated stress tests.

Citi's primary funding sources include (i) corporate and consumer deposits via Citi's bank subsidiaries, including Citibank, N.A. (Citibank), (ii) long-term debt (primarily senior and subordinated debt) mainly issued by Citigroup Inc., as the parent, and Citibank, and (iii) stockholders' equity. These sources may be supplemented by short-term borrowings, primarily in the form of secured funding transactions.

Citi's funding and liquidity framework, working in concert with overall asset/liability management, helps ensure that there is sufficient liquidity and tenor in the overall liability structure (including funding products) of the Company relative to the liquidity requirements of Citi's assets. This reduces the risk that liabilities will become due before assets mature or are

monetized. The Company holds excess liquidity, primarily in the form of high-quality liquid assets (HQLA), as presented in the table below.

Citi's liquidity is managed centrally by Corporate Treasury, reported within Corporate/Other in *All Other*, in conjunction with regional and in-country treasurers with oversight provided by Independent Risk Management and various Asset and Liability Committees (ALCOs) at the individual entity, region, country and business levels. Pursuant to this approach, Citi's HQLA are managed with emphasis on asset/liability management and entity-level liquidity adequacy throughout Citi.

Citi's CRO and CFO co-chair Citigroup's ALCO, which includes Citi's Treasurer and other senior executives. The ALCO sets the strategy of the liquidity portfolio and monitors portfolio performance (see "Risk Governance—Board and Executive Management Committees" above). Significant changes to portfolio asset allocations are approved by the ALCO. Citi also has other ALCOs, which are established at various organizational levels to ensure appropriate oversight for individual entities, countries, franchise businesses and regions, serving as the primary governance committees for managing Citi's balance sheet and liquidity.

As a supplement to Citigroup's ALCO, Citi's Funding and Liquidity Risk Committee (FLRC) is focused on funding and liquidity risk matters. The FLRC reviews and discusses the funding and liquidity risk profile of, as well as risk management practices for, Citigroup and Citibank and reports its findings and recommendations to each relevant ALCO as appropriate.

### Liquidity Monitoring and Measurement

#### Stress Testing

Liquidity stress testing is performed for each of Citi's major entities, operating subsidiaries and countries. Stress testing and scenario analyses are intended to quantify the potential impact of an adverse liquidity event on the balance sheet and liquidity position, in order to have sufficient liquidity on hand to manage through such an event. These scenarios include assumptions about significant changes in key funding sources, market triggers (such as credit ratings), potential uses of funding and macroeconomic, geopolitical and other conditions. These conditions include expected and stressed market conditions as well as Company-specific events.

Liquidity stress tests are performed to ascertain potential mismatches between liquidity sources and uses over a variety of time horizons and over different stressed conditions. To monitor the liquidity of an entity, these stress tests and potential mismatches are calculated on a daily basis.

Given the range of potential stresses, Citi maintains contingency funding plans on a consolidated basis and for individual entities. These plans specify a wide range of readily available actions for a variety of adverse market conditions or idiosyncratic stresses.

## High-Quality Liquid Assets (HQLA)

In billions of dollars	Citibank			Citi non-bank and other entities			Total		
	Dec. 31, 2024	Sept. 30, 2024	Dec. 31, 2023	Dec. 31, 2024	Sept. 30, 2024	Dec. 31, 2023	Dec. 31, 2024	Sept. 30, 2024	Dec. 31, 2023
Available cash	\$ 227.1	\$ 211.6	\$ 200.6	\$ 7.7	\$ 6.9	\$ 5.6	\$ 234.8	\$ 218.5	\$ 206.2
U.S. sovereign	191.2	205.0	131.6	46.8	43.2	74.3	238.0	248.2	205.9
U.S. agency/agency MBS	26.6	28.2	51.0	2.1	2.0	3.1	28.7	30.2	54.1
Foreign government debt <sup>(1)</sup>	44.2	38.1	76.0	12.6	16.2	18.0	56.8	54.3	94.0
Other investment grade	—	—	0.2	0.1	—	0.1	0.1	—	0.3
<b>Total HQLA (AVG)</b>	<b>\$ 489.1</b>	<b>\$ 482.9</b>	<b>\$ 459.4</b>	<b>\$ 69.3</b>	<b>\$ 68.3</b>	<b>\$ 101.1</b>	<b>\$ 558.4</b>	<b>\$ 551.2</b>	<b>\$ 560.5</b>

Note: The amounts in the table above are presented on an average basis. For securities, the amounts represent the liquidity value that potentially could be realized and, therefore, exclude any securities that are encumbered and incorporate any haircuts applicable under the U.S. LCR rule. The table above incorporates various restrictions that could limit the transferability of liquidity between legal entities, including Section 23A of the Federal Reserve Act. Changes in HQLA line categories from the prior-year period were primarily driven by the reallocation of nontransferable HQLA, which did not change total average HQLA, and thus did not impact Citi's LCR ratio.

(1) Foreign government debt includes securities issued or guaranteed by foreign sovereigns, agencies and multilateral development banks. Foreign government debt securities are held largely to support local liquidity requirements and Citi's local franchises and principally include government bonds from Japan, Korea, the United Kingdom, Mexico and Hong Kong.

The table above includes average amounts of HQLA held at Citigroup's operating entities that are eligible for inclusion in the calculation of Citigroup's consolidated LCR, pursuant to the U.S. LCR rules. These amounts include the HQLA needed to meet the minimum requirements at these entities as well as any amounts in excess of these minimums that are available to be transferred to other entities within Citigroup. Citigroup's average HQLA increased quarter-over-quarter as of the fourth quarter of 2024, primarily driven by an increase in average wholesale funding.

As of December 31, 2024, Citigroup had approximately \$933 billion of available liquidity resources to support client and business needs, including end-of-period HQLA (\$554 billion); additional unencumbered HQLA, including excess liquidity held at bank entities that is non-transferable to other entities within Citigroup (\$227 billion); and unused borrowing capacity from available assets not already accounted for within Citi's HQLA to support additional advances from the Federal Home Loan Bank (FHLB) and the Federal Reserve Bank discount window (\$152 billion).

### Short-Term Liquidity Measurement: Liquidity Coverage Ratio (LCR)

In addition to internal 30-day liquidity stress testing performed for Citi's major entities, operating subsidiaries and countries, Citi also monitors its liquidity by reference to the LCR.

The LCR is calculated by dividing HQLA by estimated net outflows assuming a stressed 30-day period, with the net outflows determined by standardized stress outflow and inflow rates prescribed in the LCR rule. The outflows are partially offset by contractual inflows from assets maturing within 30 days. Similar to outflows, the inflows are calculated based on prescribed factors to various asset categories, such as retail loans as well as unsecured and secured wholesale lending. The minimum LCR requirement is 100%.

The table below details the components of Citi's LCR calculation and HQLA in excess of net outflows for the periods indicated:

In billions of dollars	Dec. 31, 2024	Sept. 30, 2024	Dec. 31, 2023
HQLA	\$ 558.4	\$ 551.2	\$ 560.5
Net outflows	480.8	469.6	482.7
LCR	116 %	117 %	116 %
HQLA in excess of net outflows	\$ 77.6	\$ 81.6	\$ 77.8

Note: The amounts are presented on an average basis.

As of December 31, 2024, Citigroup's average LCR decreased from the quarter ended September 30, 2024. The decrease was primarily driven by increased market activity and client lending within Citi's broker-dealer subsidiaries, partially offset by the increase in average HQLA.

In addition, considering Citi's total available liquidity resources at quarter end of \$933 billion, Citi maintained approximately \$452 billion of excess liquidity resources above the stressed average net outflow of approximately \$481 billion, presented in the LCR table above.

### **Long-Term Liquidity Measurement: Net Stable Funding Ratio (NSFR)**

The NSFR measures the availability of an institution's stable funding against the required stable funding in accordance with a calculation required by the rule. The ratio of available stable funding to required stable funding must be greater than 100%.

In general, an institution's available stable funding includes portions of equity, deposits and long-term debt, while its required stable funding is based on the liquidity characteristics of its assets, derivatives and commitments. Standardized weightings are required to be applied to the various asset and liability classes.

For the quarter ended December 31, 2024, Citigroup's consolidated NSFR was compliant with the 100% minimum requirement of the rule. (For additional information, see the Consolidated Citigroup NSFR Disclosure for the quarterly periods ended December 31, 2024 and September 30, 2024, on Citi's Investor Relations website. The Consolidated Citigroup NSFR Disclosure on Citi's Investor Relations website is not incorporated by reference into, and does not form any part of, this Form 10-K).

### **Select Balance Sheet Items**

This section provides details of select liquidity-related assets and liabilities reported on Citigroup's Consolidated Balance Sheet.

#### **Cash and Investments**

The table below details average and end-of-period *Cash and due from banks*, *Deposits with banks* (collectively cash) and *Investment securities*. Citi's investment securities portfolio consists largely of highly liquid U.S. Treasury, U.S. agency and other sovereign bonds, with an aggregate duration of less than three years. EOP cash and investments decreased 5% quarter-over-quarter, primarily driven by reductions in deposits and total long-term debt. At December 31, 2024, Citi's EOP cash and *Investment securities* comprised approximately 32% of total assets:

<i>In billions of dollars</i>	<b>4Q24</b>	<b>3Q24</b>	<b>4Q23</b>
Cash and due from banks	\$ 30	\$ 26	\$ 27
Deposits with banks	284	266	252
Investment securities	484	500	516
<b>Total Citigroup cash and investment securities (AVG)</b>	<b>\$ 798</b>	<b>\$ 792</b>	<b>\$ 795</b>
Total Citigroup cash and investment securities (EOP)	\$ 753	\$ 794	\$ 780

### **Deposits**

The table below details the average deposits, by segment and/or business, and the total Citigroup end-of-period deposits for each of the periods indicated:

<i>In billions of dollars</i>	<b>4Q24</b>	<b>3Q24</b>	<b>4Q23</b>
<b>Services</b>	\$ 839	\$ 825	\$ 803
TTS	704	690	681
Securities Services	135	135	122
<b>Markets<sup>(1)</sup></b>	<b>15</b>	<b>19</b>	<b>23</b>
<b>Banking</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Wealth</b>	<b>315</b>	<b>316</b>	<b>307</b>
<b>USPB</b>	<b>86</b>	<b>85</b>	<b>105</b>
All Other—Legacy Franchises	42	45	52
All Other—Corporate/Other <sup>(1)</sup>	22	20	29
<b>Total Citigroup deposits (AVG)</b>	<b>\$ 1,320</b>	<b>\$ 1,311</b>	<b>\$ 1,320</b>
Total Citigroup deposits (EOP)	\$ 1,284	\$ 1,310	\$ 1,309

- (1) During the third quarter of 2024, approximately \$9 billion of institutional deposits were moved from *Markets* to *All Other—Corporate/Other*. Prior periods were not reclassified. For additional information about the reallocated deposits, see Note 3.

Citi's deposit base is spread across a diversified set of countries, industries, clients and currencies and is subject to Citi's Liquidity Risk Management Policy and Procedures.

End-of-period deposits decreased 2% year-over-year, primarily driven by declines in Legacy Franchises, reflecting the continued wind-downs, the impact of FX translation and reductions of corporate certificates of deposit in Corporate/Other. End-of-period deposits decreased 2% sequentially, primarily driven by temporary reductions at year end in *Services*.

On an average basis, deposits were relatively flat year-over-year and increased 1% sequentially, primarily driven by *Services*. In the fourth quarter of 2024, average deposits for:

- *Services* increased 4% year-over-year, as TTS increased 3% due to deepened client relationships and growth in operational deposits, and Securities Services increased 11% driven by AUC growth.
- *USPB* decreased 18% year-over-year, as the transfer of certain relationships and the associated deposits to *Wealth* more than offset underlying deposit growth.
- *Wealth* increased 3% year-over-year, largely reflecting the transfer of certain relationships and the associated deposits from *USPB*, partially offset by the shift in deposits to higher-yielding investments on Citi's platform.
- *All Other* decreased 21% year-over-year, primarily reflecting the continued wind-downs, the impact of FX translation of deposits in Legacy Franchises and reductions of corporate certificates of deposit in Corporate/Other.

The majority of Citi's \$1.3 trillion of end-of-period deposits are institutional (approximately \$820 billion) and span approximately 90 countries. A large majority of these institutional deposits are within TTS, and of these, approximately 80% are from clients that use all three TTS integrated services: payments and collections, liquidity management and working capital solutions. In addition, nearly 80% of TTS deposits are from clients that have a longer than 15-year relationship with Citi.

Citi also has a strong consumer and wealth deposit base, with \$402 billion of *USPB* and *Wealth* deposits as of year end, which are diversified across the Private Bank, Citigold and Wealth at Work within *Wealth*, as well as *USPB*, and across regions and products. As of year end, approximately 66% of U.S. Citigold clients have been with Citi for more than 10 years and approximately 39% of Private Bank ultra-high net worth clients have been with Citi for more than 10 years. In addition, *USPB*'s deposits are spread across six key metropolitan areas in the U.S.

#### **Long-Term Debt**

Long-term debt (generally defined as debt with original maturities of one year or more) represents the most significant component of Citi's funding for the Citigroup parent company and Citi's non-bank subsidiaries and is a supplementary source of funding for the bank entities.

#### **Weighted-Average Maturity (WAM)**

The following table presents Citigroup and its affiliates' (including Citibank) WAM of unsecured long-term debt issued with a remaining life greater than one year:

<i>WAM in years</i>	<b>Dec. 31, 2024</b>	<b>Sept. 30, 2024</b>	<b>Dec. 31, 2023</b>
<b>Unsecured debt</b>	<b>7.3</b>	<b>7.5</b>	<b>7.5</b>
Non-bank benchmark debt	<b>6.9</b>	<b>7.0</b>	<b>7.0</b>
Customer-related debt	<b>8.7</b>	<b>8.6</b>	<b>8.6</b>
TLAC-eligible debt	<b>8.4</b>	<b>8.5</b>	<b>8.6</b>

The WAM is calculated based on the contractual maturity of each security. For securities that are redeemable prior to maturity where the option is not held by the issuer, the WAM is calculated based on the earliest date an option becomes exercisable.

#### **Long-Term Debt Outstanding**

The following table presents Citi's end-of-period total long-term debt outstanding for each of the dates indicated:

<i>In billions of dollars</i>	<b>Dec. 31, 2024</b>	<b>Sept. 30, 2024</b>	<b>Dec. 31, 2023</b>
<b>Non-bank<sup>(1)</sup></b>			
Benchmark debt:			
Senior debt	\$ <b>107.4</b>	\$ 114.0	\$ 110.3
Subordinated debt	<b>28.7</b>	27.9	24.9
Trust preferred	<b>1.6</b>	1.6	1.6
Customer-related debt	<b>103.3</b>	108.8	110.1
Local country and other <sup>(2)</sup>	<b>10.8</b>	10.3	8.0
<b>Total non-bank</b>	<b>\$ 251.8</b>	\$ 262.6	\$ 254.9
<b>Bank</b>			
FHLB borrowings	\$ <b>8.5</b>	\$ 11.5	\$ 11.5
Securitizations <sup>(3)</sup>	<b>5.1</b>	5.4	6.7
Citibank benchmark senior debt	<b>19.4</b>	16.9	10.1
Local country and other <sup>(2)</sup>	<b>2.5</b>	2.7	3.4
<b>Total bank</b>	<b>\$ 35.5</b>	\$ 36.5	\$ 31.7
<b>Total long-term debt</b>	<b>\$ 287.3</b>	\$ 299.1	\$ 286.6

Note: Amounts represent the current value of long-term debt on Citi's Consolidated Balance Sheet that, for certain debt instruments, includes consideration of fair value, hedging impacts and unamortized discounts and premiums.

- (1) Non-bank includes long-term debt issued to third parties by the parent holding company (Citigroup) and Citi's non-bank subsidiaries (including broker-dealer subsidiaries) that are consolidated into Citigroup. As of December 31, 2024, non-bank included \$87.8 billion of long-term debt issued by Citi's broker-dealer and other subsidiaries that are consolidated into Citigroup. Certain Citigroup consolidated hedging activities are also included in this line.
- (2) Local country and other includes debt issued by Citi's affiliates in support of their local operations. Within non-bank, certain secured financing is also included.
- (3) Predominantly credit card securitizations, primarily backed by Branded Cards receivables.

Citi's total long-term debt outstanding was essentially unchanged year-over-year. Sequentially, long-term debt outstanding decreased 4%, largely related to net maturities of senior benchmark debt at the bank and non-bank entities and customer-related debt issuances at the non-bank entities.

As part of its liability management, Citi has considered, and may continue to consider, opportunities to redeem or repurchase its long-term debt pursuant to open market purchases, tender offers or other means. Such redemptions and repurchases help reduce Citi's overall funding costs. During 2024, Citi redeemed or repurchased an aggregate of \$46.8 billion of its outstanding long-term debt.

*Long-Term Debt Issuances and Maturities*

The table below details Citi's long-term debt issuances and maturities (including repurchases and redemptions) during the periods presented:

In billions of dollars	2024		2023		2022	
	Maturities	Issuances	Maturities	Issuances	Maturities	Issuances
<b>Non-bank</b>						
Benchmark debt:						
Senior debt	\$ 13.9	\$ 11.7	\$ 10.2	\$ —	\$ 15.4	\$ 27.3
Subordinated debt	1.0	4.9	1.3	3.2	0.9	—
Trust preferred	—	—	—	—	0.1	—
Customer-related debt	59.2	56.7	42.1	40.1	27.0	65.1
Local country and other	6.1	8.8	3.1	3.9	2.8	3.5
<b>Total non-bank</b>	<b>\$ 80.2</b>	<b>\$ 82.1</b>	<b>\$ 56.7</b>	<b>\$ 47.2</b>	<b>\$ 46.2</b>	<b>\$ 95.9</b>
<b>Bank</b>						
FHLB borrowings	\$ 7.0	\$ 4.0	\$ 4.3	\$ 8.5	\$ 5.3	\$ 7.3
Securitizations	1.7	—	2.4	1.5	2.1	0.2
Citibank benchmark senior debt	2.7	12.0	—	7.5	0.9	—
Local country and other	1.4	1.0	1.6	1.1	2.6	1.3
<b>Total bank</b>	<b>\$ 12.8</b>	<b>\$ 17.0</b>	<b>\$ 8.3</b>	<b>\$ 18.6</b>	<b>\$ 10.9</b>	<b>\$ 8.8</b>
<b>Total</b>	<b>\$ 93.0</b>	<b>\$ 99.1</b>	<b>\$ 65.0</b>	<b>\$ 65.8</b>	<b>\$ 57.1</b>	<b>\$ 104.7</b>

The table below details Citi's aggregate long-term debt maturities (including repurchases and redemptions) in 2024, as well as its aggregate expected remaining long-term debt maturities by year as of December 31, 2024:

In billions of dollars	Maturities								Total
	2024	2025	2026	2027	2028	2029	Thereafter		
<b>Non-bank</b>									
Benchmark debt:									
Senior debt	\$ 13.9	\$ 3.9	\$ 24.3	\$ 7.2	\$ 16.6	\$ 3.5	\$ 51.9	\$ 107.4	
Subordinated debt	1.0	5.2	2.4	3.6	2.0	—	15.5	28.7	
Trust preferred	—	—	—	—	—	—	1.6	1.6	
Customer-related debt	59.2	20.8	12.4	13.2	7.1	9.6	40.2	103.3	
Local country and other	6.1	2.0	1.0	1.0	1.0	1.3	4.5	10.8	
<b>Total non-bank</b>	<b>\$ 80.2</b>	<b>\$ 31.9</b>	<b>\$ 40.1</b>	<b>\$ 25.0</b>	<b>\$ 26.7</b>	<b>\$ 14.4</b>	<b>\$ 113.7</b>	<b>\$ 251.8</b>	
<b>Bank</b>									
FHLB borrowings	\$ 7.0	\$ 6.5	\$ 2.0	\$ —	\$ —	\$ —	\$ —	\$ 8.5	
Securitizations	1.7	0.9	—	1.9	—	0.8	1.5	5.1	
Citibank benchmark senior debt	2.7	2.5	8.0	3.0	2.5	1.5	1.9	19.4	
Local country and other	1.4	0.1	0.7	0.4	0.1	1.1	0.1	2.5	
<b>Total bank</b>	<b>\$ 12.8</b>	<b>\$ 10.0</b>	<b>\$ 10.7</b>	<b>\$ 5.3</b>	<b>\$ 2.6</b>	<b>\$ 3.4</b>	<b>\$ 3.5</b>	<b>\$ 35.5</b>	
<b>Total long-term debt</b>	<b>\$ 93.0</b>	<b>\$ 41.9</b>	<b>\$ 50.8</b>	<b>\$ 30.3</b>	<b>\$ 29.3</b>	<b>\$ 17.8</b>	<b>\$ 117.2</b>	<b>\$ 287.3</b>	

## Resolution Plan

Citigroup is required under Title I of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) and the rules promulgated by the FDIC and FRB to periodically submit a plan for Citi's rapid and orderly resolution under the U.S. Bankruptcy Code in the event of material financial distress or failure. For additional information on risks related to the application of resolution plan requirements, see "Risk Factors—Strategic Risks" above. Citigroup alternates between submitting a full resolution plan and a targeted resolution plan on a biennial cycle.

Under Citi's preferred "single point of entry" resolution plan strategy, only Citigroup, the parent holding company, would enter into bankruptcy, while Citigroup's material legal entities (as defined in the public section of its 2023 resolution plan, which can be found on the FRB's and FDIC's websites) would remain operational outside of any resolution or insolvency proceedings. Citigroup's resolution plan has been designed to minimize the risk of systemic impact to the U.S. and global financial systems, while maximizing the value of the bankruptcy estate for the benefit of Citigroup's creditors, including its unsecured long-term debt holders.

In addition, in line with the FRB's total loss-absorbing capacity (TLAC) rule, Citigroup's shareholders and unsecured creditors—including its unsecured long-term debt holders—bear any losses resulting from Citigroup's bankruptcy. Accordingly, any value realized by holders of its unsecured long-term debt may not be sufficient to repay the amounts owed to such debt holders in the event of a bankruptcy or other resolution proceeding of Citigroup.

The FDIC has also indicated that it was developing a single point of entry strategy to implement the Orderly Liquidation Authority under Title II of the Dodd-Frank Act, which provides the FDIC with the ability to resolve a firm when it is determined that bankruptcy would have serious adverse effects on financial stability in the U.S.

As previously disclosed, in response to feedback received from the FRB and FDIC, Citigroup took the following actions:

- (i) Citicorp LLC (Citicorp), an existing wholly owned subsidiary of Citigroup, was established as an intermediate holding company (an IHC) for certain of Citigroup's operating material legal entities;
- (ii) Citigroup executed an inter-affiliate agreement with Citicorp, Citigroup's operating material legal entities and certain other affiliated entities pursuant to which Citicorp is required to provide liquidity and capital support to Citigroup's operating material legal entities in the event that Citigroup were to enter bankruptcy proceedings (Citi Support Agreement);
- (iii) pursuant to the Citi Support Agreement:
  - Citigroup made an initial contribution of assets, including certain high-quality liquid assets and inter-affiliate loans (Contributable Assets), to Citicorp, and Citicorp became the business-as-usual funding vehicle for Citigroup's operating material legal entities;
  - Citigroup will be obligated to continue to transfer Contributable Assets to Citicorp over time, subject to certain amounts retained by Citigroup to, among other things, meet Citigroup's near-term cash needs;
  - in the event of a Citigroup bankruptcy, Citigroup will be required to contribute most of its remaining assets to Citicorp; and
- (iv) the obligations of both Citigroup and Citicorp under the Citi Support Agreement, as well as the Contributable Assets, are secured pursuant to a security agreement.

## Total Loss-Absorbing Capacity (TLAC)

U.S. GSIBs are required to maintain minimum levels of TLAC and eligible LTD, each set by reference to the GSIB's consolidated risk-weighted assets (RWA) and total leverage exposure. The intended purpose of the requirements is to facilitate the orderly resolution of U.S. GSIBs under the U.S. Bankruptcy Code and Title II of the Dodd-Frank Act. For additional information, including Citi's TLAC and LTD amounts and ratios, see "Capital Resources—Current Regulatory Capital Standards" above.

## **SECURED FUNDING TRANSACTIONS AND SHORT-TERM BORROWINGS**

Citi supplements its primary sources of funding with short-term financings that generally include (i) secured funding transactions consisting of securities loaned or sold under agreements to repurchase, i.e., repos, and (ii) to a lesser extent, short-term borrowings consisting of commercial paper issuances and borrowings from the FHLB and other market participants.

### **Secured Funding Transactions**

Secured funding is primarily accessed through Citi's broker-dealer subsidiaries, with a smaller portion executed through Citi's bank entities to efficiently fund both (i) secured lending activity and (ii) a portion of the securities inventory held in the context of market making and customer activities. Secured funding transactions are predominantly collateralized by government debt securities. Generally, changes in the level of Citi's secured funding are primarily due to fluctuations in secured lending activity in the matched book (as described below) and changes in securities inventory. In order to maintain reliable funding under a wide range of market conditions, Citi manages risks related to its secured funding by establishing secured funding limits and conducting daily stress tests that account for risks related to capacity, tenor, haircut, collateral type, counterparty and client actions.

Secured funding of \$255 billion as of December 31, 2024 decreased 8% both year-over-year and sequentially, largely driven by lower financing to support trading-related assets within Citi's broker-dealer subsidiaries. As of the quarter ended December 31, 2024, on an average basis, secured funding was \$318 billion. The portion of secured funding in the broker-dealer subsidiaries that funds secured lending is commonly referred to as "matched book" activity and is primarily secured by high-quality liquid securities such as U.S. Treasury securities, U.S. agency securities and foreign government debt securities. Other "matched book" activity is secured by less liquid securities, including equity securities, corporate bonds and asset-backed securities, the tenor of which is generally equal to or longer than the tenor of the corresponding assets. As indicated above, the remaining portion of secured funding is used to fund securities inventory held in the context of market making and customer activities.

### **Short-Term Borrowings**

Citi's short-term borrowings of \$49 billion as of December 31, 2024 increased 29% year-over-year, reflecting higher commercial paper issuances at the broker-dealer subsidiaries, as Citi continues to diversify its funding profile, and increased 17% sequentially, driven by the commercial paper issuances and normal business activity (see Note 19 for further information on Citigroup's and its affiliates' outstanding short-term borrowings).

## CREDIT RATINGS

Citigroup's funding and liquidity, funding capacity, ability to access capital markets and other sources of funds, the cost of these funds and its ability to maintain certain deposits are partially dependent on its credit ratings.

The table below presents the ratings for Citigroup and Citibank as of December 31, 2024. While not included in the table below, the long-term and short-term ratings of Citigroup Global Markets Holding Inc. (CGMHI) were A+/F1 at Fitch Ratings, A2/P-1 at Moody's Ratings and A/A-1 at S&P Global Ratings as of December 31, 2024.

### Ratings as of December 31, 2024

	Citigroup Inc.			Citibank, N.A.		
	Long-term	Short-term	Outlook	Long-term	Short-term	Outlook
Fitch Ratings (Fitch)	A	F1	Stable	A+	F1	Stable
Moody's Ratings (Moody's)	A3	P-2	Stable	Aa3	P-1	Stable
S&P Global Ratings (S&P)	BBB+	A-2	Stable	A+	A-1	Stable

### Potential Impacts of Ratings Downgrades

Ratings downgrades by Fitch, Moody's or S&P could negatively impact Citigroup's and/or Citibank's funding and liquidity due to reduced funding capacity, including derivative triggers, which could take the form of cash obligations and collateral requirements.

The following information is provided for the purpose of analyzing the potential funding and liquidity impact to Citigroup and Citibank of a hypothetical simultaneous ratings downgrade across all three major rating agencies. This analysis is subject to certain estimates, estimation methodologies, judgments and uncertainties. Uncertainties include potential ratings limitations that certain entities may have with respect to permissible counterparties, as well as general subjective counterparty behavior. For example, certain corporate customers and markets counterparties could re-evaluate their business relationships with Citi and limit transactions in certain contracts or market instruments with Citi. Changes in counterparty behavior could impact Citi's funding and liquidity, as well as the results of operations of certain of its businesses. The actual impact to Citigroup or Citibank is unpredictable and may differ materially from the potential funding and liquidity impacts described below. For additional information on the impact of credit rating changes on Citi and its applicable subsidiaries, see "Risk Factors—Liquidity Risks" above.

### Citigroup Inc. and Citibank—Potential Derivative Triggers

As of December 31, 2024, Citi estimates that a hypothetical one-notch downgrade of the senior debt/long-term rating across all three major rating agencies could impact funding and liquidity due to derivative triggers by approximately \$0.1 billion, unchanged from September 30, 2024, for Citigroup Inc., and \$0.1 billion, unchanged from September 30, 2024, for Citibank. Other funding sources, such as secured financing transactions and other margin requirements, for which there are no explicit triggers, could also be adversely affected.

In total, as of December 31, 2024, Citi estimates that a one-notch downgrade of Citigroup Inc. and Citibank across all three major rating agencies could result in increased aggregate cash obligations and collateral requirements of approximately \$0.2 billion, compared to \$0.2 billion as of September 30, 2024. As detailed under "High-Quality Liquid Assets (HQLA)" above, Citigroup has various liquidity resources available to its bank and non-bank entities in part as a contingency for the potential events described above.

In addition, a broad range of mitigating actions are currently included in Citigroup's and Citibank's contingency funding plans. For Citigroup, these mitigating factors include, but are not limited to, accessing surplus funding capacity from existing clients, tailoring levels of secured lending and adjusting the size of select trading books and collateralized borrowings at certain Citibank subsidiaries. Mitigating actions available to Citibank include, but are not limited to, selling or financing highly liquid government securities, tailoring levels of secured lending, adjusting the size of select trading assets, reducing loan originations and renewals, raising additional deposits or borrowing from the FHLB or central banks. Citi believes these mitigating actions could substantially reduce the funding and liquidity risk, if any, of the potential downgrades described above.

### Citibank—Additional Potential Impacts

In addition to the above derivative triggers, Citi believes that a potential downgrade of Citibank's senior debt/long-term rating across any of the three major rating agencies could also have an adverse impact on the commercial paper/short-term rating of Citibank. Citibank has provided liquidity commitments to consolidated asset-backed commercial paper conduits, primarily in the form of asset purchase agreements. As of December 31, 2024, Citibank had liquidity commitments of approximately \$14.9 billion to consolidated asset-backed commercial paper conduits (compared to \$11.0 billion at December 31, 2023) (see Note 23).



In addition to the above-referenced liquidity resources of certain Citibank entities, Citibank could reduce the funding and liquidity risk, if any, of the potential downgrades described above through mitigating actions, including repricing or reducing certain commitments to commercial paper conduits. In the event of the potential downgrades described above, Citi believes that certain corporate customers could re-evaluate their deposit relationships with Citibank. This re-evaluation could result in clients adjusting their discretionary deposit levels or changing their depository institution, which could potentially reduce certain deposit levels at Citibank. However, Citi could choose to adjust pricing, offer alternative deposit products to its existing customers or seek to attract deposits from new customers, in addition to the mitigating actions referenced above.

## MARKET RISK

### Overview

Market risk is the potential for losses arising from changes in the value of Citi's assets and liabilities resulting from changes in market variables such as interest rates, foreign exchange rates, equity prices, commodity prices and credit spreads, as well as their implied volatilities. Market risk arises from both Citi's trading and non-trading portfolios. For additional information on market risk and market risk management at Citi, see "Risk Factors" above.

Each business is required to establish, with approval from Citi's market risk management, a market risk limit framework for identified risk factors that clearly defines approved risk profiles and is within the parameters of Citi's overall risk appetite. These limits are monitored by the Risk organization, including various regional, legal entity and business Risk Management committees, Citi's country and business Asset and Liability Committees and the Citigroup Risk Management and Asset and Liability Committees. In all cases, the businesses are ultimately responsible for the market risks taken and for remaining within their defined limits.

### MARKET RISK OF NON-TRADING PORTFOLIOS

Market risk from non-trading portfolios stems predominantly from the potential impact of changes in interest rates and foreign exchange rates on Citi's net interest income and on Citi's *Accumulated other comprehensive income (loss) (AOCI)* from its investment securities portfolios. Market risk from non-trading portfolios also includes the potential impact of changes in foreign exchange rates on Citi's capital invested in foreign currencies.

### Banking Book Interest Rate Risk

For interest rate risk purposes, Citi's non-trading portfolios are referred to as the Banking Book. Management of interest rate risk in the Banking Book is governed by Citi's Non-Trading Market Risk Policy. Citigroup's Asset and Liability Committee (ALCO) establishes Citi's risk appetite and related limits for interest rate risk in the Banking Book, which are subject to approval by Citigroup's Board of Directors.

Corporate Treasury is responsible for the day-to-day management of Citi's Banking Book interest rate risk as well as periodically reviewing it with the ALCO. Citi's Banking Book interest rate risk management is also subject to independent oversight from the second line of defense team reporting to the Chief Risk Officer.

Changes in interest rates impact Citi's net income, *AOCI* and CET1. These changes primarily affect Citi's Banking Book through net interest income, due to a variety of risk factors, including:

- Differences in timing and amounts of the maturity or repricing of assets, liabilities and off-balance sheet instruments;
- Changes in the level and/or shape of interest rate curves;
- Client behavior in response to changes in interest rates (e.g., mortgage prepayments, deposit betas); and
- Changes in the maturity of instruments resulting from changes in the interest rate environment.

As part of their ongoing activities, Citi's businesses generate interest rate-sensitive positions from their client-facing products, such as loans and deposits. Interest rate risk is transferred via Citi's funds transfer-pricing process to Citi Corporate Treasury. Citi Corporate Treasury uses various tools to manage the total interest rate risk position within the established risk appetite and target Citi's desired risk profile, including its investment securities portfolio, company-issued debt and interest rate derivatives.

In addition, Citi uses multiple metrics to measure its Banking Book interest rate risk. Interest Rate Exposure (IRE) is a key metric that analyzes the impact of a range of scenarios on Citi's Banking Book net interest income versus a base case. IRE does not represent a forecast of Citi's net interest income.

The scenarios, methodologies and assumptions used in Citi's IRE analysis are periodically evaluated and enhanced in response to changes in the market environment, changes in Citi's balance sheet composition, enhancements in Citi's modeling and other factors.

Citi utilizes the most recent quarter-end balance sheet, assuming no changes to its composition and size over the forecasted horizon (holding the balance sheet static). The forecasts incorporate expectations and assumptions of deposit pricing, loan spreads and mortgage prepayment behavior implied by the interest rate curves in each scenario. The base case scenario reflects the market-implied forward interest rates, and sensitivity scenarios assume instantaneous shocks to the base case. The forecasts do not assume Citi takes any risk-mitigating actions in response to changes in the interest rate environment. Certain interest rates are subject to flooring assumptions in downward rate scenarios. Deposit pricing sensitivities (i.e., deposit betas) are informed by historical and expected behavior. Actual deposit pricing could differ from the assumptions used in these forecasts.

Citi's IRE analysis primarily reflects the impacts from the following Banking Book assets and liabilities: loans, client deposits, Citi's deposits with other banks, investment securities, long-term debt, any related interest rate hedges and the funds transfer pricing of positions in total trading and credit portfolio value at risk (VaR). It excludes impacts from any positions that are included in total trading and credit portfolio VaR.

In addition to IRE, Citi analyzes economic value sensitivity (EVS) as a longer-term interest rate risk metric. EVS is a net present value (NPV)-based measure of the lifetime cash flows of Citi's Banking Book. It estimates the interest rate sensitivity of the Banking Book's economic value from longer-term assets being potentially funded with shorter-term liabilities, or vice versa. Citi manages EVS within risk limits approved by Citigroup's Board of Directors that are aligned with Citi's risk appetite.

The following table presents the 12-month estimated impact to Citi's net interest income, *AOCI* and the CET1 Capital ratio, each assuming an unanticipated parallel instantaneous 100 bps increase in interest rates:

<i>In millions of dollars, except as otherwise noted</i>	<b>Dec. 31, 2024</b>	<b>Sept. 30, 2024</b>	<b>Dec. 31, 2023</b>
<b>Parallel interest rate shock +100 bps</b>			
<b>Interest rate exposure<sup>(1)(2)</sup></b>			
U.S. dollar	\$ (93)	\$ (227)	\$ (33)
All other currencies	1,068	1,388	1,219
Total net interest income	\$ 975	\$ 1,161	\$ 1,186
As a percentage of average interest-earning assets	0.04 %	0.05 %	0.05 %
Estimated initial negative impact to <i>AOCI</i> (after-tax) <sup>(2)</sup>	\$ (1,111)	\$ (1,084)	\$ (829)
Estimated initial impact on CET1 Capital ratio (bps) from <i>AOCI</i> scenario <sup>(3)</sup>	(13)	(14)	(12)

(1) Excludes trading book and fair value option banking book portfolios and replaces them with the associated transfer pricing.

(2) Includes the effect of changes in interest rates on *AOCI* related to investment securities, cash flow hedges and pension liability adjustments.

(3) Excludes the effect of changes in interest rates on *AOCI* related to cash flow hedges, as those changes are excluded from CET1 Capital.

As presented in the table above, Citi's balance sheet is asset sensitive (assets reprice faster than liabilities), resulting in higher net interest income in increasing interest rate scenarios. The estimated impact to Citi's net interest income in a 100 bps upward rate shock scenario as of December 31, 2024 remained relatively stable year-over-year. At progressively higher interest rate levels, the marginal net interest income benefit is lower, as Citi assumes it will pass on a larger share of rate changes to depositors (i.e., higher betas), further reducing Citi's IRE sensitivity. Currency-specific interest rate changes and balance sheet factors may drive quarter-to-quarter volatility in Citi's estimated IRE for a 100 bps upward rate shock.

### Interest Rate Risk of Investment Portfolios—Impact on *AOCI*

Citi measures the potential impacts of changes in interest rates on the value of its *AOCI*, which can in turn impact Citi's common equity and tangible common equity. This will impact Citi's CET1 and other regulatory capital ratios. Citi seeks to manage its exposure to changes in the market level of interest rates, while limiting the potential impact on its *AOCI* and regulatory capital position.

*AOCI* at risk is managed as part of the Company-wide interest rate risk position. *AOCI* at risk considers potential changes in *AOCI* (and the corresponding impact on the CET1 Capital ratio) relative to Citi's capital generation capacity.

Citi uses 100 basis point (bps) shocks in each scenario to reflect its net interest income sensitivity to unanticipated changes in market interest rates, as potential monetary policy decisions and changes in economic conditions may be reflected in current market-implied forward rates.

All other currencies of \$1.1 billion as of December 31, 2024 in the table above includes the impact from the following top five non-U.S. dollar currencies by absolute size: approximately \$(0.2) billion from the euro, \$0.2 billion from the British pound sterling, and approximately \$0.1 billion each from the Chinese yuan, Swiss franc and Indian rupee. The remaining impact is spread across more than 30 additional currencies.

In a 100 bps upward rate shock scenario, Citi expects that the approximate \$1.0 billion initial negative impact to *AOCI* could potentially be offset in shareholders' equity through the expected recovery of the impact on *AOCI* through accretion of Citi's investment portfolio and expected net interest income benefit over a period of approximately six months.

### Scenario Analysis

The following table presents the estimated impact to Citi's net interest income and *AOCI* under eight different interest rate scenarios for the U.S. dollar and all other currencies in which Citi has invested capital as of December 31, 2024. The 100 bps and 200 bps downward rate scenarios potentially may be impacted by the low level of interest rates in several countries and the assumption that market interest rates, as well as rates paid to depositors and charged to borrowers, do not fall below zero (i.e., the "flooring assumption"). The interest rate scenarios are also impacted by convexity related to mortgage products and deposit pricing.

<i>In millions of dollars, except as otherwise noted</i>	<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3</b>	<b>Scenario 4</b>	<b>Scenario 5</b>	<b>Scenario 6</b>	<b>Scenario 7</b>	<b>Scenario 8</b>
Overnight rate change (bps)	100	100	—	—	(100)	(100)	200	(200)
10-year rate change (bps)	100	—	100	(100)	—	(100)	200	(200)
<b>Interest rate exposure</b>								
U.S. dollar	\$ (93)	\$ (302)	\$ 240	\$ (182)	\$ (456)	\$ (661)	\$ (144)	\$ (1,261)
All other currencies <sup>(1)</sup>	1,068	898	171	(170)	(836)	(997)	2,107	(1,954)
Total	\$ 975	\$ 596	\$ 411	\$ (352)	\$ (1,292)	\$ (1,658)	\$ 1,963	\$ (3,215)
Estimated initial impact to <i>AOCI</i> (after-tax) <sup>(2)</sup>	\$ (1,111)	\$ (1,239)	\$ (89)	\$ (387)	\$ 1,242	\$ 880	\$ (2,336)	\$ 1,388

Note: Each scenario assumes that the rate change will occur instantaneously. Changes in interest rates for maturities between the overnight rate and the 10-year rate are interpolated. The interest rate exposure in the table above assumes no change in deposit size or mix from the baseline forecast included in the different interest rate scenarios presented. As a result, in higher interest rate scenarios, customer activity resulting in a shift from non-interest-bearing and low interest rate deposit products to higher-yielding deposits would reduce the expected benefit to net interest income. Conversely, in lower interest rate scenarios, customer activity resulting in a shift from higher-yielding deposits to non-interest-bearing and low interest rate deposit products would reduce the expected decrease to net interest income.

- (1) The Scenario 1 impact of \$1,068 million consists of the following top five non-U.S. dollar currencies as of December 31, 2024 by absolute size: approximately \$(0.2) billion from the euro, \$0.2 billion from the British pound sterling, and approximately \$0.1 billion each from the Chinese yuan, Swiss franc and Indian rupee. The remaining balance is spread across more than 30 additional currencies.
- (2) Includes the effect of changes in interest rates on *AOCI* related to investment securities, cash flow hedges and pension liability adjustments.

As presented in the table above, the estimated impact to Citi's net interest income is larger in the short end compared to the long end as Citi's Banking Book has relatively higher interest rate exposure to the short end of the yield curve. For the U.S. dollar, exposure to downward rate shocks is larger in magnitude than to upward rate shocks. This is because of the lower benefit to net interest income from Citi's deposit base at higher rate levels, as well as the prepayment effects on mortgage loans and mortgage-backed securities.

The magnitude of the impact to *AOCI* is greater in the short end compared to the long end. This is because Citi's investment portfolio and pension liabilities are more sensitive to rates at shorter- and intermediate-term maturities.

### **Changes in Foreign Exchange Rates—Impacts on *AOCI* and Capital**

As of December 31, 2024, Citi estimates that an unanticipated parallel instantaneous 5% appreciation of the U.S. dollar against all of the other currencies in which Citi has invested capital could reduce Citi's tangible common equity (TCE) by approximately \$1.5 billion, or 1.0%, as a result of changes to Citi's CTA in *AOCI*, net of hedges. This reduction in the TCE would be primarily driven by depreciation in the value of the euro, Mexican peso and Indian rupee.

This reduction in the TCE does not reflect any mitigating actions Citi may take, including ongoing management of its foreign currency translation exposure. TCE is used as a simplified metric to manage CET1 capital ratio volatility. Specifically, as currency movements change the value of Citi's net investments in foreign currency-denominated capital, these movements also change the value of Citi's RWA

*In millions of dollars*

	<b>For the quarter ended</b>		
	<b>Dec. 31, 2024</b>	<b>Sept. 30, 2024</b>	<b>Dec. 31, 2023</b>
Change in FX spot rate <sup>(1)</sup>		(6.1)%	2.5 %
Change in TCE due to FX translation, net of hedges	\$ (2,465)	\$ 421	\$ 960
As a percentage of TCE		(1.5)%	0.2 %

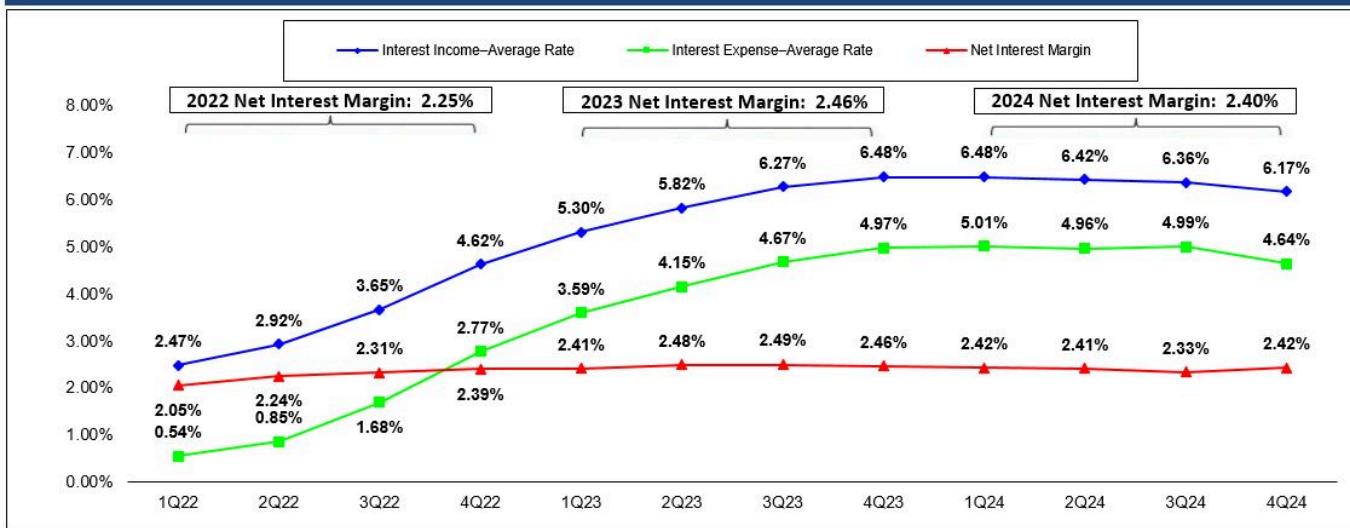
(1) FX spot rate change is a weighted average based on Citi's quarterly average GAAP capital exposure to foreign countries. A negative change in FX spot rate represents foreign currency depreciation versus the U.S. dollar.

denominated in those same currencies. This, coupled with Citi's foreign currency hedging strategies, such as foreign currency borrowings, foreign currency forwards and other currency hedging instruments, lessens the impact of foreign currency movements on Citi's CET1 Capital ratio. Changes in these hedging strategies, as well as hedging costs, divestitures and tax impacts, can further affect the actual impact of changes in foreign exchange rates on Citi's capital compared to an unanticipated parallel shock, as described above.

The effect of Citi's ongoing management strategies with respect to quarterly changes in foreign exchange rates (versus the U.S. dollar), and the quarterly impact of these changes on Citi's TCE and CET1 Capital ratio, are presented in the table below. See Note 21 for additional information on the changes in *AOCI*.

## Interest Income/Expense and Net Interest Margin (NIM)

### Average Rates—Interest Income, Interest Expense and Net Interest Margin



In millions of dollars, except as otherwise noted	2024	2023	2022	Change 2024 vs. 2023	Change 2023 vs. 2022
Interest income <sup>(1)</sup>	\$ 143,807	\$ 133,359	\$ 74,573	8 %	79 %
Interest expense <sup>(2)</sup>	89,618	78,358	25,740	14	204
Net interest income, taxable equivalent basis <sup>(1)</sup>	\$ 54,189	\$ 55,001	\$ 48,833	(1)%	13 %
Interest income—average rate <sup>(3)</sup>	6.36 %	5.97 %	3.43 %	39 bps	254 bps
Interest expense—average rate	4.90	4.35	1.48	55 bps	287 bps
Net interest margin <sup>(3)(4)</sup>	2.40	2.46	2.25	(6) bps	21 bps
<b>Interest rate benchmarks</b>					
Two-year U.S. Treasury note—average rate	4.37 %	4.58 %	2.99 %	(21) bps	159 bps
10-year U.S. Treasury note—average rate	4.21	3.96	2.95	25 bps	101 bps
10-year vs. two-year spread	(16) bps	(62) bps	(4) bps		

(1) Interest income and Net interest income include the taxable equivalent gross-up adjustments (TEGU) primarily related to the tax-exempt bond portfolio and certain tax-advantaged loan programs of \$94 million, \$101 million and \$165 million for 2024, 2023 and 2022, respectively.

(2) Interest expense associated with certain hybrid financial instruments, which are classified as *Long-term debt* and accounted for at fair value, is reported together with any changes in fair value as part of *Principal transactions* in the Consolidated Statement of Income and is therefore not reflected in *Interest expense* in the table above.

(3) The average rate on interest income and NIM reflects TEGU. See footnote 1 above.

(4) Citi's NIM is calculated by dividing net interest income (including TEGU) by average interest-earning assets.

### **Non-Markets Net Interest Income**

<i>In millions of dollars</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Net interest income—taxable equivalent basis <sup>(1)</sup> per above	\$ <b>54,189</b>	\$ 55,001	\$ 48,833
<i>Markets</i> net interest income—taxable equivalent basis <sup>(1)</sup>	<b>7,099</b>	7,334	5,933
Non-Markets net interest income—taxable equivalent basis <sup>(1)</sup>	\$ <b>47,090</b>	\$ 47,667	\$ 42,900

(1) *Interest income* and *Net interest income* include TEGU discussed in the table above.

Citi's net interest income in the fourth quarter of 2024 was \$13.7 billion on a reported basis and \$13.8 billion on a taxable equivalent basis, a decrease of \$0.1 billion from the prior-year period, primarily driven by *Markets* (down approximately \$0.1 billion), partially offset by non-*Markets* (up approximately \$0.04 billion). The decline in *Markets* net interest income was primarily driven by higher funding costs related to trading inventory in Fixed Income Markets.

The increase in non-*Markets* net interest income was largely due to loan growth in cards in *USPB* and maturing assets in Citi's securities portfolio being reinvested at higher yields, partially offset by net investment securities losses reflecting the repositioning of the investment securities portfolio.

Citi's net interest margin was 2.42% on a taxable equivalent basis in the fourth quarter of 2024, an increase of nine basis points from the prior quarter, largely driven by higher *Markets* net interest margin.

Citi's net interest income for 2024 decreased 1%, or approximately \$0.8 billion, to \$54.1 billion (\$54.2 billion on a taxable equivalent basis) versus the prior year. The decrease was primarily due to a decrease in non-*Markets* net interest income, largely driven by higher funding costs in the mortgage-backed securities portfolio in Corporate Treasury within *All Other* and lower revenue from Citi's net investment in Argentina, partially offset by growth in *USPB* and *Wealth*.

In 2024, Citi's net interest margin decreased to 2.40% on a taxable equivalent basis, compared to 2.46% in 2023, primarily driven by lower revenue from Citi's net investment in Argentina and higher funding cost.

## Additional Interest Rate Details

### Average Balances and Interest Rates—Assets<sup>(1)(2)(3)</sup>

#### Taxable Equivalent Basis

Assets <i>In millions of dollars, except rates</i>	Average balance			Interest income			% Average rate		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
<b>Deposits with banks<sup>(4)</sup></b>	\$ 263,236	\$ 287,518	\$ 262,504	\$ 11,417	\$ 11,238	\$ 4,515	4.34 %	3.91 %	1.72 %
<b>Securities borrowed and purchased under agreements to resell<sup>(5)</sup></b>									
In U.S. offices	\$ 149,521	\$ 171,307	\$ 188,672	\$ 13,492	\$ 13,194	\$ 3,933	9.02 %	7.70 %	2.08 %
In offices outside the U.S. <sup>(4)</sup>	194,417	189,548	164,675	15,681	13,693	3,221	8.07	7.22	1.96
Total	\$ 343,938	\$ 360,855	\$ 353,347	\$ 29,173	\$ 26,887	\$ 7,154	8.48 %	7.45 %	2.02 %
<b>Trading account assets<sup>(6)(7)</sup></b>									
In U.S. offices	\$ 233,698	\$ 187,318	\$ 142,146	\$ 11,103	\$ 8,808	\$ 4,005	4.75 %	4.70 %	2.82 %
In offices outside the U.S. <sup>(4)</sup>	162,227	144,684	132,046	6,473	5,652	3,422	3.99	3.91	2.59
Total	\$ 395,925	\$ 332,002	\$ 274,192	\$ 17,576	\$ 14,460	\$ 7,427	4.44 %	4.36 %	2.71 %
<b>Investments</b>									
In U.S. offices									
Taxable	\$ 307,066	\$ 335,975	\$ 355,012	\$ 7,952	\$ 8,903	\$ 5,642	2.59 %	2.65 %	1.59 %
Exempt from U.S. income tax	11,170	11,502	11,742	441	454	424	3.95	3.95	3.61
In offices outside the U.S. <sup>(4)</sup>	184,536	164,923	150,968	10,299	8,978	5,210	5.58	5.44	3.45
Total	\$ 502,772	\$ 512,400	\$ 517,722	\$ 18,692	\$ 18,335	\$ 11,276	3.72 %	3.58 %	2.18 %
<b>Consumer loans<sup>(8)</sup></b>									
In U.S. offices	\$ 309,668	\$ 293,476	\$ 268,910	\$ 32,684	\$ 30,127	\$ 23,127	10.55 %	10.27 %	8.60 %
In offices outside the U.S. <sup>(4)</sup>	75,215	78,420	86,497	6,858	6,737	5,264	9.12	8.59	6.09
Total	\$ 384,883	\$ 371,896	\$ 355,407	\$ 39,542	\$ 36,864	\$ 28,391	10.27 %	9.91 %	7.99 %
<b>Corporate loans<sup>(8)</sup></b>									
In U.S. offices	\$ 137,047	\$ 136,065	\$ 139,906	\$ 8,944	\$ 7,561	\$ 5,417	6.53 %	5.56 %	3.87 %
In offices outside the U.S. <sup>(4)</sup>	161,294	153,111	158,008	13,682	13,507	7,528	8.48	8.82	4.76
Total	\$ 298,341	\$ 289,176	\$ 297,914	\$ 22,626	\$ 21,068	\$ 12,945	7.58 %	7.29 %	4.35 %
<b>Total loans<sup>(8)</sup></b>									
In U.S. offices	\$ 446,715	\$ 429,541	\$ 408,816	\$ 41,628	\$ 37,688	\$ 28,544	9.32 %	8.77 %	6.98 %
In offices outside the U.S. <sup>(4)</sup>	236,509	231,531	244,505	20,540	20,244	12,792	8.68	8.74	5.23
Total	\$ 683,224	\$ 661,072	\$ 653,321	\$ 62,168	\$ 57,932	\$ 41,336	9.10 %	8.76 %	6.33 %
<b>Other interest-earning assets<sup>(9)</sup></b>	\$ 73,418	\$ 81,431	\$ 112,549	\$ 4,781	\$ 4,507	\$ 2,865	6.51 %	5.53 %	2.55 %
Total interest-earning assets	\$ 2,262,513	\$ 2,235,278	\$ 2,173,635	\$ 143,807	\$ 133,359	\$ 74,573	6.36 %	5.97 %	3.43 %
Non-interest-earning assets <sup>(6)</sup>	\$ 205,918	\$ 206,955	\$ 222,388						
<b>Total assets</b>	<b>\$ 2,468,431</b>	<b>\$ 2,442,233</b>	<b>\$ 2,396,023</b>						

(1) *Interest income* and *Net interest income* include TEGU of \$94 million, \$101 million and \$165 million for 2024, 2023 and 2022, respectively.

(2) Interest rates and amounts include the effects of risk management activities associated with the respective asset categories.

(3) Monthly or quarterly averages have been used by certain subsidiaries where daily averages are unavailable.

(4) Average rates reflect prevailing local interest rates, including inflationary effects and monetary corrections in certain countries.

(5) Average volumes of securities borrowed or purchased under agreements to resell are reported net pursuant to ASC 210-20-45. However, *Interest income* excludes the impact of ASC 210-20-45.

(6) The fair value carrying amounts of derivative contracts are reported net, pursuant to ASC 815-10-45, in *Non-interest-earning assets* and *Other non-interest-bearing liabilities*.

(7) *Interest expense* on *Trading account liabilities* of *Services*, *Markets* and *Banking* is reported as a reduction of *Interest income*. *Interest income* and *Interest expense* on cash collateral positions are reported in interest on *Trading account assets* and *Trading account liabilities*, respectively.

(8) Net of unearned income. Includes cash-basis loans.

(9) Includes assets from businesses held-for-sale (see Note 2) and *Brokerage receivables*.

**Average Balances and Interest Rates—Liabilities and Equity, and Net Interest Income<sup>(1)(2)(3)</sup>****Taxable Equivalent Basis**

Liabilities <i>In millions of dollars, except rates</i>	Average balance			Interest expense			% Average rate		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
<b>Deposits</b>									
In U.S. offices <sup>(4)</sup>	\$ 570,048	\$ 594,588	\$ 572,394	\$ 22,720	\$ 20,602	\$ 5,986	3.99 %	3.46 %	1.05 %
In offices outside the U.S. <sup>(5)</sup>	546,583	536,749	516,329	17,606	15,698	5,573	3.22	2.92	1.08
Total	\$ 1,116,631	\$ 1,131,337	\$ 1,088,723	\$ 40,326	\$ 36,300	\$ 11,559	3.61 %	3.21 %	1.06 %
<b>Securities loaned and sold under agreements to repurchase<sup>(6)</sup></b>									
In U.S. offices	\$ 237,486	\$ 168,319	\$ 112,771	\$ 18,130	\$ 13,152	\$ 2,816	7.63 %	7.81 %	2.50 %
In offices outside the U.S. <sup>(5)</sup>	88,272	93,962	94,936	9,754	8,287	1,639	11.05	8.82	1.73
Total	\$ 325,758	\$ 262,281	\$ 207,707	\$ 27,884	\$ 21,439	\$ 4,455	8.56 %	8.17 %	2.14 %
<b>Trading account liabilities<sup>(7)(8)</sup></b>									
In U.S. offices	\$ 39,926	\$ 47,394	\$ 52,166	\$ 1,858	\$ 1,806	\$ 697	4.65 %	3.81 %	1.34 %
In offices outside the U.S. <sup>(5)</sup>	58,892	71,476	70,102	1,492	1,621	740	2.53	2.27	1.06
Total	\$ 98,818	\$ 118,870	\$ 122,268	\$ 3,350	\$ 3,427	\$ 1,437	3.39 %	2.88 %	1.18 %
<b>Short-term borrowings and other interest-bearing liabilities<sup>(9)</sup></b>									
In U.S. offices	\$ 81,533	\$ 90,000	\$ 95,054	\$ 6,568	\$ 6,661	\$ 2,161	8.06 %	7.40 %	2.27 %
In offices outside the U.S. <sup>(5)</sup>	33,751	36,061	55,133	1,135	777	327	3.36	2.15	0.59
Total	\$ 115,284	\$ 126,061	\$ 150,187	\$ 7,703	\$ 7,438	\$ 2,488	6.68 %	5.90 %	1.66 %
<b>Long-term debt<sup>(10)</sup></b>									
In U.S. offices	\$ 170,556	\$ 161,650	\$ 166,063	\$ 10,181	\$ 9,544	\$ 5,625	5.97 %	5.90 %	3.39 %
In offices outside the U.S. <sup>(5)</sup>	2,228	2,524	3,592	174	210	176	7.81	8.32	4.90
Total	\$ 172,784	\$ 164,174	\$ 169,655	\$ 10,355	\$ 9,754	\$ 5,801	5.99 %	5.94 %	3.42 %
<b>Total interest-bearing liabilities</b>	<b>\$ 1,829,275</b>	<b>\$ 1,802,723</b>	<b>\$ 1,738,540</b>	<b>\$ 89,618</b>	<b>\$ 78,358</b>	<b>\$ 25,740</b>	<b>4.90 %</b>	<b>4.35 %</b>	<b>1.48 %</b>
Non-interest-bearing deposits <sup>(11)</sup>	\$ 200,319	\$ 202,736	\$ 244,741						
Other non-interest-bearing liabilities <sup>(7)</sup>	230,757	228,887	213,135						
<b>Total liabilities</b>	<b>\$ 2,260,351</b>	<b>\$ 2,234,346</b>	<b>\$ 2,196,416</b>						
<b>Citigroup stockholders' equity</b>	<b>\$ 207,292</b>	<b>\$ 207,207</b>	<b>\$ 199,088</b>						
Noncontrolling interests	788	680	519						
<b>Total equity</b>	<b>\$ 208,080</b>	<b>\$ 207,887</b>	<b>\$ 199,607</b>						
<b>Total liabilities and stockholders' equity</b>	<b>\$ 2,468,431</b>	<b>\$ 2,442,233</b>	<b>\$ 2,396,023</b>						
<b>Net interest income as a percentage of average interest-earning assets<sup>(12)</sup></b>									
In U.S. offices	\$ 1,303,259	\$ 1,314,455	\$ 1,272,223	\$ 24,520	\$ 27,222	\$ 28,802	1.88 %	2.07 %	2.26 %
In offices outside the U.S. <sup>(5)</sup>	959,254	920,823	901,412	29,669	27,779	20,031	3.09	3.02	2.22
<b>Total</b>	<b>\$ 2,262,513</b>	<b>\$ 2,235,278</b>	<b>\$ 2,173,635</b>	<b>\$ 54,189</b>	<b>\$ 55,001</b>	<b>\$ 48,833</b>	<b>2.40 %</b>	<b>2.46 %</b>	<b>2.25 %</b>

(1) *Interest income* and *Net interest income* include TEGU discussed in the table above.

(2) Interest rates and amounts include the effects of risk management activities associated with the respective liability categories.

(3) Monthly or quarterly averages have been used by certain subsidiaries where daily averages are unavailable.

(4) Consists of other time deposits and savings deposits. Savings deposits are composed of insured money market accounts and other savings deposits.

(5) Average rates reflect prevailing local interest rates, including inflationary effects and monetary corrections in certain countries.

(6) Average volumes of securities sold under agreements to repurchase are reported net pursuant to ASC 210-20-45. However, *Interest expense* excludes the impact of ASC 210-20-45.(7) The fair value carrying amounts of derivative contracts are reported net, pursuant to ASC 815-10-45, in *Non-interest-earning assets* and *Other non-interest-bearing liabilities*.(8) *Interest expense* on *Trading account liabilities* of *Services*, *Markets* and *Banking* is reported as a reduction of *Interest income*. *Interest income* and *Interest expense* on cash collateral positions are reported in interest on *Trading account assets* and *Trading account liabilities*, respectively.(9) Includes *Brokerage payables*.

- (10) Excludes hybrid financial instruments and beneficial interests in consolidated VIEs that are classified as *Long-term debt*, as the changes in fair value for these obligations are recorded in *Principal transactions*.
- (11) Includes non-interest-bearing deposits in both the U.S. and outside of the U.S.
- (12) Includes allocations for capital and funding costs based on the location of the asset.

#### ***Analysis of Changes in Interest Revenue<sup>(1)(2)(3)</sup>***

<i>In millions of dollars</i>	<b>2024 vs. 2023</b>			<b>2023 vs. 2022</b>		
	<b>Increase (decrease) due to change in:</b>			<b>Increase (decrease) due to change in:</b>		
	<b>Average balance</b>	<b>Average rate</b>	<b>Net change</b>	<b>Average balance</b>	<b>Average rate</b>	<b>Net change</b>
<b>Deposits with banks<sup>(3)</sup></b>	\$ (994)	\$ 1,173	\$ 179	\$ 468	\$ 6,255	\$ 6,723
<b>Securities borrowed and purchased under agreements to resell</b>						
In U.S. offices	\$ (1,800)	\$ 2,098	\$ 298	\$ (394)	\$ 9,655	\$ 9,261
In offices outside the U.S. <sup>(3)</sup>	359	1,629	1,988	556	9,916	10,472
Total	\$ (1,441)	\$ 3,727	\$ 2,286	\$ 162	\$ 19,571	\$ 19,733
<b>Trading account assets<sup>(4)</sup></b>						
In U.S. offices	\$ 2,203	\$ 92	\$ 2,295	\$ 1,547	\$ 3,256	\$ 4,803
In offices outside the U.S. <sup>(3)</sup>	698	123	821	354	1,876	2,230
Total	\$ 2,901	\$ 215	\$ 3,116	\$ 1,901	\$ 5,132	\$ 7,033
<b>Investments<sup>(1)</sup></b>						
In U.S. offices	\$ (774)	\$ (190)	\$ (964)	\$ (334)	\$ 3,625	\$ 3,291
In offices outside the U.S. <sup>(3)</sup>	1,090	231	1,321	520	3,248	3,768
Total	\$ 316	\$ 41	\$ 357	\$ 186	\$ 6,873	\$ 7,059
<b>Consumer loans (net of unearned income)<sup>(5)</sup></b>						
In U.S. offices	\$ 1,693	\$ 864	\$ 2,557	\$ 2,244	\$ 4,756	\$ 7,000
In offices outside the U.S. <sup>(3)</sup>	(282)	403	121	(529)	2,002	1,473
Total	\$ 1,411	\$ 1,267	\$ 2,678	\$ 1,715	\$ 6,758	\$ 8,473
<b>Corporate loans (net of unearned income)<sup>(5)</sup></b>						
In U.S. offices	\$ 55	\$ 1,328	\$ 1,383	\$ (153)	\$ 2,297	\$ 2,144
In offices outside the U.S. <sup>(3)</sup>	706	(531)	175	(240)	6,219	5,979
Total	\$ 761	\$ 797	\$ 1,558	\$ (393)	\$ 8,516	\$ 8,123
<b>Loans (net of unearned income)<sup>(5)</sup></b>						
In U.S. offices	\$ 1,748	\$ 2,192	\$ 3,940	\$ 2,091	\$ 7,053	\$ 9,144
In offices outside the U.S. <sup>(3)</sup>	424	(128)	296	(769)	8,221	7,452
Total	\$ 2,172	\$ 2,064	\$ 4,236	\$ 1,322	\$ 15,274	\$ 16,596
<b>Other interest-earning assets<sup>(6)</sup></b>	\$ (472)	\$ 746	\$ 274	\$ (969)	\$ 2,611	\$ 1,642
<b>Total interest income</b>	<b>\$ 2,482</b>	<b>\$ 7,966</b>	<b>\$ 10,448</b>	<b>\$ 3,070</b>	<b>\$ 55,716</b>	<b>\$ 58,786</b>

(1) *Interest income* and *Net interest income* include the taxable equivalent adjustments discussed in the table above.

(2) Rate/volume variance is allocated based on the percentage relationship of changes in volume and changes in rate to the total net change.

(3) Changes in average rates reflect changes in prevailing local interest rates, including inflationary effects and monetary corrections in certain countries.

(4) *Interest expense* on *Trading account liabilities* of *Services, Markets and Banking* is reported as a reduction of *Interest income*. *Interest income* and *Interest expense* on cash collateral positions are reported in interest on *Trading account assets* and *Trading account liabilities*, respectively.

(5) Includes cash-basis loans.

(6) Includes *Brokerage receivables*.

***Analysis of Changes in Interest Expense and Net Interest Income<sup>(1)(2)(3)</sup>***

In millions of dollars	2024 vs. 2023			2023 vs. 2022		
	Increase (decrease) due to change in:			Increase (decrease) due to change in:		
	Average balance	Average rate	Net change	Average balance	Average rate	Net change
<b>Deposits</b>						
In U.S. offices	\$ (878)	\$ 2,996	\$ 2,118	\$ 241	\$ 14,375	\$ 14,616
In offices outside the U.S. <sup>(3)</sup>	292	1,616	1,908	229	9,896	10,125
Total	\$ (586)	\$ 4,612	\$ 4,026	\$ 470	\$ 24,271	\$ 24,741
<b>Securities loaned and sold under agreements to repurchase</b>						
In U.S. offices	\$ 5,287	\$ (309)	\$ 4,978	\$ 1,942	\$ 8,394	\$ 10,336
In offices outside the U.S. <sup>(3)</sup>	(526)	1,993	1,467	(17)	6,665	6,648
Total	\$ 4,761	\$ 1,684	\$ 6,445	\$ 1,925	\$ 15,059	\$ 16,984
<b>Trading account liabilities<sup>(4)</sup></b>						
In U.S. offices	\$ (311)	\$ 363	\$ 52	\$ (69)	\$ 1,178	\$ 1,109
In offices outside the U.S. <sup>(3)</sup>	(305)	176	(129)	15	866	881
Total	\$ (616)	\$ 539	\$ (77)	\$ (54)	\$ 2,044	\$ 1,990
<b>Short-term borrowings and other interest-bearing liabilities<sup>(5)</sup></b>						
In U.S. offices	\$ (655)	\$ 562	\$ (93)	\$ (121)	\$ 4,621	\$ 4,500
In offices outside the U.S. <sup>(3)</sup>	(53)	411	358	(148)	598	450
Total	\$ (708)	\$ 973	\$ 265	\$ (269)	\$ 5,219	\$ 4,950
<b>Long-term debt</b>						
In U.S. offices	\$ 531	\$ 106	\$ 637	\$ (153)	\$ 4,072	\$ 3,919
In offices outside the U.S. <sup>(3)</sup>	(24)	(12)	(36)	(63)	97	34
Total	\$ 507	\$ 94	\$ 601	\$ (216)	\$ 4,169	\$ 3,953
<b>Total interest expense</b>	<b>\$ 3,358</b>	<b>\$ 7,902</b>	<b>\$ 11,260</b>	<b>\$ 1,856</b>	<b>\$ 50,762</b>	<b>\$ 52,618</b>
<b>Net interest income</b>	<b>\$ (876)</b>	<b>\$ 64</b>	<b>\$ (812)</b>	<b>\$ 1,215</b>	<b>\$ 4,953</b>	<b>\$ 6,168</b>

(1) Interest income and Net interest income include the taxable equivalent adjustments discussed in the table above.

(2) Rate/volume variance is allocated based on the percentage relationship of changes in volume and changes in rate to the total net change.

(3) Changes in average rates reflect changes in prevailing local interest rates, including inflationary effects and monetary corrections in certain countries.

(4) Interest expense on Trading account liabilities of Services, Markets and Banking is reported as a reduction of Interest income. Interest income and Interest expense on cash collateral positions are reported in interest on Trading account assets and Trading account liabilities, respectively.

(5) Includes Brokerage payables.

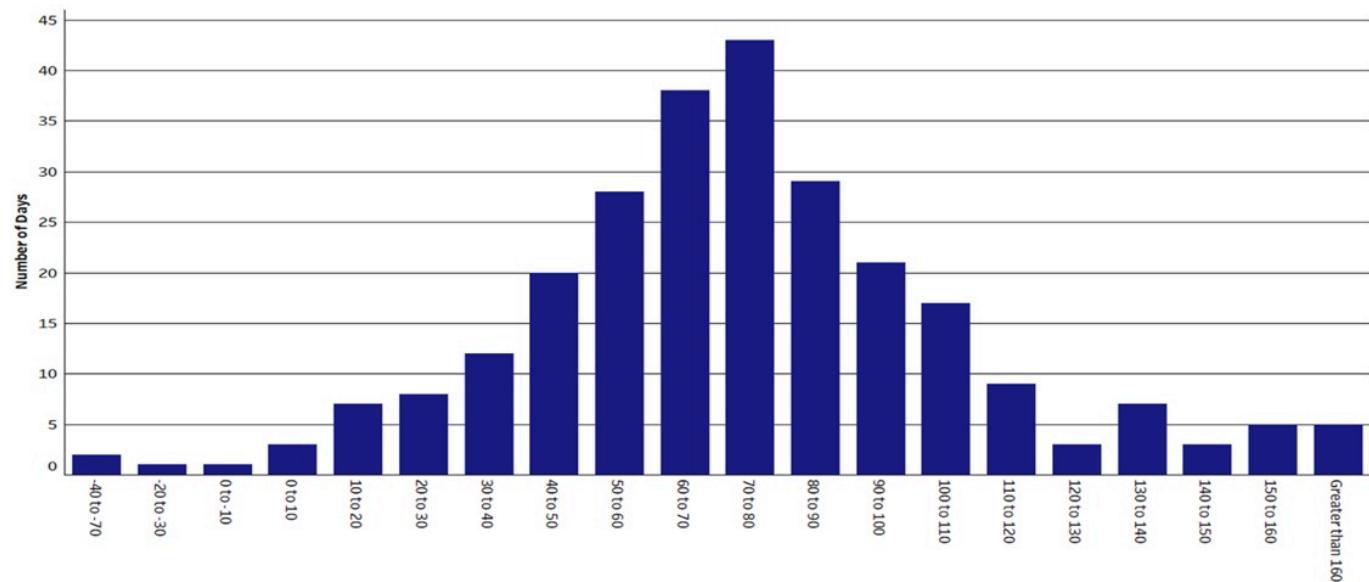
## MARKET RISK OF TRADING PORTFOLIOS

Trading portfolios include positions resulting from market-making activities, hedges of certain available-for-sale (AFS) debt securities, the CVA relating to derivative counterparties and all associated hedges, fair value option loans and hedges of the loan portfolio within capital markets origination. Management of the market risk of Citi's trading portfolio is governed by the Mark-to-Market Risk Policy and the Markets Risk Management Committee.

The market risk of Citi's trading portfolios is monitored using a combination of quantitative and qualitative measures, including, but not limited to, factor sensitivities, value at risk (VaR) and stress testing. Each trading portfolio across Citi's businesses has its own market risk limit framework encompassing these measures and other controls, including trading mandates, new product approval, permitted product lists and pre-trade approval for larger, more complex and less liquid transactions. These controls enable the monitoring and management of Citi's top market risks.

### Daily Trading-Related Revenue (Loss)<sup>(1)</sup>—12 Months Ended December 31, 2024

In millions of dollars



(1) Reflects the effects of asymmetrical accounting for economic hedges of certain AFS debt securities. Specifically, the change in the fair value of hedging derivatives is included in trading-related revenue, while the offsetting change in the fair value of hedged AFS debt securities is included in AOCI and not reflected above.

The following chart of total daily trading-related revenue (loss) captures trading volatility and shows the number of days in which revenues for Citi's trading businesses fell within particular ranges. Trading-related revenue includes trading, net interest and other revenue associated with Citi's trading businesses. It excludes DVA, FVA and CVA adjustments incurred due to changes in the credit quality of counterparties, as well as any associated hedges of that CVA. In addition, it excludes fees and other revenue associated with capital markets origination activities. Trading-related revenues are driven by both customer flows and the changes in valuation of the trading inventory. As presented in the chart below, Citi achieved positive trading-related revenue for 98.5% of the trading days in 2024.

## Factor Sensitivities

When managing market risk for its trading portfolios, Citi uses factor sensitivities to measure the change in value of a position for a defined change in a market risk factor, such as a change in the value of a U.S. Treasury bond for a one-basis-point change in interest rates. Citi's Global Market Risk function, within the Independent Risk Management organization, works to ensure that factor sensitivities are calculated, monitored and limited for all material risks taken in the trading portfolios.

## Value at Risk (VaR)

VaR estimates, at a 99% confidence level, the potential decline in the value of a position or a portfolio under normal market conditions assuming a one-day holding period. VaR statistics, which are based on historical data, can be materially different across firms due to differences in portfolio composition, VaR methodologies and model parameters. As a result, Citi believes VaR statistics can be used more effectively as indicators of trends in risk-taking within a firm, rather than as a basis for inferring differences in risk-taking across firms.

Citi uses a single, independently approved Monte Carlo simulation VaR model (see "VaR Model Review and Validation" below), which has been designed to capture material risk sensitivities (such as first- and second-order

sensitivities of positions to changes in market prices) of various asset classes/risk types (such as interest rate, credit spread, foreign exchange, equity and commodity risks). Citi's VaR includes positions that are measured at fair value; it does not include investment securities classified as AFS or HTM. See Note 14 for information on these securities.

Citi believes its VaR model is conservatively calibrated to incorporate fat-tail scaling and the greater of short-term (approximately the most recent month) and long-term (18 months for commodities and three years for others) market volatility. The Monte Carlo simulation involves approximately 550,000 market factors, making use of approximately 480,000 time series, with sensitivities updated daily, volatility parameters updated intra-monthly and correlation parameters updated monthly. As of December 31, 2024, Citi estimates that the conservative features of the VaR calibration contribute an approximate 24% add-on to what would be a VaR estimated under the assumption of stable and perfectly, normally distributed markets.

As presented in the table below, Citi's average trading VaR decreased \$10 million from 2023 to 2024, due to reduced volatility and changes in exposure. Citi's average trading and credit portfolio VaR decreased \$15 million, in line with the decline in average trading VaR.

## Year-end and Average Trading VaR and Trading and Credit Portfolio VaR

In millions of dollars	December 31, 2024	2024 Average	December 31, 2023	2023 Average
Interest rate	\$ 96	\$ 95	\$ 121	\$ 119
Credit spread	77	67	59	69
Covariance adjustment <sup>(1)</sup>	(49)	(52)	(47)	(50)
Fully diversified interest rate and credit spread <sup>(2)</sup>	\$ 124	\$ 110	\$ 133	\$ 138
Foreign exchange	56	54	134	33
Equity	29	31	38	26
Commodity	25	22	19	31
Covariance adjustment <sup>(1)</sup>	(108)	(92)	(132)	(93)
<b>Total trading VaR—all market risk factors, including general and specific risk (excluding credit portfolios)<sup>(2)</sup></b>	<b>\$ 126</b>	<b>\$ 125</b>	<b>\$ 192</b>	<b>\$ 135</b>
Specific risk-only component <sup>(3)</sup>	\$ 11	\$ (3)	\$ (6)	\$ (7)
Total trading VaR—general market risk factors only (excluding credit portfolios)	\$ 115	\$ 128	\$ 198	\$ 142
Incremental impact of the credit portfolio <sup>(4)</sup>	\$ 4	\$ 8	\$ 10	\$ 13
<b>Total trading and credit portfolio VaR</b>	<b>\$ 130</b>	<b>\$ 133</b>	<b>\$ 202</b>	<b>\$ 148</b>

(1) Covariance adjustment (also known as diversification benefit) equals the difference between the total VaR and the sum of the VaRs tied to each risk type. The benefit reflects the fact that the risks within individual and across risk types are not perfectly correlated and, consequently, the total VaR on a given day will be lower than the sum of the VaRs relating to each risk type. The determination of the primary drivers of changes to the covariance adjustment is made by an examination of the impact of both model parameter and position changes.

(2) The total trading VaR includes mark-to-market and certain fair value option trading positions with the exception of hedges of the loan portfolio, fair value option loans and all CVA exposures. Available-for-sale and accrual exposures are not included.

(3) The specific risk-only component represents the level of equity and fixed income issuer-specific risk embedded in VaR.

(4) The credit portfolio is composed of mark-to-market positions associated with non-trading business units, the CVA relating to derivative counterparties, all associated CVA hedges and market sensitivity FVA hedges. FVA and DVA are not included. The credit portfolio also includes hedges of the loan portfolio, fair value option loans and hedges of the leveraged finance pipeline within capital markets origination.

The table below provides the range of market factor VaRs associated with Citi's total trading VaR, inclusive of specific risk:

<i>In millions of dollars</i>	2024		2023	
	Low	High	Low	High
Interest rate	\$ 62	\$ 132	\$ 85	\$ 186
Credit spread	55	83	54	88
Fully diversified interest rate and credit spread	\$ 77	\$ 145	\$ 105	\$ 211
Foreign exchange	31	111	12	134
Equity	13	84	3	88
Commodity	14	32	17	47
Total trading	\$ 82	\$ 185	\$ 99	\$ 214
Total trading and credit portfolio	91	196	111	225

Note: No covariance adjustment can be inferred from the above table as the high and low for each market factor will be from different close-of-business dates.

The following table provides the VaR for *Markets*, excluding the CVA relating to derivative counterparties, hedges of CVA, fair value option loans and hedges of the loan portfolio:

<i>In millions of dollars</i>	December 31, 2024
<b>Total—all market risk factors, including general and specific risk</b>	<b>\$ 126</b>
Average—during year	\$ 123
High—during year	182
Low—during year	82

#### **VaR Model Review and Validation**

Generally, Citi's VaR review and model validation process entails reviewing the model framework, major assumptions and implementation of the mathematical algorithm. In addition, product-specific back-testing on portfolios is periodically completed as part of the ongoing model performance monitoring process and reviewed with Citi's U.S. banking regulators. Furthermore, Regulatory VaR back-testing (as described below) is performed against buy-and-hold profit and loss on a monthly basis for multiple sub-portfolios across the organization (trading desk level and total Citigroup) and the results are shared with U.S. banking regulators.

Material VaR model and assumption changes must be independently validated within Citi's Independent Risk Management organization. All model changes, including those for the VaR model, are validated by the model validation group within Citi's Model Risk Management. In the event of significant model changes, parallel model runs are undertaken prior to implementation. In addition, significant model and assumption changes are subject to the periodic reviews and approval by Citi's U.S. banking regulators.

Citi uses the same independently validated VaR model for both Regulatory VaR and Risk Management VaR (i.e., total trading and total trading and credit portfolios VaRs) and, as such, the model review and validation process for both purposes is as described above.

Regulatory VaR, which is calculated in accordance with Basel III, differs from Risk Management VaR because certain positions included in Risk Management VaR are not eligible

for market risk treatment in Regulatory VaR. The composition of Risk Management VaR is discussed under "Value at Risk" above. The applicability of the VaR model for positions eligible for market risk treatment under U.S. regulatory capital rules is periodically reviewed and approved by Citi's U.S. banking regulators.

In accordance with Basel III, Regulatory VaR includes all trading book-covered positions and all foreign exchange and commodity exposures. Pursuant to Basel III, Regulatory VaR excludes positions that fail to meet the intent and ability to trade requirements and are therefore classified as non-trading book and categories of exposures that are specifically excluded as covered positions. Regulatory VaR excludes CVA on derivative instruments and DVA on Citi's own fair value option liabilities. CVA hedges are excluded from Regulatory VaR and included in credit risk-weighted assets as computed under the Advanced Approaches for determining risk-weighted assets.

#### **Regulatory VaR Back-Testing**

In accordance with Basel III, Citi is required to perform back-testing to evaluate the effectiveness of its Regulatory VaR model. Regulatory VaR back-testing is the process in which the daily one-day VaR, at a 99% confidence interval, is compared to the buy-and-hold profit and loss (i.e., the profit and loss impact if the portfolio is held constant at the end of the day and re-priced the following day). Buy-and-hold profit and loss represents the daily mark-to-market profit and loss attributable to price movements in covered positions from the close of the previous business day. Buy-and-hold profit and loss excludes realized trading revenue, net interest, fees and commissions, intra-day trading profit and loss and changes in reserves.

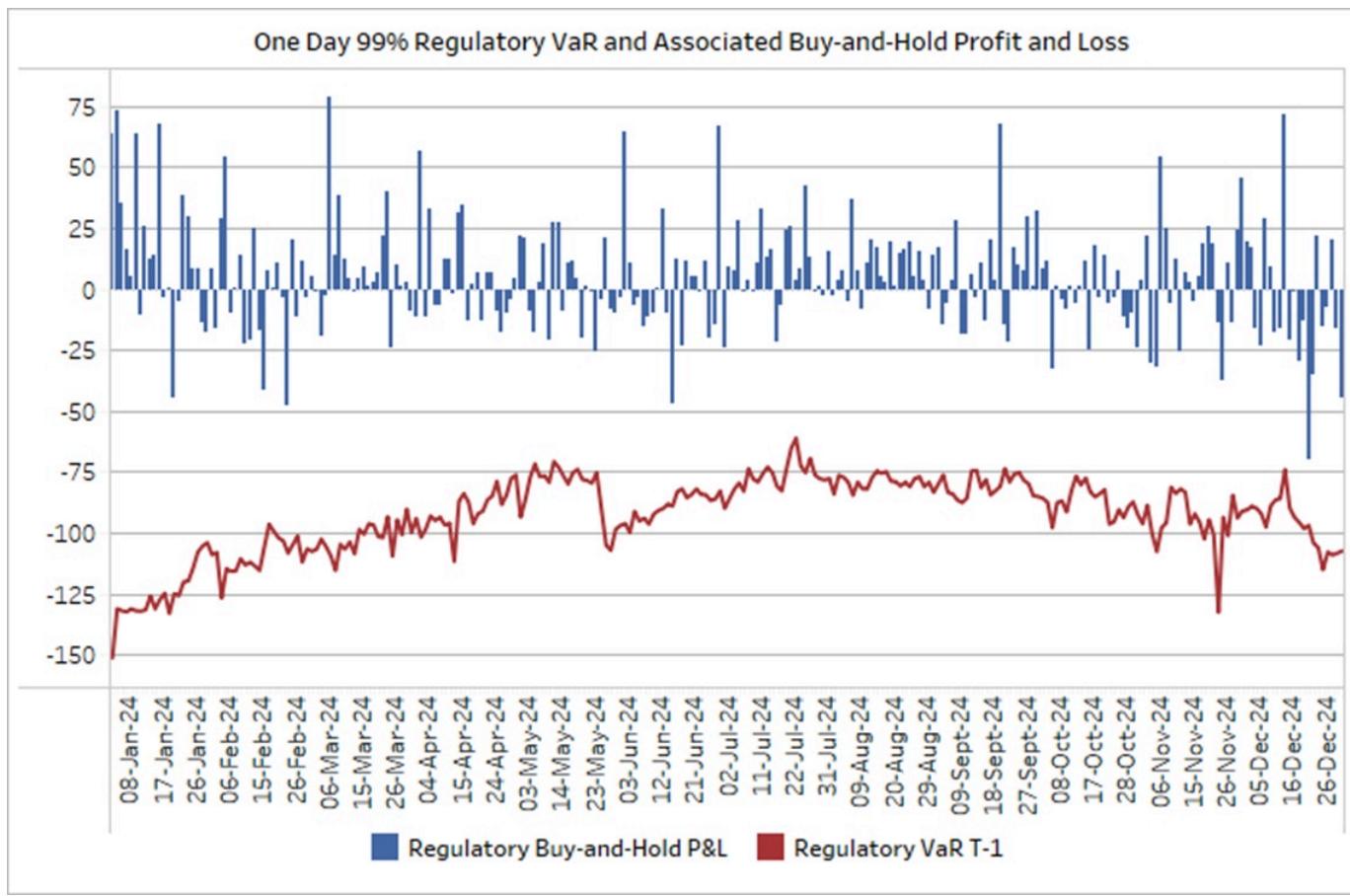
Based on a 99% confidence level, Citi would expect two to three days in any one year where buy-and-hold losses exceed the Regulatory VaR. Given the conservative calibration of Citi's VaR model (as a result of taking the greater of short- and long-term volatilities and fat-tail scaling of volatilities), Citi would expect fewer exceptions under normal and stable market conditions. Periods of unstable market conditions could increase the number of back-testing exceptions.

The following graph presents the daily buy-and-hold profit and loss associated with Citi's covered positions compared to Citi's one-day Regulatory VaR during 2024. During 2024, no back-testing exceptions were observed at the Citigroup level.

The difference between the 58.8% of days with buy-and-hold gains for Regulatory VaR back-testing and the 98.5% of days with trading, net interest and other revenue associated with Citi's trading businesses, presented in the histogram of daily trading-related revenue below, reflects, among other things, that a significant portion of Citi's trading-related revenue is not generated from daily price movements on these positions and exposures, as well as differences in the portfolio composition of Regulatory VaR and Risk Management VaR.

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**Regulatory Trading VaR and Associated Buy-and-Hold Profit and Loss<sup>(1)</sup>—12 Months Ended December 31, 2024**  
*In millions of dollars*



(1) Buy-and-hold profit and loss, as defined by the banking regulators under Basel III, represents the daily mark-to-market revenue movement attributable to the trading position from the close of the previous business day. Buy-and-hold profit and loss excludes realized trading revenue and net interest intra-day trading profit and loss on new and terminated trades, as well as changes in reserves. Therefore, it is not comparable to the trading-related revenue presented in the chart of daily trading-related revenue above.

## Stress Testing

Citi performs market risk stress testing on a regular basis to estimate the impact of extreme market movements. It is performed on individual positions and trading portfolios, as well as in aggregate, inclusive of multiple trading portfolios. Citi's market risk management, after consultations with the businesses, develops both systemic and specific stress scenarios, reviews the output of periodic stress testing exercises and uses the information to assess the ongoing appropriateness of exposure levels and limits. Citi uses two complementary approaches to market risk stress testing across all major risk factors (i.e., equity, foreign exchange, commodity, interest rate and credit spreads): top-down systemic stresses and bottom-up business-specific stresses. Systemic stresses are designed to quantify the potential impact of extreme market movements on an institution-wide basis, and are constructed using both historical periods of market stress and projections of adverse economic scenarios. Business-specific stresses are designed to probe the risks of particular portfolios and market segments, especially those risks that are not fully captured in VaR and systemic stresses.

The systemic stress scenarios and business-specific stress scenarios at Citi are used in several reports reviewed by senior management and also to calculate internal risk capital for trading market risk, as well as enable the monitoring and managing of Citi's top market risks.

In general, changes in market values are defined over a one-year horizon. For the most liquid positions and market factors, changes in market values are defined over a shorter two-month horizon. The limited set of positions and market factors whose market value changes are defined over a two-month horizon are those that in management's judgment have historically remained very liquid during financial crises, even as the trading liquidity of most other positions and market factors materially declined.

## OPERATIONAL RISK

### Overview

Operational risk is the risk of loss resulting from inadequate or failed internal processes, human error or systems errors, or external events. As discussed further below, operational risk includes cybersecurity risk. It also includes legal risk, which is the risk of loss (including litigation costs, settlements and regulatory fines) resulting from the failure of Citi to comply with laws, regulations, prudent ethical standards and contractual obligations in any aspect of its businesses, but excludes strategic and reputation risks. Citi also recognizes the impact of operational risk on the reputation risk associated with Citi's business activities.

Operational risk is inherent in Citi's global business activities, as well as related support functions, and can result in losses. Citi maintains a comprehensive Company-wide risk taxonomy to classify operational risks that it faces using standardized definitions across Citi's Operational Risk Management Framework (see discussion below). This taxonomy also supports regulatory requirements and expectations inclusive of those related to U.S. Basel III, Comprehensive Capital Analysis and Review (CCAR),

Heightened Standards for Large Financial Institutions and Dodd-Frank Act Stress Testing (DFAST).

Citi manages operational risk consistent with the overall framework described in "Managing Global Risk—Overview" above. Citi's goal is to keep operational risk at appropriate levels relative to the characteristics of its businesses, the markets in which it operates, its capital and liquidity and the competitive, economic and regulatory environment. This includes effectively managing operational risk and maintaining or reducing operational risk exposures within Citi's operational risk appetite.

Citi's Independent Operational Risk Management group has established a global Operational Risk Management Framework with policies and practices for identification, measurement, monitoring, controlling and reporting operational risks and the overall operating effectiveness of the internal control environment. As part of this framework, Citi has defined its operational risk appetite and established a Manager's Control Assessment (MCA) process for self-identification of significant operational risks, assessment of the performance of key controls and mitigation of residual risk above acceptable levels.

Each Citi operating segment must implement operational risk management processes consistent with the requirements of this framework. This includes:

- understanding and assessing the operational risks they are exposed to;
- designing, executing and testing controls that mitigate identified risks;
- establishing key indicators;
- monitoring and reporting whether the operational risk exposures are in or out of their operational risk appetite;
- having processes in place to bring operational risk exposures within acceptable levels;
- periodically estimating and aggregating the operational risks they are exposed to; and
- ensuring that sufficient resources are available to actively improve the operational risk environment and mitigate emerging risks.

Citi considers operational risks that result from the introduction of new or changes to existing products, or result from significant changes in its organizational structures, systems, processes and personnel.

Citi has a governance structure for the oversight of operational risk exposures through Business Risk and Controls Committees (BRCCs), which are focused at the group, business or function, or geography level. BRCCs provide channels to inform and escalate to senior management about operational risk exposures, control issues and operational risk events, and allow them to take and document decisions around the mitigation, remediation or acceptance of operational risk exposures.

In addition, Independent Risk Management, including the Operational Risk Management group, works proactively with Citi's businesses and functions to drive a strong and embedded operational risk management culture and framework across Citi. The Operational Risk Management group actively challenges business and functions implementation of the

Operational Risk Management Framework requirements and the quality of operational risk management practices and outcomes.

Information about businesses' key operational risks, historical operational risk losses and the control environment is reported by each major business segment and functional area. Citi's operational risk profile and related information is summarized and reported to senior management, as well as to the Audit and Risk Committees of Citigroup's Board of Directors by the Head of Operational Risk Management.

Operational risk is measured through Operational Risk Capital and Operational Risk Regulatory Capital for the Advanced Approaches under Basel III. Projected operational risk losses under stress scenarios are estimated as a required part of the FRB's CCAR process.

For additional information on Citi's operational risks, see "Risk Factors—Operational Risks" above.

## Cybersecurity Risk

### **Overview**

Cybersecurity risk is the business risk associated with the threat posed by a cyberattack, cyber breach or the failure to protect Citi's most vital business information assets or operations, resulting in a financial or reputational loss (see the operational processes and systems and cybersecurity risk factors in "Risk Factors—Operational Risks" above). With an evolving threat landscape, ever-increasing sophistication of threat actor tactics, techniques and procedures, ongoing and emerging geopolitical conflicts, and the use of new technologies, including those enabled by artificial intelligence and machine learning capabilities, to conduct financial transactions, Citi and its clients, customers and third parties (and fourth parties, etc.) continue to be at risk from cyberattacks and information security incidents. Citi leverages a threat-focused, defense-in-depth strategy that ensures that multiple controls work in tandem against various threats to increase the likelihood that malicious activity will be prevented, detected and mitigated.

Citi has a mature cybersecurity threat identification and management program that relies on an industry-aligned, risk-based, defense-in-depth approach, including an internal cybersecurity intelligence center, participation in industry and government information-sharing programs, vulnerability assessment and scanning tools, intrusion detection and prevention systems, security incident and event management systems, firewalls, penetration testing, adversary emulation exercises, data management (including classification, encryption at rest and in transit, and access management), multi-factor authentication requirements and other logical, physical and technical controls designed to prevent, deter, mitigate and respond to cybersecurity threats.

Citi's cyber and information security program is supported by comprehensive governance, including policies, standards and procedures that dictate requirements and best practices around various program aspects, including, but not limited to, third-party risk management, data management, asset management, information security practices, security incident management and regulatory compliance. Citi's Chief Information Security Organization's risks and controls are

measured against its Cybersecurity Risk Appetite Statement, which was initially approved by the Risk Management Committee of the Board of Directors and is reapproved annually by Citi's Risk Committee, chaired by Citi's Chief Risk Officer. Citi's Cybersecurity Risk Appetite Statement leverages key risk indicators to establish enterprise risk tolerance and define risk management strategy with respect to cyber and information security. Further, Citi actively participates in financial industry, government and cross-sector knowledge-sharing groups to enhance individual and collective cybersecurity preparedness and resilience.

### **Cybersecurity Risk Management and Governance**

Citi's technology and cybersecurity risk management program is built on Citi's three lines of defense, each of which is integrated into Citi's overall risk management systems and processes.

Citi's Chief Information Security Office, which is led by Citi's Head of Foundational Services and Chief Information Security Officer (CISO), serves as the first line of defense. This office provides frontline business, operational and technical controls and capabilities to (1) protect against cybersecurity risks, and (2) respond to cyber incidents, including data breaches. Citi manages cybersecurity threats through its state-of-the-art fusion centers, which serve as central commands for monitoring and coordinating responses to cyber threats.

Citi's Chief Information Security Organization is responsible for application and infrastructure defense and security controls, performing vulnerability assessments and third-party information security assessments (including cybersecurity risk assessments associated with Citi's use of products and services from vendors and other third-party providers), employee awareness and training programs, and security incident management. In each case, the enterprise information security team works in coordination with a network of information security officers who are embedded within Citi's global businesses and functions, consistent with Citi's philosophy that all Citi stakeholders have a responsibility in managing cyber and information security risks.

Citi's Technology and Cyber Compliance and Operational Risk Office (TCCORO) serves as the second line of defense. This office independently evaluates and challenges Citi's risk mitigation practices and capabilities, from a fused operational risk and compliance lens. It functions as a joint second line of defense and in accordance with Citi's Cybersecurity Risk Appetite Statement. TCCORO also advises first line partners in CISO, supporting enterprise-wide efforts to proactively identify and remediate cybersecurity risks before they materialize as incidents that negatively affect business operations.

To address evolving cybersecurity risks and corresponding regulations, TCCORO monitors cybersecurity legal and regulatory requirements, identifies and defines emerging risks, executes strategic cybersecurity threat assessments, performs new product and initiative reviews, performs data management risk oversight and conducts cybersecurity risk assurance reviews (inclusive of third-party assessments). In addition, this office oversees and challenges

metrics related to cybersecurity and technology and ensures they remain aligned with Citi's overall operational risk management framework to effectively track, identify and manage risk. TCCORO presents an independent viewpoint on enterprise cybersecurity risk posture, and oversees CISO's cybersecurity risk identification, measurement and enterprise-wide governance of cybersecurity risk.

Internal Audit serves as Citi's third line of defense and provides independent assurance to the Audit Committee of the Board on the effectiveness of controls operated by the first and second lines of defense to manage cybersecurity risk.

Citi recognizes the risks associated with outsourcing services to, sharing data with, and/or technologically interacting with third parties. Citi has built a robust third-party information security risk management program that governs third-party engagements from selection, to the establishment of legal agreements that govern the relationship, to ongoing monitoring through the duration of the relationship. Third-party risk management includes reliance on contractual requirements around data and cybersecurity, vulnerability assessments, third-party information security assessments performed at intervals determined by risk level, governance to manage end-of-life and end-of-vendor-support risks, and third-party incident response protocols.

### ***Management Governance***

Citi's Head of Technology and Business Enablement, who reports directly to Citi's CEO, has overall responsibility for Citi's first line of defense cyber and information security and technology programs. Citi's Head of Technology and Business Enablement has over 30 years of experience in the financial services industry. Prior to joining Citi, he was Senior Partner at PriceWaterhouseCoopers where he oversaw the firm's strategy and execution. For additional information, see "Corporate Information —Executive Officers" below.

Citi's Head of Foundational Services and CISO, who reports directly to Citi's Head of Technology and Business Enablement, has primary responsibility to assess and manage Citi's material risks from cybersecurity threats. Citi's CISO has decades of experience in managing cybersecurity risks from prior roles as Deutsche Bank's Chief Security Officer, the Chief Information Officer for the Central Intelligence Agency and the Chief Information Officer for the U.S. Intelligence Community. The CISO is supported by a team of subject matter experts in security operations, network architecture, cyber and information security governance and cybersecurity operations. Citi's Chief Information Security Office employs approximately 3,400 individuals to manage its operations.

Citi's Chief Technology Officer (CTO) and Head of Emerging Technology and Strategic Partnerships, who also reports to Citi's Chief Information Officer, has primary responsibility for technology policy, innovation enablement and strategy. Citi's CTO has served in various technology roles at Citi since 2012, including most recently as Group Head of Engineering and Architecture. Prior to joining Citi, the CTO worked in equity linked technology at Bank of America Merrill Lynch.

Multiple management committees and functions also support Citi's cyber and information security management.

The Chief Information Officer Committee (CIOC), which consists of, among others, the Head of Technology and Business Enablement, Citi's Co-Chief Information Officers (who report to the Head of Technology and Business Enablement), the CISO, and the Head of TCCORO (who reports both to Citi's Head of Operational Risk within the Risk organization and its Head of Global Functions Compliance within the Global Legal and Compliance organization), serves as an escalation forum for items requiring the attention of technology senior management, including approval of policies, and reports items requiring further escalation to the Technology Committee of the Board of Directors, as appropriate.

The Information Security Risk Operating Committee (ISROC) is chaired by the CISO and comprises senior members of the Chief Information Security Office and representatives from partner organizations. This committee sets the direction and prioritization for the implementation of the cyber and information security program across Citi. The committee reports and escalates to the CIOC, including for intermediary review and approval of policies escalated from the Information Technology Policy Council (see below). Any actions constituting risk exceptions are escalated to the ISRC.

The Security Architecture Council, which reports to the ISROC, is an oversight and decision-making body focused on ensuring that the target level of security architectural maturity is attained. This council is co-chaired by two representatives from the security architecture and cybersecurity services organizations.

Citi's Information Technology Policy Council provides a centralized review to oversee consistency in the formation of information technology policies and standards. This counsel maintains oversight of policy document requirements to ensure that information technology policy documents meet Citi's objectives as established internally and are in line with laws and regulations as identified and communicated by ICRM.

In addition, Citi regularly engages third parties globally to assess, audit and/or exercise Citi's cyber and information security program, which is ISO-27001 certified. ISO-27001 is an international standard for information security management systems. Citi is regulated by bodies across the globe that also regularly examine and audit Citi's cyber and information security program against local laws, regulations and industry best practices.

### **Board Governance**

Citigroup's Board of Directors and its committees provide oversight of senior management's efforts to mitigate cybersecurity risk and respond to cybersecurity incidents. Citi's Board includes members with cybersecurity expertise and experience.

Citigroup's full Board is briefed annually on cybersecurity risks and receives updates as needed on Citi's cyber and information security program, including changes to the threat landscape and a roadmap for progress around addressing related risks. Additionally, Citigroup's Board participates in cybersecurity exercises to improve preparedness to address cybersecurity incidents.

The Board's Technology Committee receives quarterly updates from the Chief Information Security Office on the cybersecurity threat landscape, regulatory landscape, posture, and strategy and engages in discussions throughout the year with senior management and subject matter experts on the effectiveness of Citi's overall cybersecurity program.

The Board's Risk Management Committee (RMC) approved a standalone Cybersecurity Risk Appetite Statement against which Citi's performance is measured quarterly. In addition, the RMC oversees Citi's risk profile, which includes cybersecurity risk, and monitors whether Citi is operating within its cybersecurity risk appetite under its mandate to review key operational risks, including steps taken by management to control such risks.

In the event of a potentially material cybersecurity incident impacting Citi, the Board would be made aware of such incident via lines of communication that run from the Chief Information Security Office to senior management and also to the Board. This contemporaneous reporting on significant cyber events includes information and discussion around incident response, legal obligations (including disclosure), and outreach and notification to regulators and customers when needed.

For additional information on the Board's oversight of cybersecurity risk management, see Citi's upcoming 2025 Annual Meeting Proxy Statement to be filed with the SEC in March 2025.

### **COMPLIANCE RISK**

Compliance risk is the risk to current or projected financial condition and resilience arising from violations of laws, rules or regulations, or from non-conformance with prescribed practices, internal policies and procedures or ethical standards. Compliance risk exposes Citi to fines, civil money penalties, payment of damages and the voiding of contracts. Compliance risk can result in diminished reputation, harm to Citi's customers, limited business opportunities and lessened expansion potential. It encompasses the risk of noncompliance with all laws and regulations, as well as prudent ethical standards and some contractual obligations. It could also include exposure to litigation (known as legal risk) from all aspects of traditional and non-traditional banking.

Citi seeks to operate with integrity, maintain strong ethical standards and adhere to applicable policies and regulatory and legal requirements. Citi must maintain and execute a proactive Compliance Risk Management (CRM) Framework (as set forth in the CRM Policy) that is designed to

manage compliance risk effectively across Citi, with a view to fundamentally strengthen the compliance risk management culture across the lines of defense taking into account Citi's risk governance framework and regulatory requirements.

Independent Compliance Risk Management's (ICRM) primary objectives are to:

- Drive and embed a culture of compliance and control throughout Citi;
- Maintain and oversee an integrated CRM Framework that facilitates enterprise-wide compliance with local, national or cross-border laws, rules or regulations, Citi's internal policies, standards and procedures and relevant standards of conduct;
- Assess compliance risks and issues across product lines, functions and geographies, supported by globally consistent systems and compliance risk management processes; and
- Provide compliance risk data aggregation and reporting capabilities.

Citi carries out its objectives and fulfills its responsibilities through the CRM Framework, which is composed of the following integrated key activities, to holistically manage compliance risk:

- Management of Citi's compliance with laws, rules and regulations by identifying and analyzing changes, assessing the impact and implementing appropriate policies, processes and controls;
- Developing and providing compliance training to ensure employees are aware of and understand the key laws, rules and regulations;
- Monitoring the Compliance Risk Appetite, which is articulated through qualitative compliance risk statements describing Citi's appetite for certain types of risk and quantitative measures to monitor the Company's compliance risk exposure;
- Executing Compliance Risk Assessments, the results of which inform Compliance Risk Monitoring and testing of compliance risks and controls in assessing conformance with laws, rules, regulations and internal policies; and
- Issue identification, escalation and remediation to drive accountability, including measurement and reporting of compliance risk metrics against established thresholds in support of the CRM Policy and Compliance Risk Appetite.

To anticipate, control and mitigate compliance risk, Citi has established the CRM Policy to achieve standardization and centralization of methodologies and processes, and to enable more consistent and comprehensive execution of compliance risk management.

Citi has a commitment, as well as an obligation, to identify, assess and mitigate compliance risks associated with its businesses and functions. ICRM is responsible for oversight of Citi's CRM Policy, while all businesses and global control functions are responsible for managing their compliance risks and operating within the Compliance Risk Appetite.

As discussed above, Citi is working to address the FRB and OCC Consent Orders and the OCC's 2024 Consent Order Amendment, which include improvements to Citi's CRM Framework and its enterprise-wide application (see "Citi's Multiyear Transformation—FRB and OCC Consent Orders Compliance" above).

## **REPUTATION RISK**

Citi's reputation is a vital asset in building trust, and Citi is diligent in enhancing and protecting its reputation with its key stakeholders. To support this, Citi has developed a reputation risk framework. Under this framework, Citigroup and Citibank, N.A. have implemented a risk appetite statement and related key indicators to monitor corporate activities and operations relative to Citi's risk appetite. The framework also requires that business segments escalate potential material reputation risks that require review or mitigation through the applicable business Management Forum or Group Reputation Risk Committee.

The Group Reputation Risk Committee and Management Forums, which are composed of Citi's senior executives, govern the process by which material reputation risks are identified, measured, monitored, controlled, escalated and reported. The Group Reputation Risk Committee and Management Forums determine the appropriate actions to be taken in line with risk appetite and regulatory expectations, while promoting a culture of risk awareness and high standards of integrity and ethical behavior across the Company, consistent with Citi's Mission and Value Proposition. The Group Reputation Risk Committee may escalate reputation risks to the Nomination, Governance and Public Affairs Committee or other appropriate committee of the Citigroup Board of Directors.

Every Citi employee is responsible for safeguarding Citi's reputation, guided by Citi's Code of Conduct. Employees are expected to exercise sound judgment and common sense in decisions and actions. They are also expected to promptly escalate all issues that present material reputation risk in line with policy.

## **STRATEGIC RISK**

As discussed above, strategic risk is the risk of a sustained impact (not episodic impact) to Citi's core strategic objectives as measured by impacts on anticipated earnings, market capitalization or capital, arising from external factors affecting the Company's operating environment, as well as the risks associated with defining and executing the strategy, which are identified, measured and managed as part of the Strategic Risk Framework at the Enterprise Level.

In this context, external factors affecting Citi's operating environment are the economic environment, geopolitical/political landscape, industry/competitive landscape, environmental, customer/client behavior, regulatory/legislative environment and trends related to investors/shareholders. Material strategic risks that Citi is monitoring include the impacts of adverse changes in inflation and interest rates in the U.S., as well as macroeconomic uncertainties driven by weak global growth, tariffs and geopolitical issues, including the Middle East conflict, the Russia-Ukraine war and U.S.-China tensions, and increased regulatory requirements. In addition to

external factors affecting Citi's operating environment, Citi also monitors risks related to the execution of its strategy, with heightened focus on delivering the transformation of its risk and control environment pursuant to the 2020 FRB and OCC Consent Orders and the 2024 Amendment to the OCC's Consent Order.

Citi's Executive Management Team is responsible for the development and execution of Citi's strategy. This strategy is translated into forward-looking plans (collectively Citi's Strategic Plan) that are then cascaded across the organization. Citi's Strategic Plan is presented to the Board on an annual basis, and is aligned with risk appetite thresholds and includes a risk assessment as required by internal frameworks. It is also aligned with limit requirements for capital allocation. Governance and oversight of strategic risk is facilitated by internal committees on a group-wide basis.

Citi works to ensure that strategic risks are adequately considered and addressed across its various risk management activities, and that strategic risks are assessed in the context of Citi's risk appetite. Citi conducts a top-down, bottom-up risk identification process to identify risks, including strategic risks. Business segments undertake a quarterly risk identification process to systematically identify and document all material risks faced by Citi. Independent Risk Management oversees the risk identification process through regular reviews and coordinates identification and monitoring of top risks. In addition, Citi performs a quarterly Risk Assessment of the Plan (RAOP) and continuously monitors risks associated with its execution of strategy. Independent Risk Management also manages strategic risk by monitoring risk appetite thresholds in conjunction with its Global Strategic Risk Committee, which is part of the governance structure that Citi has in place to manage its strategic risks.

For additional information on Citi's strategic risks, see "Risk Factors—Strategic Risks" above.

## **Climate Risk**

Climate change presents near- and long-term risks to Citi and its clients and customers, with the risks expected to increase over time. Climate risk refers to the risk of loss arising from climate change and comprises both physical risk and transition risk.

Climate risk is an overarching risk that can act as a driver of other categories of risk, such as credit risk from obligors exposed to high climate risk, strategic risks if Citi fails to consider transition risk in client selection, reputational risk from increased stakeholder concerns about financing or failing to finance high-carbon industries and operational risk from physical risks to Citi's facilities. Citi continues to make progress toward embedding climate-related considerations into its overarching risk management approach, driven by the materiality of the financial and strategic risk considerations. For additional information on climate risk, see "Risk Factors—Strategic Risks" above.

Citi continues to develop globally consistent principles and approaches for managing climate risk across the Company through its Climate Risk Management Framework (Climate RMF). The Climate RMF provides information on the governance, roles and responsibilities, and principles to

support the identification, measurement, monitoring, controlling and reporting of climate risks.

Citi continues to enhance its methodologies for quantifying how climate risks could impact the individual credit profiles of its clients across various sectors. Citi has developed and embedded sector-specific climate risk assessments in its credit underwriting process for certain sectors that have been identified as higher climate risk. Such climate risk assessments are designed to incorporate publicly available client disclosures and data from third-party providers and facilitate conversations with clients on their most material climate risks and management plans for adaptation and mitigation. These assessments help Citi to better understand its clients' businesses and climate-related risks, and support their financial needs.

Citi also reviews factors related to climate risk associated with financed projects and clients in certain sectors under its Environmental and Social Risk Management (ESRM) Policy. Citi's ESRM Policy describes sector approaches to certain high-carbon sectors, including thermal coal mining and power.

Furthermore, Citi participates in financial industry and regulatory initiatives that inform the measurement and assessment of potential financial risks of climate change, including scenario analysis. Citi also continues to monitor and actively engage with regulators on climate risk and sustainable finance developments.

For additional information about sustainability at Citi, see "Net Zero and Sustainability" above.

## OTHER RISKS

### Country Risk

#### Top 25 Country Exposures

The following table presents Citi's top 25 exposures by country (excluding the U.S.) as of December 31, 2024. (Including the U.S., Citi's top 25 exposures by country would represent approximately 98% of Citi's exposure to all countries as of December 31, 2024.)

For purposes of the table, loan amounts are reflected in the country where the loan is booked, which is generally based on the domicile of the borrower. For example, a loan to a Chinese subsidiary of a Switzerland-based corporation will generally be categorized as a loan in China. In addition, Citi has developed regional booking centers in certain countries, most significantly in the United Kingdom (U.K.) and Ireland,

in order to more efficiently serve its corporate customers. As an example, with respect to the U.K., only 43% of corporate loans presented in the table below are to U.K. domiciled counterparties (47% for unfunded commitments), with the balance of the loans predominately to counterparties domiciled in other European countries. Approximately 90% of the total U.K. funded loans and 87% of the total U.K. unfunded commitments were investment grade as of December 31, 2024.

Trading account assets and investment securities are generally categorized based on the domicile of the issuer of the security or the underlying reference entity. For additional information on the assets included in the table, see the footnotes to the table below.

For additional information on Citi's country exposure, see "FFIEC—Cross-Border Claims on Third Parties and Local Country Assets" below.

<i>In billions of dollars</i>	Services, Markets and Banking loans	Wealth loans <sup>(1)</sup>	Legacy Franchises loans	Other funded <sup>(2)</sup>	Unfunded <sup>(3)</sup>	Net MTM on derivatives/repos <sup>(4)</sup>	Total hedges (on loans and CVA)	Investment securities <sup>(5)</sup>	Trading account assets <sup>(6)</sup>	Total as of 4Q24	Total as of 3Q24	Total as of 4Q23 <sup>(7)</sup>	Total as of 4Q24 as a % of Citi as of 4Q24
<b>United Kingdom</b>	\$ 38.1	\$ 4.6	\$ —	\$ 2.6	\$ 43.4	\$ 15.1	\$ (4.5)	\$ 6.7	\$ 3.2	\$ 109.2	\$ 109.5	\$ 104.8	<b>6.2 %</b>
<b>Mexico</b>	9.4	0.1	23.1	0.3	6.7	8.4	(3.4)	19.8	1.0	<b>65.4</b>	64.7	72.4	<b>3.7</b>
<b>Ireland</b>	15.9	—	—	0.9	44.6	0.2	(0.2)	—	0.6	<b>62.0</b>	56.9	51.7	<b>3.5</b>
<b>Hong Kong</b>	11.4	21.5	—	0.3	4.9	1.4	(0.5)	10.6	0.6	<b>50.2</b>	50.9	44.2	<b>2.8</b>
<b>Singapore</b>	12.3	17.4	—	0.3	5.8	1.2	(0.5)	5.5	0.7	<b>42.7</b>	43.4	43.7	<b>2.4</b>
<b>India</b>	9.1	—	—	0.3	3.5	2.5	(0.4)	8.5	1.9	<b>25.4</b>	26.1	22.4	<b>1.4</b>
<b>Brazil</b>	12.0	—	—	—	2.7	5.0	(0.6)	4.7	1.4	<b>25.2</b>	27.3	33.3	<b>1.4</b>
<b>United Arab Emirates</b>	7.2	1.5	—	0.6	5.1	0.2	(0.3)	5.3	—	<b>19.6</b>	17.3	17.3	<b>1.1</b>
<b>South Korea</b>	2.5	—	3.2	—	1.1	1.2	(0.5)	6.7	3.4	<b>17.6</b>	18.9	18.4	<b>1.0</b>
<b>Canada</b>	1.3	1.3	—	0.1	6.1	3.3	(1.4)	2.9	3.6	<b>17.2</b>	14.6	14.3	<b>1.0</b>
<b>Poland</b>	3.3	—	1.5	—	3.8	0.3	(0.2)	6.3	1.3	<b>16.3</b>	15.6	15.1	<b>0.9</b>
<b>Japan</b>	1.9	—	—	0.1	3.5	6.1	(1.7)	4.6	0.8	<b>15.3</b>	16.6	14.4	<b>0.9</b>
<b>China</b>	5.3	—	—	0.5	0.9	1.2	(1.1)	8.1	(0.2)	<b>14.7</b>	15.7	18.9	<b>0.8</b>
<b>Australia</b>	6.2	0.1	—	—	5.0	1.8	(0.8)	0.9	0.6	<b>13.8</b>	14.7	15.0	<b>0.8</b>
<b>Jersey</b>	2.5	2.2	—	—	6.2	—	—	—	—	<b>10.9</b>	12.1	11.6	<b>0.6</b>
<b>Germany</b>	0.4	—	—	0.1	6.8	6.2	(3.8)	6.7	(5.5)	<b>10.9</b>	10.6	21.5	<b>0.6</b>
<b>Taiwan</b>	4.2	—	—	—	0.5	0.4	(0.1)	0.8	(0.3)	<b>5.5</b>	5.5	4.4	<b>0.3</b>
<b>Malaysia</b>	1.5	—	—	0.1	0.8	0.1	(0.2)	2.8	0.1	<b>5.2</b>	5.6	5.3	<b>0.3</b>
<b>Luxembourg</b>	—	1.1	—	—	—	0.2	(0.4)	3.9	0.2	<b>5.0</b>	5.0	5.1	<b>0.3</b>
<b>Thailand</b>	1.0	—	—	0.1	0.5	—	—	2.6	0.6	<b>4.8</b>	5.1	3.7	<b>0.3</b>
<b>Indonesia</b>	1.7	—	—	—	0.4	—	(0.1)	2.2	0.6	<b>4.8</b>	5.1	4.5	<b>0.3</b>
<b>South Africa</b>	1.6	—	—	—	0.6	0.3	(0.2)	2.2	0.2	<b>4.7</b>	4.8	4.4	<b>0.3</b>
<b>Czech Republic</b>	0.9	—	—	—	0.7	1.5	—	1.3	0.1	<b>4.5</b>	4.5	5.2	<b>0.3</b>
<b>Philippines</b>	0.6	—	—	—	0.2	1.6	(0.5)	2.1	0.5	<b>4.5</b>	3.3	4.3	<b>0.3</b>
<b>Spain</b>	0.4	—	—	—	2.6	0.3	(1.2)	—	1.7	<b>3.8</b>	3.9	2.7	<b>0.2</b>
<b>Total as a % of Citi's total exposure</b>													<b>31.7 %</b>
<b>Total as a % of Citi's non-U.S. total exposure</b>													<b>91.5 %</b>

(1) *Wealth* loans reflect funded corporate loans and Private Bank loans, net of unearned income. As of December 31, 2024, Private Bank loans in the table above totaled \$18.6 billion, concentrated in Hong Kong (\$5.9 billion), Singapore (\$4.8 billion) and the U.K. (\$3.8 billion).

(2) Other funded includes Legacy Franchises and other direct exposures such as accounts receivable, loans HFS, other loans in Corporate/Other and investments accounted for under the equity method.

- (3) Unfunded exposure includes unfunded corporate lending commitments, letters of credit and other contingencies.
- (4) Net mark-to-market (MTM) counterparty risk on OTC derivatives and securities lending/borrowing transactions (repos). Exposures are net of collateral and inclusive of CVA. Also includes margin loans.
- (5) Investment securities include debt securities AFS, recorded at fair market value, and debt securities HTM, recorded at amortized cost.
- (6) Trading account assets are on a net basis and include issuer risk on cash products and derivative exposure where the underlying reference entity/issuer is located in that country.
- (7) As of December 31, 2023, \$0.3 billion of *All Other*—Legacy Franchises loans were reclassified to HFS as a result of Citi’s agreement to sell its credit card portfolio in China. There were no such balances to report as of December 31, 2024 or September 30, 2024. See “*All Other*—Legacy Franchises” above and Note 2.

## Russia

### Overview

Citi previously ended nearly all of the institutional banking services it offered in Russia and ceased soliciting any new business or new clients in the country, with the remaining services only those necessary to fulfill its remaining legal and regulatory obligations, as well as support its employees.

Citi’s net investment in Russia was less than \$0.1 billion as of December 31, 2024 (down from \$0.2 billion at September 30, 2024). The decrease in the net investment was driven by increases in transfer risk associated with safety and soundness considerations under U.S. banking law, partially offset by an increase in interest income and custody revenue during the quarter. For more information on transfer risk reserves, see “Significant Accounting Policies and Significant Estimates—Citi’s Allowance for Credit Losses (ACL)” below.

In addition, Citi significantly reduced its *All Other*—Legacy Franchises consumer loan portfolio in Russia (reported

as part of Asia Consumer), largely due to loan portfolio sales and its entry into a credit card referral agreement with a Russian bank. For additional information, see “Citi’s Wind-Down of Its Russia Operations” below.

Citi’s remaining operations are conducted through *Services, Markets, Banking* and *All Other*—Legacy Franchises. Citi continues to monitor the war in Ukraine, related sanctions and economic conditions and continues to mitigate its Russia exposures and risks as appropriate.

For additional information about Citi’s risks related to its Russia exposures, see “Risk Factors—Market-Related Risks,” “—Operational Risks” and “—Other Risks” above.

### **Impact of the Russia–Ukraine War on Citi’s Businesses**

#### *Russia-related Balance Sheet Exposures*

Citi’s remaining domestic operations in Russia are conducted through a subsidiary of Citibank, AO Citibank, which uses the Russian ruble as its functional currency.

The following table summarizes Citi’s and its clients’ Russia-related exposures:

<i>In billions of U.S. dollars</i>	December 31, 2024	September 30, 2024	December 31, 2023	Change 4Q24 vs. 3Q24
Loans	\$ —	\$ —	\$ 0.1	\$ —
Investment securities <sup>(1)</sup>	\$ 0.1	\$ 0.2	\$ 0.4	\$ (0.1)
Net MTM on derivatives/repos	\$ —	\$ —	\$ 0.9	\$ —
Cash on deposit and placements <sup>(2)</sup>	\$ 1.4	\$ 1.3	\$ 0.4	\$ 0.1
Additional exposures to Russian counterparties that are not held by the Russian subsidiary	\$ 0.1	\$ 0.1	\$ 0.1	\$ —
<b>Total Citi exposure</b>	<b>\$ 1.6</b>	<b>\$ 1.6</b>	<b>\$ 1.9</b>	<b>\$ —</b>
Deposit Insurance Agency (DIA) <sup>(3)</sup>	\$ 7.2	\$ 5.8	\$ 3.9	\$ 1.4
Net MTM on derivatives/repos	\$ —	\$ —	\$ 0.5	\$ —
Cash on deposit and placements <sup>(2)</sup>	\$ 0.2	\$ 1.7	\$ 0.3	\$ (1.5)
<b>Total clients’ exposure<sup>(4)</sup></b>	<b>\$ 7.4</b>	<b>\$ 7.5</b>	<b>\$ 4.7</b>	<b>\$ (0.1)</b>
<b>Total Citi and clients’ Russia-related exposure<sup>(5)</sup></b>	<b>\$ 9.0</b>	<b>\$ 9.1</b>	<b>\$ 6.6</b>	<b>\$ (0.1)</b>

(1) Investment securities include debt securities AFS, recorded at fair market value, primarily local government debt securities.

(2) Cash on deposit and placements are primarily with the Central Bank of Russia. Due to sanctions restrictions, as well as Citi being unable to enter into reverse repos beginning in the third quarter of 2024, any excess liquidity is placed with the Central Bank of Russia.

(3) Represents dividends relating to Russian securities held by Citi in its role as custodian for clients in Russia, which Citi is required by local regulation to hold at the DIA. Citi is unable to remit these funds, which are held at clients’ risk, to these clients due to restrictions imposed by the Russian government.

(4) Clients’ exposure of \$7.4 billion as of December 31, 2024, primarily consists of corporate dividends that Citi cannot remit to its clients due to restrictions imposed by the Russian government and are held with the DIA.

(5) Citigroup’s CTA loss of \$1.6 billion as of December 31, 2024 included in its *AOCI* related to its indirect subsidiary, AO Citibank, and \$0.9 billion of intercompany liabilities owed by AO Citibank to other Citi entities outside Russia are excluded from the above table. Citi has separately described these amounts in “Deconsolidation Risk” below.

During the fourth quarter of 2024, Citi's Russia-related exposures remained unchanged at \$1.6 billion at December 31, 2024. Total clients' exposures decreased \$0.1 billion to \$7.4 billion, primarily driven by depreciation of the Russian ruble, partially offset by inflows from dividends received from Russian corporations on behalf of Citi's clients. As discussed in the table above, clients' exposures primarily consist of corporate dividends that Citi cannot remit to its clients due to restrictions imposed by the Russian government and are held with the DIA at clients' risk.

Citi hedges its Russian ruble/U.S. dollar spot FX exposure in *AOCI* through the purchase of FX derivatives. The ongoing mark-to-market of the hedging derivatives is also reported in *AOCI*. When the Russian ruble depreciates against the U.S. dollar, the U.S. dollar equivalent value of Citigroup's investment in AO Citibank also declines. This change in value is offset by the change in value of the hedging instrument (FX derivative). Going forward, Citi may record devaluations on its net ruble-denominated assets in earnings, without the benefit from a change in the fair value of derivative positions used to economically hedge the exposures.

#### ***Earnings and Other Impacts on Citi's Businesses***

*Services, Markets, Banking and All Other*—Legacy Franchises results have been impacted by various macroeconomic factors and volatilities, including the war in Ukraine and its direct and indirect impacts on the European and global economies. For a broader discussion of the impacts of these factors and volatilities on Citi's businesses, see "Executive Summary" and each business's results of operations above.

As of December 31, 2024, Citigroup's ACL included less than \$0.1 billion of remaining credit reserves for Citi's direct Russian counterparties (largely unchanged from September 30, 2024). This balance does not include the additional reserves for transfer risk associated with exposures in Russia.

#### ***Citi's Wind-Down of Its Russia Operations***

In August 2022, Citi disclosed its decision to wind down its Russia consumer, local commercial and institutional banking businesses, including actively pursuing portfolio sales. In connection with this wind-down, Citi has incurred approximately \$73 million to date in charges, largely from restructuring, vendor termination fees and other related charges. Citi expects to incur an additional approximate \$30 million in estimated charges (in *All Other*, excluding the impact from any portfolio sales). For additional information about Citi's continued efforts to reduce its operations and exposure in Russia, see "Risk Factors" above and Note 2.

#### ***Deconsolidation Risk***

Citi's remaining operations in Russia subject it to various risks, including, among others, foreign currency volatility, including appreciation or devaluation; restrictions arising from retaliatory Russian laws and regulations on the conduct of its business; sanctions or asset freezes; or other deconsolidation events (see "Risk Factors—Other Risks" above).

As of December 31, 2024, Citi continued to consolidate AO Citibank because none of the deconsolidation factors were triggered. Examples of factors that may result in deconsolidation of AO Citibank include voluntary or forced sale of ownership or loss of control due to actions of relevant governmental authorities, including expropriation (i.e., the entity becomes subject to the complete control of a government, court, administrator, trustee or regulator); revocation of banking license; and loss of ability to elect a board of directors or appoint members of senior management.

In the event Citi deems there is a loss of control, for example, through expropriation of AO Citibank, Citi would be required to (i) write off the net investment of less than \$0.1 billion (compared to \$0.2 billion as of September 30, 2024), (ii) recognize a CTA loss of approximately \$1.6 billion (unchanged from September 30, 2024) through earnings and (iii) recognize a loss of \$0.9 billion (a \$0.2 billion increase from September 30, 2024) on intercompany liabilities owed by AO Citibank to other Citi entities outside Russia. In the sole event of a substantial liquidation, as opposed to a loss of control, Citi would be required to recognize the CTA loss of approximately \$1.6 billion through earnings and would evaluate its remaining net investment as circumstances evolve. The \$1.6 billion CTA write-off through earnings under either event is expected to be largely equity neutral, since the reversal of the CTA loss out of *AOCI* would improve Citi's total *AOCI*.

#### ***Citi as Paying Agent for Russia-related Clients***

Citi serves or served as paying agent on bonds issued by various entities in Russia, including Russian corporate clients. Citi's role as paying agent is administrative. In this role, Citi acts as an agent of its client, the bond issuer, receiving interest and principal payments from the bond issuer and then making payments to international central securities depositories (e.g., Depository Trust Company, Euroclear, Clearstream). The international central securities depositories (ICSDs) make payments to those participants or account holders (e.g., broker/dealers) that have clients who are investors in the applicable bonds (i.e., bondholders). As a paying agent, Citi generally does not have information about the identity of the bondholders. Citi may be exposed to risks due to its responsibilities for receiving and processing payments on behalf of its clients as a result of sanctions or other governmental requirements and prohibitions. To mitigate operational and sanctions risks, Citi has established policies, procedures and controls for client relationships and payment processing to help ensure compliance with U.S., U.K., EU and other jurisdictions' sanctions laws.

These processes may require Citi to delay or withhold the processing of payments as a result of sanctions on the bond issuer. Citi is also prevented from making payments to accounts on behalf of bondholders should the ICSDs disclose

to Citi the presence of sanctioned bondholders. In both instances, Citi is generally required to segregate, restrict or block the funds until applicable sanctions are lifted or the payments are otherwise authorized under applicable law.

### **Reputational Risks**

Citi has continued its efforts to enhance and protect its reputation with its employees, clients, customers, investors, regulators and the public. Citi's response to the war in Ukraine, including any action or inaction, may have a negative impact on Citi's reputation with some or all of these parties.

For example, Citi is exposed to reputational risk as a result of its remaining presence in Russia and association with Russian individuals or entities, whether subject to sanctions or not, including Citi's inability to support its global clients in Russia, which could adversely affect its broader client relationships and businesses; current involvement in transactions or supporting activities involving Russian assets or interests; failure to correctly interpret and apply laws and regulations, including those related to sanctions; perceived misalignment of Citi's actions to its stated strategy in Russia; and the reputational impact from Citi's activity and engagement with Ukraine or with non-Russian clients exiting their Russia businesses.

While Citi announced its intention to wind down its businesses in Russia, Citi will continue to manage those operations during the wind-down process and will be required to maintain certain limited operations to fulfill its remaining legal and regulatory obligations. Also, sanctions and compliance are highly complex and may change over time and result in increased operational risk. Failure to fully comply with relevant sanctions or the application of sanctions where they should not be applied may negatively impact Citi's reputation. In addition, Citi currently performs services for, conducts business with or deals in non-sanctioned Russian-owned businesses and Russian assets. This has attracted, and will likely continue to attract, negative attention, despite the previously disclosed plan to wind down nearly all its activities in the country, cessation of new business and client originations, and reduction of other exposures.

Citi's continued presence or divestiture of businesses in Russia could also increase its susceptibility to cyberattacks that could negatively impact its relationships with clients and customers, harm its reputation, increase its compliance costs and adversely affect its business operations and results of operations. For additional information on operational and cyber risks, see "Risk Factors—Operational Risks" above.

### **Board of Directors' Role in Overseeing Related Risks**

The Citigroup Board of Directors (Board) and the Board's Risk Management Committee (RMC) and its other Committees receive regular reports from senior management regarding global geopolitical, macroeconomic and reputational impacts to Citi (including the war in Ukraine and its impact on Citi's operations in Russia and Ukraine). The reports to the Board and its Committees from senior management who represent the impacted businesses and the international cluster, Independent Risk Management, Finance, Independent Compliance Risk Management, including those individuals responsible for sanctions compliance, and Human Resources,

have included detailed information regarding financial impacts, impacts on capital, cybersecurity, strategic considerations, sanctions compliance, employee assistance and reputational risks, enabling the Board and its Committees to properly exercise their oversight responsibilities. In addition, senior management has provided updates to Citi's Executive Management Team and the Board, outside of formal meetings, regarding cybersecurity matters (including Russia-specific risks).

### **Ukraine**

Citi has continued to operate in Ukraine throughout the war through its *Services*, *Markets* and *Banking* businesses, serving the local subsidiaries of multinationals, along with local financial institutions and the public sector. Citi employs approximately 220 people in Ukraine and their safety is Citi's top priority. All of Citi's domestic operations in Ukraine are conducted through a subsidiary of Citibank, which uses the Ukrainian hryvnia as its functional currency. As of December 31, 2024, Citi had \$1.7 billion of direct exposures related to Ukraine (an increase of \$0.2 billion from September 30, 2024).

### **Argentina**

Citi operates in Argentina through *Services*, *Markets* and *Banking*. As of December 31, 2024, Citi's net investment in its Argentine operations was approximately \$1.5 billion (compared to \$1.3 billion at September 30, 2024). Citi uses the U.S. dollar (USD) as the functional currency for its operations in countries such as Argentina that are deemed highly inflationary in accordance with GAAP. Citi therefore records the impact of exchange rate fluctuations on its net Argentine peso (ARS)-denominated assets directly in earnings. Citi uses Argentina's official market exchange rate to remeasure its net ARS-denominated assets into USD. As of December 31, 2024, the official ARS exchange rate was 1,032, which devalued by 6.3% against the USD during the fourth quarter of 2024.

The increase in Citi's net investment in Argentina in the fourth quarter of 2024 was largely due to earnings from Citi's normal onshore operations and a reserve release, driven by a decrease in transfer risk for safety and soundness considerations under U.S. banking law. The increase was partially offset by FX translation losses on the net investment.

The Central Bank of Argentina (BCRA) continues to maintain certain capital and currency controls that generally restrict Citi's ability to access USD in Argentina and remit earnings from its Argentine operations. The capital and currency controls have resulted in indirect foreign exchange mechanisms that some Argentine entities may use to obtain USD, generally at rates that are significantly higher than Argentina's official exchange rate. Citibank Argentina is generally precluded from accessing these alternative mechanisms, and under U.S. GAAP, these exchange mechanisms cannot be used to remeasure Citi's net monetary assets into USD. If Argentina's official exchange rate further converges with the approximate rate implied by the indirect foreign exchange mechanisms, Citi could incur additional translation losses on its net investment in Argentina. Accordingly, Citi seeks to reduce its overall ARS exposure in



Argentina while complying with local capital and currency exposure limitations.

Of the \$1.5 billion net investment in Argentina as of December 31, 2024, Citi's net ARS exposure was approximately \$1.1 billion (compared to \$0.9 billion as of September 30, 2024). Citi's net ARS exposure is less than its total net investment in Argentina as a result of Citi holding approximately \$175 million of USD-denominated loans as well as approximately \$200 million of certain local government bonds that are USD denominated. If Citi had not invested in such instruments to reduce its ARS exposure, Citi would have recognized additional translation losses during the fourth quarter of 2024. Given current economic conditions and the local capital, currency and regulatory limitations, Citi cannot guarantee the availability or effectiveness of such mechanisms to reduce its ARS exposure in the future.

In addition to reducing the ARS exposure, Citi also seeks to economically hedge the exposure to the extent possible and prudent using non-deliverable forward (NDF) derivative instruments that are primarily executed outside of Argentina. As of December 31, 2024, Citi hedged approximately \$0.4 billion of its ARS exposure through offshore hedges, including NDF derivative instruments. Citi was unable to hedge its remaining ARS exposure, given the illiquidity of the offshore NDF market. To the extent that Citi is unable to execute or renew NDF contracts in the future, Citi would record devaluations on its net ARS-denominated assets in earnings, without any benefit from a change in the fair value of such derivative positions used to economically hedge the exposure. Citi cannot predict the availability of hedging instruments in the future nor can it predict changes in foreign exchange rates and the resulting impact on earnings.

Citi continually evaluates its economic exposure to its Argentine counterparties and reserves for changes in credit risk and records mark-to-market adjustments for relevant market risks associated with its Argentine assets. Citi believes it has established an appropriate ACL on its Argentine loans, and appropriate fair value adjustments on Argentine assets and liabilities measured at fair value, for credit and sovereign risks under U.S. GAAP as of December 31, 2024. For additional information on Citi's emerging markets risks, including those related to its Argentine exposures, see "Risk Factors—Strategic Risks" above.

#### **FFIEC—Cross-Border Claims on Third Parties and Local Country Assets**

Citi's cross-border disclosures are presented below, based on the country exposure bank regulatory reporting guidelines of the Federal Financial Institutions Examination Council (FFIEC). The following summarizes some of the key FFIEC reporting guidelines:

- Amounts are based on the domicile of the ultimate obligor, counterparty, collateral (only including qualifying liquid collateral), issuer or guarantor, as applicable (e.g., a security recorded by a Citi U.S. entity but issued by the U.K. government is considered U.K. exposure; a loan recorded by a Citi Mexico entity to a customer domiciled in Mexico where the underlying collateral is held in Germany is considered German exposure).
- Amounts do not consider the benefit of collateral received for secured financing transactions (i.e., repurchase agreements, reverse repurchase agreements and securities loaned and borrowed) and are reported based on notional amounts.
- Netting of derivative receivables and payables, reported at fair value, is permitted, but only under a legally binding netting agreement with the same specific counterparty, and does not include the benefit of margin received or hedges.
- Credit default swaps (CDS) are included based on the gross notional amount sold and purchased and do not include any offsetting CDS on the same underlying entity.
- Loans are reported without the benefit of hedges.

Given the requirements noted above, Citi's FFIEC cross-border exposures and total outstandings tend to fluctuate, in some cases significantly, from period to period. As an example, because total outstandings under FFIEC guidelines do not include the benefit of margin or hedges, market volatility in interest rates, foreign exchange rates and credit spreads may cause significant fluctuations in the level of total outstandings, all else being equal.

The tables below present each country whose total outstandings exceeded 0.75% of total Citigroup assets:

December 31, 2024

<i>In billions of dollars</i>	<b>Cross-border claims on third parties and local country assets</b>									
	Banks (a)	Public (a)	NBFIs <sup>(1)</sup> (a)	Other (corporate and households) (a)	Trading assets <sup>(2)</sup> (included in (a))	Short-term claims <sup>(2)</sup> (included in (a))	Total outstanding <sup>(3)</sup> (sum of (a))	Commitments and guarantees <sup>(4)</sup>	Credit derivatives purchased <sup>(5)</sup>	Credit derivatives sold <sup>(5)</sup>
United Kingdom	\$ 6.0	\$ 30.2	\$ 34.3	\$ 18.4	\$ 13.7	\$ 69.6	\$ 88.9	\$ 28.0	\$ 52.8	\$ 50.6
Mexico	4.5	29.2	15.7	35.2	2.3	44.7	84.7	24.0	5.3	4.1
Cayman Islands	—	—	67.6	8.0	4.9	42.4	75.6	25.0	1.1	1.2
Japan	21.5	28.8	13.4	5.0	8.7	43.5	68.8	17.6	14.4	12.8
France	17.7	14.8	11.9	6.8	11.1	29.9	51.2	75.1	47.5	45.1
Singapore	1.3	20.0	7.5	16.7	1.7	36.8	45.5	17.3	0.4	0.3
Germany	2.9	21.4	7.6	6.7	7.8	24.3	38.6	14.1	36.7	33.8
Hong Kong	1.5	12.6	3.2	20.9	2.4	33.5	38.2	11.5	0.8	0.7
South Korea	5.4	18.5	4.0	9.5	8.2	28.1	37.3	6.2	3.5	2.6
India	2.1	17.3	5.5	11.2	5.8	27.1	36.1	3.7	0.5	0.3
Brazil	2.8	14.9	4.6	13.1	5.5	29.8	35.5	2.6	4.0	3.6
China	4.1	15.4	5.1	10.3	11.7	27.9	34.9	2.3	6.3	4.4
Canada	3.3	12.9	9.1	4.9	5.0	25.1	30.1	10.8	5.2	5.0
Netherlands	2.8	16.2	3.8	6.6	4.6	24.9	29.5	10.0	22.8	21.4
Ireland	0.1	4.1	11.7	3.6	1.5	18.3	19.4	11.1	2.6	2.4
Australia	1.3	6.0	8.7	3.3	2.6	16.0	19.2	4.8	1.6	1.5
Switzerland	1.3	9.8	1.6	5.2	2.4	16.5	17.9	8.2	13.6	12.2

December 31, 2023

<i>In billions of dollars</i>	<b>Cross-border claims on third parties and local country assets</b>									
	Banks (a)	Public (a)	NBFIs <sup>(1)</sup> (a)	Other (corporate and households) (a)	Trading assets <sup>(2)</sup> (included in (a))	Short-term claims <sup>(2)</sup> (included in (a))	Total outstanding <sup>(3)</sup> (sum of (a))	Commitments and guarantees <sup>(4)</sup>	Credit derivatives purchased <sup>(5)</sup>	Credit derivatives sold <sup>(5)</sup>
Cayman Islands	\$ —	\$ —	\$ 153.3	\$ 9.4	\$ 5.2	\$ 129.3	\$ 162.7	\$ 28.6	\$ 1.5	\$ 1.5
United Kingdom	5.5	23.8	43.7	19.5	11.9	59.8	92.5	29.9	63.2	62.4
Japan	29.8	29.6	19.9	8.3	16.3	61.1	87.6	12.8	14.1	11.9
Mexico	3.1	32.8	11.8	36.2	2.9	45.1	83.9	27.1	5.9	4.7
Germany	3.7	39.8	16.1	8.6	10.7	46.2	68.2	24.0	42.3	40.7
France	17.2	11.2	22.7	7.6	11.0	42.4	58.7	67.4	53.9	53.0
Singapore	1.9	18.7	8.8	17.1	1.6	38.6	46.5	17.9	0.9	0.8
Hong Kong	2.5	13.1	3.3	21.3	3.8	35.1	40.2	12.0	1.8	1.6
South Korea	5.3	17.2	4.9	12.2	7.7	30.7	39.6	9.5	5.8	4.8
Brazil	3.5	15.5	4.3	15.3	7.0	29.4	38.6	2.5	4.8	5.0
China	5.6	18.7	2.7	10.7	13.3	31.5	37.7	5.0	7.0	6.4
India	1.9	15.7	4.9	8.8	4.4	23.8	31.3	3.7	1.0	0.7
Canada	3.5	12.7	7.6	5.0	5.0	23.7	28.8	11.2	5.4	4.8
Netherlands	3.9	11.1	3.9	6.8	4.6	21.1	25.7	8.7	26.7	27.0
Australia	5.4	7.4	9.0	3.3	4.0	21.2	25.1	5.4	2.9	2.7
Ireland	0.1	3.7	14.3	3.5	2.3	20.4	21.6	7.5	2.7	2.6
Switzerland	4.9	9.2	1.1	5.2	2.6	17.3	20.4	7.9	15.6	15.0

(1) Non-bank financial institutions.

(2) Included in total outstanding.

(3) Total outstanding includes cross-border claims on third parties, as well as local country assets. Cross-border claims on third parties include cross-border loans, securities, deposits with banks and other monetary assets, as well as net revaluation gains on foreign exchange and derivative products.

(4) Commitments (not included in total outstanding) include legally binding cross-border letters of credit and other commitments and contingencies as defined by the FFIEC guidelines. The FFIEC definition of commitments includes commitments to local residents to be funded with local currency liabilities originated within the country.

(5) Credit default swaps (CDS) are not included in total outstanding.

## SIGNIFICANT ACCOUNTING POLICIES AND SIGNIFICANT ESTIMATES

This section contains a summary of Citi's most significant accounting policies. Note 1 contains a summary of all of Citigroup's significant accounting policies. These policies, as well as estimates made by management, are integral to the presentation of Citi's results of operations and financial condition. While all of these policies require a certain level of management judgment and estimates, this section highlights and discusses the significant accounting policies that require management to make highly difficult, complex or subjective judgments and estimates at times regarding matters that are inherently uncertain and susceptible to change (see also "Risk Factors—Operational Risks" above). Management has discussed each of these significant accounting policies, the related estimates and its judgments with the Audit Committee of the Citigroup Board of Directors.

### Valuations of Financial Instruments

Citigroup holds debt and equity securities, derivatives, retained interests in securitizations, investments in private equity and other financial instruments. A portion of these assets and liabilities is reflected at fair value on Citi's Consolidated Balance Sheet as *Trading account assets, Available-for-sale securities* and *Trading account liabilities*.

Citi purchases securities under agreements to resell (reverse repos or resale agreements) and sells securities under agreements to repurchase (repos), a substantial portion of which is carried at fair value. In addition, certain loans, short-term borrowings, long-term debt and deposits, as well as certain securities borrowed and loaned positions that are collateralized with cash, are carried at fair value. Citigroup holds its investments, trading assets and liabilities, and resale and repurchase agreements on Citi's Consolidated Balance Sheet to meet customer needs and to manage liquidity needs, interest rate risks and private equity investing.

When available, Citi generally uses quoted market prices to determine fair value and classifies such items within Level 1 of the fair value hierarchy established under ASC 820-10, *Fair Value Measurement*. If quoted market prices are not available, fair value is based on internally developed valuation models that use, where possible, current market-based or independently sourced market parameters, such as interest rates, currency rates and option volatilities. Such models are often based on a discounted cash flow analysis. In addition, items valued using such internally generated valuation techniques are classified according to the lowest level input or value driver that is significant to the valuation. Thus, an item may be classified under the fair value hierarchy as Level 3 even though there may be some significant inputs that are readily observable.

Citi is required to exercise subjective judgments relating to the applicability and functionality of internal valuation models, the significance of inputs or drivers to the valuation of an instrument and the degree of illiquidity and subsequent lack of observability in certain markets. The fair value of these instruments is reported on Citi's Consolidated Balance Sheet with the changes in fair value recognized in either the Consolidated Statement of Income or in *AOCI*.

Losses on available-for-sale securities whose fair values are less than the amortized cost, where Citi intends to sell the security or could more-likely-than-not be required to sell the security prior to recovery, are recognized in earnings. Where Citi does not intend to sell the security nor could more-likely-than-not be required to sell the security, any portion of the loss that is attributable to credit is recognized as an allowance for credit losses with a corresponding provision for credit losses, and the remainder of the loss is recognized in *AOCI*. Such losses are capped at the difference between the fair value and amortized cost of the security.

For equity securities carried at cost or under the measurement alternative, decreases in fair value below the carrying value are recognized as impairment in the Consolidated Statement of Income. Moreover, for certain equity method investments, decreases in fair value are only recognized in earnings in the Consolidated Statement of Income if such decreases are judged to be an other-than-temporary impairment (OTTI). Assessing if the fair value impairment is temporary is also inherently judgmental.

The fair value of financial instruments incorporates the effects of Citi's own credit risk and the market view of counterparty credit risk, the quantification of which is also complex and judgmental. For additional information on Citi's fair value analysis, see Notes 1, 6, 26 and 27.

### Citi's Allowance for Credit Losses (ACL)

The table below presents Citi's allowance for credit losses on loans (ACLL) and total ACL as of December 31, 2024 and 2023, as well as builds and releases during 2024. For information on the drivers of Citi's ACL net build in the fourth quarter of 2024, see below. See Note 1 for additional information on Citi's accounting policy on accounting for credit losses under ASC Topic 326, *Financial Instruments—Credit Losses; Current Expected Credit Losses (CECL)*.

In millions of dollars	Balance Dec. 31, 2023	ACL						Balance Dec. 31, 2024	ACLL/EOP loans Dec. 31, 2024 <sup>(1)</sup>
		1Q24	2Q24	3Q24	4Q24	2024	FX/Other		
Services	\$ 397	\$ 34	\$ (100)	\$ 7	\$ (71)	\$ (130)	\$ (3)	\$ 264	
Markets	820	120	(111)	37	167	213	(3)	1,030	
Banking	1,376	(89)	(51)	62	(122)	(200)	(9)	1,167	
Legacy Franchises corporate (Mexico SBMM and AFG) <sup>(1)(2)</sup>	121	(8)	(12)	(3)	10	(13)	(13)	95	
<b>Total corporate ACLL</b>	<b>\$ 2,714</b>	<b>\$ 57</b>	<b>\$ (274)</b>	<b>\$ 103</b>	<b>\$ (16)</b>	<b>\$ (130)</b>	<b>\$ (28)</b>	<b>\$ 2,556</b>	<b>0.87 %</b>
U.S. cards <sup>(3)(4)</sup>	\$ 12,626	\$ 326	\$ 357	\$ 10	\$ 221	\$ 914	\$ 20	\$ 13,560	7.93 %
Retail Banking	476	11	25	31	25	92	1	569	
Total USPB	\$ 13,102	\$ 337	\$ 382	\$ 41	\$ 246	\$ 1,006	\$ 21	\$ 14,129	
Wealth	767	(190)	(43)	8	(11)	(236)	(2)	529	
All Other consumer—managed basis <sup>(1)</sup>	1,562	(85)	11	58	102	86	(288)	1,360	
Reconciling Items <sup>(1)</sup>	—	—	—	—	—	—	—	—	
<b>Total consumer ACLL</b>	<b>\$ 15,431</b>	<b>\$ 62</b>	<b>\$ 350</b>	<b>\$ 107</b>	<b>\$ 337</b>	<b>\$ 856</b>	<b>\$ (269)</b>	<b>\$ 16,018</b>	<b>4.08 %</b>
<b>Total ACLL</b>	<b>\$ 18,145</b>	<b>\$ 119</b>	<b>\$ 76</b>	<b>\$ 210</b>	<b>\$ 321</b>	<b>\$ 726</b>	<b>\$ (297)</b>	<b>\$ 18,574</b>	<b>2.71 %</b>
Allowance for credit losses on unfunded lending commitments (ACLU <sup>C</sup> )	\$ 1,728	\$ (98)	\$ (8)	\$ 105	\$ (118)	\$ (119)	\$ (8)	\$ 1,601	
Total ACLL and ACLU <sup>C</sup>	\$ 19,873	\$ 21	\$ 68	\$ 315	\$ 203	\$ 607	\$ (305)	\$ 20,175	
Other <sup>(5)</sup>	1,883	14	107	160	131	412	(293)	2,002	
<b>Total ACL</b>	<b>\$ 21,756</b>	<b>\$ 35</b>	<b>\$ 175</b>	<b>\$ 475</b>	<b>\$ 334</b>	<b>\$ 1,019</b>	<b>\$ (598)</b>	<b>\$ 22,177</b>	

(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 IPO of Mexico Consumer/SBMM within Legacy Franchises. The Reconciling Items are fully reflected in the various line items in Citi's Consolidated Statement of Income. These items in the table above represent the 2024 quarterly ACL builds (releases) only. See "All Other—Divestiture-Related Impacts (Reconciling Items)" above.

(2) Includes Legacy Franchises corporate loans activity related to Mexico SBMM and the Assets Finance Group (AFG) (AFG was previously reported in Markets; all periods have been reclassified to reflect this move into Legacy Franchises), as well as other Legacy Holdings Assets corporate loans.

(3) As of December 31, 2024, in USPB, Branded Cards ACLL/EOP loans was 6.4% and Retail Services ACLL/EOP loans was 11.3%.

(4) The December 31, 2024 ACLL balance includes approximately \$20 million related to an acquired portfolio, which is also reflected in the FX/Other column in this table.

(5) Includes ACL on Other assets and Held-to-maturity debt securities. The ACL on Other assets includes ACL related to transfer risk associated with exposures outside the U.S., driven by safety and soundness considerations under U.S. banking law.

Citi's reserves for expected credit losses on funded loans and for unfunded lending commitments, standby letters of credit and financial guarantees are reflected on the Consolidated Balance Sheet in the *Allowance for credit losses on loans* (ACLL) and *Other liabilities* (for Allowance for credit losses on unfunded lending commitments (ACLU<sup>C</sup>)), respectively. In addition, Citi's reserves for expected credit losses on other financial assets carried at amortized cost, including held-to-maturity securities, reverse repurchase agreements, securities borrowed, deposits with banks and other financial receivables are reflected in *Other assets*. These reserves, together with the ACLL and ACLU<sup>C</sup>, are referred to as the ACL. Changes in the ACL are reflected as *Provision for credit losses* in the Consolidated Statement of Income for each

reporting period. Citi's ability to estimate expected credit losses over the reasonable and supportable (R&S) period is based on the ability to forecast economic activity over a R&S timeframe. The R&S forecast period for all loans is eight quarters.

The ACL is composed of quantitative and qualitative management adjustment components. The quantitative component uses three forward-looking macroeconomic forecast scenarios—base, upside and downside. The qualitative management adjustment component reflects risks and certain economic conditions not fully captured in the quantitative component. Both the quantitative and qualitative components are further discussed below.

### **Quantitative Component**

Citi estimates expected credit losses for its quantitative component using (i) its comprehensive internal data on loss and default history, (ii) internal credit risk ratings, (iii) external credit bureau and rating agencies information and (iv) R&S forecasts of macroeconomic conditions.

For its consumer and corporate portfolios, Citi's expected credit losses are determined primarily by utilizing models that consider the borrowers' probability of default (PD), loss given default (LGD) and exposure at default (EAD). The loss likelihood and severity models used for estimating expected credit losses are sensitive to changes in macroeconomic variables, including housing prices, unemployment rate and real GDP, and cover a wide range of geographic, industry, product and business segments.

In addition, Citi's models determine expected credit losses based on leading credit indicators, including loan delinquencies, changes in portfolio size, default frequency, risk ratings and loss recovery rates, as well as other credit trends.

### **Qualitative Component**

The qualitative management adjustment component includes risks that are not fully captured in the quantitative component. These may include but are not limited to portfolio characteristics, idiosyncratic events, factors not within historical loss data or the economic forecast, uncertainty in the credit environment and other factors as required by banking supervisory guidance for the ACL. The primary examples of these are the following:

- Transfer risk associated with exposures outside the U.S., driven by safety and soundness considerations under U.S. banking law
- Potential impacts on vulnerable industries and regions due to emerging macroeconomic risks and uncertainties, including those related to potential global recession, inflation, interest rates, commodity prices and geopolitical tensions
- Risk associated with consumer payment behavior given the elevated inflationary and interest rate environment

As of the fourth quarter of 2024, Citi's qualitative component of the ACL decreased quarter-over-quarter. The decrease was driven by factors such as a release related to reserves for specific risks and uncertainties impacting vulnerable industries and regions.

### **Macroeconomic Variables**

As further discussed below, Citi considers various global macroeconomic variables for the base, upside and downside probability-weighted macroeconomic scenario forecasts it uses to estimate the quantitative component of the ACL. Citi's forecasts of the U.S. unemployment rate and U.S. real GDP growth rate represent the macroeconomic variables that most significantly affect its estimate of the ACL.

The tables below present Citi's forecasted quarterly average U.S. unemployment rate and year-over-year U.S. real GDP growth rate used in determining the base macroeconomic forecast for Citi's ACL at each quarterly reporting period from 4Q23 to 4Q24:

<b>U.S. unemployment</b>	<b>Quarterly average</b>			<b>8-quarter average<sup>(1)</sup></b>
	<b>1Q25</b>	<b>3Q25</b>	<b>1Q26</b>	
Citi forecast at 4Q23	4.3 %	4.2 %	4.2 %	4.2 %
Citi forecast at 1Q24	4.1	4.1	3.9	4.0
Citi forecast at 2Q24	4.1	4.1	3.9	4.1
Citi forecast at 3Q24	4.4	4.4	3.9	4.2
Citi forecast at 4Q24	4.2	4.3	4.1	4.2

(1) Represents the average unemployment rate for the rolling, forward-looking eight quarters in the forecast horizon.

<b>U.S. real GDP</b>	<b>Year-over-year growth rate<sup>(1)</sup></b>		
	<b>Full year</b>	<b>2024</b>	<b>2025</b>
Citi forecast at 4Q23		1.4 %	1.7 %
Citi forecast at 1Q24		2.3	1.8
Citi forecast at 2Q24		2.4	1.8
Citi forecast at 3Q24		2.6	1.8
Citi forecast at 4Q24		2.7	2.2

(1) The year-over-year growth rate is the percentage change in the real (inflation adjusted) GDP level.

Under the base macroeconomic forecast as of the fourth quarter of 2024, U.S. real GDP growth is expected to slow during 2025 and 2026, while the unemployment rate is expected to increase in 2025, but decline in 2026.

### **Scenario Weighting**

Citi's ACL is estimated using three probability-weighted macroeconomic scenarios—base, upside and downside. The macroeconomic scenario weights are estimated using a statistical model, which, among other factors, takes into consideration key macroeconomic drivers of the ACL, severity of the scenario and other macroeconomic uncertainties and risks. Citi evaluates scenario weights on a quarterly basis.

Citi's downside scenario incorporates more adverse macroeconomic assumptions than the base scenario. For example, compared to the base scenario, Citi's downside scenario reflects a recession, including an elevated average U.S. unemployment rate of 6.8% over the eight-quarter R&S period, with a peak difference of 3.4% in the second quarter of 2026. The downside scenario also reflects a year-over-year U.S. real GDP contraction in 2025 of 1.8%, with a peak quarter-over-quarter difference to the base scenario of 1.3%.

Citi's ACL is sensitive to the various macroeconomic scenarios that drive the quantitative component of expected credit losses, due to changes in the length and severity of forecasted economic variables or events in the respective scenarios. Citi's downside scenario incorporates more adverse macroeconomic assumptions than the weighted scenario assumptions. To demonstrate this sensitivity, if Citi applied



100% weight to the downside scenario as of December 31, 2024 to reflect the most severe economic deterioration forecast in the macroeconomic scenarios, there would have been a hypothetical incremental increase in the ACL of approximately \$5.3 billion related to lending exposures, except for loans individually evaluated for credit losses and other financial assets carried at amortized cost.

This analysis does not incorporate any impacts or changes to the qualitative component of the ACL. These factors could change the outcome of the sensitivity analysis based on historical experience and current conditions at the time of the assessment. Given the uncertainty inherent in macroeconomic forecasting, Citi continues to believe that its ACL estimate based on a three probability-weighted macroeconomic scenario approach combined with the qualitative component remains appropriate as of December 31, 2024.

#### *4Q24 Changes in the ACL*

As further discussed below, Citi's ending ACL balance for the fourth quarter of 2024 was \$22.2 billion, a slight increase from September 30, 2024. The net build of \$0.3 billion in the quarter was primarily driven by growth in cards balances in *USPB*. Citi believes its analysis of the ACL reflects the forward view of the economic environment as of December 31, 2024. See Note 16 for additional information.

#### *Consumer Allowance for Credit Losses on Loans*

Citi's consumer ACLL is largely driven by U.S. cards (Branded Cards and Retail Services) in *USPB*. Citi's total consumer ACLL build was \$0.3 billion in the fourth quarter of 2024, primarily driven by growth in U.S. cards balances. This resulted in a December 31, 2024 ACLL balance of \$16.0 billion, or 4.08% of total funded consumer loans.

For U.S. cards, the level of reserves relative to total funded loans decreased to 7.93% at December 31, 2024, due to seasonal improvement, compared to 8.15% at September 30, 2024. For the remaining consumer exposures, the level of reserves relative to total funded loans was 1.11% at December 31, 2024, compared to 1.08% at September 30, 2024.

#### *Corporate Allowance for Credit Losses on Loans*

Citi had a corporate ACLL release of less than \$0.1 billion in the fourth quarter of 2024, largely driven by a release for specific risks and uncertainties impacting vulnerable industries and regions in *Banking* and lower transfer risk associated with exposures outside the U.S., driven by safety and soundness considerations under U.S. banking law in *Services*, partially offset by a build for changes in portfolio composition in *Markets*. This resulted in a December 31, 2024 ACLL balance of \$2.6 billion, or 0.87% of total funded corporate loans.

#### *ACLUC*

Citi had an ACLUC release of \$0.1 billion in the fourth quarter of 2024, largely driven by a release for specific risks and uncertainties impacting vulnerable industries and regions. The ACLUC reserve balance, included in *Other liabilities*, was \$1.6 billion at December 31, 2024.

#### *ACL on Other Financial Assets*

Citi had an ACL build of \$0.1 billion on other financial assets carried at amortized cost for the fourth quarter of 2024, primarily due to an increase in transfer risk associated with unremittable corporate dividends outside the U.S. being held on behalf of clients, driven by safety and soundness considerations under U.S. banking law. Including FX/Other, the ACL reserve balance of \$2.0 billion remained unchanged from September 30, 2024. See Note 16 for additional information.

#### *Regulatory Capital Impact*

Citi elected the modified CECL transition provision for regulatory capital purposes provided by the U.S. banking agencies' final rule. Accordingly, the Day One regulatory capital effects resulting from the adoption of CECL, 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 were fully reflected in Citi's regulatory capital as of January 1, 2025.

See Notes 1 and 16 for a further description of the ACL and related accounts.

#### *Goodwill*

Citi tests for goodwill impairment annually as of October 1 (the annual test) and conducts interim assessments between annual tests if an event occurs or circumstances change that would more-likely-than-not reduce the fair value of a reporting unit below its carrying amount. These events or circumstances include, among other things, a significant adverse change in the business climate, a decision to sell or dispose of all or a significant portion of a reporting unit or a sustained decrease in Citi's stock price.

Citigroup's activities were conducted through the reportable operating segments: *Services*, *Markets*, *Banking*, *Wealth* and *USPB*, with the remaining operations recorded in *All Other*, which includes activities not assigned to a specific operating segment as well as discontinued operations. Goodwill impairment testing is performed at the level below the operating segment (referred to as a reporting unit).

Citi performed its annual goodwill impairment test, which resulted in no impairment of any of Citi's reporting units' goodwill. No additional triggering events were identified and no goodwill was impaired during 2024. For each of the Company's reporting units, fair value exceeded carrying value by at least 10%.

Citi utilizes allocated tangible common equity as a proxy for the carrying value of its reporting units for purposes of goodwill impairment testing. The allocated equity in the reporting units is determined based on the capital the business would require if it were operating as a standalone entity, incorporating sufficient capital to be in compliance with both current and expected regulatory capital requirements, including capital for specifically identified goodwill and intangible assets. The capital allocated to the reporting units is incorporated into the annual budget process, which is approved by Citigroup's Board of Directors.



Goodwill impairment testing involves management judgment, requiring an assessment of whether the carrying value of a reporting unit can be supported by its fair value using widely accepted valuation techniques, such as the market approach (earnings multiples and/or transaction multiples) and/or the income approach (discounted cash flow (DCF) method). In applying these methodologies, Citi utilizes a number of factors, including actual operating results, future business plans, economic projections and market data.

Citi engaged an independent valuation specialist to assist in Citi's valuation of all the reporting units, primarily employing both the income and market approach to determine the fair value of the reporting units. The income approach utilized discount rates that Citi believes adequately reflected the risk and uncertainty in the financial markets in the internally generated cash flow projections. The market approach utilizes observable market data from comparable publicly traded companies, such as price-to-earnings or price-to-tangible book value ratios, to estimate a reporting unit's fair value. Management uses judgment in the selection of comparable companies and includes those with the most similar business activities.

The income approach employs a capital asset pricing model in estimating the discount rate. Since none of the Company's reporting units are publicly traded, individual reporting unit fair value determinations cannot be directly correlated to Citigroup's common stock price. The sum of the fair values of the reporting units exceeded the overall market capitalization of Citi as of October 1, 2024. However, Citi believes that it is not meaningful to reconcile the sum of the fair values of the Company's reporting units to its market capitalization due to several factors. The market capitalization of Citigroup reflects the execution risk in a transaction involving Citigroup due to its size. However, the individual reporting units' fair values are not subject to the same level of execution risk or a business model that is as global. In addition, the market capitalization of Citigroup does not include consideration of the individual reporting unit's control premium.

Unanticipated declines in business performance, increases in credit losses, increases in capital requirements and adverse regulatory or legislative changes, as well as deterioration in economic or market conditions, are factors that could result in a material impairment loss to earnings in a future period related to some portion of the associated goodwill. See Notes 1 and 17 for additional information on goodwill, including the changes in the goodwill balance year-over-year and the segments' goodwill balances as of December 31, 2024.

### **Litigation Accruals**

See the discussion in Note 30 for Citi's policies on establishing accruals for litigation and regulatory contingencies.

## **Income Taxes**

### **Overview**

Citi is subject to the income tax laws of the U.S., its states and local municipalities and the non-U.S. jurisdictions in which Citi operates. These tax laws are complex and are subject to differing interpretations by the taxpayer and the relevant governmental taxing authorities. Disputes over interpretations of the tax laws may be subject to review and adjudication by the court systems of the various tax jurisdictions or may be settled with the taxing authority upon audit.

In establishing a provision for income tax expense, Citi must make judgments and interpretations about the application of these inherently complex tax laws. Citi must also make estimates about when in the future certain items will affect taxable income in the various tax jurisdictions, both domestic and foreign. Deferred taxes are recorded for the future consequences of events that have been recognized in the financial statements or tax returns, based on enacted tax laws and rates. Deferred tax assets (DTAs) are recognized subject to management's judgment that realization is more-likely-than-not. For example, if it is more-likely-than-not that a carry-forward would expire unused, Citi would set up a valuation allowance against that DTA. Citi has established valuation allowances as described below.

As a result of the Tax Cuts and Jobs Act (Tax Reform), beginning in 2018, Citi is taxed on income generated by its U.S. operations at a federal tax rate of 21%. The effect on Citi's state tax rate is dependent upon how and when the individual states that have not yet addressed the federal tax law changes choose to adopt the various new provisions of the U.S. Internal Revenue Code.

Citi's non-U.S. branches and subsidiaries are subject to tax at their local tax rates. Non-U.S. branches also continue to be subject to U.S. taxation. The impact of this on Citi's earnings depends on the level of branch pretax income, the local branch tax rate, and allocations of overall domestic loss (ODL) and expenses for U.S. tax purposes to branch earnings. Citi expects no residual U.S. tax on such earnings. With respect to non-U.S. subsidiaries, dividends from these subsidiaries will be excluded from U.S. taxation. While the majority of Citi's non-U.S. subsidiary earnings are classified as global intangible low-taxed income (GILTI), Citi expects no material residual U.S. tax on such earnings based on its non-U.S. subsidiaries' local tax rates, which exceed, on average, the effective 13.125% GILTI tax rate. Finally, Citi does not expect the base erosion anti-abuse tax (BEAT) to affect its tax provision.

On January 4, 2022, final FTC regulations were published in the Federal Register, which eliminate the creditability of foreign taxes paid in certain situations. These include countries that do not align with U.S. tax principles in significant part and for services performed outside the recipient country. In 2023, the IRS announced that the effective date of these regulations was deferred until the IRS gives notice otherwise. The impact on Citi's effective tax rate is not expected to be material.

The Inflation Reduction Act was signed into law on August 16, 2022. The Act includes a new corporate alternative minimum tax (AMT) and a 1% excise tax on share repurchases, both effective January 1, 2023. The corporate AMT is a 15% minimum tax on financial statement income after adjusting for foreign taxes paid. Corporate AMT paid in one year is creditable against regular corporate tax liability in future years. Citi does not expect to pay material amounts of corporate AMT given its profitability and tax profile.

The 1% excise tax is a non-deductible tax on the fair market value of stock repurchased in the taxable year, reduced by the fair market value of any stock issued in the same year. See Note 11 for the 2024 impact on earnings per share related to the excise tax.

#### **Deferred Tax Assets and Valuation Allowances (VA)**

At December 31, 2024, Citi had net DTAs of \$29.8 billion. In the fourth quarter of 2024, Citi's DTAs decreased by \$0.2 billion, primarily as a result of the geographic mix of earnings. On a full-year basis, Citi's DTAs increased by \$0.2 billion from \$29.6 billion at December 31, 2023.

Of Citi's total net DTAs of \$29.8 billion as of December 31, 2024, \$12.8 billion, primarily related to tax carry-forwards, was deducted in calculating Citi's regulatory capital. Net DTAs arising from temporary differences are also deducted from regulatory capital if in excess of the 10%/15% limitations (see "Capital Resources" above). For the quarter and year ended December 31, 2024, Citi had \$3.0 billion of disallowed temporary difference DTAs (included in the \$12.8 billion above). The remaining \$17.0 billion of net DTAs as of December 31, 2024 was not deducted in calculating regulatory capital pursuant to Basel III standards and was appropriately risk weighted under those rules.

Citi's total VA at December 31, 2024 was \$4.3 billion, an increase of \$0.7 billion from \$3.6 billion at December 31, 2023. The increase was primarily driven by the generation of current-year FTCs in the branch basket. Citi's VA of \$4.3 billion is composed of \$3.3 billion on its FTC branch basket carry-forwards, \$0.6 billion on its U.S. residual DTA related to its non-U.S. branches, \$0.3 billion on local non-U.S. DTAs and \$0.1 billion on state net operating loss carry-forwards.

As stated above with regard to the impact of non-U.S. branches on Citi's earnings, the level of branch pretax income, the local branch tax rate and the allocations of ODL and expenses for U.S. tax purposes to the branch basket are the main factors in determining the branch VA. Additional ODL was created in 2024 as a result of reduced taxable income.

Recognized FTC carry-forwards in the general basket comprised approximately \$0.7 billion of Citi's DTAs as of December 31, 2024, compared to approximately \$1.2 billion as of December 31, 2023. The decrease in FTCs year-over-year was primarily due to current-year usage. The FTC carry-forward period represents the most time-sensitive component of Citi's DTAs.

Citi had an ODL of approximately \$9 billion at December 31, 2024, which allows Citi to elect a percentage between 50% and 100% of future years' domestic source income to be reclassified as foreign source income. (See Note 10 for a description of the ODL.)

The majority of Citi's U.S. federal net operating loss carry-forward and all of its New York State and City net operating loss carry-forwards are subject to a carry-forward period of 20 years. This provides enough time to fully utilize the net DTAs pertaining to these existing net operating loss carry-forwards. This is due to Citi's forecast of sufficient U.S. taxable income and the continued taxation of Citi's non-U.S. income by New York State and City.

Although realization is not assured, Citi believes that the realization of its recognized net DTAs of \$29.8 billion at December 31, 2024 is more-likely-than-not, based on management's expectations as to future taxable income in the jurisdictions in which the DTAs arise, as well as available tax planning strategies (as defined in ASC Topic 740, *Income Taxes*). Citi has concluded that it has the necessary positive evidence to support the realization of its net DTAs after taking its VAs into consideration.

See Note 10 for additional information on Citi's income taxes, including its income tax provision, tax assets and liabilities and a tabular summary of Citi's net DTAs balance as of December 31, 2024 (including the FTCs and applicable expiration dates of the FTCs). For information on Citi's ability to use its DTAs, see "Risk Factors—Strategic Risks" above and Note 10.

#### **Accounting Changes**

See Note 1 for a discussion of changes in accounting standards.

### **DISCLOSURE CONTROLS AND PROCEDURES**

Citi's disclosure controls and procedures are designed to ensure that information required to be disclosed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, including without limitation that information required to be disclosed by Citi in its SEC filings is accumulated and communicated to management, including the Chief Executive Officer (CEO) and Chief Financial Officer (CFO), as appropriate, to allow for timely decisions regarding required disclosure.

Citi's Disclosure Committee assists the CEO and CFO in their responsibilities to design, establish, maintain and evaluate the effectiveness of Citi's disclosure controls and procedures. The Disclosure Committee is responsible for, among other things, the oversight, maintenance and implementation of the disclosure controls and procedures, subject to the supervision and oversight of the CEO and CFO.

Citi's management, with the participation of its CEO and CFO, has evaluated the effectiveness of Citigroup's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934) as of December 31, 2024. Based on that evaluation, the CEO and CFO have concluded that at that date Citigroup's disclosure controls and procedures were effective.



## MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Citi's management is responsible for establishing and maintaining adequate internal control over financial reporting. Citi's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of its financial reporting and the preparation of financial statements for external reporting purposes in accordance with U.S. generally accepted accounting principles. Citi's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of Citi's assets, (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that Citi's receipts and expenditures are made only in accordance with authorizations of Citi's management and directors, and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of Citi's assets that could have a material effect on its financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Citi's management assessed the effectiveness of Citigroup's internal control over financial reporting as of December 31, 2024 based on the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control—Integrated Framework (2013)*. Based on this assessment, management has concluded that, as of December 31, 2024, Citi's internal control over financial reporting was effective. In addition, there were no changes in Citi's internal control over financial reporting during the fiscal quarter ended December 31, 2024 that materially affected, or are reasonably likely to materially affect, Citi's internal control over financial reporting.

The effectiveness of Citi's internal control over financial reporting as of December 31, 2024 has been audited by KPMG LLP, Citi's independent registered public accounting firm, as stated in their report below, which expressed an unqualified opinion on the effectiveness of Citi's internal control over financial reporting as of December 31, 2024.

## FORWARD-LOOKING STATEMENTS

Certain statements in this report, including but not limited to statements included within the Management's Discussion and Analysis of Financial Condition and Results of Operations, are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. In addition, Citigroup may make forward-looking statements in its other documents filed or furnished with the SEC, and its management may make forward-looking statements orally to analysts, investors, representatives of the media and others.

Generally, forward-looking statements are not based on historical facts but instead represent Citigroup's and its management's beliefs regarding future events. Such statements may be identified by words such as believe, expect, anticipate, intend, estimate, may increase, may fluctuate, target, outlook, guidance and illustrative, and similar expressions or future or conditional verbs such as will, should, would and could.

Such statements are based on management's current expectations and are subject to risks, uncertainties and changes in circumstances. Actual results of operations and financial conditions, including capital and liquidity, may differ materially from those included in these statements due to a variety of factors, including without limitation (i) the precautionary statements included within the "Executive Summary," "Citi's Multiyear Transformation" and each business's discussion and analysis of its results of operations and (ii) the factors listed and described under "Risk Factors" above.

Any forward-looking statements made by or on behalf of Citigroup speak only as to the date they are made, and Citi does not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the date that the forward-looking statements were made.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM



To the Stockholders and Board of Directors  
Citigroup Inc.:

*Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting*

We have audited the accompanying consolidated balance sheets of Citigroup Inc. and subsidiaries (the Company) as of December 31, 2024 and 2023, the related consolidated statements of income, comprehensive income, changes in stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2024, and the related notes (collectively, the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024 based on criteria established in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

*Basis for Opinions*

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying management's annual report on internal control over financial reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

*Definition and Limitations of Internal Control Over Financial Reporting*

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

*Critical Audit Matters*

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially

challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

*Assessment of the fair value of certain Level 3 assets and liabilities measured on a recurring basis*

As described in Notes 1 and 26 to the consolidated financial statements, the Company's assets and liabilities recorded at fair value on a recurring basis were \$834,645 million, net and \$317,033 million, net, respectively, at December 31, 2024. The Company estimated the fair value of Level 3 assets and liabilities measured on a recurring basis (\$9,194 million and \$28,755 million, respectively, at December 31, 2024) utilizing various valuation techniques with one or more significant inputs or significant value drivers being unobservable including, but not limited to, complex internal valuation models, alternative pricing procedures or comparables analysis and discounted cash flows.

We identified the assessment of the measurement of fair value for certain Level 3 assets and liabilities recorded at fair value on a recurring basis as a critical audit matter. A high degree of effort, including specialized skills and knowledge, and subjective and complex auditor judgment was involved in the assessment of the Level 3 fair values due to measurement uncertainty. Specifically, the assessment encompassed the evaluation of the fair value methodology, including methods, models and significant assumptions used to estimate fair value. Significant assumptions include the use of proxy information, the extrapolation and interpolation of proxy information, and the use of historic pricing information as well as certain model assumptions. The assessment also included an evaluation of the conceptual soundness and performance of the valuation models.

The following are the primary procedures we performed to address this critical audit matter. We involved valuation professionals with specialized skills and knowledge who assisted in evaluating the design and testing the operating effectiveness of certain internal controls related to the Company's Level 3 fair value measurements including controls over:

- valuation methodologies, including significant assumptions
- independent price verification
- evaluating that significant model assumptions reflected those which a market participant would use to determine an exit price in the current market environment
- the valuation models used were mathematically accurate and appropriate to value the financial instruments and
- relevant information used within the Company's models that was reasonably available was considered in the fair value determination.

We evaluated the Company's methodology for compliance with U.S. generally accepted accounting principles. We involved valuation professionals with specialized skills and knowledge who assisted in developing an independent fair value estimate for a selection of certain Level 3 assets and liabilities recorded at fair value on a recurring basis based on independently developed valuation models and assumptions, as applicable, using market data sources we determined to be relevant and reliable and compared our independent expectation to the Company's fair value measurements.

*Assessment of the allowance for credit losses collectively evaluated for impairment*

As described in Notes 1 and 16 to the consolidated financial statements, the Company's total allowance for credit losses on loans, leases and unfunded lending commitments was \$20,175 million as of December 31, 2024, which includes the allowance related to loans and unfunded lending commitments collectively evaluated for impairment (the collective ACLL). The expected credit losses for the quantitative component of the collective ACLL is the product of multiplying the probability of default (PD), loss given default (LGD), and exposure at default (EAD), which are determined utilizing models, for consumer and corporate loans. The PD, LGD, and EAD assumptions are determined based on three macroeconomic scenarios (base, downside and upside) multiplied by their respective scenario weights. The macroeconomic scenario weights are estimated based on a statistical model, which takes into consideration both internal and external forecasted macroeconomic variables over a reasonable and supportable period, after which mean reversion reflecting historical loss experience is used for the remaining life of the loan to estimate expected credit losses. The qualitative component considers, among other things, certain portfolio characteristics and idiosyncratic events. For consumer U.S. credit cards, the Company utilizes the payment rate approach to determine the payments needed to pay off the end-of-period balance in the estimation of the EAD. This approach incorporates payment rate curves and is used to estimate EAD. Reserves for unconditionally cancelable accounts are based on the expected life of the balance as of the evaluation date and do not include undrawn commitments that are unconditionally cancelable. In addition, the models for the delinquency-managed portfolios take into account leading credit indicators, including loan delinquencies and changes in portfolio size as well as economic trends, including current and future housing prices, unemployment, length of time in foreclosure, and costs to sell. The models for classifiably managed portfolios consider the credit quality as measured by risk ratings and economic factors.

We identified the assessment of the collective ACLL, specifically the quantitative component for the consumer U.S. credit cards which applies the delinquency-managed model and corporate loan portfolios which applies the classifiably managed model, and the qualitative component for the corporate portfolio as a critical audit

matter. A high degree of effort, including specialized skills and knowledge, and subjective and complex auditor judgment was involved in the assessment due to significant measurement uncertainty. Specifically, the assessment encompassed the evaluation of the various components of the collective ACLL methodology, including the methods and models used to estimate the PD, LGD, and EAD and certain significant assumptions for the Company's quantitative and qualitative components. The significant assumptions for consumer U.S. credit card loans encompass expected life as well as the reasonable and supportable forecasts for significant macroeconomic variables. The significant macroeconomic variables include U.S. unemployment (UER) and U.S. housing prices (HPI), which are utilized by the models. The significant assumptions for corporate loans encompass risk ratings, credit conversion factor for unfunded lending commitments, and reasonable and supportable forecast for significant macroeconomic variables. The significant macroeconomic variables include U.S. real gross domestic product (GDP) and UER, which are utilized by the model. The significant assumptions for the qualitative component for corporate loan portfolios include potential impacts on vulnerable industries and regions due to emerging macroeconomic risks and uncertainty including those related to potential global recession, inflation, interest rates, commodity prices, and geopolitical tensions. The assessment also included an evaluation of the conceptual soundness and performance of the PD, LGD, and EAD models. In addition, auditor judgment was required to evaluate the sufficiency of audit evidence obtained.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's measurement of the collective ACLL estimate, including controls over the:

- approval of the collective ACLL methodologies, including the PD, LGD, and EAD
- determination of the significant assumptions used to estimate the quantitative and qualitative components of the collective ACLL
- performance monitoring of the PD, LGD, and EAD models.

We evaluated the Company's process to develop the collective ACLL estimate by testing certain sources of data and assumptions that the Company used and considered the relevance and reliability of such data and assumptions. In addition, we involved credit risk professionals with specialized skills and knowledge, who assisted in:

- evaluating the Company's collective ACLL methodologies for compliance with U.S. generally accepted accounting principles
- continued assessment of the conceptual soundness and performance testing of the PD, LGD, and EAD models by inspecting the model documentation to determine whether the models are suitable for their intended use
- evaluating judgments made by the Company relative to the performance monitoring testing of the PD, LGD, and EAD models by comparing them to relevant Company-specific metrics
- assessing the macroeconomic forecast scenarios through comparison to publicly available forecasts
- testing corporate loan risk ratings for a selection of borrowers by evaluating the financial performance of the borrower, sources of repayment, and any relevant guarantees or underlying collateral
- evaluating the methodologies used to develop the qualitative component and their significant assumptions and the effect of that component on the collective ACLL compared with relevant credit risk factors and consistency with credit trends.

We also assessed the sufficiency of the audit evidence obtained related to the collective ACLL by evaluating the:

- cumulative results of the audit procedures
- qualitative aspects of the Company's accounting practices
- potential bias in the accounting estimates.

/s/ KPMG LLP

We have served as the Company's auditor since 1969.

New York, New York  
February 21, 2025

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**CONSOLIDATED FINANCIAL STATEMENTS****CONSOLIDATED STATEMENT OF INCOME Citigroup Inc. and Subsidiaries**

<i>In millions of dollars, except per share amounts</i>	Years ended December 31,		
	2024	2023	2022
<b>Revenues</b>			
Interest income	\$ 143,713	\$ 133,258	\$ 74,408
Interest expense	89,618	78,358	25,740
<b>Net interest income</b>	<b>\$ 54,095</b>	<b>\$ 54,900</b>	<b>\$ 48,668</b>
Commissions and fees	10,653	8,905	9,175
Principal transactions	11,653	10,948	14,159
Administration and other fiduciary fees	4,134	3,781	3,784
Realized gains on sales of investments, net	328	188	67
Impairment losses on investments:			
Impairment losses on investments	(431)	(323)	(499)
(Provision) releases for credit losses on AFS debt securities <sup>(1)</sup>	1	(4)	5
Net impairment losses recognized in earnings	(430)	(327)	(494)
Other revenue	706	67	(21)
<b>Total non-interest revenues</b>	<b>\$ 27,044</b>	<b>\$ 23,562</b>	<b>\$ 26,670</b>
<b>Total revenues, net of interest expense</b>	<b>\$ 81,139</b>	<b>\$ 78,462</b>	<b>\$ 75,338</b>
<b>Provisions for credit losses and for benefits and claims</b>			
Provision for credit losses on loans	9,726	7,786	4,745
Provision (release) for credit losses on HTM debt securities	50	(24)	33
Provision for credit losses on other assets	362	1,762	76
Policyholder benefits and claims	90	87	94
Provision (release) for credit losses on unfunded lending commitments	(119)	(425)	291
<b>Total provisions for credit losses and for benefits and claims<sup>(1)</sup></b>	<b>\$ 10,109</b>	<b>\$ 9,186</b>	<b>\$ 5,239</b>
<b>Operating expenses</b>			
Compensation and benefits	28,542	29,232	26,655
Technology/communication	9,035	9,106	8,587
Transactional and tax charges	3,574	3,218	2,848
Premises and equipment	2,438	2,508	2,320
Professional services	2,016	2,078	2,481
Advertising and marketing	1,113	1,393	1,556
Restructuring	259	781	—
Other operating	7,007	8,050	6,845
<b>Total operating expenses</b>	<b>\$ 53,984</b>	<b>\$ 56,366</b>	<b>\$ 51,292</b>
<b>Income from continuing operations before income taxes</b>	<b>\$ 17,046</b>	<b>\$ 12,910</b>	<b>\$ 18,807</b>
Provision for income taxes	4,211	3,528	3,642
<b>Income from continuing operations</b>	<b>\$ 12,835</b>	<b>\$ 9,382</b>	<b>\$ 15,165</b>
<b>Discontinued operations</b>			
Income (loss) from discontinued operations	(2)	(1)	(272)
Benefit for income taxes	—	—	(41)
<b>Income (loss) from discontinued operations, net of taxes</b>	<b>\$ (2)</b>	<b>\$ (1)</b>	<b>\$ (231)</b>
<b>Net income before attribution to noncontrolling interests</b>	<b>\$ 12,833</b>	<b>\$ 9,381</b>	<b>\$ 14,934</b>
Noncontrolling interests	151	153	89
<b>Citigroup's net income</b>	<b>\$ 12,682</b>	<b>\$ 9,228</b>	<b>\$ 14,845</b>
<b>Basic earnings per share<sup>(2)</sup></b>			
Income from continuing operations	6.03	4.07	7.16
Income from discontinued operations, net of taxes	—	—	(0.12)
<b>Net income</b>	<b>6.03</b>	<b>4.07</b>	<b>7.04</b>
<b>Weighted-average common shares outstanding (in millions)</b>	<b>1,901.4</b>	<b>1,930.1</b>	<b>1,946.7</b>

<b>Diluted earnings per share<sup>(2)</sup></b>				
Income from continuing operations	\$ <b>5.95</b>	\$ 4.04	\$ 4.04	\$ 7.11
Income (loss) from discontinued operations, net of taxes	—	—	—	(0.12)
<b>Net income</b>	<b>\$ 5.94</b>	<b>\$ 4.04</b>	<b>\$ 4.04</b>	<b>\$ 7.00</b>
<b>Adjusted weighted-average diluted common shares outstanding (in millions)</b>	<b>1,940.1</b>	<b>1,955.8</b>	<b>1,964.3</b>	

- (1) In accordance with ASC 326, which requires the provision for credit losses on AFS debt securities to be included in revenue. The Total provisions for credit losses and for benefits and claims excludes the provision for credit losses on AFS debt securities, which is disclosed separately above.
- (2) Due to rounding, earnings per share on continuing operations and discontinued operations may not sum to earnings per share on net income.

The Notes to the Consolidated Financial Statements are an integral part of these Consolidated Financial Statements.

#### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*Citigroup Inc. and Subsidiaries*

<i>In millions of dollars</i>	<b>Years ended December 31,</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Citigroup's net income</b>	<b>\$ 12,682</b>	<b>\$ 9,228</b>	<b>\$ 14,845</b>
<b>Net changes, net of taxes in Citigroup's other comprehensive income (loss)</b>			
Unrealized gains and losses on AFS debt securities	\$ 907	\$ 2,254	\$ (5,384)
Debt valuation adjustment (DVA)	(412)	(1,551)	2,029
Cash flow hedges	1,186	1,116	(2,623)
Benefit plans liability adjustment	423	(295)	97
Currency translation adjustments (CTA), net of hedges	(5,162)	752	(2,471)
Excluded component of fair value hedges	(12)	(48)	55
Long-duration insurance contracts	18	7	—
<b>Citigroup's total other comprehensive income (loss)</b>	<b>\$ (3,052)</b>	<b>\$ 2,235</b>	<b>\$ (8,297)</b>
<b>Citigroup's total comprehensive income</b>	<b>\$ 9,630</b>	<b>\$ 11,463</b>	<b>\$ 6,548</b>
Add: Other comprehensive income (loss) attributable to noncontrolling interests	\$ (61)	\$ 84	\$ (58)
Add: Net income (loss) attributable to noncontrolling interests	151	153	89
<b>Total comprehensive income</b>	<b>\$ 9,720</b>	<b>\$ 11,700</b>	<b>\$ 6,579</b>

The Notes to the Consolidated Financial Statements are an integral part of these Consolidated Financial Statements.

**CONSOLIDATED BALANCE SHEET***Citigroup Inc. and Subsidiaries*

<i>In millions of dollars</i>	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>Assets</b>		
Cash and due from banks (including segregated cash and other deposits)	\$ 22,782	\$ 27,342
Deposits with banks, net of allowance	253,750	233,590
Securities borrowed and purchased under agreements to resell (including \$140,855 and \$206,059 as of December 31, 2024 and 2023, respectively, at fair value), net of allowance	274,062	345,700
Brokerage receivables, net of allowance	50,841	53,915
Trading account assets (including \$193,291 and \$197,156 pledged to creditors at December 31, 2024 and 2023, respectively)	442,747	411,756
Investments:		
Available-for-sale debt securities (including \$5,389 and \$11,868 pledged to creditors as of December 31, 2024 and 2023, respectively)	226,876	256,936
Held-to-maturity debt securities, net of allowance (fair value of which is \$224,410 and \$235,001 as of December 31, 2024 and 2023, respectively) (includes \$0 and \$71 pledged to creditors as of December 31, 2024 and 2023, respectively)	242,382	254,247
Equity securities (including \$578 and \$766 as of December 31, 2024 and 2023, respectively, at fair value)	7,399	7,902
Total investments	\$ 476,657	\$ 519,085
Loans:		
Consumer (including \$281 and \$313 as of December 31, 2024 and 2023, respectively, at fair value)	393,102	389,197
Corporate (including \$7,759 and \$7,281 as of December 31, 2024 and 2023, respectively, at fair value)	301,386	300,165
Loans, net of unearned income	\$ 694,488	\$ 689,362
Allowance for credit losses on loans (ACLL)	(18,574)	(18,145)
Total loans, net	\$ 675,914	\$ 671,217
Goodwill	19,300	20,098
Intangible assets (including MSRs of \$760 and \$691 as of December 31, 2024 and 2023, respectively)	4,494	4,421
Premises and equipment, net of depreciation and amortization	30,192	28,747
Other assets (including \$13,703 and \$12,290 as of December 31, 2024 and 2023, respectively, at fair value), net of allowance	102,206	95,963
<b>Total assets</b>	<b>\$ 2,352,945</b>	<b>\$ 2,411,834</b>

Statement continues on the next page.

(Continued)

**CONSOLIDATED BALANCE SHEET***Citigroup Inc. and Subsidiaries*

<i>In millions of dollars, except shares and per share amounts</i>	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>Liabilities</b>		
Deposits (including \$3,608 and \$2,440 as of December 31, 2024 and 2023, respectively, at fair value)	\$ 1,284,458	\$ 1,308,681
Securities loaned and sold under agreements to repurchase (including \$49,154 and \$62,485 as of December 31, 2024 and 2023, respectively, at fair value)	254,755	278,107
Brokerage payables (including \$5,207 and \$4,321 as of December 31, 2024 and 2023, respectively, at fair value)	66,601	63,539
Trading account liabilities	133,846	155,345
Short-term borrowings (including \$12,484 and \$6,545 as of December 31, 2024 and 2023, respectively, at fair value)	48,505	37,457
Long-term debt (including \$112,719 and \$116,338 as of December 31, 2024 and 2023, respectively, at fair value)	287,300	286,619
Other liabilities, plus allowances	68,114	75,835
<b>Total liabilities</b>	<b>\$ 2,143,579</b>	<b>\$ 2,205,583</b>
<b>Stockholders' equity</b>		
Preferred stock (\$1.00 par value; authorized shares: 30 million), issued shares: as of December 31, 2024—714,000 and as of December 31, 2023—704,000, at aggregate liquidation value	\$ 17,850	\$ 17,600
Common stock (\$0.01 par value; authorized shares: 6 billion), issued shares: as of December 31, 2024—3,099,719,006 and as of December 31, 2023—3,099,691,704	31	31
Additional paid-in capital	109,117	108,955
Retained earnings	206,294	198,905
Treasury stock, at cost: December 31, 2024—1,222,647,540 shares and December 31, 2023—1,196,577,865 shares	(76,842)	(75,238)
Accumulated other comprehensive income (loss) ( <i>AOCI</i> )	(47,852)	(44,800)
<b>Total Citigroup stockholders' equity</b>	<b>\$ 208,598</b>	<b>\$ 205,453</b>
Noncontrolling interests	768	798
<b>Total equity</b>	<b>\$ 209,366</b>	<b>\$ 206,251</b>
<b>Total liabilities and equity</b>	<b>\$ 2,352,945</b>	<b>\$ 2,411,834</b>

The Notes to the Consolidated Financial Statements are an integral part of these Consolidated Financial Statements.

**CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY***Citigroup Inc. and Subsidiaries*

In millions of dollars, except shares in thousands	Years ended December 31,					
	Amounts			Shares		
	2024	2023	2022	2024	2023	2022
<b>Preferred stock at aggregate liquidation value</b>						
Balance, beginning of year	\$ 17,600	\$ 18,995	\$ 18,995	704	760	760
Issuance of new preferred stock	5,300	2,750	—	212	110	—
Redemption of preferred stock	(5,050)	(4,145)	—	(202)	(166)	—
Balance, end of year	\$ 17,850	\$ 17,600	\$ 18,995	714	704	760
<b>Common stock and additional paid-in capital (APIC)</b>						
Balance, beginning of year	\$ 108,986	\$ 108,489	\$ 108,034	3,099,692	3,099,669	3,099,652
Employee benefit plans	189	452	455	27	23	17
Other	(27)	45	—	—	—	—
Balance, end of year	\$ 109,148	\$ 108,986	\$ 108,489	3,099,719	3,099,692	3,099,669
<b>Retained earnings</b>						
Balance, beginning of year	\$ 198,905	\$ 194,734	\$ 184,948			
Adjustments to opening balance, net of taxes <sup>(1)</sup>						
Financial instruments—TDRs and vintage disclosures	—	290	—			
Adjusted balance, beginning of year	\$ 198,905	\$ 195,024	\$ 184,948			
Citigroup's net income	12,682	9,228	14,845			
Common dividends <sup>(2)</sup>	(4,218)	(4,076)	(4,028)			
Preferred dividends	(1,054)	(1,198)	(1,032)			
Other (primarily reclassifications from APIC for preferred issuance costs on redemptions)	(21)	(73)	1			
Balance, end of year	\$ 206,294	\$ 198,905	\$ 194,734			
<b>Treasury stock, at cost</b>						
Balance, beginning of year	\$ (75,238)	\$ (73,967)	\$ (71,240)	(1,196,578)	(1,162,683)	(1,115,297)
Employee benefit plans <sup>(3)</sup>	896	729	523	13,184	10,276	8,190
Treasury stock acquired	(2,500)	(2,000)	(3,250)	(39,254)	(44,171)	(55,576)
Balance, end of year	\$ (76,842)	\$ (75,238)	\$ (73,967)	(1,222,648)	(1,196,578)	(1,162,683)
<b>Citigroup's accumulated other comprehensive income (loss)</b>						
Balance, beginning of year	\$ (44,800)	\$ (47,062)	\$ (38,765)			
Adjustment to opening balance, net of taxes <sup>(4)</sup>	—	27	—			
Adjusted balance, beginning of year	\$ (44,800)	\$ (47,035)	\$ (38,765)			
Citigroup's total other comprehensive income	(3,052)	2,235	(8,297)			
Balance, end of year	\$ (47,852)	\$ (44,800)	\$ (47,062)			
<b>Total Citigroup common stockholders' equity</b>	<b>\$ 190,748</b>	<b>\$ 187,853</b>	<b>\$ 182,194</b>	<b>1,877,071</b>	<b>1,903,114</b>	<b>1,936,986</b>
<b>Total Citigroup stockholders' equity</b>	<b>\$ 208,598</b>	<b>\$ 205,453</b>	<b>\$ 201,189</b>			
<b>Noncontrolling interests</b>						
Balance, beginning of year	\$ 798	\$ 649	\$ 700			
Transactions between Citigroup and the noncontrolling-interest shareholders	(26)	(14)	(34)			
Net income attributable to noncontrolling-interest shareholders	151	153	89			
Distributions paid to noncontrolling-interest shareholders	(94)	(82)	(51)			
Other comprehensive income (loss) attributable to noncontrolling-interest shareholders	(61)	84	(58)			
Other	—	8	3			
<b>Net change in noncontrolling interests</b>	<b>\$ (30)</b>	<b>\$ 149</b>	<b>\$ (51)</b>			
<b>Balance, end of year</b>	<b>\$ 768</b>	<b>\$ 798</b>	<b>\$ 649</b>			
<b>Total equity</b>	<b>\$ 209,366</b>	<b>\$ 206,251</b>	<b>\$ 201,189</b>			

(1) See "Accounting Changes" in Note 1.

(2) Common dividends declared were \$0.53 per share for each of 1Q24 and 2Q24, and \$0.56 per share for each of 3Q24 and 4Q24; \$0.51 per share for each of 1Q23 and 2Q23, and \$0.53 for each of 3Q23 and 4Q23; and \$0.51 per share for each of 1Q22, 2Q22, 3Q22 and 4Q22.

(3) Includes treasury stock related to certain activity under Citi's employee restricted or deferred stock programs where shares are withheld to satisfy employees' tax requirements.

(4) See Note 1.

The Notes to the Consolidated Financial Statements are an integral part of these Consolidated Financial Statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS***Citigroup Inc. and Subsidiaries*

<i>In millions of dollars</i>	Years ended December 31,		
	2024	2023	2022
<b>Cash flows from operating activities of continuing operations</b>			
Net income before attribution of noncontrolling interests	\$ 12,833	\$ 9,381	\$ 14,934
Net income attributable to noncontrolling interests	151	153	89
<b>Citigroup's net income</b>	<b>\$ 12,682</b>	<b>\$ 9,228</b>	<b>\$ 14,845</b>
<b>Income (loss) from discontinued operations, net of taxes</b>	<b>(2)</b>	<b>(1)</b>	<b>(231)</b>
<b>Income from continuing operations—excluding noncontrolling interests</b>	<b>\$ 12,684</b>	<b>\$ 9,229</b>	<b>\$ 15,076</b>
<b>Adjustments to reconcile net income to net cash provided by (used in) operating activities of continuing operations</b>			
Net loss (gain) on sale of significant disposals <sup>(1)</sup>	—	(1,462)	(762)
Depreciation and amortization	4,311	4,560	4,262
Deferred income taxes	(1,896)	(2,416)	(1,141)
Provisions for credit losses and for benefits and claims	10,109	9,186	5,239
Realized gains from sales of investments	(328)	(188)	(67)
Impairment losses on investments and other assets	431	323	499
Goodwill impairment	—	—	535
Change in trading account assets	(31,174)	(77,838)	(2,273)
Change in trading account liabilities	(21,499)	(15,302)	9,118
Change in brokerage receivables net of brokerage payables	6,136	(5,402)	7,936
Change in loans held-for-sale (HFS)	(776)	1,929	4,421
Change in other assets	(4,026)	(6,361)	(4,992)
Change in other liabilities <sup>(2)</sup>	(7,692)	3,587	5,343
Other, net	14,051	6,739	(18,125)
<b>Total adjustments</b>	<b>\$ (32,353)</b>	<b>\$ (82,645)</b>	<b>\$ 9,993</b>
<b>Net cash provided by (used in) operating activities of continuing operations</b>	<b>\$ (19,669)</b>	<b>\$ (73,416)</b>	<b>\$ 25,069</b>
<b>Cash flows from investing activities of continuing operations</b>			
Change in securities borrowed and purchased under agreements to resell	\$ 71,638	\$ 19,701	\$ (38,113)
Change in loans	(20,455)	(44,525)	(16,591)
Purchase of portfolio of consumer loans	(700)	—	—
Proceeds from sales and securitizations of loans	5,316	4,801	4,709
Net payment due to transfer of net liabilities associated with divestitures <sup>(1)</sup>	—	(1,393)	5,741
Available-for-sale (AFS) debt securities			
Purchases of investments	(250,932)	(235,139)	(218,747)
Proceeds from sales of investments	57,526	41,886	79,687
Proceeds from maturities of investments	216,386	200,437	140,934
Held-to-maturity (HTM) debt securities			
Purchases of investments	(16,492)	(1,373)	(42,903)
Proceeds from maturities of investments	27,729	12,838	12,188
Capital expenditures on premises and equipment and capitalized software	(6,500)	(6,583)	(5,632)
Proceeds from sales of premises and equipment and repossessed assets	222	56	63
Other, net	2,512	835	(791)
<b>Net cash provided by (used in) investing activities of continuing operations</b>	<b>\$ 86,250</b>	<b>\$ (8,459)</b>	<b>\$ (79,455)</b>
<b>Cash flows from financing activities of continuing operations</b>			
Dividends paid	\$ (5,199)	\$ (5,212)	\$ (5,003)
Issuance of preferred stock	5,282	2,739	—
Redemption of preferred stock	(5,050)	(4,145)	—
Treasury stock acquired	(2,474)	(1,977)	(3,250)
Stock tendered for payment of withholding taxes	(454)	(329)	(344)

**CONSOLIDATED STATEMENT OF CASH FLOWS  
(Continued)**
*Citigroup Inc. and Subsidiaries*

<i>In millions of dollars</i>	Years ended December 31,		
	2024	2023	2022
Change in securities loaned and sold under agreements to repurchase	\$ (23,352)	\$ 75,663	\$ 11,159
Issuance of long-term debt	99,075	65,819	104,748
Payments and redemptions of long-term debt	(92,957)	(64,959)	(57,085)
Change in deposits	(24,223)	(57,273)	68,415
Change in short-term borrowings	11,048	(9,639)	19,123
<b>Net cash provided by (used in) financing activities of continuing operations</b>	<b>\$ (38,304)</b>	<b>\$ 687</b>	<b>\$ 137,763</b>
Effect of exchange rate changes on cash, due from banks and deposits with banks	\$ (12,677)	\$ 95	\$ (3,385)
<b>Change in cash, due from banks and deposits with banks</b>	<b>15,600</b>	<b>(81,093)</b>	<b>79,992</b>
<b>Cash, due from banks and deposits with banks at beginning of year</b>	<b>260,932</b>	<b>342,025</b>	<b>262,033</b>
<b>Cash, due from banks and deposits with banks at end of year</b>	<b>\$ 276,532</b>	<b>\$ 260,932</b>	<b>\$ 342,025</b>
Cash and due from banks (including segregated cash and other deposits)	\$ 22,782	\$ 27,342	\$ 30,577
Deposits with banks, net of allowance	253,750	233,590	311,448
<b>Cash, due from banks and deposits with banks at end of year</b>	<b>\$ 276,532</b>	<b>\$ 260,932</b>	<b>\$ 342,025</b>
<b>Supplemental disclosure of cash flow information for continuing operations</b>			
Cash paid during the year for income taxes <sup>(3)</sup>	\$ 5,798	\$ 5,727	\$ 3,733
Cash paid during the year for interest	88,027	72,989	22,615
<b>Non-cash investing activities<sup>(1)(4)(5)</sup></b>			
Transfer of investment securities from HTM to AFS	\$ —	\$ 3,324	\$ —
Transfer of investment securities from AFS to HTM	—	—	21,688
Decrease in net loans associated with divestitures reclassified to HFS	—	—	16,956
Decrease in goodwill associated with divestitures reclassified to HFS	—	—	876
Transfers to loans HFS ( <i>Other assets</i> ) from loans HFI	5,535	7,866	5,582
Transfers from loans HFS ( <i>Other assets</i> ) to loans HFI	—	322	—
<b>Non-cash financing activities<sup>(1)(5)</sup></b>			
Decrease in deposits associated with divestitures reclassified to HFS	\$ —	\$ —	\$ 19,691

(1) See Note 2.

(2) Includes balances related to the FDIC special assessment and restructuring charges (see Notes 18 and 9, respectively).

(3) Includes net cash paid (received) for purchases and sales of nonrefundable, transferable tax credits.

(4) In January 2023, Citi adopted ASU 2022-01. Upon adoption, Citi transferred \$3.3 billion of mortgage-backed securities from HTM classification to AFS classification as allowed under the ASU. At the time of transfer, the securities were in an unrealized gain position of \$0.1 billion, which was recorded in *AOCl* upon transfer.

(5) Operating and finance lease right-of-use assets and lease liabilities represent non-cash investing and financing activities, respectively, and are not included in the non-cash investing activities presented here. See Note 29 for more information and balances as of December 31, 2024 and 2023.

The Notes to the Consolidated Financial Statements are an integral part of these Consolidated Financial Statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Throughout these Notes, "Citigroup," "Citi" and the "Company" refer to Citigroup Inc. and its consolidated subsidiaries.

Certain reclassifications and updates have been made to the prior periods' financial statements and notes to conform to the current period's presentation.

#### Principles of Consolidation

The Consolidated Financial Statements include the accounts of Citigroup and its subsidiaries prepared in accordance with U.S. generally accepted accounting principles (GAAP). The Company consolidates subsidiaries in which it holds, directly or indirectly, more than 50% of the voting rights or where it exercises control. Entities in which the Company holds 20% to 50% of the voting rights and/or has the ability to exercise significant influence, other than investments of designated venture capital subsidiaries or investments accounted for at fair value under the fair value option, are accounted for under the equity method, and the pro rata share of their income (loss) is included in *Other revenue*. Income from investments in less-than-20%-owned companies is recognized when dividends are received. As discussed in more detail in Note 23, Citigroup also consolidates entities deemed to be variable interest entities when Citigroup is determined to be the primary beneficiary. Gains and losses on the disposition of branches, subsidiaries, affiliates, buildings and other investments are included in *Other revenue*.

#### Citibank

Citibank, N.A. (Citibank) is a commercial bank and indirect wholly owned subsidiary of Citigroup. Citibank's principal offerings include investment banking, commercial banking, cash management, trade finance and e-commerce; private banking products and services; consumer finance, credit cards and mortgage lending; and retail banking products and services.

#### Uses of Special Purpose Entities

A special purpose entity (SPE) is an entity designed to fulfill a specific limited need of the company that organized it. The principal uses of SPEs by Citi are to assist clients in securitizing their financial assets and create investment products for clients and to obtain liquidity and optimize capital efficiency by securitizing certain of Citi's financial assets. SPEs may be organized in various legal forms, including trusts, partnerships or corporations. In a securitization, through the SPE's issuance of debt and equity instruments, certificates, commercial paper or other notes of indebtedness, the company transferring assets to the SPE converts all (or a portion) of those assets into cash before they would have been realized in the normal course of business. These issuances are recorded on the balance sheet of the SPE, which may or may not be consolidated onto the balance sheet of the company that organized the SPE.

Investors usually have recourse only to the assets in the SPE, but may also benefit from other credit enhancements, such as a collateral account, a line of credit or a liquidity facility, such as a liquidity put option or asset purchase agreement. Because of these enhancements, the SPE issuances typically obtain a more favorable credit rating than the transferor could obtain for its own debt issuances. This results in less expensive financing costs than unsecured debt. The SPE may also enter into derivative contracts in order to convert the yield or currency of the underlying assets to match the needs of the SPE investors or to limit or change the credit risk of the SPE. Citigroup may be the provider of certain credit enhancements as well as the counterparty to any related derivative contracts. Most of Citigroup's SPEs are variable interest entities (VIEs).

#### Variable Interest Entities

An entity is a variable interest entity (VIE) if it meets either of the criteria outlined in Accounting Standards Codification (ASC) Topic 810, *Consolidation*, which are (i) the entity has equity that is insufficient to permit the entity to finance its activities without additional subordinated financial support from other parties, or (ii) the entity has equity investors that cannot make significant decisions about the entity's operations or that do not absorb their proportionate share of the entity's expected losses or expected returns.

Investors that finance the VIE through debt or equity interests or other counterparties providing other forms of support, such as guarantees, certain fee arrangements or certain types of derivative contracts, are variable interest holders in the entity.

The variable interest holder, if any, that has a controlling financial interest in a VIE is deemed to be the primary beneficiary and must consolidate the VIE.

The Company must evaluate each VIE to understand the purpose and design of the entity, the role the Company had in the entity's design and its involvement in the VIE's ongoing activities. The Company then must evaluate which activities most significantly impact the economic performance of the VIE and who has the power to direct such activities.

For those VIEs where the Company determines that it has the power to direct the activities that most significantly impact the VIE's economic performance, the Company must then evaluate its economic interests, if any, and determine whether it could absorb losses or receive benefits that could potentially be significant to the VIE. When evaluating whether the Company has an obligation to absorb losses that could potentially be significant, it considers the maximum exposure to such loss without consideration of probability. Such obligations could be in various forms, including, but not limited to, debt and equity investments, guarantees, liquidity agreements and certain derivative contracts.

In various other transactions, the Company may (i) act as a derivative counterparty (e.g., interest rate swap, cross-currency swap or purchaser of credit protection under a credit default swap or total return swap where the Company pays the total return on certain assets to the SPE), (ii) act as underwriter

or placement agent, (iii) provide administrative, trustee or other services or (iv) make a market in debt securities or other instruments issued by VIEs. The Company generally considers such involvement, by itself, not to be variable interests and thus not an indicator of power or potentially significant benefits or losses.

The Company consolidates a VIE when it has both the power to direct the activities that most significantly impact the VIE's economic performance and a right to receive benefits or the obligation to absorb losses of the entity that could be potentially significant to the VIE (that is, Citi is the primary beneficiary). In addition to variable interests held in consolidated VIEs, the Company has variable interests in other VIEs that are not consolidated because the Company is not the primary beneficiary.

All unconsolidated VIEs are monitored by the Company to assess whether any events have occurred to cause its primary beneficiary status to change.

All entities not deemed to be VIEs with which the Company has involvement are evaluated for consolidation under other subtopics of ASC 810. See Note 23 for more detailed information.

### **Transfers of Financial Assets**

For a transfer of financial assets to be considered a sale, (i) the assets must be legally isolated from the Company, even in bankruptcy or other receivership, (ii) the purchaser must have the right to pledge or sell the assets transferred (or, if the purchaser is an entity whose sole purpose is to engage in securitization and asset-backed financing activities through the issuance of beneficial interests and that entity is constrained from pledging the assets it receives, each beneficial interest holder must have the right to sell or pledge their beneficial interests), and (iii) the Company may not have an option or obligation to reacquire the assets.

If these sale requirements are met, the assets are removed from the Company's Consolidated Balance Sheet. If the conditions for sale are not met, the transfer is considered to be a secured borrowing, the assets remain on the Consolidated Balance Sheet and the sale proceeds are recognized as the Company's liability. A legal opinion on a sale generally is obtained for complex transactions or where the Company has continuing involvement with the assets transferred or with the securitization entity. For a transfer to be eligible for sale accounting, that opinion must state that the asset transfer would be considered a sale and that the assets transferred would not be consolidated with the Company's other assets in the event of the Company's insolvency. See Note 23 for further discussion.

### **Securizations**

If the securitization entity is a VIE, the Company consolidates the VIE if it is the primary beneficiary (as discussed in "Variable Interest Entities" above). For all other securitization entities determined not to be VIEs in which Citigroup participates, consolidation is based on which party has voting control of the entity, giving consideration to removal and liquidation rights in certain partnership structures. Only securitization entities controlled by Citigroup are consolidated.

Where the Company is not required to consolidate the securitization entity, the transfer of financial assets to the entity is evaluated for sale accounting, as discussed in "Transfers of Financial Assets" above.

Interests in the securitized and sold assets may be retained in the form of subordinated or senior interest-only strips, subordinated tranches, spread accounts and servicing rights. In credit card securitizations, the Company retains a seller's interest in the credit card receivables transferred to the trusts, which is not in securitized form. In the case of consolidated securitization entities, including the credit card trusts, these retained interests are not reported on Citi's Consolidated Balance Sheet. The securitized loans remain on the Balance Sheet. Substantially all of the consumer loans sold or securitized through non-consolidated trusts by Citigroup are U.S. prime residential mortgage loans. Retained interests in non-consolidated mortgage securitization trusts are classified as *Trading account assets*, except for MSRs, which are included in *Intangible assets* on Citigroup's Consolidated Balance Sheet.

### **Foreign Currency Translation**

Assets and liabilities of Citi's foreign operations are translated from their respective functional currencies into U.S. dollars using period-end spot foreign exchange rates. The effects of those translation adjustments are reported in *Accumulated other comprehensive income (loss) (AOCI)*, a component of stockholders' equity, net of any related hedge and tax effects, until realized upon sale or substantial liquidation of the foreign entity, at which point such amounts are reclassified into earnings. Revenues and expenses of Citi's foreign operations are translated monthly from their respective functional currencies into U.S. dollars at amounts that approximate weighted-average exchange rates.

For transactions that are denominated in a currency other than the functional currency, including transactions denominated in the local currencies of foreign operations that use the U.S. dollar as their functional currency, the effects of changes in exchange rates are primarily included in *Principal transactions*, along with the related effects of any economic hedges. Instruments used to hedge foreign currency exposures include foreign currency forward, option and swap contracts and, in certain instances, designated issues of non-U.S.-dollar debt. Foreign operations in countries with highly inflationary economies designate the U.S. dollar as their functional currency, with the effects of changes in exchange rates primarily included in *Other revenue*.

### **Investment Securities**

Investments include debt and equity securities. Debt securities include bonds, notes and redeemable preferred stocks, as well as certain loan-backed and structured securities that are subject to prepayment risk. Equity securities include common and nonredeemable preferred stock.

## **Debt Securities**

- Debt securities classified as “held-to-maturity” (HTM) are securities that the Company has both the ability and the intent to hold until maturity and are carried at amortized cost.
- Debt securities classified as “available-for-sale” (AFS) are carried at fair value with changes in fair value reported in *Accumulated other comprehensive income (loss)*, a component of stockholders’ equity, net of applicable income taxes and hedges.
- Interest income on HTM and AFS debt securities is included in *Interest revenue*. Accrued interest on these securities is subject to the Company’s non-accrual policy, which results in the timely write-off of uncollectible accrued interest.

Debt securities are subject to evaluation for impairment as described in Note 16 for HTM securities and in Note 14 for AFS securities. Realized gains and losses on sales of investments are included in earnings, primarily on a specific identification basis.

## **Equity Securities**

- Marketable equity securities are measured at fair value with changes in fair value recognized in earnings.
- Non-marketable equity securities are measured at fair value with changes in fair value recognized in earnings unless (i) the measurement alternative is elected or (ii) the investment represents Federal Reserve Bank and Federal Home Loan Bank stock or certain exchange seats that continue to be carried at cost. Non-marketable equity securities under the measurement alternative are carried at cost less impairment (if any), plus or minus changes resulting from observed prices for orderly transactions for the identical or a similar investment of the same issuer.
- Equity securities that are not measured at fair value through earnings are subject to evaluation for impairment as described in Note 14.
- Certain investments that would otherwise have been accounted for using the equity method are carried at fair value with changes in fair value recognized in earnings, where the Company has elected to apply fair value accounting, as described in Note 27.
- The Company uses a number of valuation techniques for investments carried at fair value, which are described in Note 26.

## **Trading Account Assets and Liabilities**

*Trading account assets* include debt and marketable equity securities, derivatives in a receivable position, residual interests in securitizations and physical commodities inventory. In addition, as described in Note 27, certain assets that Citigroup has elected to carry at fair value under the fair value option, such as loans and purchased guarantees, are also included in *Trading account assets*.

*Trading account liabilities* include securities sold, not yet purchased (short positions) and derivatives in a net payable position, as well as certain liabilities that Citigroup has elected to carry at fair value (as described in Note 27).

Other than physical commodities inventory, all trading account assets and liabilities are carried at fair value. Revenues generated from trading assets and trading liabilities are generally reported in *Principal transactions* and include realized gains and losses as well as unrealized gains and losses resulting from changes in the fair value of such instruments. Interest income on trading assets, other than trading securities, is recorded in *Interest revenue* reduced by interest expense on trading liabilities. Interest income on trading securities is recorded in *Principal transactions*.

Physical commodities inventory is carried at the lower of cost or market, except when included in a hedging relationship. Any gains and losses related to physical commodities inventory are reported in *Principal transactions*. Realized gains and losses on hedged commodities inventories and sales of commodities inventory are included in *Principal transactions*. Investments in unallocated precious metals accounts (gold, silver, platinum and palladium) are accounted for as hybrid instruments containing a debt host contract and an embedded non-financial derivative instrument indexed to the price of the relevant precious metal. The embedded derivative instrument and debt host contract are carried at fair value under the fair value option, as described in Note 27.

The Company manages its exposures to market movements outside of its trading activities by modifying the asset and liability mix, either directly or through the use of derivative financial products, including interest rate swaps, futures, forwards, purchased options and commodities, as well as foreign exchange contracts. These end-user derivatives are carried at fair value in *Trading account assets* and *Trading account liabilities*.

See Note 24 for a further discussion of the Company’s hedging and derivative activities.

Derivatives include interest rate, currency, equity, credit and commodity swap agreements, options, caps and floors, warrants, and financial and commodity futures and forward contracts. Derivative asset and liability positions are presented net by counterparty on the Consolidated Balance Sheet when a valid master netting agreement exists and the other conditions set out in ASC Topic 210-20, *Balance Sheet—Offsetting*, are met. See Note 24.

The Company uses a number of techniques to determine the fair value of trading assets and liabilities, which are described in Note 26.

## **Accounting for Derivative Hedging**

Citigroup accounts for its hedging activities in accordance with ASC 815, *Derivatives and Hedging*. As a general rule, hedge accounting is permitted where the Company is exposed to a particular risk, such as interest rate or foreign exchange risk, that causes changes in the fair value of an asset or liability or variability in the expected future cash flows of an existing asset, liability or a forecasted transaction that may affect earnings.

Derivative contracts hedging the risks associated with changes in fair value are referred to as fair value hedges, while contracts hedging the variability of expected future cash flows are cash flow hedges. Hedges that utilize derivatives or debt instruments to manage the foreign exchange risk associated with equity investments in non-U.S.-dollar-functional-

currency foreign subsidiaries (i.e., net investment in a foreign operation) are net investment hedges.

To qualify as an accounting hedge under the hedge accounting rules (versus an economic hedge where hedge accounting is not applied), a hedging relationship must be highly effective in offsetting the risk designated as being hedged. The hedging relationship must be formally documented at inception, detailing the particular risk management objective and strategy for the hedge. This includes the item and risk(s) being hedged, the hedging instrument being used and how effectiveness will be assessed.

The effectiveness of these hedging relationships is evaluated at hedge inception and on an ongoing basis both on a retrospective and prospective basis, typically using quantitative measures of correlation. Hedge effectiveness assessment methodologies are performed in a similar manner for similar hedges, and are used consistently throughout the hedging relationships. The assessment of effectiveness may exclude changes in the value of the hedged item that are unrelated to the risks being hedged and the changes in fair value of the derivative associated with time value.

### **Discontinued Hedge Accounting**

A hedging instrument must be highly effective in accomplishing the hedge objective of offsetting either changes in the fair value or cash flows of the hedged item for the risk being hedged. Management may voluntarily de-designate an accounting hedge at any time, but if a hedging relationship is not highly effective, it no longer qualifies for hedge accounting and must be de-designated. Subsequent changes in the fair value of the derivative are recognized in *Other revenue* or *Principal transactions*, similar to trading derivatives, with no offset recorded related to the hedged item.

For fair value hedges, any changes in the carrying value of the hedged item remain as part of the basis of the asset or liability and are ultimately realized as an element of the yield on the item. For cash flow hedges, changes in fair value of the end-user derivative remain in *Accumulated other comprehensive income (loss) (AOCI)* and are included in the earnings of future periods when the forecasted hedged cash flows impact earnings. However, if it becomes probable that some or all of the hedged forecasted transactions will not occur, any amounts that remain in *AOCI* related to these transactions must be immediately reflected in *Other revenue*.

The foregoing criteria are applied on a decentralized basis, consistent with the level at which market risk is managed, but are subject to various limits and controls. The underlying asset, liability or forecasted transaction may be an individual item or a portfolio of similar items.

### **Fair Value Hedges**

#### **Hedging of Benchmark Interest Rate Risk**

Citigroup's fair value hedges, which include hedges of closed pools of assets, are primarily hedges of fixed-rate long-term debt or assets, such as available-for-sale debt securities or loans.

For qualifying fair value hedges of interest rate risk, the changes in the fair value of the derivative and the change in the fair value of the hedged item attributable to the hedged risk

are presented within *Interest income* or *Interest expense* based on whether the hedged item is an asset or a liability.

#### **Hedging of Foreign Exchange Risk**

Citigroup hedges the change in fair value attributable to foreign exchange rate movements in available-for-sale debt securities and long-term debt that are denominated in currencies other than the functional currency of the entity holding the securities or issuing the debt. The hedging instrument is generally a forward foreign exchange contract or a cross-currency swap contract. Changes in the fair value of the forward points (i.e., the spot-forward difference) of forward contracts are excluded from the assessment of hedge effectiveness and are generally reflected directly in earnings over the life of the hedge. Citi also excludes changes in the fair value of cross-currency basis associated with cross-currency swaps from the assessment of hedge effectiveness and records them in *Other comprehensive income*.

#### **Hedging of Commodity Price Risk**

Citigroup hedges the change in fair value attributable to spot price movements in physical commodities inventories. The hedging instrument is a futures contract to sell the underlying commodity. In this hedge, the change in the carrying value of the hedged inventory is reflected in earnings, which offsets the change in the fair value of the futures contract that is also reflected in earnings. Although the entire change in the fair value of the hedging instrument is recorded in earnings, under certain hedge programs, Citigroup excludes changes in the fair value of the forward points (i.e., spot-forward difference) of the futures contract from the assessment of hedge effectiveness, and they are generally reflected directly in earnings over the life of the hedge. Under other hedge programs, Citi excludes changes in the fair value of forward points from the assessment of hedge effectiveness and records them in *Other comprehensive income*.

#### **Cumulative Basis Adjustment**

Upon electing to apply ASC 815 fair value hedge accounting, the carrying value of the hedged item is adjusted to reflect the cumulative changes in the hedged risk. This cumulative basis adjustment becomes part of the carrying amount of the hedged item until the hedged item is derecognized from the balance sheet.

#### **Cash Flow Hedges**

Citigroup hedges the variability of forecasted cash flows due to changes in contractually specified interest rates associated with floating-rate assets/liabilities and other forecasted transactions. Variable cash flows from those liabilities are synthetically converted to fixed-rate cash flows by entering into receive-variable, pay-fixed interest rate swaps and receive-variable, pay-fixed forward-starting interest rate swaps. Variable cash flows associated with certain assets are synthetically converted to fixed-rate cash flows by entering into receive-fixed, pay-variable interest rate swaps. These cash flow hedging relationships use either regression analysis or dollar-offset ratio analysis to assess whether the hedging relationships are highly effective at inception and on an ongoing basis.



For cash flow hedges, the entire change in the fair value of the hedging derivative is recognized in *AOCI* and then reclassified to earnings in the same period that the forecasted hedged cash flows impact earnings.

### **Net Investment Hedges**

Consistent with ASC 830-20, *Foreign Currency Matters—Foreign Currency Transactions*, ASC 815 allows the hedging of the foreign currency risk of a net investment in a foreign operation. Citigroup uses foreign currency forwards, cross-currency swaps, options and foreign currency-denominated debt instruments to manage the foreign exchange risk associated with Citigroup's equity investments in several non-U.S.-dollar-functional-currency foreign subsidiaries. Citi records the change in the fair value of these hedging instruments and the translation adjustment for the investments in these foreign subsidiaries in *Foreign currency translation adjustment* (CTA) within *AOCI*.

For derivatives designated as net investment hedges, Citigroup follows the forward-rate method outlined in ASC 815-35-35. According to that method, all changes in fair value, including changes related to the forward-rate component of the foreign currency forward contracts and the time value of foreign currency options, are recorded in CTA within *AOCI*.

For foreign currency-denominated debt instruments that are designated as hedges of net investments, the translation gain or loss that is recorded in CTA is based on the spot exchange rate between the functional currency of the respective subsidiary and the U.S. dollar, which is the functional currency of Citigroup.

### **Economic Hedges**

Citigroup often uses economic hedges when hedge accounting would be too complex or operationally burdensome. End-user derivatives that are economic hedges are carried at fair value, with changes in value included in either *Principal transactions* or *Other revenue*.

For asset/liability management hedging, fixed-rate long-term debt is recorded at amortized cost under GAAP.

For other hedges that either do not meet the ASC 815 hedging criteria or for which management decides not to apply ASC 815 hedge accounting, the derivative is recorded at fair value on the balance sheet with the associated changes in fair value recorded in earnings, while the debt continues to be carried at amortized cost. Therefore, current earnings are affected by the interest rate shifts and other factors that cause a change in the swap's value, but for which no offsetting change in value is recorded on the debt.

Citigroup may alternatively elect to account for the debt at fair value under the fair value option. Once the irrevocable election is made upon issuance of the debt, the full change in fair value of the debt is reported in earnings. The changes in fair value of the related interest rate swap are also reflected in earnings, which provides a natural offset to the debt's fair value change. To the extent that the two amounts differ because the full change in the fair value of the debt includes risks not offset by the interest rate swap, the difference is automatically captured in current earnings.

Additional economic hedges include hedges of the credit risk component of commercial loans and loan commitments.

Citigroup periodically evaluates its hedging strategies in other areas and may designate either an accounting hedge or an economic hedge after considering the relative costs and benefits. Economic hedges are also employed when the hedged item itself is marked-to-market through current earnings, such as hedges of commitments to originate one- to four-family mortgage loans to be HFS and MSRs.

### **Securities Borrowed and Securities Loaned**

Securities borrowing and lending transactions do not constitute a sale of the underlying securities for accounting purposes and are treated as collateralized financing transactions. Such transactions are recorded at the amount of proceeds advanced or received plus accrued interest. As described in Note 27, the Company has elected to apply fair value accounting to a number of securities borrowing and lending transactions. Fees received or paid for all securities borrowing and lending transactions are recorded in *Interest revenue* or *Interest expense* at the contractually specified rate.

Where the conditions of ASC 210-20-45-1, *Balance Sheet—Offsetting: Right of Setoff Conditions*, are met, securities borrowing and lending transactions are presented net on the Consolidated Balance Sheet.

The Company monitors the fair value of securities borrowed or loaned on a daily basis and obtains or posts additional collateral in order to maintain contractual margin protection.

As described in Note 26, the Company uses a discounted cash flow technique to determine the fair value of securities lending and borrowing transactions.

### **Repurchase and Resale Agreements**

Securities sold under agreements to repurchase (repos) and securities purchased under agreements to resell (reverse repos) do not constitute a sale (or purchase) of the underlying securities for accounting purposes and are treated as collateralized financing transactions. As described in Note 27, the Company has elected to apply fair value accounting to certain portions of such transactions, with changes in fair value reported in earnings. Any transactions for which fair value accounting has not been elected are recorded at the amount of cash advanced or received plus accrued interest. Irrespective of whether the Company has elected fair value accounting, interest paid or received on all repo and reverse repo transactions is recorded in *Interest expense* or *Interest revenue* at the contractually specified rate.

Where the conditions of ASC 210-20-45-11, *Balance Sheet—Offsetting: Repurchase and Reverse Repurchase Agreements*, are met, repos and reverse repos are presented net on the Consolidated Balance Sheet.

The Company's policy is to take possession of securities purchased under reverse repurchase agreements. The Company monitors the fair value of securities subject to repurchase or resale on a daily basis and obtains or posts additional collateral in order to maintain contractual margin protection.

As described in Note 26, the Company uses a discounted cash flow technique to determine the fair value of repo and reverse repo transactions.

## **Loans**

Loans that are held-for-investment (HFI) are classified as *Loans* on the Consolidated Balance Sheet and are reported at their outstanding principal balances net of any unearned income and unamortized deferred fees and costs, except for credit card receivable balances, which include accrued interest and fees, and certain loans for which Citi has elected the fair value option (see “*Loans at Fair Value*” below). Loan origination fees and certain direct origination costs are generally deferred and recognized as adjustments to income over the lives of the related loans.

The related cash flows for HFI loans are included within the cash flows from the investing activities category in the Consolidated Statement of Cash Flows on the line *Change in loans*. However, when the initial intent for holding a loan has changed from HFI to held-for-sale (HFS), the loan is reclassified to HFS and included in *Other assets*, but the related cash flows continue to be reported in cash flows from investing activities in the Consolidated Statement of Cash Flows on the line *Proceeds from sales and securitizations of loans*. See “*Loans Held-for-Sale*” and “*Changes in Loan Classification*” below.

## **Consumer Loans**

Consumer loans represent loans and leases managed primarily by the *USPB*, *Wealth* and *All Other—Legacy Franchises* businesses (except Mexico SBMM loans).

### ***Delinquency Status***

Delinquency status is monitored and considered a key indicator of credit quality of consumer loans. Principally, the U.S. residential first mortgage loans use the Mortgage Bankers Association (MBA) method of reporting delinquencies, which considers a loan delinquent if a monthly payment has not been received by the end of the day immediately preceding the loan’s next due date. All other loans use a method of reporting delinquencies that considers a loan delinquent if a monthly payment has not been received by the close of business on the loan’s next due date.

### ***Consumer Non-accrual Policies***

For installment and real estate loans, Citi’s non-accrual policy is that generally, prior to charge-off, interest accrual ceases when payments are 90 days contractually past due (DPD), with the exception of certain loans insured by U.S. government agencies.

Credit cards and other unsecured revolving loans generally are not subject to non-accrual policies and continue to accrue interest until charged off at 180 DPD. Details of Citi’s charge-off policies are provided further below.

### ***Consumer Loan Modification, Re-Aging and Return to Accrual Status***

Citi seeks to modify consumer loans to borrowers experiencing financial difficulty to minimize losses, avoid foreclosure or repossession of collateral and ultimately maximize payments received from the borrowers. Citi uses various metrics to identify consumer borrowers experiencing financial difficulty, with the primary indicator being delinquency at the time of modification.

For U.S. consumer loans, generally one of the conditions to qualify for modification is that a minimum number of payments (typically ranging from one to three) must be made. For mortgage loans, Citi enters into a trial modification with the borrower, which generally represents a three-month period during which the borrower makes monthly payments under the anticipated modified payment terms, before entering into a permanent modification. These loans under trial modification continue to age and accrue interest in accordance with their original contractual terms.

Upon permanent modification, the loan is re-aged to current status. Specifically, re-aging practices for certain open-ended consumer loans, such as credit cards, are governed by Federal Financial Institutions Examination Council (FFIEC) guidelines, which require at least three consecutive minimum monthly payments or the equivalent amount, to be re-aged to current status. In addition, re-aging is subject to limitations, generally once in 12 months and twice in five years. Furthermore, FHA and Department of Veterans Affairs (VA) loans may only be modified under those respective agencies’ guidelines, and payments are not always required in order to re-age a modified loan to current.

In general, a loan returns to accrual status when none of its principal and interest is due and unpaid and the bank expects the full collection of all contractual principal and interest (including any prior charge-offs) on such loan. For modified loans, the policy for returning to accrual status varies by product and/or region. For regulated bank entities, such modified loans are returned to accrual status if a credit evaluation at the time of, or subsequent to, the modification indicates the borrower is able to meet the restructured terms, and the borrower is current and has demonstrated a reasonable period of sustained payment performance (minimum six months of consecutive payments).

### ***Consumer Charge-Off Policies***

Unless the loan had been modified and subsequently returned to accrual status per the above policies, the loan is charged off following the general guidelines below:

- Unsecured installment loans are charged off at 120 DPD, or if in bankruptcy, within 60 days of notification of filing by the bankruptcy court, if earlier.
- Unsecured revolving loans and credit card loans are charged off at 180 DPD, or if in bankruptcy, within 60 days of notification of filing by the bankruptcy court, if earlier.
- Loans secured with non-real estate collateral are written down to the estimated value of the collateral, less costs to sell, at 120 DPD.
- Real estate-secured loans are written down to the estimated value of the property, less costs to sell, at 180 DPD, with the following exceptions: (i) if the decision is made not to foreclose, loans are charged off no later than 180 DPD; or (ii) if in bankruptcy, other than FHA-insured loans, loans are charged off within 60 days of notification of filing by the bankruptcy court, if earlier.

### **Corporate Loans**

Corporate loans represent loans and leases managed by *Services, Markets and Banking* and the Mexico SBMM component of *All Other—Legacy Franchises*. Corporate loans are placed on a cash (non-accrual) basis when it is determined, based on actual experience and a forward-looking assessment of the collectibility of the loan in full, that the payment of interest or principal is doubtful or when interest or principal is 90 days past due, except when the loan is well collateralized and in the process of collection. When a corporate loan is placed on non-accrual, any interest accrued is reversed and charged against current earnings, and interest is thereafter included in earnings only to the extent actually received in cash. When there is doubt regarding the ultimate collectibility of principal, all cash receipts are thereafter applied to reduce the recorded investment in the loan. Cash-basis loans are returned to accrual status when all contractual principal and interest amounts are reasonably assured of repayment and there is a sustained period of repayment performance in accordance with the contractual terms.

Corporate loans are written down to the extent that principal is deemed to be uncollectible.

A financial asset is considered collateral-dependent when the debtor is experiencing financial difficulty and repayment is expected to be provided substantially through the operation or sale of the collateral. For corporate loans that are collateral dependent, the fair value of collateral (less costs to sell, as applicable) is used to estimate expected credit losses.

### **Loans Held-for-Sale**

Loans that have been identified for sale are classified as loans HFS and included in *Other assets*. With the exception of those loans for which the fair value option has been elected, HFS loans are accounted for at the lower of cost or market value, with any write-downs or subsequent recoveries charged to *Other revenue*. The related cash flows are classified in the Consolidated Statement of Cash Flows in the cash flows from operating activities category on the line *Change in loans HFS*. Gains and losses on loans HFS are generally presented in *Other revenue*. Gains on sales of fully or partially charged-off loans are presented as gross credit recoveries in the *Provision for credit losses* up to the amount of prior charge-offs.

### **Loans at Fair Value**

As described in Note 27, Citi has elected fair value accounting for certain loans. Such loans are not subject to an allowance for credit losses. Instead, they are carried at fair value with changes in fair value reported in earnings. Interest income on such loans is recorded in *Interest revenue* at the contractually specified rate.

The practice of Citi's U.S. prime mortgage business has been to sell substantially all of its conforming loans. As such, U.S. prime mortgage conforming loans are classified as HFS and the fair value option is elected at origination, with changes in fair value recorded in *Other revenue*.

### **Changes in Loan Classification**

Changes to the initial classification of a loan should be made only when there is a demonstrated change in management's intent and ability (i.e., management now has the intent and

ability to sell the loan when it had previously intended to hold the loan for the foreseeable future or vice versa).

If a loan changes its classification from HFI to HFS, the related allowance for credit losses is reversed in earnings through the *Provision for credit losses*. Also, if the loan's fair value is lower than the loan's amortized cost basis due to credit deterioration, the initial downward difference is recorded as a direct write-off of the loan's amortized cost basis through gross credit losses, which establishes the new cost basis of the loan immediately prior to transfer to HFS for purposes of applying the lower of cost or market value. Otherwise, any write down is recorded as an HFS valuation allowance (*contra-Other assets*) and charged to *Other revenue*.

On the other hand, if a loan changes its classification from HFS to HFI, any HFS valuation allowance is reversed through *Other revenue*. The loan is transferred to HFI at its amortized cost basis and assessed for an allowance for credit losses.

### **Allowances for Credit Losses (ACL)**

The current expected credit losses (CECL) methodology is based on relevant information about past events, including historical experience, current conditions and reasonable and supportable (R&S) forecasts that affect the collectibility of the reported financial asset balances. If the asset's life extends beyond the R&S forecast period, then historical experience is considered over the remaining life of the assets in the ACL. The resulting ACL is adjusted in each subsequent reporting period through *Provisions for credit losses* in the Consolidated Statement of Income to reflect changes in history, current conditions and forecasts as well as changes in asset positions and portfolios. ASC 326 defines the ACL as a valuation account that is deducted from the amortized cost of a financial asset to present the net amount that management expects to collect on the financial asset over its expected life. All financial assets carried at amortized cost are in the scope of ASC 326, while assets measured at fair value are excluded. See Note 14 for a discussion of impairment on available-for-sale (AFS) securities.

Increases and decreases to the allowances are recorded in *Provisions for credit losses*. The CECL methodology utilizes a lifetime expected credit loss (ECL) measurement objective for the recognition of credit losses for held-for-investment (HFI) loans, held-to-maturity (HTM) debt securities, receivables and other financial assets measured at amortized cost at the time the financial asset is originated or acquired. Within the life of a loan or other financial asset, the methodology generally results in earlier recognition of the provision for credit losses and the related ACL.

Estimation of ECLs requires Citi to make assumptions regarding the likelihood and severity of credit loss events and their impact on expected cash flows, which drive the probability of default (PD), loss given default (LGD) and exposure at default (EAD) models and, where Citi discounts the ECL, using discounting techniques for certain products.

Citi considers a multitude of global macroeconomic variables for the base, upside and downside probability-weighted macroeconomic scenario forecasts it uses to estimate the ACL. Citi's forecasts of the U.S. unemployment rate and U.S. real GDP growth rate represent the key macroeconomic variables that most significantly affect its estimate of the ACL.



Under the base macroeconomic forecast as of 4Q24, U.S. real GDP growth is expected to slow during 2025 and 2026, while the unemployment rate is expected to increase in 2025, but decline in 2026.

The macroeconomic scenario weights are estimated using a statistical model, which, among other factors, takes into consideration key macroeconomic drivers of the ACL, severity of the scenario and other macroeconomic uncertainties and risks. Citi evaluates scenario weights on a quarterly basis.

Citi's downside scenario incorporates more adverse macroeconomic assumptions than the base scenario. For example, compared to the base scenario, Citi's downside scenario reflects a recession, including an elevated average U.S. unemployment rate of 6.8% over the eight-quarter R&S period, with a peak difference of 3.4% in the second quarter of 2026. The downside scenario also reflects a year-over-year U.S. real GDP contraction in 2025 of 1.8%, with a peak quarter-over-quarter difference to the base scenario of 1.3%.

The following are the main factors and interpretations that Citi considers when estimating the ACL under the CECL methodology:

- CECL reserves are estimated over the contractual term of the financial asset, which is adjusted for expected prepayments. Expected extensions are generally not considered unless the option to extend the loan cannot be canceled unilaterally by Citi.
- Credit enhancements that are not freestanding (such as those that are included in the original terms of the contract or those executed in conjunction with the lending transaction) are considered loss mitigants for purposes of CECL reserve estimation.
- For unconditionally cancelable accounts (generally credit cards), reserves are based on the expected life of the balance as of the evaluation date (assuming no further charges) and do not include any undrawn commitments that are unconditionally cancelable. Reserves are included for undrawn commitments for accounts that are not unconditionally cancelable (such as letters of credit and corporate loan commitments, home equity lines of credit (HELOCs), undrawn mortgage loan commitments and financial guarantees).
- CECL models are designed to be economically sensitive. They utilize the macroeconomic forecasts provided by Citi's enterprise scenario group that are approved by senior management. Analysis is performed and documented to determine the necessary qualitative management adjustment (QMA) to capture idiosyncratic events and model uncertainty.
- The portion of the forecast that reflects the enterprise scenario group's R&S period indicates the maximum length of time its models can produce a R&S macroeconomic forecast, after which mean reversion reflecting historical loss experience is used for the remaining life of the loan to estimate expected credit losses. For the loss forecast, businesses consume the macroeconomic forecast as determined to be appropriate and justifiable.

Citi's ability to forecast credit losses over the R&S period is based on the ability to forecast economic activity over a reasonable and supportable time window. The R&S period reflects the overall ability to have a reasonable and supportable forecast of credit loss based on economic forecasts. The R&S forecast period for consumer and corporate loans is eight quarters.

- The loss models consume all or a portion of the R&S economic forecast and then revert to historical loss experience.
- The ACL incorporates provisions for accrued interest on products that are not subject to a non-accrual and timely write-off policy (e.g., credit cards, etc.).
- Citi uses the most recent available information to inform its macroeconomic forecasts, allowing sufficient time for analysis of the results and corresponding approvals. Key variables are reviewed for significant changes through year end and changes to portfolio positions are reflected in the ACL.
- Reserves are calculated at an appropriately granular level and on a pooled basis where financial assets share risk characteristics. At a minimum, reserves are calculated at a portfolio level (product and country). Where a financial asset does not share risk characteristics with any of the pools, it is evaluated for credit losses individually.

#### ***Quantitative and Qualitative Components of the ACL***

The loss likelihood and severity models use both internal and external information and are sensitive to forecasts of different macroeconomic conditions. For the quantitative component, Citi uses multiple macroeconomic scenarios and associated probabilities to estimate the ECL. Estimates of these ECLs are based upon (i) Citigroup's internal system of credit risk ratings, (ii) historical default and loss data, including comprehensive internal history and rating agency information regarding default rates and internal data on the severity of losses in the event of default, and (iii) a R&S forecast of future macroeconomic conditions. ECL is determined primarily by utilizing models for the borrowers' PD, LGD and EAD. Adjustments may be made to this data, including (i) statistically calculated estimates to cover the historical fluctuation of the default rates over the credit cycle, the historical variability of loss severity among defaulted loans and the degree to which there are large obligor concentrations in the global portfolio, and (ii) adjustments made for specifically known items, such as current environmental factors and credit trends.

Any adjustments needed to the modeled expected losses in the quantitative calculations are addressed through a qualitative adjustment. The qualitative adjustment considers, among other things: certain portfolio characteristics and concentrations; collateral coverage; model limitations; idiosyncratic events; and other relevant criteria under banking supervisory guidance for the ACL. The qualitative adjustment also reflects the estimated impact of the pandemic on the economic forecasts and the impact on credit loss estimates. The total ACL is composed of the quantitative and qualitative components. Citi's qualitative component declined year-over-year, primarily driven by (i) the full release of COVID-19—



related uncertainty reserves, as the portfolio delinquencies and losses have increased and these risks are now captured in the quantitative component of the ACL, and (ii) releases related to reserves for specific risks and uncertainties impacting vulnerable industries and regions, partially offset by increases in transfer risk associated with exposures outside of the U.S., driven by safety and soundness considerations under U.S. banking law. See “Accounting Changes” below for information about how the calculation of the quantitative component of the ACL changed in 2024.

### **Consumer Loans**

For consumer loans, most portfolios including North America cards, mortgages and personal installment loans (PILs) are covered by the PD, LGD and EAD loss forecasting models. Some smaller international portfolios are covered by econometric models where the gross credit loss (GCL) rate is forecast. The modeling of all retail products is performed by examining risk drivers for a given portfolio; these drivers relate to exposures with similar credit risk characteristics and consider past events, current conditions and R&S forecasts. Under the PD x LGD x EAD approach, GCLs and recoveries are captured on an undiscounted basis. Citi incorporates expected recoveries on loans into its reserve estimate, including expected recoveries on assets previously written off.

CECL defines the exposure’s expected life as the remaining contractual maturity including any expected prepayments. Subsequent changes to the contractual terms that are the result of a re-underwriting are not included in the loan’s expected CECL life.

Citi does not establish reserves for the uncollectible accrued interest on non-revolving consumer products, such as mortgages and installment loans, which are subject to a non-accrual and timely write-off policy at 90 days past due. As such, only the principal balance is subject to the CECL reserve methodology and interest does not attract a further reserve.

For credit cards, Citi uses the payment rate approach, which leverages payment rate curves, to determine the payments that should be applied to liquidate the end-of-period balance (CECL balance) in the estimation of EAD. The payment rate approach uses customer payment behavior (payment rate) to establish the portion of the CECL balance that will be paid each month. These payment rates are defined as the percentage of principal payments received in the respective month divided by the prior month’s billed principal balance. The liquidation (CECL payment) amount for each forecast period is determined by multiplying the CECL balance by that period’s forecasted payment rate. The cumulative sum of these payments less the CECL balance produces the balance liquidation curve. Citi does not apply a non-accrual policy to credit card receivables; rather, they are subject to full charge-off at 180 days past due or bankruptcy. As such, the entire customer balance up until write-off, including accrued interest and fees, is subject to the CECL reserve methodology.

### **Corporate Loans, HTM Securities and Other Assets**

Citi records allowances for credit losses on all financial assets carried at amortized cost that are in the scope of CECL, including corporate loans classified as HFI, HTM debt securities and *Other assets*. Discounting techniques are applied for corporate loans classified as HFI and HTM securities. All cash flows are fully discounted to the reporting date. The ACL includes Citi’s estimate of all credit losses expected to be incurred over the estimated full contractual life of the financial asset. The contractual life of the financial asset generally does not include expected extensions, renewals or modifications. Where Citi has an unconditional option to extend the contractual term, Citi does not consider the potential extension in determining the contractual term; however, where the borrower has the sole right to exercise the extension option without Citi’s approval, Citi does consider the potential extension in determining the contractual term.

The Company primarily bases its ACL on models that assess the likelihood and severity of credit events and their impact on cash flows under R&S forecasted economic scenarios. Allowances consider the probability of the borrower’s default, the loss the Company would incur upon default and the borrower’s exposure at default. Such models discount the present value of all future cash flows, using the asset’s effective interest rate (EIR). Citi applies a more simplified approach based on historical loss rates to certain exposures recorded in *Other assets* and certain loan exposures in the Private Bank within *Consumer loans*.

The Company considers the risk of nonpayment to be zero for U.S. Treasuries and U.S. government-sponsored agency guaranteed mortgage-backed securities (MBS) and, as such, Citi does not have an ACL for these securities. For all other HTM debt securities, ECLs are estimated using PD models and discounting techniques, which incorporate assumptions regarding the likelihood and severity of credit losses. For structured securities, specific models use relevant assumptions for the underlying collateral type. A discounting approach is applied to HTM direct obligations of a single issuer, similar to that used for corporate HFI loans.

### **Other Financial Assets with Zero Expected Credit Losses**

For certain financial assets, zero expected credit losses will be recognized where the expectation of nonpayment of the amortized cost basis is zero, based on there being no history of loss and the nature of the receivables.

### **Secured Financing Transactions**

Most of Citi’s reverse repurchase agreements, securities borrowing arrangements and margin loans require that the borrower continually adjust the amount of the collateral securing Citi’s interest, primarily resulting from changes in the fair value of such collateral. In such arrangements, ACLs are recorded based only on the amount by which the asset’s amortized cost basis exceeds the fair value of the collateral. No ACLs are recorded where the fair value of the collateral is equal to or exceeds the asset’s amortized cost basis, as Citi does not expect to incur credit losses on such well-collateralized exposures. For certain margin loans presented in *Loans* on the Consolidated Balance Sheet, ACLL is estimated using the same approach as corporate loans.

### **Accrued Interest**

CECL permits entities to make an accounting policy election not to reserve for interest, if the entity has a policy in place that will result in timely reversal or write-off of interest. However, when a non-accrual or timely charge-off policy is not applied, an ACL is recognized on accrued interest at 90 days past due. For HTM debt securities, Citi established a non-accrual policy that results in timely write-off of accrued interest. For corporate loans, where a timely charge-off policy is used, Citi has elected to recognize an ACL on accrued interest receivable. The LGD models for corporate loans include an adjustment for estimated accrued interest.

### **Reasonably Expected TDRs (in 2022 and prior years)**

For corporate loans, the reasonable expectation of the TDR concept required that the contractual life over which ECLs are estimated be extended when a TDR that results in a tenor extension was reasonably expected. Reasonably expected TDRs were included in the life of the asset. A discounting technique or collateral-dependent practical expedient is used for non-accrual and TDR loan exposures that do not share risk characteristics with other loans and are individually assessed. Loans modified in accordance with the CARES Act and bank regulatory guidance are not classified as TDRs.

In 2023, the reasonably expected TDRs accounting was replaced by modifications of loans to borrowers experiencing financial difficulty accounting. See “Accounting Changes—TDRs and Vintage Disclosures” below for a description of this new accounting.

### **Purchased Credit-Deteriorated (PCD) Assets**

ASC 326 requires entities that have acquired financial assets (such as loans and HTM securities) with an intent to hold, to evaluate whether those assets have experienced a more-than-insignificant deterioration in credit quality since origination. These assets are subject to specialized accounting at initial recognition under CECL. Subsequent measurement of PCD assets will remain consistent with other purchased or originated assets, i.e., non-PCD assets. CECL introduced the notion of PCD assets, which replaced purchased credit impaired (PCI) accounting under prior U.S. GAAP.

CECL requires the estimation of credit losses to be performed on a pool basis unless a PCD asset does not share characteristics with any pool. If certain PCD assets do not meet the conditions for aggregation, those PCD assets should be accounted for separately. This determination must be made at the date the PCD asset is purchased. In estimating ECLs from day 2 onward, pools can potentially be reassembled based upon similar risk characteristics. When PCD assets are pooled, Citi determines the amount of the initial ACL at the pool level. The amount of the initial ACL for a PCD asset represents the portion of the total discount at acquisition that relates to credit and is recognized as a “gross-up” of the purchase price to arrive at the PCD asset’s (or pool’s) amortized cost. Any difference between the unpaid principal balance and the amortized cost is considered to be related to non-credit factors and results in a discount or premium, which is amortized to interest income over the life of the individual asset (or pool). Direct expenses incurred related to the acquisition of PCD assets and other assets and liabilities in a

business combination are expensed as incurred. Subsequent accounting for acquired PCD assets is the same as the accounting for originated assets; changes in the allowance are recorded in *Provisions for credit losses*.

### **Consumer**

Citi does not purchase whole portfolios of PCD assets in its retail businesses. However, there may be a small portion of a purchased portfolio that is identified as PCD at the purchase date. Interest income recognition does not vary between PCD and non-PCD assets. A consumer financial asset is considered to be more-than-insignificantly credit deteriorated if it is more than 30 days past due at the purchase date.

### **Corporate**

Citi generally classifies wholesale loans and debt securities classified as HTM or AFS as PCD when both of the following criteria are met: (i) the purchase price discount is at least 10% of par and (ii) the purchase date is more than 90 days after the origination or issuance date. Citi classifies HTM beneficial interests rated AA- and lower obtained at origination from certain securitization transactions as PCD when there is a significant difference (i.e., 10% or greater) between contractual cash flows, adjusted for prepayments, and expected cash flows at the date of recognition.

### **Reserve Estimates and Policies**

Management provides reserves for an estimate of lifetime ECLs in the funded loan portfolio on the Consolidated Balance Sheet in the form of an ACL. These reserves are established in accordance with Citigroup’s credit reserve policies, as approved by the Audit Committee of the Citigroup Board of Directors. Citi’s Chief Risk Officer and Chief Financial Officer review the adequacy of the credit loss reserves each quarter with risk management and finance representatives for each applicable business area. Applicable business areas include those having classifiably managed portfolios, where internal credit risk ratings are assigned (primarily *Services, Markets, Banking and Wealth*) and delinquency-managed portfolios (primarily *USPB*) or modified consumer loans, where concessions were granted due to the borrowers’ financial difficulties. The aforementioned representatives for these business areas present recommended reserve balances for their funded and unfunded lending portfolios along with supporting quantitative and qualitative data discussed below.

***Estimated Credit Losses for Portfolios of Performing Exposures***  
 Risk management and finance representatives who cover business areas with delinquency-managed portfolios containing smaller-balance homogeneous loans present their recommended reserve balances based on leading credit indicators, including loan delinquencies and changes in portfolio size as well as economic trends, including current and future housing prices, unemployment, length of time in foreclosure, costs to sell and GDP. This methodology is applied separately for each product within each geographic region in which these portfolios exist. This evaluation process is subject to numerous estimates and judgments.



Risk management and finance representatives who cover business areas with classifiably managed portfolios present their recommended reserve balances based on the frequency of default, risk ratings, loss recovery rates, size and diversity of individual large credits, and ability of borrowers with foreign currency obligations to obtain the foreign currency necessary for orderly debt servicing for countries with currency restrictions. Changes in these estimates could have a direct impact on the credit costs in any period and could result in a change in the allowance.

#### *Allowance for Unfunded Lending Commitments*

Credit loss reserves are recognized on all off-balance sheet commitments that are not unconditionally cancelable. Corporate loan EAD models include an incremental usage factor (or credit conversion factor) to estimate ECLs on amounts undrawn at the reporting date. Off-balance sheet commitments include unfunded exposures, revolving facilities, securities underwriting commitments, letters of credit, HELOCs and financial guarantees (excluding performance guarantees). This reserve is classified on the Consolidated Balance Sheet in *Other liabilities*. Changes to the allowance for unfunded lending commitments are recorded in *Provision for credit losses on unfunded lending commitments*.

#### **Mortgage Servicing Rights**

Mortgage servicing rights (MSRs) are recognized as intangible assets when the Company sells or securitizes loans acquired through purchase or origination and retains the right to service the loans. Mortgage servicing rights are accounted for at fair value, with changes in value recorded in *Other revenue* in the Company's Consolidated Statement of Income.

For additional information on the Company's MSRs, see Notes 17, 23 and 26.

#### **Goodwill**

*Goodwill* represents the excess of acquisition cost over the fair value of net tangible and intangible assets acquired in a business combination. Goodwill is subject to annual impairment testing and interim assessments between annual tests if an event occurs or circumstances change that would more-likely-than-not reduce the fair value of a reporting unit below its carrying amount. The Company has determined that its reporting units are at the reportable operating segment level or one level below.

The Company has an option to assess qualitative factors to determine if it is necessary to perform the goodwill impairment test. If, after assessing the totality of events or circumstances, the Company determines that it is not more-likely-than-not that the fair value of a reporting unit is less than its carrying amount, no further testing is necessary. If, however, the Company determines that it is more-likely-than-not that the fair value of a reporting unit is less than its carrying amount, then the Company must perform the quantitative test.

The Company has an unconditional option to bypass the qualitative assessment for any reporting unit in any reporting period and proceed directly to the quantitative test.

The quantitative test requires a comparison of the fair value of an individual reporting unit to its carrying value,

including goodwill. If the fair value of a reporting unit is in excess of the carrying value, the related goodwill is considered not impaired and no further analysis is necessary. If the carrying value of a reporting unit exceeds the fair value, an impairment loss is recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit.

Upon any business disposition, goodwill is allocated to, and derecognized with, the disposed business based on the ratio of the fair value of the disposed business to the fair value of the reporting unit.

During the year ended December 31, 2022, the Company voluntarily changed its annual impairment assessment date from July 1 to October 1.

Additional information on Citi's goodwill impairment testing can be found in Note 17.

#### **Intangible Assets**

*Intangible assets*—including core deposit intangibles, present value of future profits, purchased credit card relationships, credit card contract-related intangibles, other customer relationships and other intangible assets, but excluding MSRs—are amortized over their estimated useful lives. Credit card contract-related intangibles include fixed and unconditional costs incurred to renew or extend the contract with a card partner. In estimating the useful life of a credit card contract-related intangible, the Company considers the probability of contract renewal or extension to determine the period that the asset is expected to contribute future cash flows. Intangible assets that are deemed to have indefinite useful lives, primarily trade names, are not amortized and are subject to annual impairment tests. An impairment exists if the carrying value of the indefinite-lived intangible asset exceeds its fair value. For other intangible assets subject to amortization, an impairment is recognized if the carrying amount is not recoverable and exceeds the fair value of the intangible asset.

#### **Premises and Equipment**

*Premises and equipment* includes lease right-of-use assets, property and equipment (including purchased and developed software), net of depreciation and amortization. Substantially all lease right-of-use assets are amortized on a straight-line basis over the lease term, and substantially all property and equipment are depreciated or amortized on a straight-line basis over the useful life of the asset. The estimated useful lives range up to 50 years for buildings and improvements, up to 15 years for furniture and equipment, up to 10 years for internal-use software and the shorter of the estimated useful life or the lease term for leasehold improvements.

## Leases

### **As a Lessee**

Citi enters into lease agreements to obtain rights to use assets for its business operations. Substantially all of the Company's lessee arrangements are operating leases for premises and equipment, including real estate and various types of equipment. Lease liabilities and right-of-use (ROU) assets are recognized when Citi enters into these leases and represent Citi's obligations and rights to use these assets over the period of the leases, and may be remeasured for certain modifications. These leases may contain renewal and extension options and early termination features; however, these options do not impact the lease term unless the Company is reasonably certain that it will exercise the options. In certain instances, the Company may have lease agreements with lease and non-lease components. In these instances, the Company has elected to apply the practical expedient and account for the lease and non-lease components as a single lease component for all leases.

At lease commencement, lease liabilities are recognized based on the present value of the remaining lease payments and discounted using the Company's incremental borrowing rate. ROU assets initially equal the lease liability, adjusted for any lease payments made prior to lease commencement and for any lease incentives.

ROU assets and lease liabilities are included in *Premises and equipment* and *Other liabilities*, respectively. All leases are recorded on the Consolidated Balance Sheet except those with an initial term of less than 12 months, for which the Company has made the short-term lease election. Lease expense is recognized on a straight-line basis over the lease term and is recorded in *Premises and equipment* expense in the Consolidated Statement of Income. Variable lease costs are recognized in the period in which the obligation for those payments is incurred.

### **As a Lessor**

The Company's operating leases and financing leases, which include both direct financing and sales-type leases, where Citi is a lessor, are not significant to the Consolidated Financial Statements.

### **Other Assets and Other Liabilities**

*Other assets* include, among other items, loans HFS, deferred tax assets, equity method investments, interest and fees receivable, repossessed assets, other receivables and assets from businesses classified as HFS that are reclassified from other balance sheet line items. *Other liabilities* include, among other items, accrued expenses, lease liabilities, deferred tax liabilities, reserves for legal claims and legal fee accruals, taxes, unfunded lending commitments, repositioning reserves, other payables and liabilities from businesses classified as HFS that are reclassified from other balance sheet line items. Legal fee accruals are recognized as incurred.

## **Other Real Estate Owned and Repossessed Assets**

Real estate or other assets received through foreclosure or repossession are generally reported in *Other assets*, net of a valuation allowance for selling costs and subsequent declines in fair value.

## **Debt**

*Short-term borrowings* and *Long-term debt* are accounted for at amortized cost, except where the Company has elected to report the debt instruments (including certain structured notes) at fair value, or debt that is in a fair value hedging relationship. Changes in the fair value of debt instruments carried at fair value under a fair value election are recorded in *Principal transactions*, other than adjustments related to changes in the Company's credit, which are recorded in *Other comprehensive income*. Premiums, discounts and issuance costs on long-term debt accounted for at amortized cost are amortized over the contractual term using the effective interest method.

## **Instrument-Specific Credit Risk**

Citi presents separately in *AOCI* the portion of the total change in the fair value of a liability resulting from a change in the instrument-specific credit risk, when management has elected to measure the liability at fair value in accordance with the fair value option for financial instruments. Accordingly, the change in fair value of liabilities for which the fair value option was elected related to changes in Citigroup's own credit spreads is presented in *AOCI*.

## **Employee Benefits Expense**

Employee benefits expense includes current service costs of pension and other postretirement benefit plans (which are accrued on a current basis), contributions and unrestricted awards under other employee plans, the amortization of restricted stock awards and costs of other employee benefits. For its most significant pension and postretirement benefit plans (Significant Plans), Citigroup measures and discloses plan obligations, plan assets and periodic plan expense quarterly, instead of annually. The effect of remeasuring the Significant Plan obligations and assets by updating plan actuarial assumptions on a quarterly basis is reflected in *AOCI* and periodic plan expense. All other plans (All Other Plans) are remeasured annually. Benefits earned during the year are reported in *Compensation and benefits* expenses and all other components of the net annual benefit cost are reported in *Other operating expenses* in the Consolidated Statement of Income. See Note 8.

## **Stock-Based Compensation**

The Company recognizes compensation expense related to stock awards over the requisite service period, generally based on the instruments' grant-date fair value, reduced by actual forfeitures as they occur. Compensation cost related to awards granted to employees who meet certain age plus years-of-service requirements (retirement-eligible employees) is accrued in the year prior to the grant date in the same manner as the accrual for cash incentive compensation. Certain stock awards with performance conditions or certain clawback provisions are subject to variable accounting, pursuant to



which the associated compensation expense fluctuates with changes in Citigroup's common stock price. See Note 7.

### **Transactional and Tax Charges**

*Transactional and tax charges*, which largely comprises costs that are driven by revenues and transaction volumes, is primarily composed of brokerage exchange and clearance costs, exchange fees, regulatory memberships and certain indirect, non-income tax payments that are not recorded in *Provision for income taxes* in the Consolidated Statement of Income.

### **Income Taxes**

The Company is subject to the income tax laws of the U.S. and its states and municipalities, as well as the non-U.S. jurisdictions in which it operates. These tax laws are complex and may be subject to different interpretations by the taxpayer and the relevant governmental taxing authorities. In establishing a provision for income tax expense, the Company must make judgments and interpretations about these tax laws. The Company must also make estimates about when in the future certain items will affect taxable income in the various tax jurisdictions, both domestic and foreign.

Disputes over interpretations of the tax laws may be subject to review and adjudication by the court systems of the various tax jurisdictions, or may be settled with the taxing authority upon examination or audit. The Company treats interest and penalties on income taxes as a component of *Income tax expense*.

Deferred taxes are recorded for the future consequences of events that have been, or will be, recognized in financial statements or tax returns in different periods, based upon enacted tax laws and rates. Deferred tax assets are recognized subject to management's judgment about whether realization is more-likely-than-not. ASC 740, *Income Taxes*, sets out a consistent framework to determine the appropriate level of tax reserves to maintain for uncertain tax positions. This interpretation uses a two-step approach wherein a tax benefit is recognized if a position is more-likely-than-not to be sustained. The amount of the benefit is then measured to be the highest tax benefit that is more than 50% likely to be realized. ASC 740 also sets out disclosure requirements to enhance transparency of an entity's tax reserves.

See Note 10 for a further description of the Company's tax provision and related income tax assets and liabilities.

### **Commissions, Underwriting and Principal Transactions**

Commissions and fees revenues are recognized in income when earned. Underwriting revenues are recognized in income typically at the closing of the transaction. *Principal transactions* revenues are recognized in income on a trade-date basis. See Note 5 for a description of the Company's revenue recognition policies for *Commissions and fees*, and Note 6 for details of *Principal transactions* revenue.

### **Earnings per Share**

Earnings per share (EPS) is calculated using the two-class method. Under the two-class method, all earnings (distributed and undistributed) are allocated to common stock and participating securities. Undistributed earnings are calculated after deducting preferred stock dividends, any issuance cost incurred at the time of issuance of redeemed preferred stock and dividends paid and accrued to common stocks and RSU/DSA share awards. Citi grants restricted and deferred share awards under its shares-based compensation programs, which entitle recipients to receive nonforfeitable dividends during the vesting period on a basis equivalent to dividends paid to holders of the Company's common stock. These unvested awards meet the definition of participating securities based on their respective rights to receive nonforfeitable dividends, and they are treated as a separate class of securities and are not included in computing basic EPS.

Diluted EPS incorporates the potential impact of contingently issuable shares, stock options and awards, which require future service as a condition of delivery of the underlying common stock. Anti-dilutive options and warrants are disregarded in the EPS calculations. Diluted EPS is calculated under both the two-class and treasury stock methods, and the more dilutive amount is reported. Participating securities are not included as incremental shares in computing diluted EPS.

### **Use of Estimates**

Management must make estimates and assumptions that affect the Consolidated Financial Statements and the related Notes. Such estimates are used in connection with certain fair value measurements. See Note 26 for further discussions on estimates used in the determination of fair value. Moreover, estimates are significant in determining the amounts of other-than-temporary impairments, impairments of goodwill and other intangible assets, provisions for probable losses that may arise from credit-related exposures, probable and estimable losses related to litigation and regulatory proceedings, and income taxes. While management makes its best judgment, actual amounts or results could differ from those estimates.

### **Cash Equivalents and Restricted Cash Flows**

Cash equivalents are composed of those amounts included in *Cash and due from banks* and *Deposits with banks*. Certain cash balances are restricted by regulatory or contractual requirements. See Note 28 for additional information on restricted cash.

### **Related Party Transactions**

The Company has related party transactions with certain of its subsidiaries and affiliates. These transactions, which are primarily short-term in nature, include cash accounts, collateralized financing transactions, margin accounts, derivative transactions, charges for operational support and the borrowing and lending of funds, and are entered into in the ordinary course of business.

## ACCOUNTING CHANGES

### **Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures**

In November 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, intended to improve reportable segments disclosure requirements primarily through enhanced disclosures about significant segment expenses. The ASU includes a requirement to disclose significant segment expenses that are regularly provided to the chief operating decision maker (CODM) and included within each reported measure of segment profit or loss, the title and position of the CODM, an explanation of how the CODM uses the reported measure(s) of segment profit or loss in assessing segment performance and deciding how to allocate resources, and all segments' profit or loss and assets disclosures currently required annually by Topic 280 along with those introduced by the ASU to be reported on an interim basis. The amendments also clarified that public entities are not precluded from reporting additional measures of a segment's profit or loss that are regularly used by the CODM.

Citi adopted the ASU on a retrospective basis for its annual period ending December 31, 2024 and the ASU for the interim period beginning January 1, 2025. See Note 3 for further details.

### **Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions**

In June 2022, the FASB issued ASU No. 2022-03, *Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions*. The ASU was issued to address diversity in practice whereby certain entities included the impact of contractual restrictions when valuing equity securities, and it clarifies that a contractual restriction on the sale of an equity security should not be considered part of the unit of account of the equity security and, therefore, should not be considered in measuring fair value. The ASU also includes requirements for entities to disclose the fair value of equity securities subject to contractual sale restrictions, the nature and remaining duration of the restrictions and the circumstances that could cause a lapse in the restrictions.

Citi adopted the ASU on January 1, 2024, which did not impact the financial statements of the Company.

### **Accounting for Investments in Tax Credit Structures**

In March 2023, the FASB issued ASU No. 2023-02, *Investments—Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method*. The ASU expanded the scope of tax equity investments eligible to apply the proportional amortization method of accounting. Under the proportional amortization method, the cost of an eligible investment is amortized in proportion to the income tax credits and other income tax benefits that are received by the investor, with the amortization of the investment and the income tax credits being presented net in the income statement as components of income tax expense (benefit). The ASU

permits the Company to elect to use the proportional amortization method to account for an expanded range of eligible tax-incentivized investments if certain conditions are met. Citi adopted the ASU on January 1, 2024, which did not have a material impact to the financial statements of the Company.

### **TDRs and Vintage Disclosures**

In March 2022, the Financial Accounting Standards Board (FASB) issued ASU No. 2022-02, *Financial Instruments—Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures*. Citi adopted the ASU on January 1, 2023, including the guidance on the recognition and measurement of TDRs under the modified retrospective approach.

Adopting these amendments resulted in a decrease to the ACLL of \$352 million and an increase in other assets related to held-for-sale businesses of \$40 million, with a corresponding increase to retained earnings of \$290 million and a decrease in deferred tax assets of \$102 million on January 1, 2023. The ACLL for corporate loans was unaffected because the measurement approach used for corporate loans is not in the scope of this ASU.

ASU 2022-02 eliminates the accounting and disclosure requirements for TDRs, including the requirement to measure the ACLL for TDRs using a discounted cash flow (DCF) approach. With the elimination of TDR accounting requirements, reasonably expected TDRs are no longer considered when determining the term over which to estimate expected credit losses. The ACLL for modified loans that are collateral dependent continues to be based on the fair value of the collateral.

### **Consumer Loans**

Upon adoption of the ASU on January 1, 2023, Citi discontinued the use of a DCF approach for consumer loans formerly considered TDRs. Beginning January 1, 2023, Citi measures the ACLL for all consumer loans under approaches that do not incorporate discounting, primarily utilizing models that consider the borrowers' probability of default, loss given default and exposure at default. In addition, upon adoption of the ASU, Citi collectively evaluates smaller-balance homogeneous loans formerly considered TDRs for expected credit losses, whereas previously those loans had been individually evaluated.

The ASU also requires disclosure of modifications of loans to borrowers experiencing financial difficulty if the modification involves principal forgiveness, an interest rate reduction, an other-than-insignificant payment delay, a term extension or a combination of those types of modifications. In addition, the ASU requires the disclosure of current-period gross write-offs by year of loan origination (vintage). See Note 15 for these new disclosures for periods beginning on and after January 1, 2023.

### **Long-Duration Insurance Contracts**

In August 2018, the FASB issued ASU No. 2018-12, *Financial Services—Insurance: Targeted Improvements to the Accounting for Long-Duration Contracts*, which changes the existing recognition, measurement, presentation and disclosures for long-duration contracts issued by an insurance entity. Specifically, the guidance (i) improves the timeliness of recognizing changes in the liability for future policy benefits and prescribes the rate used to discount future cash flows for long-duration insurance contracts, (ii) simplifies and improves the accounting for certain market-based options or guarantees associated with deposit (or account balance) contracts, (iii) simplifies the amortization of deferred acquisition costs, and (iv) introduces additional quantitative and qualitative disclosures. Citi has certain insurance subsidiaries, primarily in Mexico, that issue long-duration insurance contracts such as traditional life insurance policies and life-contingent annuity contracts that are impacted by the requirements of ASU 2018-12.

Citi adopted the targeted improvements in ASU 2018-12 on January 1, 2023, resulting in a \$39 million decrease in *Other liabilities* and a \$27 million increase in *AOCI*, after-tax.

### **Fair Value Hedging—Portfolio Layer Method**

In March 2022, the FASB issued ASU No. 2022-01, *Derivatives and Hedging (Topic 815): Fair Value Hedging—Portfolio Layer Method*, intended to better align hedge accounting with an organization's risk management strategies. Specifically, the guidance expands the current single-layer method to allow multiple hedge layers of a single closed portfolio of qualifying assets, which include both prepayable and non-prepayable assets. Upon the adoption of the guidance, entities may elect to reclassify securities held-to-maturity to the available-for-sale category provided that the reclassified securities are designated in a portfolio hedge. Coincident with the adoption of this ASU, on January 1, 2023, Citi transferred HTM mortgage-backed securities with an amortized cost and fair value of approximately \$3.3 billion and \$3.4 billion, respectively, into AFS as permitted under the guidance, and hedged them under the portfolio-layer method.

### **Reference Rate Reform**

On December 21, 2022, the FASB issued ASU No. 2022-06, *Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848*, which extends the period of time preparers can utilize the reference rate reform relief guidance. In 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*, which provides optional guidance to ease the potential burden in accounting for (or recognizing the effects of) reference rate reform on financial reporting. In 2021, the U.K. Financial Conduct Authority (FCA) delayed the intended cessation date of certain tenors of USD LIBOR to June 30, 2023. To ensure that the relief in Topic 848 covers the period of time during which a significant number of modifications may take place, the ASU defers the sunset date of Topic 848 from December 31, 2022 to December 31, 2024. The extension allows Citi to transition its remaining contracts and maintain hedge accounting. The ASU

was adopted by Citi upon issuance and did not impact financial results in 2022.

### **Multiple Macroeconomic Scenarios-Based ACL Approach**

During the second quarter of 2022, Citi refined its ACL methodology to utilize multiple macroeconomic scenarios to estimate its allowance for credit losses. The ACL was previously estimated using a combination of a single base-case forecast scenario as part of its quantitative component and a component of its qualitative management adjustment that reflects economic uncertainty from downside macroeconomic scenarios. As a result of this change, Citi now explicitly incorporates multiple macroeconomic scenarios—base, upside, and downside—and associated probabilities in the quantitative component when estimating its ACL, while still retaining certain of its qualitative management adjustments.

This refinement represents a “change in accounting estimate” under ASC Topic 250, *Accounting Changes and Error Corrections*, with prospective application beginning in the period of change. This change in accounting estimate resulted in a decrease of approximately \$0.3 billion in the allowance for credit losses in the second quarter of 2022, partially offsetting an increase of \$0.8 billion in the allowance for credit losses due to the increased macroeconomic uncertainty and other factors in the second quarter of 2022.

## **FUTURE ACCOUNTING CHANGES**

### **Disaggregation of Income Statement Expenses**

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*, to improve the disclosures of expenses by requiring public business entities to provide further disaggregation of relevant expense captions (i.e., employee compensation, depreciation, intangible asset amortization) in a separate note to the financial statements, a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively, and the total amount of selling expenses and, in an annual reporting period, an entity's definition of selling expenses.

The transition method is prospective with the retrospective method permitted, and the ASU will be effective for Citi for its annual period ending December 31, 2027 and interim periods for the interim period beginning January 1, 2028. Citi is currently evaluating the impact on its disclosures.

### **Accounting for and Disclosure of Crypto Assets**

In December 2023, the FASB issued ASU No. 2023-08, *Intangibles—Goodwill and Other—Crypto Assets (Subtopic 350-60): Accounting for and Disclosure of Crypto Assets*, intended to improve the accounting for certain crypto assets by requiring an entity to measure those assets at fair value each reporting period, with changes in fair value recognized in net income. The amendments also improve the information provided to investors about an entity's crypto asset holdings by requiring disclosure about significant holdings, contractual sale restrictions and changes during the reporting period. The guidance is effective for fiscal years beginning after December 15, 2024, and interim periods within those fiscal years with



early adoption permitted. Citi does not hold any crypto assets within the scope of the guidance.

#### **Income Taxes (Topic 740): Improvements to Income Tax Disclosures**

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, intended to enhance the transparency and decision usefulness of income tax disclosures. This guidance requires that public business entities disclose on an annual basis a tabular rate reconciliation in eight specific categories disaggregated by nature and for foreign tax effects by each jurisdiction that meets a 5% of pretax income multiplied by the applicable statutory tax rate or greater threshold annually. The eight categories include state and local income taxes, net of federal income tax effect; foreign tax effects; enactment of new tax laws; enactment of new tax credits; effect of cross-border tax laws; valuation allowances; nontaxable items and nondeductible items; and changes in unrecognized tax benefits. Additional disclosures include qualitative description of the state and local jurisdictions that contribute to the majority (greater than 50%) of the effect of the state and local income tax category and explanation of the nature and effect of changes in individual reconciling items. The guidance also requires entities annually to disclose income taxes paid (net of refunds received) disaggregated by federal, state and foreign taxes and by jurisdiction identified based on the same 5% quantitative threshold.

The standard is effective for fiscal years beginning after December 15, 2024. The transition method is prospective with the retrospective method permitted. Citi plans to adopt the ASU for the annual reporting period beginning on January 1, 2025, and is currently evaluating the impact of the ASU on disclosures.

## 2. DISCONTINUED OPERATIONS, SIGNIFICANT DISPOSALS AND OTHER BUSINESS EXITS

### Summary of Discontinued Operations

Citi's results from *Discontinued operations* consisted of residual activities related to the sales of the Egg Banking plc credit card business in 2011 and the German retail banking business in 2008. All *Discontinued operations* results are recorded within *All Other*.

The following table summarizes financial information for all *Discontinued operations*:

<i>In millions of dollars</i>	2024	2023	2022
<b>Total revenues, net of interest expense</b>	\$ —	\$ —	\$ (260)
Income (loss) from discontinued operations	\$ (2)	\$ (1)	\$ (272)
Benefit for income taxes	—	—	(41)
<b>Income (loss) from discontinued operations, net of taxes</b>	<b>\$ (2)</b>	<b>\$ (1)</b>	<b>\$ (231)</b>

During 2022, the Company finalized the settlement of certain liabilities related to its legacy consumer operation in the U.K. (the legacy operation), including an indemnification liability related to its sale of the Egg Banking business in 2011, which led to the substantial liquidation of the legacy operation. As a result, a CTA pretax loss (net of hedges) in *AOCI* of approximately \$400 million (\$345 million after-tax) was released to earnings in 2022 related to the legacy operation. Out of the total CTA release, a \$260 million pretax loss (\$221 million after-tax loss) was attributable to the Egg Banking business noted above, reported in *Discontinued operations*, and therefore the corresponding CTA release was also reported in *Discontinued operations* during 2022. The remaining CTA release of a \$140 million pretax loss (\$124 million after-tax loss) related to Legacy Holdings Assets was reported as part of *Continuing operations* within *All Other*—Legacy Franchises.

While the legacy operation was divested in multiple sales over the years, each transaction did not result in substantial liquidation given that Citi retained certain liabilities noted above. These liabilities were gradually settled over time until reaching the point of substantial liquidation during 2022, triggering the release of the CTA loss to earnings.

Cash flows from *Discontinued operations* were not material for the periods presented.

## Significant Disposals

As of December 31, 2024, Citi had closed the sales of nine consumer banking businesses within *All Other*—Legacy Franchises: Australia closed in the second quarter of 2022, the Philippines closed in the third quarter of 2022, Bahrain, Malaysia and Thailand closed in the fourth quarter of 2022, India and Vietnam closed in the first quarter of 2023, Taiwan closed in the third quarter of 2023 and Indonesia closed in the fourth quarter of 2023. Five of these sales were identified as significant disposals and are included in the table below. The gains and losses from the sales are included in the footnotes to the table below and represent life-to-date amounts, periodically updated due to post-closing purchase price adjustments. As of December 31, 2024, there were no remaining assets or liabilities included on Citi's Consolidated Balance Sheet related to the significant disposals:

In millions of dollars	Income (loss) before taxes <sup>(6)</sup>					
Consumer banking business in	Sale agreement date	Closing date	2024	2023	2022	
<b>Australia<sup>(1)</sup></b>	8/9/2021	6/1/2022	\$ —	\$ —	\$ 193	
<b>Philippines<sup>(2)</sup></b>	12/23/2021	8/1/2022	—	—	72	
<b>Thailand<sup>(3)</sup></b>	1/14/2022	11/1/2022	—	—	122	
<b>India<sup>(4)</sup></b>	3/30/2022	3/1/2023	—	2	194	
<b>Taiwan<sup>(5)</sup></b>	1/28/2022	8/12/2023	—	91	140	

- (1) On June 1, 2022, Citi completed the sale of its Australia consumer banking business, which was part of *All Other*—Legacy Franchises. The business had approximately \$9.4 billion in assets, including \$9.3 billion of loans (net of allowance of \$140 million) and excluding goodwill. The total amount of liabilities was \$7.3 billion, including \$6.8 billion in deposits. The transaction generated a pretax loss on sale of approximately \$768 million (\$644 million after-tax), subject to closing adjustments, recorded in *Other revenue*. The loss on sale primarily reflected the impact of an approximate pretax \$620 million CTA loss (net of hedges) (\$470 million after-tax) already reflected in the *AOCI* component of equity. The sale closed on June 1, 2022, and the CTA-related balance was removed from *AOCI*, resulting in a neutral CTA impact to Citi's CET1 Capital. The income before taxes in the above table for Australia reflects Citi's ownership through June 1, 2022.
- (2) On August 1, 2022, Citi completed the sale of its Philippines consumer banking business, which was part of *All Other*—Legacy Franchises. The business had approximately \$1.8 billion in assets, including \$1.2 billion of loans (net of allowance of \$80 million) and excluding goodwill. The total amount of liabilities was \$1.3 billion, including \$1.2 billion in deposits. The sale resulted in a pretax gain on sale of approximately \$618 million (\$290 million after-tax), subject to closing adjustments, recorded in *Other revenue*. The income before taxes in the above table for the Philippines reflects Citi's ownership through August 1, 2022.
- (3) On November 1, 2022, Citi completed the sale of its Thailand consumer banking business, which was part of *All Other*—Legacy Franchises. The business had approximately \$2.7 billion in assets, including \$2.4 billion of loans (net of allowance of \$67 million) and excluding goodwill. The total amount of liabilities was \$1.0 billion, including \$0.8 billion in deposits. The sale resulted in a pretax gain on sale of approximately \$209 million (\$115 million after-tax), subject to closing adjustments, recorded in *Other revenue*. The income before taxes in the above table for Thailand reflects Citi's ownership through November 1, 2022.
- (4) On March 1, 2023, Citi completed the sale of its India consumer banking business, which was part of *All Other*—Legacy Franchises. The business had approximately \$5.2 billion in assets, including \$3.4 billion of loans (net of allowance of \$32 million) and excluding goodwill. The total amount of liabilities was \$5.2 billion, including \$5.1 billion in deposits. The sale resulted in a pretax gain on sale of approximately \$1.0 billion (\$718 million after-tax), subject to closing adjustments, recorded in *Other revenue*. The income before taxes in the above table for India reflects Citi's ownership through March 1, 2023.
- (5) On August 12, 2023, Citi completed the sale of its Taiwan consumer banking business, which was part of *All Other*—Legacy Franchises. The business had approximately \$11.6 billion in assets, including \$7.2 billion of loans (net of allowance of \$92 million) and excluding goodwill. The total amount of liabilities was \$9.2 billion, including \$9.0 billion in deposits. The sale resulted in a pretax gain on sale of approximately \$408 million (\$288 million after-tax), subject to closing adjustments, recorded in *Other revenue*. The income before taxes in the above table for Taiwan reflects Citi's ownership through August 12, 2023.
- (6) Income before taxes for the period in which the individually significant component was classified as HFS for all prior periods presented. For Australia, excludes the pretax loss on sale. For the Philippines, Thailand, India and Taiwan, excludes the pretax gain on sale.

Citi did not have any other significant disposals as of December 31, 2024.

As of February 21, 2025, Citi had not entered into sale agreements for the remaining *All Other*—Legacy Franchises businesses to be sold, specifically the Poland consumer banking business and the Mexico Consumer/SBMM businesses.

For a description of the Company's significant disposal transactions in prior periods and financial impact, see Note 2 to the Consolidated Financial Statements in Citi's 2023 Form 10-K.

## Other Business Exits

### Wind-Down of Korea Consumer Banking Business

On October 25, 2021, Citi disclosed its decision to wind down and close its Korea consumer banking business, which is reported in *All Other—Legacy Franchises*. In connection with the announcement, Citibank Korea Inc. (CKI) commenced a voluntary early termination program (Korea VERP). Due to the voluntary nature of this termination program, no liabilities for termination benefits are recorded until CKI makes formal offers to employees that are then irrevocably accepted by those employees, at which time related charges are recorded in *Compensation and benefits* expenses.

The following table summarizes the reserve charges related to the Korea VERP and other initiatives reported in *All Other*:

<i>In millions of dollars</i>	<b>Employee termination costs</b>		
<b>Total Citigroup (pretax)</b>			
Original charges in fourth quarter 2021	\$ 1,052		
Utilization	(1)		
Foreign exchange	3		
Balance at December 31, 2021	\$ 1,054		
Additional charges in first quarter 2022	\$ 31		
Utilization	(347)		
Foreign exchange	(24)		
Balance at March 31, 2022	\$ 714		
Additional charges (releases)	\$ (3)		
Utilization	(670)		
Foreign exchange	(41)		
Balance at June 30, 2022	\$ —		

Note: There were no additional charges after June 30, 2022.

The total cash charges for the wind-down were \$1.1 billion through 2022, most of which were recognized in 2021. Citi does not expect to record any additional charges in connection with the Korea VERP.

See Note 8 for details on the pension impact of the Korea wind-down.

### Wind-Down of Russia Consumer and Institutional Banking Businesses

On August 25, 2022, Citi announced its decision to wind down its consumer banking and local commercial banking operations in Russia, including actively pursuing sales of certain Russian consumer banking portfolios.

On October 14, 2022, Citi disclosed that it would end nearly all of the institutional banking services it offered in Russia by the end of the first quarter of 2023. Since the first quarter of 2023, Citi's only operations in Russia were those necessary to fulfill its remaining legal and regulatory obligations.

### Russia Portfolio Sales

- During the second quarter of 2023, Citi recorded an incremental gain of \$5 million related to post-closing contingency payments for a previously disclosed personal installment loan sale in *Other revenue*. The previously disclosed sale of a portfolio of ruble-denominated personal installment loans resulted in a pretax net loss on sale of approximately \$7 million.
- During the third and fourth quarters of 2023 and the first and second quarters of 2024, as part of the previously disclosed cards referral agreement with a Russian bank, approximately \$55 million of credit card receivables were settled upon referral and refinanced.

### Wind-Down Charges

The following tables provide details on Citi's Russia wind-down charges:

<i>In millions of dollars</i>	<b>December 31, 2024</b>		
	<b>All Other</b>	<b>Services, Markets and Banking</b>	<b>Total</b>
Severance <sup>(1)</sup>	\$ 8	\$ 1	\$ 9
Vendor termination and other costs <sup>(2)</sup>	1	—	1
<b>Total</b>	<b>\$ 9</b>	<b>\$ 1</b>	<b>\$ 10</b>

<i>In millions of dollars</i>	<b>Program-to-date December 31, 2024</b>		
	<b>All Other</b>	<b>Services, Markets and Banking</b>	<b>Total</b>
Severance <sup>(1)</sup>	\$ 43	\$ 9	\$ 52
Vendor termination and other costs <sup>(2)</sup>	21	—	21
<b>Total</b>	<b>\$ 64</b>	<b>\$ 9</b>	<b>\$ 73</b>

<i>In millions of dollars</i>	<b>Estimated additional charges as of December 31, 2024</b>		
	<b>All Other</b>	<b>Services, Markets and Banking</b>	<b>Total</b>
Severance <sup>(1)</sup>	\$ 15	\$ —	\$ 15
Vendor termination and other costs <sup>(2)</sup>	15	—	15
<b>Total</b>	<b>\$ 30</b>	<b>\$ —</b>	<b>\$ 30</b>

(1) Recorded in *Compensation and benefits*.

(2) Recorded in *Other operating expenses*.

### 3. OPERATING SEGMENTS

The operating segments and reporting units reflect how the CEO, who is the chief operating decision maker (CODM), manages the Company, including allocating resources and measuring performance.

Citi is organized into five reportable operating segments: *Services, Markets, Banking, Wealth* and *U.S. Personal Banking (USPB)*, with the remaining operations recorded in *All Other*, which includes activities not assigned to a specific reportable operating segment, as well as discontinued operations.

Operating segment results have been revised to reflect the following changes:

- Reallocated certain deposit balances from *Markets* to *All Other*, to consolidate funding strategies across the Company. This change had no material impact to operating results of *Markets* or *All Other*.
- Realigned businesses engaged in financing and securitization activities within *Banking* and *Markets*, transferred the retail banking business in the U.K., which is being wound down, from *Wealth* to *All Other* and made other immaterial reclassifications to align with Citi's transformation and strategy. These reclassifications did not materially change segment or *All Other* results, and prior periods were conformed to reflect these changes.
- Reallocated certain customer balances between *All Other*—Legacy Franchises, *Services, Markets* and *Banking* in preparation for the IPO of the Mexico Consumer/SBMM operations, and made other immaterial reclassifications. These reallocations and reclassifications did not materially change segment or *All Other* results, and prior periods were conformed to reflect these changes.

Citi's consolidated results remain unchanged for all periods presented following the changes and reclassifications discussed above.

*All Other* results are presented on a managed basis that excludes divestiture-related impacts related to (i) Citi's divestitures of its Asia consumer banking businesses and (ii) the planned IPO of Mexico Consumer/SBMM within *All Other*—Legacy Franchises. The managed basis presents investors with a view of operating earnings that provides increased transparency and clarity into the operational results of Citi's performance; improves the visibility of 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 the business going forward.

The following is a description of each of Citi's reportable operating segments, and the products and services they provide to their respective client bases.

#### 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 client needs.

#### 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 and prime brokerage.

#### Banking

*Banking* includes Investment Banking, which supports client 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.

#### 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, both of which provide financial services to affluent and high net worth clients through elevated product offerings and financial relationships.

#### USPB

*USPB* includes Branded Cards and Retail Services, which have proprietary card portfolios and co-branded card portfolios within Branded Cards, and co-brand and private label relationships within Retail Services. *USPB* also includes Retail Banking, which provides traditional banking services to retail and small business customers.

**All Other**

*All Other* primarily consists of activities not assigned to the reportable operating segments, including certain unallocated costs of global functions, other corporate expenses and net treasury results, offsets to certain line-item reclassifications and eliminations, and unallocated taxes; discontinued operations within Corporate/Other; and Legacy Franchises, which consists of Asia Consumer and Mexico Consumer/SBMM businesses that Citi intends to exit, and its remaining Legacy Holdings Assets. Corporate/Other within *All Other* also includes all restructuring charges related to actions taken as part of Citi's organizational simplification initiatives. See Note 9.

Revenues and expenses directly associated with each respective business segment or component are included in determining respective operating results. Other revenues and expenses that are attributable to a particular business segment or component are generally allocated from *All Other* based on respective net revenues, non-interest expenses or other relevant measures.

Revenues and expenses from transactions with other operating segments or components are treated as transactions with external parties for purposes of segment disclosures, while funding charges paid by operating segments and funding credits received by Corporate Treasury within *All Other* are included in net interest income. The Company includes intersegment eliminations within *All Other* to reconcile the operating segment results to Citi's consolidated results.

The accounting policies of these reportable operating segments are the same as those disclosed in Note 1.

The following tables present certain information regarding the Company's continuing operations by reportable operating segments and *All Other* on a managed basis that excludes divestiture-related impacts. The CODM uses *Income (loss) from continuing operations* as the performance measure, to evaluate the results of each reportable operating segment by

comparing to and monitoring against budget and prior year results. This information is used to allocate resources to each of the segments and to make operational decisions when managing the Company, such as whether to reinvest profits or to return capital to shareholders through dividends and share repurchases.

<i>In millions of dollars, except identifiable assets, average loans and average deposits in billions</i>	Services			Markets			Banking		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Net interest income	\$ 13,423	\$ 13,251	\$ 10,365	\$ 7,005	\$ 7,233	\$ 5,768	\$ 2,157	\$ 2,161	\$ 2,130
Non-interest revenue	6,226	4,851	5,300	12,831	11,416	14,177	4,044	2,554	3,397
<b>Total revenues, net of interest expense<sup>(1)</sup></b>	<b>\$ 19,649</b>	<b>\$ 18,102</b>	<b>\$ 15,665</b>	<b>\$ 19,836</b>	<b>\$ 18,649</b>	<b>\$ 19,945</b>	<b>\$ 6,201</b>	<b>\$ 4,715</b>	<b>\$ 5,527</b>
Compensation expense <sup>(2)</sup>	\$ 2,371	\$ 2,318	\$ 2,070	\$ 3,611	\$ 3,645	\$ 3,548	\$ 2,703	\$ 3,021	\$ 2,961
Non-compensation expense <sup>(3)</sup>	8,228	7,713	6,664	9,591	9,613	8,905	1,774	1,856	1,499
Total operating expense	\$ 10,599	\$ 10,031	\$ 8,734	\$ 13,202	\$ 13,258	\$ 12,453	\$ 4,477	\$ 4,877	\$ 4,460
Provisions for credit losses and for benefits and claims	\$ 276	\$ 950	\$ 207	\$ 463	\$ 438	\$ 117	\$ (224)	\$ (143)	\$ 604
Provision (benefits) for income taxes	2,190	2,420	1,776	1,166	1,015	1,523	419	12	129
<b>Income (loss) from continuing operations</b>	<b>\$ 6,584</b>	<b>\$ 4,701</b>	<b>\$ 4,948</b>	<b>\$ 5,005</b>	<b>\$ 3,938</b>	<b>\$ 5,852</b>	<b>\$ 1,529</b>	<b>(31)</b>	<b>334</b>
Identifiable assets at December 31 <sup>(1)</sup>	\$ 584	\$ 586	\$ 600	\$ 949	\$ 1,008	\$ 963	\$ 143	\$ 148	\$ 152
Average loans	85	81	82	120	110	111	88	92	100
Average deposits	819	811	809	21	23	21	1	1	1

	Wealth			USPB		
	2024	2023	2022	2024	2023	2022
Net interest income	\$ 4,508	\$ 4,413	\$ 4,681	\$ 21,103	\$ 20,150	\$ 18,062
Non-interest revenue	3,004	2,608	2,674	(729)	(963)	(1,190)
<b>Total revenues, net of interest expense<sup>(1)</sup></b>	<b>\$ 7,512</b>	<b>\$ 7,021</b>	<b>\$ 7,355</b>	<b>\$ 20,374</b>	<b>\$ 19,187</b>	<b>\$ 16,872</b>
Compensation expense <sup>(2)</sup>	\$ 2,529	\$ 2,734	\$ 2,501	\$ 2,205	\$ 2,278	\$ 2,077
Non-compensation expense <sup>(3)</sup>	3,826	3,751	3,411	7,760	7,824	7,705
Total operating expense	\$ 6,355	\$ 6,485	\$ 5,912	\$ 9,965	\$ 10,102	\$ 9,782
Provisions for credit losses and for benefits and claims	\$ (126)	\$ (3)	\$ 307	\$ 8,598	\$ 6,707	\$ 3,448
Provision (benefits) for income taxes	281	120	141	429	558	872
<b>Income (loss) from continuing operations</b>	<b>\$ 1,002</b>	<b>\$ 419</b>	<b>\$ 995</b>	<b>\$ 1,382</b>	<b>\$ 1,820</b>	<b>\$ 2,770</b>
Identifiable assets at December 31 <sup>(1)</sup>	\$ 224	\$ 229	\$ 256	\$ 252	\$ 242	\$ 231
Average loans	149	150	150	209	193	171
Average deposits	316	310	312	91	110	115

	All Other <sup>(4)</sup>			Reconciling Items <sup>(5)(6)(7)</sup>			Total Citi		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Net interest income	\$ 5,899	\$ 7,692	\$ 7,662	\$ —	\$ —	\$ —	\$ 54,095	\$ 54,900	\$ 48,668
Non-interest revenue	1,642	1,750	1,458	26	1,346	854	27,044	23,562	26,670
<b>Total revenues, net of interest expense<sup>(1)</sup></b>	<b>\$ 7,541</b>	<b>\$ 9,442</b>	<b>\$ 9,120</b>	<b>\$ 26</b>	<b>\$ 1,346</b>	<b>\$ 854</b>	<b>\$ 81,139</b>	<b>\$ 78,462</b>	<b>\$ 75,338</b>
Total operating expense	\$ 9,068	\$ 11,241	\$ 9,255	\$ 318	\$ 372	\$ 696	\$ 53,984	\$ 56,366	\$ 51,292
Provisions for credit losses and for benefits and claims	\$ 1,115	\$ 1,304	\$ 480	\$ 7	\$ (67)	\$ 76	\$ 10,109	\$ 9,186	\$ 5,239
Provision (benefits) for income taxes	(182)	(979)	(1,065)	(92)	382	266	4,211	3,528	3,642
<b>Income (loss) from continuing operations</b>	<b>(2,460)</b>	<b>(2,124)</b>	<b>450</b>	<b>(207)</b>	<b>659</b>	<b>(184)</b>	<b>12,835</b>	<b>9,382</b>	<b>15,165</b>
Identifiable assets at December 31 <sup>(1)</sup>	\$ 201	\$ 199	\$ 215				\$ 2,353	\$ 2,412	\$ 2,417
Average loans	32	35	39				683	661	653
Average deposits	69	79	75				1,317	1,334	1,333

The following table presents a reconciliation of total Citigroup income from continuing operations as reported:

	2024 <sup>(5)</sup>	2023 <sup>(6)</sup>	2022 <sup>(7)</sup>
Total segments and <i>All Other</i> —Income from continuing operations <sup>(4)</sup>	\$ 13,042	\$ 8,723	\$ 15,349
<b>Divestiture-related impact on:</b>			
Total revenues, net of interest expense	26	1,346	854
Total operating expenses	318	372	696
Provision (release) for credit losses	7	(67)	76
Provision (benefits) for income taxes	(92)	382	266
<b>Income from continuing operations</b>	<b>\$ 12,835</b>	<b>\$ 9,382</b>	<b>\$ 15,165</b>

- (1) See “Performance by Geographic Area” below.
- (2) Excludes allocations of *Compensation and benefits* expense related to services provided by Corporate/Other within *All Other*, which are allocated from *All Other* to each respective reportable segment, as applicable, through the non-compensation expense line.
- (3) Non-compensation expense for each reportable segment includes allocated compensation and benefits-related costs from Corporate/Other within *All Other* to the respective reportable business segments, and expenses related to *Technology/communication, Transactional and tax charges, Premises and equipment, Professional services, Advertising and marketing and Other operating* (all of which include certain overhead expenses).
- (4) Segment results are presented on a managed basis that excludes divestiture-related impacts related to (i) Citi’s divestitures of its Asia consumer banking businesses and (ii) the planned IPO of Mexico Consumer/SBMM within *All Other*—Legacy Franchises. Adjustments are included in Legacy Franchises within *All Other* and are reflected in the reconciliations above to arrive at Citi’s reported results in the Consolidated Statement of Income.
- (5) 2024 includes \$318 million (approximately \$220 million after-tax) in operating expenses primarily related to separation costs in Mexico and severance costs in the Asia exit markets.
- (6) 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.
- (7) 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, (iii) an approximate \$209 million gain on sale recorded in revenue (approximately \$115 million after-tax) related to the Thailand consumer banking business sale and (iv) approximately \$161 million (approximately \$108 million after-tax) in operating expenses primarily related to separation costs in Mexico and severance costs in the Asia exit markets.

### Performance by Geographic Area

Citi's operations are highly integrated, and estimates and subjective assumptions have been made to apportion revenue between North America and international operations. These estimates and assumptions are consistent with the allocations used for the Company's segment reporting.

The Company defines international activities for purposes of this footnote presentation as business transactions that

involve clients that reside outside of North America, and the information presented below is based on managed geography (the booking location that manages the client relationship), which is predominantly the domicile of the client. However, many of the Company's North America operations serve international businesses. The managed geography can be periodically reorganized (and thus the balances in North America and Corporate/Other).

The following tables present revenues net of interest expense and identifiable assets between North America and international areas:

<i>In millions of dollars</i>	<b>Revenues, net of interest expense</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
North America <sup>(1)</sup>	\$ <b>40,079</b>	\$ 36,707	\$ 34,917
International <sup>(2)(3)</sup>	<b>40,392</b>	39,640	38,911
Corporate/Other <sup>(4)</sup>	<b>668</b>	2,115	1,510
<b>Total Citi</b>	<b>\$ 81,139</b>	\$ 78,462	\$ 75,338

<i>In millions of dollars at December 31,</i>	<b>Identifiable assets<sup>(5)</sup></b>	
	<b>2024</b>	<b>2023</b>
North America <sup>(1)</sup>	\$ <b>1,326,443</b>	\$ 1,350,212
International	<b>899,972</b>	940,416
Corporate/Other	<b>126,530</b>	121,206
<b>Total Citi</b>	<b>\$ 2,352,945</b>	\$ 2,411,834

(1) Primarily reflects the U.S.

(2) International represents the summation of international revenues in *Services, Markets, Banking, Wealth and All Other—Legacy Franchises*, primarily Asia Consumer and Mexico Consumer/SBMM.

(3) Total revenues for the U.K. were approximately \$6.7 billion, \$6.9 billion and \$7.9 billion for 2024, 2023 and 2022, respectively.

(4) Corporate/Other revenues, net of interest expense largely reflects U.S. activities, as well as intersegment eliminations.

(5) The Company's long-lived assets (*Premises and equipment*) for the periods presented are not considered significant in relation to its total assets.

#### 4. INTEREST INCOME AND EXPENSE

*Interest income* and *Interest expense* consisted of the following:

<i>In millions of dollars</i>	2024	2023	2022
<b>Interest income</b>			
Consumer loans	\$ 39,542	\$ 36,864	\$ 28,391
Corporate loans	22,562	21,004	12,851
Loan interest, including fees	\$ 62,104	\$ 57,868	\$ 41,242
Deposits with banks	11,417	11,238	4,515
Securities borrowed and purchased under agreements to resell	29,173	26,887	7,154
Investments, including dividends	18,662	18,300	11,214
Trading account assets <sup>(1)</sup>	17,576	14,458	7,418
Other interest-bearing assets <sup>(2)</sup>	4,781	4,507	2,865
<b>Total interest income</b>	<b>\$ 143,713</b>	<b>\$ 133,258</b>	<b>\$ 74,408</b>
<b>Interest expense</b>			
Deposits	\$ 40,326	\$ 36,300	\$ 11,559
Securities loaned and sold under agreements to repurchase	27,884	21,439	4,455
Trading account liabilities <sup>(1)</sup>	3,350	3,427	1,437
Short-term borrowings and other interest-bearing liabilities <sup>(3)</sup>	7,703	7,438	2,488
Long-term debt	10,355	9,754	5,801
<b>Total interest expense</b>	<b>\$ 89,618</b>	<b>\$ 78,358</b>	<b>\$ 25,740</b>
<b>Net interest income</b>	<b>\$ 54,095</b>	<b>\$ 54,900</b>	<b>\$ 48,668</b>
Provision for credit losses on loans	9,726	7,786	4,745
<b>Net interest income after provision for credit losses on loans</b>	<b>\$ 44,369</b>	<b>\$ 47,114</b>	<b>\$ 43,923</b>

(1) Interest expense on *Trading account liabilities of Services, Markets and Banking* is reported as a reduction of *Interest income*. *Interest income* and *Interest expense* on cash collateral positions are reported in interest on *Trading account assets* and *Trading account liabilities*, respectively.

(2) Includes assets from businesses held-for-sale (see Note 2) and *Brokerage receivables*.

(3) Includes liabilities from businesses held-for-sale (see Note 2) and *Brokerage payables*.

## 5. COMMISSIONS AND FEES; ADMINISTRATION AND OTHER FIDUCIARY FEES

### Commissions and Fees

The primary components of *Commissions and fees* revenue are investment banking fees, brokerage commissions, credit card and bank card income, deposit-related fees and transactional service fees.

Investment banking fees are substantially composed of underwriting and advisory revenues. Such fees are recognized at the point in time when Citigroup's performance under the terms of a contractual arrangement is completed, which is typically at the closing of a transaction. Reimbursed expenses related to these transactions are recorded as revenue and are included within investment banking fees. In certain instances for advisory contracts, Citi will receive amounts in advance of the deal's closing. In these instances, the amounts received will be recognized as a liability and not recognized in revenue until the transaction closes. Investment banking fees are earned primarily by *Banking and Markets*. See Note 3 for segment results.

Out-of-pocket expenses associated with underwriting activity are deferred and recognized at the time the related revenue is recognized, while out-of-pocket expenses associated with advisory arrangements are expensed as incurred. In general, expenses incurred related to investment banking transactions, whether consummated or not, are recorded in *Other operating expenses*. The Company has determined that it acts as principal in the majority of these transactions and therefore presents expenses gross within *Other operating expenses*.

Brokerage commissions primarily include commissions and fees from the following: executing transactions for clients on exchanges and over-the-counter markets; sales of mutual funds and other annuity products; and assisting clients in clearing transactions, providing brokerage services and other such activities. Brokerage commissions are recognized in *Commissions and fees* at the point in time the associated service is fulfilled, generally on the trade execution date. Certain costs paid to third-party clearing houses and exchanges are recorded net against commission revenue, as the Company is an agent for those services. Sales of certain investment products include a portion of variable consideration associated with the underlying product. In these instances, a portion of the revenue associated with the sale of the product is not recognized until the variable consideration becomes fixed and determinable. Brokerage commissions are earned primarily by *Markets* and *USPB*. See Note 3 for segment results.

Credit card and bank card income is primarily composed of interchange fees, which are earned by card issuers based on card spend volumes, and certain card fees, including annual fees. Costs related to customer reward programs and certain payments to partners (primarily based on program sales, profitability and customer acquisitions) are recorded as a reduction of credit card and bank card income. Citi's credit card programs have certain partner sharing agreements that vary by partner. These partner sharing agreements are subject to contractually based performance thresholds that, if met, would require Citi to make ongoing payments to the partner.

The threshold is based on the profitability of a program and is generally calculated based on predefined program revenues less predefined program expenses. In most of Citi's partner sharing agreements, program expenses include net credit losses, which, to the extent that the increase in net credit losses reduces Citi's liability for the partners' share for a given program year, would generally result in lower payments to partners in total for that year and vice versa. Further, in some instances, other partner payments are based on program sales and new account acquisitions. Interchange revenues are recognized as earned on a daily basis when Citi's performance obligation to transmit funds to the payment networks has been satisfied. Annual card fees, net of origination costs, are deferred and amortized on a straight-line basis over a 12-month period. Costs related to card reward programs are recognized when the rewards are earned by the cardholders. Payments to partners are recognized when incurred. Credit card and bank card income is earned primarily by *Wealth and Services*. See Note 3 for segment results.

Deposit-related fees consist of service charges on deposit accounts and fees earned from performing cash management activities and other deposit account services. Such fees are recognized in the period in which the related service is provided. Deposit-related fees are earned primarily by *Services* and *USPB*. See Note 3 for segment results.

Transactional service fees primarily consist of fees charged for processing services such as cash management, global payments, clearing, international funds transfer and other trade services. Such fees are recognized as/when the associated service is satisfied, which normally occurs at the point in time the service is requested by the customer and provided by Citi. Transactional service fees are earned primarily by *Services*. See Note 3 for segment results.

Insurance distribution revenue consists of commissions earned from third-party insurance companies for marketing and selling insurance policies on behalf of such entities. Such commissions are recognized in *Commissions and fees* at the point in time the associated service is fulfilled, generally when the insurance policy is sold to the policyholder. Sales of certain insurance products include a portion of variable consideration associated with the underlying product. In these instances, a portion of the revenue associated with the sale of the policy is not recognized until the variable consideration becomes fixed and determinable. The Company recognized \$165 million, \$188 million and \$201 million of revenue related to such variable consideration for the years ended December 31, 2024, 2023 and 2022, respectively. These amounts primarily relate to performance obligations satisfied in prior periods. Insurance distribution revenue is earned primarily by *USPB* and *All Other*. See Note 3 for segment results.

Insurance premiums consist of premium income from insurance policies that Citi has underwritten and sold to policyholders. Insurance premiums are earned primarily by *Legacy Franchises* within *All Other*. See Note 3 for segment results.

The following table presents *Commissions and fees* revenue:

<i>In millions of dollars</i>	2024	2023	2022
Investment banking <sup>(1)</sup>	\$ 3,576	\$ 2,676	\$ 3,084
Brokerage commissions <sup>(2)</sup>	2,498	2,316	2,546
Credit and bank card income			
Interchange fees	12,211	11,996	11,505
Card-related loan fees	604	475	589
Card rewards and partner payments <sup>(3)</sup>	(12,592)	(12,513)	(12,336)
Deposit-related fees	1,333	1,254	1,274
Transactional service fees	1,390	1,323	1,169
Corporate finance <sup>(4)</sup>	685	439	458
Insurance distribution revenue	313	321	346
Insurance premiums	96	97	91
Loan servicing	76	100	103
Other	463	421	346
<b>Total<sup>(5)</sup></b>	<b>\$ 10,653</b>	<b>\$ 8,905</b>	<b>\$ 9,175</b>

(1) For the periods presented, the contract liability amount was negligible.

(2) The Company recognized \$442 million, \$448 million and \$538 million of revenue related to variable consideration for the years ended December 31, 2024, 2023 and 2022, respectively. These amounts primarily relate to performance obligations satisfied in prior periods.

(3) As described above, Citi's credit card programs have certain partner sharing agreements that vary by partner.

(4) Consists primarily of fees earned from structuring and underwriting loan syndications or related financing activity. This activity is accounted for under ASC 310.

(5) *Commissions and fees* include \$(11,076) million, \$(11,367) million and \$(11,008) million not accounted for under ASC 606, *Revenue from Contracts with Customers*, for the years ended December 31, 2024, 2023 and 2022, respectively. Amounts reported in *Commissions and fees* accounted for under other guidance primarily include card-related loan fees, card reward programs and certain partner payments, corporate finance fees, insurance premiums and loan servicing fees.

### **Administration and Other Fiduciary Fees**

*Administration and other fiduciary fees* revenue is primarily composed of custody fees and fiduciary fees.

The custody product is composed of numerous services related to the administration, safekeeping and reporting for both U.S. and non-U.S. denominated securities. The services offered to clients include trade settlement, safekeeping, income collection, corporate action notification, record-keeping and reporting, tax reporting and cash management. These services are provided for a wide range of securities, including but not limited to equities, municipal and corporate bonds, mortgage- and asset-backed securities, money market instruments, U.S. Treasuries and agencies, derivative instruments, mutual funds, alternative investments and precious metals. Custody fees are recognized as or when the associated service is satisfied, which normally occurs at the point in time the service is requested by the customer and provided by Citi. Custody fees are earned primarily by *Services*. See Note 3 for segment results.

Fiduciary fees consist of trust services and investment management services. As an escrow agent, Citi receives, safekeeps, services and manages clients' escrowed assets, such as cash, securities, property (including intellectual property), contracts or other collateral. Citi performs its escrow agent duties by safekeeping the assets during the specified time period agreed upon by all parties and therefore earns its revenue evenly during the contract duration. Investment management services consist of managing assets on behalf of Citi's retail and institutional clients. Revenue from these services primarily consists of asset-based fees for advisory accounts, which are based on the market value of the client's assets and recognized monthly, when the market value is fixed. In some instances, the Company contracts with third-party advisors and with third-party custodians. The Company has determined that it acts as principal in the majority of these transactions and therefore presents the amounts paid to third parties gross within *Transactional and tax charges*. Fiduciary fees are earned primarily by *USPB* and Legacy Franchises within *All Other*. See Note 3 for segment results.

The following table presents *Administration and other fiduciary fees* revenue:

<i>In millions of dollars</i>	2024	2023	2022
Custody fees	\$ 2,026	\$ 1,871	\$ 1,877
Fiduciary fees	1,583	1,376	1,350
Guarantee fees	525	534	557
<b>Total administration and other fiduciary fees<sup>(1)</sup></b>	<b>\$ 4,134</b>	<b>\$ 3,781</b>	<b>\$ 3,784</b>

(1) *Administration and other fiduciary fees* include \$525 million, \$534 million and \$557 million for the years ended December 31, 2024, 2023 and 2022, respectively, that are not accounted for under ASC 606, *Revenue from Contracts with Customers*. These generally include guarantee fees.

## 6. PRINCIPAL TRANSACTIONS

*Principal transactions* revenue consists of realized and unrealized gains and losses from trading activities. Trading activities include revenues from fixed income, equities, credit and commodities products and foreign exchange transactions that are managed on a portfolio basis and characterized below based on the primary risk managed by each trading desk (as such, the trading desks can be periodically reorganized and thus the risk categories). Not included in the table below is the impact of net interest income related to trading activities, which is an integral part of the profitability of trading

activities (see Note 4 for information about net interest income related to trading activities). Principal transactions include CVA (credit valuation adjustments) and FVA (funding valuation adjustments) on over-the-counter derivatives, and gains (losses) on certain economic hedges on loans in *Services*, *Markets* and *Banking*. These adjustments are discussed further in Note 26.

In certain transactions, Citi incurs fees and presents these fees paid to third parties in operating expenses.

The following table presents *Principal transactions* revenue:

<i>In millions of dollars</i>	2024	2023	2022
Interest rate risks <sup>(1)</sup>	\$ 1,966	\$ 2,407	\$ 3,389
Foreign exchange risks <sup>(2)</sup>	5,615	5,978	7,148
Equity risks <sup>(3)(4)</sup>	2,448	1,266	1,848
Commodity and other risks <sup>(5)</sup>	1,374	1,741	1,801
Credit products and risks <sup>(6)</sup>	250	(444)	(27)
<b>Total</b>	<b>\$ 11,653</b>	<b>\$ 10,948</b>	<b>\$ 14,159</b>

- (1) Includes revenues from government securities, municipal securities, mortgage securities and other debt instruments. Also includes spot and forward trading of currencies and exchange-traded and over-the-counter (OTC) currency options, options on fixed income securities, interest rate swaps, currency swaps, swap options, caps and floors, financial futures, OTC options and forward contracts on fixed income securities.
- (2) Includes revenues from foreign exchange spot, forward, option and swap contracts, as well as foreign currency translation (FX translation) gains and losses.
- (3) Includes revenues from common, preferred and convertible preferred stock, convertible corporate debt, equity-linked notes and exchange-traded and OTC equity options and warrants.
- (4) 2024 includes an approximate \$400 million episodic gain related to the Visa B exchange completed in the second quarter of 2024.
- (5) Primarily includes revenues from crude oil, refined oil products, natural gas, metals and other commodities trades.
- (6) Includes revenues from corporate debt, secondary trading loans, mortgage securities, single name and index credit default swaps, and structured credit products.

## 7. INCENTIVE PLANS

### Discretionary Annual Incentive Awards

Citigroup grants immediate cash bonus payments and various forms of immediate and deferred awards as part of its discretionary annual incentive award program involving a large segment of Citigroup's employees worldwide.

Discretionary annual incentive awards are generally awarded in the first quarter of the year based on the previous year's performance. Awards valued at less than U.S. \$75,000 (or the local currency equivalent) are generally paid entirely in the form of an immediate cash bonus. Pursuant to Citigroup policy and/or regulatory requirements, certain employees are subject to mandatory deferrals of incentive pay and generally receive 15%–60% of their awards in the form of deferred stock or deferred cash stock units. Discretionary annual incentive awards to certain employees in the EU are subject to deferral requirements regardless of the total award value, with at least 50% of the immediate incentive delivered in the form of a stock payment award subject to a restriction on sale or transfer (generally, for 12 months).

For deferred incentive awards granted in 2022 and after, Citigroup changed the annual deferred compensation structure from granting deferred cash awards for certain regulated employees to deferred stock awards. Certain employees located in countries that have regulations or tax advantages for offering deferred cash or deferred cash stock units received those types of awards as a part of their annual incentive compensation rather than deferred stock.

Subject to certain exceptions (principally, for retirement-eligible employees), continuous employment within Citigroup is required to vest in deferred annual incentive awards. Post employment vesting by retirement-eligible employees and participants who meet other conditions is generally conditioned upon their compliance with certain restrictions during the remaining vesting period.

Generally, the deferred awards vest in equal annual installments over four years. Vested stock awards are delivered in shares of common stock. Deferred cash awards are payable in cash and, except as prohibited by applicable regulatory guidance, earn a fixed notional rate of interest that is paid only if and when the underlying principal award amount vests. Deferred cash stock unit awards are payable in cash at the vesting value of the underlying stock. The value of each deferred stock unit is equal to one share of Citigroup stock, and the award will fluctuate with changes in the stock price. Recipients of deferred stock awards and deferred cash stock unit awards, however, may, except as prohibited by applicable regulatory guidance, be entitled to receive or accrue dividend-equivalent payments during the vesting period. Generally, in the EU, vested shares are subject to a restriction on sale or transfer after vesting, and vested deferred cash awards and deferred cash stock units are subject to hold back (generally, for 6 or 12 months based on the award type).

Stock awards, deferred cash stock units and deferred cash awards are subject to one or more cancellation and clawback provisions that apply in certain circumstances, including gross misconduct and in the circumstances required by SEC rule 10D-1.

### Outstanding (Unvested) Stock Awards

A summary of the status of unvested stock awards granted as discretionary annual incentive or sign-on and replacement stock awards is presented below:

Unvested stock awards	Shares	Weighted-average grant date fair value per share
Unvested at December 31, 2023	59,857,333	\$ 56.09
Granted <sup>(1)</sup>	32,164,458	53.00
Canceled	(2,693,522)	55.04
Vested <sup>(2)</sup>	(21,641,734)	58.59
<b>Unvested at December 31, 2024</b>	<b>67,686,535</b>	<b>\$ 53.87</b>

(1) The weighted-average fair value of the shares granted during 2023 and 2022 was \$49.36 and \$65.07, respectively.

(2) The total fair value of stock awards that vested during the years ending 2024, 2023 and 2022 was \$1.1 billion, \$835 million and \$863 million, respectively.

Total unrecognized compensation cost related to unvested stock awards was \$1.1 billion at December 31, 2024. The cost is expected to be recognized over a weighted-average period of 1.7 years.

### Performance Share Units

Certain senior executives were awarded performance share units (PSUs) every February from 2021 to 2024, for performance in the year prior to the award date. Each award referenced two forward-looking three-year performance metrics. In each year an award was granted, the metrics were equally weighted. For PSUs awarded in 2021, 2022 and 2023, the metrics were average return on tangible common equity and cumulative tangible book value per share. For PSUs awarded in 2024, the metrics were weighted-average return on tangible common equity and cumulative tangible book value per share. The award is settled solely in cash after the end of each performance period.

For all award years, if the total shareholder return is negative over the three-year performance period, executives may earn no more than 100% of the target PSUs, regardless of the extent to which Citigroup outperforms against performance goals and/or peer firms. The number of PSUs ultimately earned could vary from zero, if performance goals are not met, to as much as 150% of target, if performance goals are meaningfully exceeded. The reported financial metrics during the performance period are adjusted to reflect any mandatory equitable adjustments as required under the applicable award agreements for unusual and non-recurring items as presented to and approved by the Compensation, Performance Management and Culture (CPC) Committee.

For all award years, the value of each PSU is equal to the value of one share of Citi common stock. Dividend equivalents are forfeitable, accrued and paid on the number of earned PSUs after the end of the performance period.



PSUs are subject to variable accounting, pursuant to which the associated value of the award will fluctuate with changes in Citigroup's stock price and the attainment of the specified performance goals for each award. The value of the award, subject to the performance goals and taking into account any mandatory equitable adjustments as per the terms of the award agreement, is estimated using a simulation model that incorporates multiple valuation assumptions, including the probability of achieving the specified performance goals of each award. The risk-free rate used in the model is based on the applicable U.S. Treasury yield curve. Other significant assumptions for the awards are as follows:

<b>Valuation assumptions—</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>weighted average</b>			
Expected volatility	<b>26.82 %</b>	35.97 %	37.01 %
Expected dividend yield	<b>3.84</b>	4.13	2.96

A summary of the performance share unit activity for 2024 is presented below:

<b>Performance share units</b>	<b>Units</b>
<b>Outstanding, beginning of year</b>	<b>2,043,156</b>
Granted	1,234,835
Canceled	—
Payments <sup>(1)</sup>	(418,098)
<b>Outstanding, end of year</b>	<b>2,859,893</b>

(1) \$24.6 million in payments were processed for this program in 2024.

### Transformation Program

In order to provide an incentive for select employees to effectively execute Citi's transformation program, in August 2021 the Personnel and Compensation (P&C) Committee of Citigroup's Board of Directors, the predecessor of the Compensation, Performance Management and Culture (CPC) Committee of Citigroup's Board of Directors, approved a program for the select employees to earn additional compensation based on the achievement of Citi's transformation goals from August 2021 through December 2024 and satisfaction of other conditions. Performance under the program is divided into three consecutive periods, ending on December 31, 2022, 2023 and 2024. The awards are subject to variable accounting, pursuant to which the associated value of the award will fluctuate with the attainment of the performance conditions for each tranche and changes to Citigroup's stock price for the third tranche. Payment for each period will be in cash, in a lump sum, with the third payment indexed to changes in the value of Citi's common stock from the service inception date through the payment date. Earnings generally will be based on collective performance with respect to Citi's transformation goals and will be evaluated and approved by the CPC Committee on an annual basis.

Payments in the event of any category of employment termination or change in job title or employment status are subject to Citi's discretion. Cancellation and clawback are provided for in the event of misconduct and certain other

circumstances. The program applies to senior leaders, other than the CEO, critical to helping deliver a successful transformation with the value of the awards varying based on individual compensation levels.

### Other Variable Incentive Compensation

Citigroup has various incentive plans globally that are used to motivate and reward performance primarily in the areas of sales, operational excellence and customer satisfaction. Participation in these plans is generally limited to employees who are not eligible for discretionary annual incentive awards. Other forms of variable compensation include commissions paid to financial advisors and mortgage loan officers.

### Additional Information

Except for awards subject to variable accounting, the total expense recognized for stock awards represents the grant date fair value of such awards, which is generally recognized as a charge to income ratably over the vesting period, other than for awards to retirement-eligible employees and immediately vested awards. Whenever awards are granted or are expected to be granted to employees who are, or are expected to be while the awards are outstanding, retirement eligible, the charge to income is accelerated based on when the applicable conditions for retirement eligibility were or will be met. If the employee is retirement eligible on the grant date, or the award is vested at the grant date, Citi recognizes the expense each year equal to the grant date fair value of the awards that it estimates will be granted in the following year.

Recipients of Citigroup stock awards generally do not have any stockholder rights until shares are delivered upon vesting. Recipients of stock-settled awards and other vested stock awards subject to a sale-restriction period are generally entitled to vote the shares in their award and receive dividends on such shares during the sale-restriction period. Once a stock award vests, the shares delivered to the participant are freely transferable, unless they are subject to a restriction on sale or transfer for a specified period.

All equity awards granted since April 19, 2005 have been made pursuant to stockholder-approved stock incentive plans that are administered by the CPC Committee (or its predecessor), which is composed entirely of independent non-employee directors.

On December 31, 2024, approximately 42.3 million shares of Citigroup common stock were authorized and available for grant under Citigroup's 2019 Stock Incentive Plan, the only plan from which equity awards are currently granted.

The 2019 Stock Incentive Plan and predecessor plans permit the use of treasury stock or newly issued shares in connection with awards granted under the plans. Except where local laws favor newly issued shares, treasury shares were used to settle stock vestings. The use of treasury stock or newly issued shares to settle stock awards does not affect the compensation expense recorded in the Consolidated Statement of Income for equity awards.

### **Incentive Compensation Cost**

The following table presents components of compensation expense, relating to the incentive compensation programs described above:

<i>In millions of dollars</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Charges for estimated awards to retirement-eligible employees	\$ 741	\$ 663	\$ 742
Amortization of deferred cash awards, deferred cash stock units and performance stock units	186	340	463
Immediately vested stock award expense <sup>(1)</sup>	130	127	101
Amortization of restricted and deferred stock awards <sup>(2)</sup>	718	689	533
Other variable incentive compensation	355	286	304
<b>Total</b>	<b>\$ 2,130</b>	<b>\$ 2,105</b>	<b>\$ 2,091</b>

- (1) Represents expense for immediately vested stock awards that generally were stock payments in lieu of cash compensation. The expense is generally accrued as cash incentive compensation in the year prior to grant.
- (2) All periods include amortization expense for all unvested awards to non-retirement-eligible employees.

Citigroup did not capitalize any stock-based compensation costs in 2024, 2023 or 2022. The related income tax benefits for stock-based compensation costs were \$428 million, \$392 million and \$350 million for 2024, 2023 and 2022, respectively.

## 8. RETIREMENT BENEFITS

### Pension and Postretirement Benefit Plans

The Company has several non-contributory defined benefit pension plans covering certain U.S. employees and has various defined benefit pension and termination indemnity plans covering employees outside the U.S.

The U.S. qualified defined benefit pension plan was frozen effective January 1, 2008 for most employees. Accordingly, no additional compensation-based contributions have been credited to the cash balance portion of the plan for existing plan participants after 2007. However, certain employees covered under the prior final pay plan formula continue to accrue benefits. The Company also offers postretirement health care and life insurance benefits to certain eligible U.S. retired employees, as well as to certain eligible employees outside the U.S.

The Company also sponsors a number of non-contributory, nonqualified pension plans. These plans, which are unfunded, provide supplemental defined pension benefits to certain U.S. employees. With the exception of certain

employees covered under the prior final pay plan formula, the benefits under these plans were frozen in prior years.

The plan obligations, plan assets and periodic plan expense for the Company's most significant pension and postretirement benefit plans (Significant Plans) are measured and disclosed quarterly, instead of annually. The Significant Plans captured approximately 90% of the Company's global pension and postretirement benefit plan obligations as of December 31, 2024. All other plans (All Other Plans) are measured annually with a December 31 measurement date.

### Net Expense (Benefit)

The following table summarizes the components of net expense (benefit) recognized in the Consolidated Statement of Income for the Company's pension and postretirement benefit plans for Significant Plans and All Other Plans. Service cost is reported in *Compensation and benefits* expenses and all other components of the net annual benefit cost are reported in *Other operating* expenses in the Consolidated Statement of Income:

In millions of dollars	Pension plans						Postretirement benefit plans					
	U.S. plans			Non-U.S. plans			U.S. plans			Non-U.S. plans		
	2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022
Service cost	\$ —	\$ —	\$ —	\$ 115	\$ 115	\$ 116	\$ —	\$ —	\$ —	\$ 1	\$ 1	\$ 2
Interest cost on benefit obligation	466	505	442	421	409	329	16	18	16	107	106	90
Expected return on assets	(602)	(640)	(612)	(326)	(327)	(263)	(11)	(13)	(11)	(80)	(77)	(69)
Amortization of amounts in AOCI:												
Prior service cost (benefit)	2	2	2	(3)	(5)	(7)	(9)	(9)	(9)	(7)	(9)	(8)
Net actuarial loss (gain)	179	151	162	76	72	58	(10)	(12)	(9)	10	(18)	6
Curtailment (gain) <sup>(1)</sup>	—	—	—	(3)	(16)	(22)	—	—	—	—	—	—
Settlement loss (gain) <sup>(1)</sup>	—	—	—	5	9	(15)	—	—	—	—	—	—
<b>Total net expense (benefit)</b>	<b>\$ 45</b>	<b>\$ 18</b>	<b>\$ (6)</b>	<b>\$ 285</b>	<b>\$ 257</b>	<b>\$ 196</b>	<b>\$ (14)</b>	<b>\$ (16)</b>	<b>\$ (13)</b>	<b>\$ 31</b>	<b>\$ 3</b>	<b>\$ 21</b>

(1) Curtailment and settlement relate to divestiture activities. Total 2024 net expense for non-U.S. plans includes \$7 million of settlement losses related to the termination of Citibank Canada Pension Plan. Total 2023 net expense for non-U.S. plans includes curtailment gains and settlement loss related to divestiture of Citi's consumer businesses in India, Indonesia and Taiwan. Total 2022 net expense for non-U.S. plans includes a \$36 million net benefit related to the wind-down of Citi's consumer banking business in Korea.

### Contributions

The Company's funding practice for U.S. and non-U.S. pension and postretirement benefit plans is generally to fund to minimum funding requirements in accordance with applicable local laws and regulations. The Company may increase its contributions above the minimum required contribution, if appropriate. In addition, management has the ability to change its funding practices. For the U.S. pension

plans, there were no required minimum cash contributions for 2024 or 2023.

The following table summarizes the Company's actual contributions for the years ended December 31, 2024 and 2023, as well as expected Company contributions for 2025. Expected contributions are subject to change, since contribution decisions are affected by various factors, such as market performance, tax considerations and regulatory requirements.

In millions of dollars	Pension plans <sup>(1)</sup>						Postretirement benefit plans <sup>(1)</sup>					
	U.S. plans <sup>(2)</sup>			Non-U.S. plans <sup>(3)</sup>			U.S. plans			Non-U.S. plans		
	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023
Contributions made by the Company	\$ —	\$ —	\$ —	\$ 47	\$ 713	\$ 87	\$ —	\$ —	\$ —	\$ 3	\$ 4	\$ 4
Benefits paid directly by the Company	57	59	58	42	50	31	5	8	8	7	5	5

(1) Amounts reported for 2025 are expected amounts.

(2) The U.S. plans include benefits paid directly by the Company for the nonqualified pension plans.

(3) The Company made a discretionary contribution of approximately \$600 million to a pension plan in Mexico during the fourth quarter of 2024.



**Funded Status and Accumulated Other Comprehensive Income (AOCI)**

The following table summarizes the funded status and amounts recognized on the Consolidated Balance Sheet for the Company's pension and postretirement benefit plans:

In millions of dollars	Pension plans				Postretirement benefit plans			
	U.S. plans		Non-U.S. plans		U.S. plans		Non-U.S. plans	
	2024	2023	2024	2023	2024	2023	2024	2023
<b>Change in benefit obligation</b>								
Benefit obligation at beginning of year	\$ 9,640	\$ 9,741	\$ 7,030	\$ 6,375	\$ 343	\$ 375	\$ 1,208	\$ 1,013
Service cost	—	—	115	115	—	—	1	1
Interest cost on benefit obligation	466	505	421	409	16	18	107	106
Plan amendments	—	—	(1)	(2)	—	—	—	—
Actuarial (gain) loss	(262)	282	(335)	273	(21)	(1)	(1)	27
Benefits paid, net of participants' contributions	(888)	(888)	(394)	(368)	(46)	(49)	(96)	(77)
Divestitures	—	—	(1)	(77)	—	—	—	—
Settlement <sup>(1)(2)</sup>	—	—	(47)	(104)	—	—	—	—
Curtailment <sup>(2)</sup>	—	—	(4)	(33)	—	—	—	—
Foreign exchange impact and other	—	—	(732)	442	—	—	(205)	138
<b>Benefit obligation at year end</b>	<b>\$ 8,956</b>	<b>\$ 9,640</b>	<b>\$ 6,052</b>	<b>\$ 7,030</b>	<b>\$ 292</b>	<b>\$ 343</b>	<b>\$ 1,014</b>	<b>\$ 1,208</b>
<b>Change in plan assets</b>								
Plan assets at fair value at beginning of year	\$ 10,210	\$ 10,145	\$ 6,426	\$ 6,086	\$ 231	\$ 253	\$ 970	\$ 855
Actual return on plan assets	266	895	131	352	9	19	50	56
Company contributions, net of reimbursements	59	58	763	118	8	8	9	9
Benefits paid, net of participants' contributions	(888)	(888)	(394)	(368)	(46)	(49)	(96)	(77)
Divestitures	—	—	(1)	(19)	—	—	—	—
Settlement <sup>(1)(2)</sup>	—	—	(47)	(104)	—	—	—	—
Foreign exchange impact and other	—	—	(620)	361	—	—	(178)	127
<b>Plan assets at fair value at year end</b>	<b>\$ 9,647</b>	<b>\$ 10,210</b>	<b>\$ 6,258</b>	<b>\$ 6,426</b>	<b>\$ 202</b>	<b>\$ 231</b>	<b>\$ 755</b>	<b>\$ 970</b>
<b>Funded status of the plans</b>								
<b>Qualified plans<sup>(3)</sup></b>	<b>\$ 1,181</b>	<b>\$ 1,107</b>	<b>\$ 206</b>	<b>\$ (604)</b>	<b>\$ (90)</b>	<b>\$ (112)</b>	<b>\$ (259)</b>	<b>\$ (238)</b>
<b>Nonqualified plans<sup>(4)</sup></b>	<b>(490)</b>	<b>(537)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Funded status of the plans at year end</b>	<b>\$ 691</b>	<b>\$ 570</b>	<b>\$ 206</b>	<b>\$ (604)</b>	<b>\$ (90)</b>	<b>\$ (112)</b>	<b>\$ (259)</b>	<b>\$ (238)</b>
<b>Net amount recognized at year end</b>								
<b>Qualified plans</b>								
Benefit asset	\$ 1,181	\$ 1,107	\$ 895	\$ 832	\$ —	\$ —	\$ —	\$ —
Benefit liability	—	—	(689)	(1,436)	(90)	(112)	(259)	(238)
<b>Qualified plans</b>	<b>\$ 1,181</b>	<b>\$ 1,107</b>	<b>\$ 206</b>	<b>\$ (604)</b>	<b>\$ (90)</b>	<b>\$ (112)</b>	<b>\$ (259)</b>	<b>\$ (238)</b>
<b>Nonqualified plans</b>	<b>(490)</b>	<b>(537)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net amount recognized on the balance sheet</b>	<b>\$ 691</b>	<b>\$ 570</b>	<b>\$ 206</b>	<b>\$ (604)</b>	<b>\$ (90)</b>	<b>\$ (112)</b>	<b>\$ (259)</b>	<b>\$ (238)</b>
<b>Amounts recognized in AOCI at year end<sup>(1)</sup></b>								
Prior service (cost) benefit	\$ (3)	\$ (5)	\$ (1)	\$ 5	\$ 63	\$ 73	\$ 21	\$ 33
Net actuarial (loss) gain	(6,215)	(6,320)	(1,513)	(1,990)	125	114	(263)	(311)
<b>Net amount recognized in AOCI</b>	<b>\$ (6,218)</b>	<b>\$ (6,325)</b>	<b>\$ (1,514)</b>	<b>\$ (1,985)</b>	<b>\$ 188</b>	<b>\$ 187</b>	<b>\$ (242)</b>	<b>\$ (278)</b>
<b>Accumulated benefit obligation at year end</b>	<b>\$ 8,956</b>	<b>\$ 9,640</b>	<b>\$ 5,716</b>	<b>\$ 6,686</b>	<b>\$ 292</b>	<b>\$ 343</b>	<b>\$ 1,014</b>	<b>\$ 1,208</b>

- (1) The framework for the Company's pension oversight process includes monitoring of potential settlement charges for all plans. Settlement accounting is triggered when either the sum of all settlements (including lump sum payments) for the year is greater than service plus interest costs or if more than 10% of the plan's projected benefit obligation will be settled. Because some of Citi's Significant Plans are frozen and have no material service cost, settlement accounting may apply in the future.
- (2) Curtailment and settlement relate to divestiture and other wind-down activities.
- (3) The U.S. qualified plan was fully funded as of January 1, 2024 and no minimum funding was required for 2024. The plan is also expected to be fully funded as of January 1, 2025 with no expected minimum funding requirement for 2025.
- (4) The nonqualified plans of the Company are unfunded.

The following table presents the change in *AOCI* related to the Company's pension, postretirement and post employment plans:

<i>In millions of dollars</i>	2024	2023	2022
<b>Beginning of year balance, net of tax<sup>(1)(2)</sup></b>	\$ (6,050)	\$ (5,755)	\$ (5,852)
Actuarial assumptions changes and plan experience	625	(547)	3,923
Net (loss) gain due to difference between actual and expected returns	(562)	263	(4,225)
Net amortization	239	175	198
Prior service benefit	1	2	—
Curtailment/settlement gain (loss) <sup>(3)</sup>	2	(7)	(37)
Foreign exchange impact and other	271	(239)	172
Change in deferred taxes, net	(153)	58	66
<b>Change, net of tax</b>	\$ 423	\$ (295)	\$ 97
<b>End of year balance, net of tax<sup>(1)(2)</sup></b>	\$ (5,627)	\$ (6,050)	\$ (5,755)

(1) See Note 21 for further discussion of net *AOCI* balance.

(2) Includes net of tax amounts for certain profit-sharing plans outside the U.S.

(3) Curtailment and settlement relate to divestiture activities, including \$36 million related to the Korea wind-down in 2022.

At December 31, 2024 and 2023, the aggregate projected benefit obligation (PBO), the aggregate accumulated benefit obligation (ABO) and the aggregate fair value of plan assets are presented for all defined benefit pension plans with a PBO in excess of plan assets and for all defined benefit pension plans with an ABO in excess of plan assets as follows:

<i>In millions of dollars</i>	PBO exceeds fair value of plan assets				ABO exceeds fair value of plan assets			
	U.S. plans <sup>(1)</sup>		Non-U.S. plans		U.S. plans <sup>(1)</sup>		Non-U.S. plans	
	2024	2023	2024	2023	2024	2023	2024	2023
Projected benefit obligation	\$ 490	\$ 537	\$ 2,968	\$ 3,747	\$ 490	\$ 537	\$ 2,745	\$ 3,510
Accumulated benefit obligation	490	537	2,679	3,453	490	537	2,523	3,258
Fair value of plan assets	—	—	2,279	2,311	—	—	2,095	2,100

(1) As of December 31, 2024 and 2023, only the nonqualified plans' PBO and ABO exceeded plan assets.

### Plan Assumptions

The Company utilizes a number of assumptions to determine plan obligations and expenses. Changes in one or a combination of these assumptions will have an impact on the Company's pension and postretirement PBO, funded status and expense (benefit). Changes in the plans' funded status resulting from changes in the PBO and fair value of plan assets will have a corresponding impact on *AOCI*.

The actuarial assumptions at the respective years ended December 31 in the table below are used to measure the year-end PBO and the net periodic expense (benefit) for the subsequent year (period). Since Citi's Significant Plans are measured on a quarterly basis, the year-end rates for those plans are used to calculate the net periodic expense (benefit) for the subsequent year's first quarter.

As a result of the quarterly measurement process, the net periodic (benefit) expense for the Significant Plans is calculated at each respective quarter end based on the preceding quarter-end rates (as presented below for the U.S. and non-U.S. pension and postretirement benefit plans). The actuarial assumptions for All Other Plans are measured annually.

Certain assumptions used in determining pension and postretirement benefit obligations and net benefit expense for the Company's plans are presented in the following tables:

<i>At year end</i>	<b>2024</b>	<b>2023</b>
<b>Discount rate</b>		
U.S. plans		
Qualified pension	<b>5.55%</b>	5.10%
Nonqualified pension	<b>5.60</b>	5.15
Postretirement benefit plan	<b>5.55</b>	5.20
Non-U.S. pension plans		
Range	<b>0.85 to 12.50</b>	1.35 to 14.55
Weighted average	<b>7.31</b>	6.91
Non-U.S. postretirement benefit plan		
Range	<b>3.25 to 12.20</b>	3.80 to 10.70
Weighted average	<b>11.21</b>	9.90
<b>Future compensation increase rate<sup>(1)</sup></b>		
Non-U.S. pension plans		
Range	<b>1.60 to 12.40</b>	1.30 to 12.40
Weighted average	<b>3.80</b>	3.84
<b>Expected return on assets</b>		
U.S. plans		
Qualified pension	<b>6.00</b>	5.70
Postretirement benefit plan <sup>(2)</sup>	<b>6.00/3.00</b>	5.70/3.00
Non-U.S. pension plans		
Range	<b>2.00 to 11.50</b>	2.00 to 11.50
Weighted average	<b>6.27</b>	6.62
Non-U.S. postretirement benefit plan		
Range	<b>8.60 to 9.40</b>	8.60 to 9.40
Weighted average	<b>9.39</b>	9.39
<b>Interest crediting rate (weighted average)<sup>(3)</sup></b>		
U.S. plans	<b>4.55</b>	4.10
Non-U.S. plans	<b>1.77</b>	1.78

(1) Not material for U.S. plans.

(2) For the years ended 2024 and 2023, the expected return on assets for the Voluntary Employees Beneficiary Association (VEBA) Trust was 3.00%.

(3) The Company has cash balance plans and other plans with promised interest crediting rates. For these plans, the interest crediting rates are set in line with plan rules or country legislation.

<i>During the year</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Discount rate</b>			
U.S. plans <sup>(1)</sup>			
Qualified pension	<b>5.10%/5.30%/ 5.50%/4.90%</b>	5.50%/5.15%/ 5.40%/6.05%	2.80%/3.80%/ 4.80%/5.65%
Nonqualified pension	<b>5.15/5.40/ 5.60/4.95</b>	5.55/5.20/ 5.45/6.10	2.80/3.85/ 4.80/5.60
Postretirement benefit plan	<b>5.20/5.40/ 5.60/4.90</b>	5.60/5.25/ 5.50/6.10	2.75/3.85/ 4.75/5.65
Non-U.S. pension plans <sup>(2)</sup>			
Range	<b>1.35 to 14.55</b>	1.75 to 25.20	-0.10 to 11.95
Weighted average	<b>6.91</b>	6.66	3.96
Non-U.S. postretirement benefit plan <sup>(2)</sup>			
Range	<b>3.80 to 11.40</b>	3.25 to 11.55	1.05 to 11.25
Weighted average	<b>9.90</b>	9.80	8.28
<b>Future compensation increase rate<sup>(3)</sup></b>			
Non-U.S. pension plans <sup>(2)</sup>			
Range	<b>1.30 to 12.40</b>	1.30 to 23.11	1.30 to 11.25
Weighted average	<b>3.84</b>	3.76	3.10
<b>Expected return on assets</b>			
U.S. plans			
Qualified pension <sup>(4)</sup>	<b>5.70</b>	5.70	5.00
Postretirement benefit plan <sup>(4)</sup>	<b>5.70/3.00</b>	5.70/3.00	5.00/1.50
Non-U.S. pension plans <sup>(2)</sup>			
Range	<b>2.00 to 11.50</b>	1.00 to 11.50	0.00 to 11.50
Weighted average	<b>6.62</b>	6.05	3.69
Non-U.S. postretirement benefit plan <sup>(2)</sup>			
Range	<b>8.60 to 9.40</b>	8.70 to 9.10	6.00 to 8.00
Weighted average	<b>9.39</b>	8.70	7.99
<b>Interest crediting rate (weighted average)<sup>(5)</sup></b>			
U.S. plans <sup>(1)</sup>	<b>4.10/4.30/ 4.50/3.90</b>	4.50/4.15/ 4.40/5.05	1.80/2.80/ 3.80/4.65
Non-U.S. plans	<b>1.78</b>	1.73	1.61

(1) Represents rates used in quarterly remeasurements.

(2) Reflects rates utilized to determine the quarterly expense for Significant non-U.S. pension and postretirement benefit plans.

(3) Not material for U.S. plans.

(4) The expected return on assets for the U.S. pension and postretirement benefit plans was adjusted from 5.70% to 6.00% effective January 1, 2025 to reflect a change in economic market conditions. The expected return on assets for the U.S. pension and postretirement benefit plans was adjusted from 5.00% to 5.70% effective January 1, 2023 to reflect a significant change in economic market conditions. For the years 2024 and 2023, the expected return on assets for the VEBA Trust was 3.00% and for 2022 it was 1.50%.

(5) The Company has cash balance plans and other plans with promised interest crediting rates. For these plans, the interest crediting rates are set in line with plan rules or country legislation.

### **Discount Rate**

The discount rates for the U.S. pension and postretirement benefit plans were selected by reference to a Citigroup-specific analysis using each plan's specific cash flows and a hypothetical bond portfolio of U.S. high-quality corporate bonds that match each plan's projected cash flows. The discount rates for the non-U.S. pension and postretirement benefit plans are selected by reference to each plan's specific cash flows and a market-based yield curve developed from the available local high-quality corporate bonds. However, where developed corporate bond markets do not exist, the discount rates are selected by reference to local government bonds with an estimated premium added to reflect the additional risk for corporate bonds in certain countries. Where available, the resulting plan yields by jurisdiction are compared with published, high-quality corporate bond indices for reasonableness.

### **Expected Return on Assets**

The Company determines its assumptions for the expected return on assets for its U.S. pension and postretirement benefit plans using a "building block" approach, which focuses on ranges of anticipated rates of return for each asset class. A weighted-average range of nominal rates is then determined based on target allocations to each asset class. Market performance over a number of earlier years is evaluated covering a wide range of economic conditions to determine whether there are sound reasons for projecting any past trends.

The Company considers the expected return on assets to be a long-term assessment of return expectations and does not anticipate changing this assumption unless there are significant changes in investment strategy or economic conditions. This contrasts with the selection of the discount rate and certain other assumptions, which are reconsidered annually (or quarterly for the Significant Plans) in accordance with GAAP.

The expected return on assets reflects the expected annual appreciation of the plan assets and reduces the Company's annual pension expense. The expected return on assets is deducted from the sum of service cost, interest cost and other components of pension expense to arrive at the net pension expense (benefit).

The following table presents the expected return on assets used in determining the Company's pension expense compared to the actual return on assets during 2024, 2023 and 2022 for the U.S. pension and postretirement benefit plans:

<b>U.S. plans (during the year)</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Expected return on assets <sup>(1)</sup>			
U.S. pension and postretirement trust	<b>5.70%</b>	5.70%	5.00%
VEBA Trust <sup>(2)</sup>	<b>3.00</b>	3.00	1.50
Actual return on assets <sup>(1)</sup>			
U.S. pension and postretirement trust	<b>2.55</b>	9.83	(15.52)
VEBA Trust	<b>6.01</b>	5.87	1.40

(1) Expected return on assets and actual return on assets is presented net of fees.

(2) The expected return on assets for the VEBA Trust was adjusted from 1.50% to 3.00% effective January 1, 2023 to reflect the significant change in economic conditions.

### **Sensitivities of Certain Key Assumptions**

The U.S. Qualified Pension Plan is frozen, and as a result, pension expense is primarily driven by interest cost. An increase in the discount rate would increase pension expense, while a decrease in the discount rate would decrease pension expense.

For Non-U.S. Pension Plans that are not frozen (in countries such as Mexico, the U.K. and South Korea), there is more service cost. The pension expense for the Non-U.S. Plans is driven by both service cost and interest cost. An increase in the discount rate generally decreases pension expense due to the greater impact on service cost compared to interest cost.

The following tables summarize the effect on pension expense:

<i>In millions of dollars</i>	<b>Discount rate</b>		
	<b>One-percentage-point increase</b>		
<i>In millions of dollars</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>
U.S. plans	\$ <b>23</b>	\$ 22	\$ 27
Non-U.S. plans	(13)	(12)	(5)
<b>One-percentage-point decrease</b>			
<i>In millions of dollars</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>
U.S. plans	\$ (27)	\$ (26)	\$ (34)
Non-U.S. plans	21	20	15
<b>Expected return on assets</b>			
<b>One-percentage-point increase</b>			
<i>In millions of dollars</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>
U.S. plans	\$ (106)	\$ (112)	\$ (123)
Non-U.S. plans	(53)	(54)	(60)
<b>One-percentage-point decrease</b>			
<i>In millions of dollars</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>
U.S. plans	\$ <b>106</b>	\$ 112	\$ 123
Non-U.S. plans	53	54	60

### **Health Care Cost Trend Rate**

Assumed health care cost trend rates were as follows:

	<b>2024</b>	<b>2023</b>
<b>Health care cost increase rate for U.S. plans</b>		
Following year	<b>6.50%</b>	6.75%
Ultimate rate to which cost increase is assumed to decline	<b>5.00</b>	5.00
Year in which the ultimate rate is reached	<b>2031</b>	2031
<b>Health care cost increase rate for non-U.S. plans (weighted average)</b>		
Following year	<b>9.20%</b>	7.60%
Ultimate rate to which cost increase is assumed to decline	<b>6.93</b>	7.02
Year in which the ultimate rate is reached	<b>2030</b>	2030

### **Plan Assets**

Citigroup's pension and postretirement benefit plans' asset allocations for the U.S. plans and the target allocations by asset category based on asset fair values are as follows:

<b>Asset category<sup>(1)</sup></b>	<b>Target asset allocation</b>	<b>U.S. pension assets at December 31,</b>		<b>U.S. postretirement assets at December 31,</b>	
		<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>
Equity securities <sup>(2)</sup>	0–22%	7 %	7 %	7 %	7 %
Debt securities <sup>(3)</sup>	55–100	71	71	71	71
Real assets <sup>(1)</sup>	0–13	5	2	5	2
Private equity	0–5	7	8	7	8
Other investments	0–14	10	12	10	12
<b>Total</b>		<b>100 %</b>	100 %	<b>100 %</b>	100 %

- (1) Target asset allocations are set by investment strategy, whereas pension and postretirement assets as of December 31, 2024 and 2023 are based on the underlying investment product. For example, the private equity investment strategy may include underlying investments in real assets (includes real estate, infrastructure and natural resources) within the target asset allocation; however, within pension and postretirement assets, the underlying investment in real assets is reflected in the real assets category and not private equity.
- (2) Equity securities in the U.S. pension and postretirement benefit plans do not include any Citigroup common stock at the end of 2024 and 2023.
- (3) The VEBA Trust for postretirement benefits is primarily invested in cash equivalents and debt securities in 2024 and 2023 and is not reflected in the table above.

Third-party investment managers and advisors provide their services to Citigroup's U.S. pension and postretirement benefit plans. Assets are rebalanced as the Company's Pension Plan Investment Committee deems appropriate. Citigroup's investment strategy, with respect to its assets, is to maintain a globally diversified investment portfolio across several asset classes that, when combined with Citigroup's contributions to the plans, will maintain the plans' ability to meet all required benefit obligations.

Citigroup's pension and postretirement benefit plans' weighted-average asset allocations for the non-U.S. plans and the actual ranges, and the weighted-average target allocations by asset category based on asset fair values, are as follows:

<b>Asset category<sup>(1)</sup></b>	<b>Non-U.S. pension plans</b>				
	<b>Target asset allocation</b>	<b>Actual range at December 31,</b>		<b>Weighted average at December 31,</b>	
	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Equity securities	0–49%	<b>0–49%</b>	0–48%	<b>18 %</b>	19 %
Debt securities	0–100	<b>0–100</b>	0–100	<b>73</b>	73
Real assets	0–16	<b>0–16</b>	0–17	<b>1</b>	1
Other investments	0–100	<b>0–100</b>	0–100	<b>8</b>	7
<b>Total</b>				<b>100 %</b>	100 %

<b>Asset category<sup>(1)</sup></b>	<b>Non-U.S. postretirement benefit plans</b>				
	<b>Target asset allocation</b>	<b>Actual range at December 31,</b>		<b>Weighted average at December 31,</b>	
	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Equity securities	0–46%	<b>0–37%</b>	0–46%	<b>36 %</b>	45 %
Debt securities	50–100	<b>59–100</b>	49–100	<b>60</b>	50
Other investments	0–4	<b>0–4</b>	0–5	<b>4</b>	5
<b>Total</b>				<b>100 %</b>	100 %

(1) Similar to the U.S. plans, asset allocations for certain non-U.S. plans are set by investment strategy, not by investment product.

### Fair Value Disclosure

For information on fair value measurements, including descriptions of Levels 1, 2 and 3 of the fair value hierarchy and the valuation methodology utilized by the Company, see Notes 1 and 26. Investments measured using the NAV per share practical expedient are excluded from Level 1, Level 2 and Level 3 in the tables below.

<i>In millions of dollars</i>	U.S. pension and postretirement benefit plans <sup>(1)</sup>			
	Fair value measurement at December 31, 2024			
Asset categories	Level 1	Level 2	Level 3	Total
U.S. equities	\$ 315	\$ —	\$ —	\$ 315
Non-U.S. equities	269	—	—	269
Mutual funds and other registered investment companies	188	—	—	188
Commingled funds	—	515	—	515
Debt securities	390	5,145	—	5,535
Annuity contracts	—	—	3	3
Derivatives	1	35	—	36
Other investments	1	—	1	2
<b>Total investments at fair value</b>	<b>\$ 1,164</b>	<b>\$ 5,695</b>	<b>\$ 4</b>	<b>\$ 6,863</b>
Cash and short-term investments	\$ 46	\$ 439	\$ —	\$ 485
Other investment liabilities	(10)	(39)	—	(49)
<b>Net investments at fair value</b>	<b>\$ 1,200</b>	<b>\$ 6,095</b>	<b>\$ 4</b>	<b>\$ 7,299</b>
Other investment receivables redeemed at NAV			\$ —	\$ 18
Securities valued at NAV				\$ 2,532
<b>Total net assets</b>			<b>\$ —</b>	<b>\$ 9,849</b>

- (1) The investments of the U.S. pension and postretirement benefit plans are commingled in one trust. At December 31, 2024, the allocable interests of the U.S. pension and postretirement benefit plans were 98.0% and 2.0%, respectively. The investments of the VEBA Trust for postretirement benefits are reflected in the above table.

<i>In millions of dollars</i>	U.S. pension and postretirement benefit plans <sup>(1)</sup>			
	Fair value measurement at December 31, 2023			
Asset categories	Level 1	Level 2	Level 3	Total
U.S. equities	\$ 262	\$ —	\$ —	\$ 262
Non-U.S. equities	315	—	—	315
Mutual funds and other registered investment companies	244	—	—	244
Commingled funds	—	622	—	622
Debt securities	690	5,041	—	5,731
Annuity contracts	—	—	3	3
Derivatives	38	164	—	202
Other investments	—	—	2	2
<b>Total investments</b>	<b>\$ 1,549</b>	<b>\$ 5,827</b>	<b>\$ 5</b>	<b>\$ 7,381</b>
Cash and short-term investments	\$ 11	\$ 651	\$ —	\$ 662
Other investment liabilities	(3)	(171)	—	(174)
<b>Net investments at fair value</b>	<b>\$ 1,557</b>	<b>\$ 6,307</b>	<b>\$ 5</b>	<b>\$ 7,869</b>
Other investment liabilities redeemed at NAV			\$ —	\$ (127)
Securities valued at NAV				\$ 2,699
<b>Total net assets</b>			<b>\$ —</b>	<b>\$ 10,441</b>

- (1) The investments of the U.S. pension and postretirement benefit plans are commingled in one trust. At December 31, 2023, the allocable interests of the U.S. pension and postretirement benefit plans were 98.0% and 2.0%, respectively. The investments of the VEBA Trust for postretirement benefits are reflected in the above table.

**Non-U.S. pension and postretirement benefit plans***In millions of dollars*

<b>Asset categories</b>	<b>Fair value measurement at December 31, 2024</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
U.S. equities	\$ 46	\$ —	\$ —	\$ 46
Non-U.S. equities	435	—	—	435
Mutual funds and other registered investment companies	2,990	318	—	3,308
Debt securities	2,303	1,021	—	3,324
Real assets	—	—	2	2
Annuity contracts	—	—	2	2
Derivatives	—	1,208	—	1,208
Other investments	—	—	236	236
<b>Total investments</b>	<b>\$ 5,774</b>	<b>\$ 2,547</b>	<b>\$ 240</b>	<b>\$ 8,561</b>
Cash and short-term investments	\$ 113	\$ —	\$ —	\$ 113
Other investment liabilities	—	(1,678)	—	(1,678)
<b>Net investments at fair value</b>	<b>\$ 5,887</b>	<b>\$ 869</b>	<b>\$ 240</b>	<b>\$ 6,996</b>
Securities valued at NAV			\$ —	\$ 17
<b>Total net assets</b>			<b>\$ —</b>	<b>\$ 7,013</b>

**Non-U.S. pension and postretirement benefit plans***In millions of dollars*

<b>Asset categories</b>	<b>Fair value measurement at December 31, 2023</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
U.S. equities	\$ 133	\$ —	\$ —	\$ 133
Non-U.S. equities	722	—	—	722
Mutual funds and other registered investment companies	2,706	310	—	3,016
Commingled funds	12	—	—	12
Debt securities	2,620	1,016	—	3,636
Real assets	—	—	2	2
Annuity contracts	—	—	2	2
Derivatives	—	1,137	—	1,137
Other investments	—	—	231	231
<b>Total investments</b>	<b>\$ 6,193</b>	<b>\$ 2,463</b>	<b>\$ 235</b>	<b>\$ 8,891</b>
Cash and short-term investments	\$ 83	\$ —	\$ —	\$ 83
Other investment liabilities	—	(1,594)	—	(1,594)
<b>Net investments at fair value</b>	<b>\$ 6,276</b>	<b>\$ 869</b>	<b>\$ 235</b>	<b>\$ 7,380</b>
Securities valued at NAV			\$ —	\$ 16
<b>Total net assets</b>			<b>\$ —</b>	<b>\$ 7,396</b>

**Level 3 Rollforward**

The reconciliations of the beginning and ending balances during the year for Level 3 assets are as follows:

*In millions of dollars***U.S. pension and postretirement benefit plans**

<b>Asset categories</b>	<b>Beginning Level 3 fair value at Dec. 31, 2023</b>	<b>Realized gains (losses)</b>	<b>Unrealized gains (losses)</b>	<b>Purchases, sales and issuances</b>	<b>Transfers in and/or out of Level 3</b>	<b>Ending Level 3 fair value at Dec. 31, 2024</b>
Annuity contracts	\$ 3	— \$	— \$	— \$	— \$	— \$ 3
Other investments	2	—	1	(2)	—	— \$ 1
<b>Total investments</b>	<b>\$ 5</b>	<b>— \$</b>	<b>1 \$</b>	<b>(2) \$</b>	<b>— \$</b>	<b>— \$ 4</b>

*In millions of dollars***U.S. pension and postretirement benefit plans**

<b>Asset categories</b>	<b>Beginning Level 3 fair value at Dec. 31, 2022</b>	<b>Realized gains (losses)</b>	<b>Unrealized gains (losses)</b>	<b>Purchases, sales and issuances</b>	<b>Transfers in and/or out of Level 3</b>	<b>Ending Level 3 fair value at Dec. 31, 2023</b>
Annuity contracts	\$ 3	— \$	— \$	— \$	— \$	— \$ 3
Other investments	4	—	—	(2)	—	— \$ 2
<b>Total investments</b>	<b>\$ 7</b>	<b>— \$</b>	<b>— \$</b>	<b>(2) \$</b>	<b>— \$</b>	<b>— \$ 5</b>

*In millions of dollars***Non-U.S. pension and postretirement benefit plans**

<b>Asset categories</b>	<b>Beginning Level 3 fair value at Dec. 31, 2023</b>	<b>Unrealized gains (losses)</b>	<b>Purchases, sales and issuances</b>	<b>Transfers in and/or out of Level 3</b>	<b>Ending Level 3 fair value at Dec. 31, 2024</b>
Real assets	\$ 2	— \$	— \$	— \$	— \$ 2
Annuity contracts	2	—	—	—	— \$ 2
Other investments	231	2	3	—	— \$ 236
<b>Total investments</b>	<b>\$ 235</b>	<b>2 \$</b>	<b>3 \$</b>	<b>— \$</b>	<b>— \$ 240</b>

*In millions of dollars***Non-U.S. pension and postretirement benefit plans**

<b>Asset categories</b>	<b>Beginning Level 3 fair value at Dec. 31, 2022</b>	<b>Unrealized gains (losses)</b>	<b>Purchases, sales and issuances</b>	<b>Transfers in and/or out of Level 3</b>	<b>Ending Level 3 fair value at Dec. 31, 2023</b>
Real assets	\$ 2	— \$	— \$	— \$	— \$ 2
Annuity contracts	2	—	—	—	— \$ 2
Other investments	258	6	(33)	—	— \$ 231
<b>Total investments</b>	<b>\$ 262</b>	<b>6 \$</b>	<b>(33) \$</b>	<b>— \$</b>	<b>— \$ 235</b>

## Investment Strategy

The Company's global pension and postretirement funds' investment strategy is to invest in a prudent manner for the exclusive purpose of providing benefits to participants. The investment strategies are targeted to produce a total return that, when combined with the Company's contributions to the funds, will maintain the funds' ability to meet all required benefit obligations. Risk is controlled through diversification of asset types and investments in domestic and international equities, fixed income securities and cash and short-term investments. The target asset allocation in most locations outside the U.S. is primarily in equity and debt securities. These allocations may vary by geographic region and country depending on the nature of applicable obligations and various other regional considerations. The wide variation in the actual range of plan asset allocations for the funded non-U.S. plans is a result of differing local statutory requirements and economic conditions. For example, in certain countries local law requires that all pension plan assets must be invested in fixed income investments, government funds or local-country securities.

## Significant Concentrations of Risk in Plan Assets

The assets of the Company's pension plans are diversified to limit the impact of any individual investment. The U.S. qualified pension plan is diversified across multiple asset classes, with publicly traded fixed income, hedge funds, private equity and publicly traded equity representing the most significant asset allocations. Investments in these four asset classes are further diversified across funds, managers, strategies, vintages, sectors and geographies, depending on the specific characteristics of each asset class. The pension assets for the Company's non-U.S. Significant Plans are primarily invested in publicly traded fixed income and publicly traded equity securities.

## Oversight and Risk Management Practices

The framework for the Company's pension oversight process includes monitoring of retirement plans by plan fiduciaries and/or management at the global, cluster or country level, as appropriate. Independent Risk Management contributes to the risk oversight and monitoring for the Company's U.S. Qualified Pension Plan and non-U.S. Significant Pension Plans. Although the specific components of the oversight process are tailored to the requirements of each cluster, country and plan, the following elements are common to the Company's monitoring and risk management process:

- periodic asset/liability management studies and strategic asset allocation reviews;
- periodic monitoring of funding levels and funding ratios;
- periodic monitoring of compliance with asset allocation guidelines;
- periodic monitoring of asset class and/or investment manager performance against benchmarks; and
- periodic risk capital analysis and stress testing.

## Estimated Future Benefit Payments

The Company expects to pay the following estimated benefit payments in future years:

<i>In millions of dollars</i>	<b>Pension plans</b>		<b>Postretirement benefit plans</b>	
	<b>U.S. plans</b>	<b>Non-U.S. plans</b>	<b>U.S. plans</b>	<b>Non-U.S. plans</b>
2025	\$ 1,004	\$ 551	\$ 53	\$ 84
2026	984	482	36	89
2027	967	494	34	95
2028	942	494	31	99
2029	907	505	29	103
2030–2034	3,793	2,582	112	573

## Post Employment Plans

The Company sponsors U.S. post employment plans that provide income continuation and health and welfare benefits to certain eligible U.S. employees on long-term disability.

The following table summarizes the funded status and amounts recognized on the Company's Consolidated Balance Sheet:

<i>In millions of dollars</i>	<b>2024</b>	<b>2023</b>
Funded status of the plan at year end	\$ (49)	\$ (46)
Net amount recognized in <i>AOCI</i> (pretax)	\$ (12)	\$ (13)

The following table summarizes the net expense recognized in the Consolidated Statement of Income for the Company's U.S. post employment plans:

<i>In millions of dollars</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Net expense	\$ 28	\$ 14	\$ 11

## Defined Contribution Plans

The Company sponsors defined contribution plans in the U.S. and in certain non-U.S. locations, all of which are administered in accordance with local laws. The most significant defined contribution plan is the Citi Retirement Savings Plan sponsored by the Company in the U.S.

Under the Citi Retirement Savings Plan, eligible U.S. employees received matching contributions of up to 6% of their eligible compensation for 2024 and 2023, subject to statutory limits. In addition, for eligible employees whose eligible compensation is \$100,000 or less, a fixed contribution of up to 2% of eligible compensation is provided. All Company contributions are invested according to participants' individual elections. The following tables summarize the Company contributions for the defined contribution plans:

<i>In millions of dollars</i>	<b>U.S. plans</b>		
<i>In millions of dollars</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Company contributions	\$ 591	\$ 546	\$ 471
<b>Non-U.S. plans</b>			
<i>In millions of dollars</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Company contributions	\$ 461	\$ 453	\$ 399



## 9. RESTRUCTURING

As previously disclosed, Citi is pursuing various initiatives to simplify the Company and further align its organizational structure with its business strategy. As part of its overall simplification initiatives, in the fourth quarter of 2023, Citi eliminated the previous *Institutional Clients Group* and *Personal Banking and Wealth Management* layers, exited certain institutional business lines, and consolidated its regional structure, creating one international group, while centralizing client capabilities and streamlining its global staff functions.

Citi has recorded net restructuring charges of approximately \$1.040 billion program to date.

Restructuring charges are recorded as a separate line item within *Operating expenses* in the Company's Consolidated Statement of Income. These charges were included within *All Other—Corporate/Other*.

The following costs associated with these initiatives are included in restructuring charges:

- Personnel costs: severance costs associated with actual headcount reductions (as well as those that were probable and could be reasonably estimated)
- Other: costs associated with contract terminations and other direct costs associated with the restructuring, including asset write-downs (non-cash write-downs of capitalized software, which are included in *Premises and equipment* related to exited businesses)

The following table is a rollforward of the liability related to the restructuring charges:

<i>In millions of dollars</i>	<b>Personnel costs</b>	<b>Other</b>	<b>Total</b>
Beginning balance at January 1, 2023	\$ —	\$ —	\$ —
Restructuring charge	687	94	781
Payments and utilization	—	(69)	(69)
Foreign exchange	—	—	—
Ending balance at December 31, 2023	\$ 687	\$ 25	\$ 712
Restructuring charge	354	54	408
Change in estimate <sup>(1)(2)</sup>	(146)	(3)	(149)
Net restructuring charges	\$ 208	\$ 51	\$ 259
Payments and utilization	\$ (860)	\$ (76)	\$ (936)
Foreign exchange	7	—	7
<b>Ending balance at December 31, 2024</b>	<b>\$ 42</b>	<b>\$ —</b>	<b>\$ 42</b>

(1) Revisions primarily relate to higher-than-anticipated redeployments of displaced employees to other positions within the Company, job function releveling and employee attrition.

(2) Revisions primarily relate to lower-than-anticipated costs associated with contract terminations.

## 10. INCOME TAXES

### Income Tax Provision

Details of the Company's income tax provision are presented below:

<i>In millions of dollars</i>	2024	2023	2022
<b>Current</b>			
Federal	\$ (33)	\$ 41	\$ 407
Non-U.S.	5,945	5,807	4,106
State and local	195	96	270
<b>Total current income taxes</b>	<b>\$ 6,107</b>	<b>\$ 5,944</b>	<b>\$ 4,783</b>
<b>Deferred</b>			
Federal	\$ (1,227)	\$ (1,925)	\$ (807)
Non-U.S.	(816)	(432)	353
State and local	147	(59)	(687)
<b>Total deferred income taxes</b>	<b>\$ (1,896)</b>	<b>\$ (2,416)</b>	<b>\$ (1,141)</b>
<b>Provision for income tax on continuing operations before noncontrolling interests<sup>(1)</sup></b>	<b>\$ 4,211</b>	<b>\$ 3,528</b>	<b>\$ 3,642</b>
Provision (benefit) for income taxes on:			
Discontinued operations	\$ —	\$ —	\$ (41)
Gains (losses) included in <i>AOCI</i> , but excluded from net income	1,035	557	(1,573)
Employee stock plans	(5)	(13)	(8)
Opening adjustment to <i>Retained earnings</i> <sup>(2)</sup>	—	102	—
Opening adjustment to <i>AOCI</i> <sup>(3)</sup>	—	12	—

- (1) Includes the tax on realized investment gains (losses) and impairment losses resulting in a provision (benefit) of \$88 million and \$(110) million in 2024, \$51 million and \$(92) million in 2023 and \$14 million and \$(137) million in 2022, respectively.
- (2) Related to the adoption of “*Financial Instruments—Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures*.” See Note 1.
- (3) Related to the adoption of “*Financial Services—Insurance: Targeted Improvements to the Accounting for Long-Duration Contracts*.” See Note 1.

### Tax Rate

The reconciliation of the federal statutory income tax rate to the Company's effective income tax rate applicable to income from continuing operations (before noncontrolling interests and the cumulative effect of accounting changes) for each of the periods indicated is as follows:

	2024	2023	2022
<b>Federal statutory rate</b>	<b>21.0 %</b>	<b>21.0 %</b>	<b>21.0 %</b>
State and local income taxes, net of federal benefit	1.6	0.3	2.0
Non-U.S. income tax rate differential	4.9	9.5	4.3
Tax audit resolutions	0.1	(0.3)	(3.2)
Nondeductible FDIC premiums <sup>(1)</sup>	1.2	1.7	1.0
Tax-advantaged investments	(4.2)	(4.4)	(3.0)
Valuation allowance releases <sup>(2)</sup>	—	(0.2)	(2.3)
Other, net	0.1	(0.3)	(0.4)
<b>Effective income tax rate</b>	<b>24.7 %</b>	<b>27.3 %</b>	<b>19.4 %</b>

(1) Excludes the 2024 and 2023 FDIC special assessments, which are tax deductible. See Note 18.

(2) See “*Deferred Tax Assets*” below for a description of the components.

As presented in the table above, Citi's effective tax rate for 2024 was 24.7%, compared to 27.3% in 2023, reflecting a different geographic mix of earnings.

### Deferred Income Taxes

Deferred income taxes at December 31 related to the following:

<i>In millions of dollars</i>	2024	2023
<b>Deferred tax assets</b>		
Credit loss deduction	\$ 5,477	\$ 5,449
Deferred compensation and employee benefits	2,407	2,771
Investment and loan basis differences	4,463	4,706
Tax credit and net operating loss carry-forwards	15,878	15,250
Fixed assets and leases	4,878	4,297
Other deferred tax assets	5,993	6,584
Gross deferred tax assets	\$ 39,096	\$ 39,057
Valuation allowance	\$ 4,329	\$ 3,572
<b>Deferred tax assets after valuation allowance</b>	<b>\$ 34,767</b>	<b>\$ 35,485</b>
<b>Deferred tax liabilities</b>		
Intangibles and leases	\$ (2,340)	\$ (2,333)
Non-U.S. withholding taxes	(893)	(951)
Derivatives	—	(587)
Other deferred tax liabilities	(1,689)	(2,006)
Gross deferred tax liabilities	\$ (4,922)	\$ (5,877)
<b>Net deferred tax assets</b>	<b>\$ 29,845</b>	<b>\$ 29,608</b>

### Unrecognized Tax Benefits

The following is a rollforward of the Company's unrecognized tax benefits:

<i>In millions of dollars</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Total unrecognized tax benefits at January 1</b>	<b>\$ 1,277</b>	<b>\$ 1,311</b>	<b>\$ 1,296</b>
Increases for current year's tax positions	79	59	55
Increases for prior years' tax positions	27	51	168
Decreases for prior years' tax positions	(50)	(138)	(119)
Amounts of decreases relating to settlements	—	(3)	(50)
Reductions due to lapse of statutes of limitation	(15)	(4)	(26)
Foreign exchange, acquisitions and dispositions	(9)	1	(13)
<b>Total unrecognized tax benefits at December 31</b>	<b>\$ 1,309</b>	<b>\$ 1,277</b>	<b>\$ 1,311</b>

The portions of the total unrecognized tax benefits at December 31, 2024, 2023 and 2022 that, if recognized, would affect Citi's tax expense is \$1.0 billion in each of the respective years. The remaining uncertain tax positions have offsetting amounts in other jurisdictions or are temporary differences.

Interest and penalties (not included in unrecognized tax benefits above) are a component of *Provision for income taxes*.

<i>In millions of dollars</i>	<b>2024</b>		<b>2023</b>		<b>2022</b>	
	Pretax	Net of tax	Pretax	Net of tax	Pretax	Net of tax
Total interest and penalties on the Consolidated Balance Sheet at January 1	\$ 271	\$ 205	\$ 234	\$ 176	\$ 214	\$ 164
Total interest and penalties in the Consolidated Statement of Income	53	42	47	38	27	16
<b>Total interest and penalties on the Consolidated Balance Sheet at December 31<sup>(1)</sup></b>	<b>309</b>	<b>237</b>	<b>271</b>	<b>205</b>	<b>234</b>	<b>176</b>

(1) Includes \$1 million, \$0 million and \$3 million for non-U.S. penalties in 2024, 2023 and 2022, respectively.

As of December 31, 2024, Citi was under audit by the Internal Revenue Service and other major taxing jurisdictions around the world. It is thus reasonably possible that significant changes in the gross balance of unrecognized tax benefits may occur within the next 12 months. The potential range of amounts that could affect Citi's effective tax rate is between \$0 and \$500 million.

The following are the major tax jurisdictions in which the Company and its affiliates operate and the earliest tax year subject to examination:

<b>Jurisdiction</b>	<b>Tax year</b>
United States	2016
New York State and City	2009
Brazil	2022
Hong Kong	2023
India	2018
Mexico	2017
Singapore	2023
United Kingdom	2016

### **Non-U.S. Earnings**

Non-U.S. pretax earnings approximated \$19.4 billion in 2024, \$19.4 billion in 2023 and \$16.2 billion in 2022. As a U.S. corporation, Citigroup and its U.S. subsidiaries are currently subject to U.S. taxation on all non-U.S. pretax earnings of non-U.S. branches. Beginning in 2018, there is a separate foreign tax credit (FTC) basket for branches. Also, dividends from a non-U.S. subsidiary or affiliate are effectively exempt from U.S. taxation. The Company provides income taxes on the book over tax basis differences of non-U.S. subsidiaries except to the extent that such differences are indefinitely reinvested outside the U.S.

At December 31, 2024, \$5.8 billion of basis differences of non-U.S. entities was indefinitely reinvested. At the existing tax rates (including withholding taxes), additional taxes (net of U.S. FTCs) of \$2.3 billion would have to be provided if such assertions were reversed.

### **Deferred Tax Assets**

As of December 31, 2024, Citi had a valuation allowance of \$4.3 billion, composed of valuation allowances of \$3.3 billion on its branch basket FTC carry-forwards, \$0.6 billion on its U.S. residual DTA related to its non-U.S. branches, \$0.3 billion on local non-U.S. DTAs and \$0.1 billion on state net operating loss carry-forwards. There was an increase of \$0.7 billion from the December 31, 2023 balance of \$3.6 billion. The amount of Citi's valuation allowances (VA) may change in future years.

In 2024, Citi's VA for carry-forward FTCs in its branch basket increased by \$1.4 billion, primarily due to the geographic mix of earnings in Citi's foreign branch network.

The level of branch pretax income, the local branch tax rate and the allocations of overall domestic losses (ODL) and expenses for U.S. tax purposes to the branch basket are the main factors in determining the branch VA. There was no branch basket VA release in 2024.

The following table summarizes Citi's DTAs:

*In billions of dollars*

Jurisdiction/component <sup>(1)</sup>	DTAs balance December 31, 2024	DTAs balance December 31, 2023
<b>U.S. federal<sup>(2)</sup></b>		
Net operating losses (NOLs) <sup>(3)</sup>	\$ 3.4	\$ 3.3
Foreign tax credits (FTCs)	0.7	1.2
General business credits (GBCs)	5.8	5.6
Future tax deductions and credits	12.7	12.0
<b>Total U.S. federal</b>	<b>\$ 22.6</b>	<b>\$ 22.1</b>
<b>State and local</b>		
New York NOLs	\$ 1.4	\$ 1.7
Other state NOLs	0.1	0.1
Future tax deductions	2.5	2.4
<b>Total state and local</b>	<b>\$ 4.0</b>	<b>\$ 4.2</b>
<b>Non-U.S.</b>		
NOLs	\$ 0.8	\$ 1.0
Future tax deductions	2.4	2.3
<b>Total non-U.S.</b>	<b>\$ 3.2</b>	<b>\$ 3.3</b>
<b>Total</b>	<b>\$ 29.8</b>	<b>\$ 29.6</b>

(1) All amounts are net of valuation allowances.

(2) Included in the net U.S. federal DTAs of \$22.6 billion as of December 31, 2024 were deferred tax liabilities of \$2.8 billion that will reverse in the relevant carry-forward period and may be used to support the DTAs.

(3) Consists of non-consolidated tax return NOL carry-forwards that are eventually expected to be utilized in Citigroup's consolidated tax return.

The following table summarizes the amounts of tax carry-forwards and their expiration dates:

*In billions of dollars*

Year of expiration	December 31, 2024	December 31, 2023
<b>U.S. tax return general basket foreign tax credit carry-forwards<sup>(1)</sup></b>		
2025	\$ —	0.1
2027	<b>0.7</b>	1.1
<b>Total U.S. tax return general basket foreign tax credit carry-forwards</b>	<b>\$ 0.7</b>	<b>\$ 1.2</b>
<b>U.S. tax return branch basket foreign tax credit carry-forwards<sup>(1)</sup></b>		
2028	\$ 0.7	0.7
2029	<b>0.2</b>	0.2
2033	<b>1.4</b>	1.0
2034	<b>1.0</b>	—
<b>Total U.S. tax return branch basket foreign tax credit carry-forwards</b>	<b>\$ 3.3</b>	<b>\$ 1.9</b>
<b>U.S. tax return general business credit carry-forwards</b>		
2032	\$ 0.4	0.4
2033	<b>0.3</b>	0.3
2034	<b>0.2</b>	0.2
2035	<b>0.2</b>	0.2
2036	<b>0.2</b>	0.2
2037	<b>0.5</b>	0.5
2038	<b>0.5</b>	0.5
2039	<b>0.7</b>	0.7
2040	<b>0.7</b>	0.7
2041	<b>0.8</b>	0.8
2042	<b>0.7</b>	0.7
2043	<b>0.3</b>	0.4
2044	<b>0.3</b>	—
<b>Total U.S. tax return general business credit carry-forwards</b>	<b>\$ 5.8</b>	<b>\$ 5.6</b>
<b>U.S. subsidiary separate federal NOL carry-forwards</b>		
2027	\$ 0.1	0.1
2028	<b>0.1</b>	0.1
2030	<b>0.3</b>	0.3
2033	<b>1.6</b>	1.7
2034	<b>1.9</b>	1.9
2035	<b>3.3</b>	3.3
2036	<b>2.1</b>	2.1
2037	<b>1.0</b>	1.0
Unlimited carry-forward period	<b>5.8</b>	5.4
<b>Total U.S. subsidiary separate federal NOL carry-forwards<sup>(2)</sup></b>	<b>\$ 16.2</b>	<b>\$ 15.9</b>
<b>New York State NOL carry-forwards<sup>(2)</sup></b>		
2034	\$ 8.1	9.9
<b>New York City NOL carry-forwards<sup>(2)</sup></b>		
2034	\$ 7.2	8.7
<b>Non-U.S. NOL carry-forwards<sup>(1)</sup></b>		
Various	\$ 1.1	1.4

(1) Before valuation allowance.

(2) Pretax.

Although realization is not assured, Citi believes that the realization of the recognized net DTAs of \$29.8 billion at December 31, 2024 is more-likely-than-not, based on expectations as to future taxable income in the jurisdictions in which the DTAs arise and consideration of available tax planning strategies (as defined in ASC 740, *Income Taxes*).

The majority of Citi's U.S. federal net operating loss carry-forward and all of its New York State and City net operating loss carry-forwards are subject to a carry-forward period of 20 years. This provides enough time to fully utilize the DTAs pertaining to these existing NOL carry-forwards. This is due to Citi's forecast of sufficient U.S. taxable income and because New York State and City continue to tax Citi's non-U.S. income.

With respect to the FTCs component of the DTAs, the carry-forward period is 10 years. Utilization of FTCs in any year is generally limited to 21% of foreign source taxable income in that year. However, ODL that Citi has incurred of approximately \$9 billion as of December 31, 2024 are allowed to be reclassified as foreign source income to the extent of 50%–100% (at taxpayer's election) of domestic source income produced in subsequent years. Such resulting foreign source income would help support the realization of the FTC carry-forwards after VA. As noted in the tables above, Citi's FTC carry-forwards were \$0.7 billion (\$4.0 billion before VA) as of December 31, 2024, compared to \$1.2 billion (\$3.1 billion before VA) as of December 31, 2023. The increased VA on branch FTCs is reflected in the "Non-U.S. income tax rate differential" line in the "Tax Rate" section above. Citi believes that it will more-likely-than-not generate sufficient U.S. taxable income within the 10-year carry-forward period to be able to utilize the net FTCs after the VA, after considering any FTCs produced in the tax return for such period, which must be used prior to any carry-forward utilization.



## 11. EARNINGS PER SHARE

The following table reconciles the income and share data used in the basic and diluted earnings per share (EPS) computations:

<i>In millions of dollars, except per share amounts</i>	2024	2023	2022
<b>Earnings per common share</b>			
<b>Income from continuing operations before attribution of noncontrolling interests</b>	\$ 12,835	\$ 9,382	\$ 15,165
Less: Noncontrolling interests from continuing operations	151	153	89
<b>Net income from continuing operations (for EPS purposes)</b>	\$ 12,684	\$ 9,229	\$ 15,076
Loss from discontinued operations, net of taxes	(2)	(1)	(231)
<b>Citigroup's net income</b>	\$ 12,682	\$ 9,228	\$ 14,845
Less: Preferred dividends	1,054	1,198	1,032
<b>Net income available to common shareholders</b>	\$ 11,628	\$ 8,030	\$ 13,813
Less: Dividends and undistributed earnings allocated to employee restricted and deferred shares with rights to dividends, and other relevant items <sup>(1)</sup> , applicable to basic EPS	170	180	113
<b>Net income allocated to common shareholders for basic EPS</b>	\$ 11,458	\$ 7,850	\$ 13,700
<b>Weighted-average common shares outstanding applicable to basic EPS (in millions)</b>	<b>1,901.4</b>	1,930.1	1,946.7
<b>Basic earnings per share</b>			
Income from continuing operations	\$ 6.03	\$ 4.07	\$ 7.16
Discontinued operations	—	—	(0.12)
<b>Net income per share—basic<sup>(2)</sup></b>	<b>\$ 6.03</b>	\$ 4.07	\$ 7.04
<b>Diluted earnings per share</b>			
<b>Net income allocated to common shareholders for basic EPS</b>	\$ 11,458	\$ 7,850	\$ 13,700
Add back: Dividends allocated to employee restricted and deferred shares with rights to dividends that are forfeitable	74	57	41
<b>Net income allocated to common shareholders for diluted EPS</b>	<b>\$ 11,532</b>	\$ 7,907	\$ 13,741
<b>Weighted-average common shares outstanding applicable to basic EPS (in millions)</b>	<b>\$ 1,901.4</b>	\$ 1,930.1	\$ 1,946.7
Effect of dilutive securities <sup>(3)</sup>			
Employee plans	38.7	25.7	17.6
<b>Adjusted weighted-average common shares outstanding applicable to diluted EPS (in millions)</b>	<b>1,940.1</b>	1,955.8	1,964.3
<b>Diluted earnings per share</b>			
Income from continuing operations	\$ 5.95	\$ 4.04	\$ 7.11
Discontinued operations	—	—	(0.12)
<b>Net income per share—diluted<sup>(2)</sup></b>	<b>\$ 5.94</b>	\$ 4.04	\$ 7.00

(1) Other relevant items in 2024 include issuance costs of \$11 million, \$5 million, \$8 million and \$12 million related to the redemption of preferred stock series M, U, D and the remaining redemption of preferred stock series J, respectively, and a benefit of \$14 million related to the reversal in 2024 of the 1% excise tax on preferred stock redemptions during 2023 due to the IRS final regulations issued in June 2024. The issuance costs were reclassified from *Additional paid-in capital* to *Retained earnings* upon redemption of the preferred stock. See Note 22. The total for this line also includes dividends and undistributed earnings (\$148 million combined for 2024) allocated to employee restricted and deferred shares with rights to dividends.

(2) Due to rounding, earnings per share on continuing operations and discontinued operations may not sum to earnings per share on net income.

(3) During 2024, 2023 and 2022, there were no weighted-average options outstanding.

## 12. SECURITIES BORROWED, LOANED AND SUBJECT TO REPURCHASE AGREEMENTS

*Securities borrowed and purchased under agreements to resell*, at their respective carrying values, consisted of the following:

<i>In millions of dollars</i>	December 31,	
	2024	2023
Securities purchased under agreements to resell	\$ 192,950	\$ 267,319
Securities borrowed	81,115	78,408
<b>Total, net<sup>(1)</sup></b>	<b>\$ 274,065</b>	\$ 345,727
Allowance for credit losses on securities purchased and borrowed <sup>(2)</sup>	(3)	(27)
<b>Total, net of allowance</b>	<b>\$ 274,062</b>	\$ 345,700

*Securities loaned and sold under agreements to repurchase*, at their respective carrying values, consisted of the following:

<i>In millions of dollars</i>	December 31,	
	2024	2023
Securities sold under agreements to repurchase	\$ 239,767	\$ 264,958
Securities loaned	14,988	13,149
<b>Total, net<sup>(1)</sup></b>	<b>\$ 254,755</b>	\$ 278,107

- (1) The above tables do not include securities-for-securities lending transactions of \$5.2 billion and \$4.3 billion at December 31, 2024 and 2023, respectively, where the Company acts as lender and receives securities that can be sold or pledged as collateral. In these transactions, the Company recognizes the securities received at fair value within *Other assets* and the obligation to return those securities as a liability within *Brokerage payables*.
- (2) See Note 16.

The resale and repurchase agreements represent collateralized financing transactions. Citi executes these transactions primarily through its broker-dealer subsidiaries to facilitate customer matched-book activity and to efficiently fund a portion of Citi's trading inventory. Transactions executed by Citi's bank subsidiaries primarily facilitate customer financing activity.

To maintain reliable funding under a wide range of market conditions, including under periods of stress, Citi manages these activities by taking into consideration the quality of the underlying collateral and stipulating financing tenor. Citi manages the risks in its collateralized financing transactions by conducting daily stress tests to account for changes in capacity, tenors, haircut, collateral profile and client actions. In addition, Citi maintains counterparty diversification by establishing concentration triggers and assessing counterparty reliability and stability under stress.

The Company's policy is to take possession of the underlying collateral, monitor its market value relative to the amounts due under the agreements and, when necessary, require prompt transfer of additional collateral in order to maintain contractual margin protection. For resale and

repurchase agreements, when necessary, the Company posts additional collateral in order to maintain contractual margin protection.

Collateral typically consists of government and government-agency securities, corporate and municipal bonds, equities and mortgage- and other asset-backed securities.

The resale and repurchase agreements are generally documented under industry standard agreements that allow the prompt close-out of all transactions (including the liquidation of securities held) and the offsetting of obligations to return cash or securities by the non-defaulting party, following a payment default or other type of default under the relevant master agreement. Events of default generally include (i) failure to deliver cash or securities as required under the transaction, (ii) failure to provide or return cash or securities as used for margining purposes, (iii) breach of representation, (iv) cross-default to another transaction entered into among the parties, or, in some cases, their affiliates, and (v) a repudiation of obligations under the agreement. The counterparty that receives the securities in these transactions is generally unrestricted in its use of the securities, with the exception of transactions executed on a tri-party basis, where the collateral is maintained by a custodian and operational limitations may restrict its use of the securities.

A substantial portion of the resale and repurchase agreements is recorded at fair value as the Company elected the fair value option, as described in Notes 26 and 27. The remaining portion is carried at the amount of cash initially advanced or received, plus accrued interest, as specified in the respective agreements.

The securities borrowing and lending agreements also represent collateralized financing transactions similar to the resale and repurchase agreements. Collateral typically consists of government and government-agency securities and corporate debt and equity securities.

Similar to the resale and repurchase agreements, securities borrowing and lending agreements are generally documented under industry standard agreements that allow the prompt close-out of all transactions (including the liquidation of securities held) and the offsetting of obligations to return cash or securities by the non-defaulting party, following a payment default or other default by the other party under the relevant master agreement. Events of default and rights to use securities under the securities borrowing and lending agreements are similar to the resale and repurchase agreements referenced above.

A substantial portion of securities borrowing and lending agreements is recorded at the amount of cash advanced or received. The remaining portion is recorded at fair value as the Company elected the fair value option for certain securities borrowed and loaned portfolios, as described in Note 27. With respect to securities loaned, the Company receives cash collateral in an amount generally in excess of the market value of the securities loaned. The Company monitors the market value of securities borrowed and securities loaned on a daily basis and posts or obtains additional collateral in order to maintain contractual margin protection.

The enforceability of offsetting rights incorporated in the master netting agreements for resale and repurchase agreements, and securities borrowing and lending agreements,

is evidenced to the extent that (i) a supportive legal opinion has been obtained from counsel of recognized standing that provides the requisite level of certainty regarding the enforceability of these agreements and (ii) the exercise of rights by the non-defaulting party to terminate and close out transactions on a net basis under these agreements will not be stayed or avoided under applicable law upon an event of default, including bankruptcy, insolvency or similar proceeding.

A legal opinion may not have been sought or obtained for certain jurisdictions where local law is silent or sufficiently ambiguous to determine the enforceability of offsetting rights or where adverse case law or conflicting regulation may cast doubt on the enforceability of such rights. In some jurisdictions and for some counterparty types, the insolvency law for a particular counterparty type may be nonexistent or

unclear as overlapping regimes may exist. For example, this may be the case for certain sovereigns, municipalities, central banks and U.S. pension plans.

The following tables present the gross and net resale and repurchase agreements and securities borrowing and lending agreements and the related offsetting amounts permitted under ASC 210-20-45. The tables also include amounts related to financial instruments that are not permitted to be offset under ASC 210-20-45, but would be eligible for offsetting to the extent that an event of default has occurred and a legal opinion supporting enforceability of the offsetting rights has been obtained. Remaining exposures continue to be secured by financial collateral, but the Company may not have sought or been able to obtain a legal opinion evidencing enforceability of the offsetting right.

As of December 31, 2024						
In millions of dollars	Gross amounts of recognized assets	Gross amounts offset on the Consolidated Balance Sheet <sup>(1)</sup>	Net amounts of assets included on the Consolidated Balance Sheet	Amounts not offset on the Consolidated Balance Sheet but eligible for offsetting upon counterparty default <sup>(2)</sup>	Net amounts <sup>(3)</sup>	
Securities purchased under agreements to resell	\$ 516,722	\$ 323,772	\$ 192,950	\$ 186,121	\$ 6,829	
Securities borrowed	100,442	19,327	81,115	22,228	58,887	
<b>Total</b>	<b>\$ 617,164</b>	<b>\$ 343,099</b>	<b>\$ 274,065</b>	<b>\$ 208,349</b>	<b>\$ 65,716</b>	

In millions of dollars	Gross amounts of recognized liabilities	Gross amounts offset on the Consolidated Balance Sheet <sup>(1)</sup>	Net amounts of liabilities included on the Consolidated Balance Sheet	Amounts not offset on the Consolidated Balance Sheet but eligible for offsetting upon counterparty default <sup>(2)</sup>	Net amounts <sup>(3)</sup>
Securities sold under agreements to repurchase	\$ 563,539	\$ 323,772	\$ 239,767	\$ 193,714	\$ 46,053
Securities loaned	34,315	19,327	14,988	12,317	2,671
<b>Total</b>	<b>\$ 597,854</b>	<b>\$ 343,099</b>	<b>\$ 254,755</b>	<b>\$ 206,031</b>	<b>\$ 48,724</b>

As of December 31, 2023						
In millions of dollars	Gross amounts of recognized assets	Gross amounts offset on the Consolidated Balance Sheet <sup>(1)</sup>	Net amounts of assets included on the Consolidated Balance Sheet	Amounts not offset on the Consolidated Balance Sheet but eligible for offsetting upon counterparty default <sup>(2)</sup>	Net amounts <sup>(3)</sup>	
Securities purchased under agreements to resell	\$ 515,533	\$ 248,214	\$ 267,319	\$ 244,783	\$ 22,536	
Securities borrowed	97,881	19,473	78,408	25,433	52,975	
<b>Total</b>	<b>\$ 613,414</b>	<b>\$ 267,687</b>	<b>\$ 345,727</b>	<b>\$ 270,216</b>	<b>\$ 75,511</b>	

In millions of dollars	Gross amounts of recognized liabilities	Gross amounts offset on the Consolidated Balance Sheet <sup>(1)</sup>	Net amounts of liabilities included on the Consolidated Balance Sheet	Amounts not offset on the Consolidated Balance Sheet but eligible for offsetting upon counterparty default <sup>(2)</sup>	Net amounts <sup>(3)</sup>
Securities sold under agreements to repurchase	\$ 513,172	\$ 248,214	\$ 264,958	\$ 181,794	\$ 83,164
Securities loaned	32,622	19,473	13,149	2,441	10,708
<b>Total</b>	<b>\$ 545,794</b>	<b>\$ 267,687</b>	<b>\$ 278,107</b>	<b>\$ 184,235</b>	<b>\$ 93,872</b>

(1) Includes financial instruments subject to enforceable master netting agreements that are permitted to be offset under ASC 210-20-45.

(2) Includes financial instruments subject to enforceable master netting agreements that are not permitted to be offset under ASC 210-20-45, but would be eligible for offsetting to the extent that an event of default has occurred and a legal opinion supporting enforceability of the offsetting right has been obtained.



- (3) Remaining exposures continue to be secured by financial collateral, but the Company may not have sought or been able to obtain a legal opinion evidencing enforceability of the offsetting right.

The following tables present the gross amounts of liabilities associated with repurchase agreements and securities lending agreements by remaining contractual maturity:

<i>In millions of dollars</i>	As of December 31, 2024				
	Open and overnight	Up to 30 days	31–90 days	Greater than 90 days	Total
Securities sold under agreements to repurchase	\$ 299,527	\$ 154,036	\$ 46,635	\$ 63,341	\$ 563,539
Securities loaned	25,898	213	1,007	7,197	34,315
<b>Total</b>	<b>\$ 325,425</b>	<b>\$ 154,249</b>	<b>\$ 47,642</b>	<b>\$ 70,538</b>	<b>\$ 597,854</b>

<i>In millions of dollars</i>	As of December 31, 2023				
	Open and overnight	Up to 30 days	31–90 days	Greater than 90 days	Total
Securities sold under agreements to repurchase	\$ 289,907	\$ 134,870	\$ 35,639	\$ 52,756	\$ 513,172
Securities loaned	24,997	—	1,270	6,355	32,622
<b>Total</b>	<b>\$ 314,904</b>	<b>\$ 134,870</b>	<b>\$ 36,909</b>	<b>\$ 59,111</b>	<b>\$ 545,794</b>

The following tables present the gross amounts of liabilities associated with repurchase agreements and securities lending agreements by class of underlying collateral:

<i>In millions of dollars</i>	As of December 31, 2024		
	Repurchase agreements	Securities lending agreements	Total
U.S. Treasury and federal agency securities	\$ 324,233	\$ 40	\$ 324,273
State and municipal securities	183	—	183
Foreign government securities	132,123	1,069	133,192
Corporate bonds	17,467	330	17,797
Equity securities	18,498	32,837	51,335
Mortgage-backed securities	65,279	—	65,279
Asset-backed securities	2,609	23	2,632
Other	3,147	16	3,163
<b>Total</b>	<b>\$ 563,539</b>	<b>\$ 34,315</b>	<b>\$ 597,854</b>

<i>In millions of dollars</i>	As of December 31, 2023		
	Repurchase agreements	Securities lending agreements	Total
U.S. Treasury and federal agency securities	\$ 223,343	\$ 461	\$ 223,804
State and municipal securities	447	2	449
Foreign government securities	174,661	118	174,779
Corporate bonds	12,403	195	12,598
Equity securities	5,853	31,574	37,427
Mortgage-backed securities	85,014	21	85,035
Asset-backed securities	3,032	178	3,210
Other	8,419	73	8,492
<b>Total</b>	<b>\$ 513,172</b>	<b>\$ 32,622</b>	<b>\$ 545,794</b>

### **13. BROKERAGE RECEIVABLES AND BROKERAGE PAYABLES**

The Company has receivables and payables for financial instruments sold to and purchased from brokers, dealers and customers, which arise in the ordinary course of business. Citi is exposed to risk of loss from the inability of brokers, dealers or customers to pay for purchases or to deliver the financial instruments sold, in which case Citi would have to sell or purchase the financial instruments at prevailing market prices. Credit risk is reduced to the extent that an exchange or clearing organization acts as a counterparty to the transaction and replaces the broker, dealer or customer in question.

Citi seeks to protect itself from the risks associated with customer activities by requiring customers to maintain margin collateral in compliance with regulatory and internal guidelines. Margin levels are monitored daily, and customers deposit additional collateral as required. Where customers cannot meet collateral requirements, Citi may liquidate sufficient underlying financial instruments to bring the customer into compliance with the required margin level.

Exposure to credit risk is impacted by market volatility, which may impair the ability of clients to satisfy their obligations to Citi. Credit limits are established and closely monitored for customers and for brokers and dealers engaged in forwards, futures and other transactions deemed to be credit sensitive.

*Brokerage receivables* and *Brokerage payables* consisted of the following:

<i>In millions of dollars</i>	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
Receivables from customers	\$ <b>18,512</b>	\$ 15,986
Receivables from brokers, dealers and clearing organizations	<b>32,329</b>	37,929
<b>Total brokerage receivables<sup>(1)</sup></b>	<b>\$ 50,841</b>	\$ 53,915
Payables to customers	\$ <b>51,993</b>	\$ 49,206
Payables to brokers, dealers and clearing organizations	<b>14,608</b>	14,333
<b>Total brokerage payables<sup>(1)</sup></b>	<b>\$ 66,601</b>	\$ 63,539

(1) Includes brokerage receivables and payables recorded by Citi broker-dealer entities that are accounted for in accordance with the AICPA Accounting Guide for Brokers and Dealers in Securities as codified in ASC 940-320.

## 14. INVESTMENTS

The following table presents Citi's investments by category:

<i>In millions of dollars</i>	December 31,	
	2024	2023
Debt securities available-for-sale (AFS)	\$ 226,876	\$ 256,936
Debt securities held-to-maturity (HTM) <sup>(1)</sup>	242,382	254,247
Marketable equity securities carried at fair value <sup>(2)</sup>	151	258
Non-marketable equity securities carried at fair value <sup>(2)(3)</sup>	427	508
Non-marketable equity securities measured using the measurement alternative <sup>(4)</sup>	1,574	1,639
Non-marketable equity securities carried at cost <sup>(5)</sup>	5,247	5,497
<b>Total investments<sup>(6)</sup></b>	<b>\$ 476,657</b>	<b>\$ 519,085</b>

(1) Carried at adjusted amortized cost basis, net of any ACL.

(2) Unrealized gains and losses are recognized in earnings.

(3) Includes \$23 million and \$25 million of investments in funds for which the fair values are estimated using the net asset value of the Company's ownership interest in the funds at December 31, 2024 and 2023, respectively.

(4) Impairment losses and adjustments to the carrying value as a result of observable price changes are recognized in earnings. See "Non-Marketable Equity Securities Not Carried at Fair Value" below.

(5) Represents shares issued by the Federal Reserve Bank, Federal Home Loan Banks and certain exchanges of which Citigroup is a member.

(6) Not included in the balances above is approximately \$2 billion of accrued interest receivable at December 31, 2024 and 2023, which is included in *Other assets* on the Consolidated Balance Sheet. The Company does not recognize an allowance for credit losses on accrued interest receivable for AFS and HTM debt securities, consistent with its non-accrual policy, which results in timely write-off of accrued interest. The Company did not reverse through interest income any accrued interest receivables for the years ended December 31, 2024 and 2023.

The following table presents interest and dividend income on investments:

<i>In millions of dollars</i>	2024	2023	2022
Taxable interest	\$ 17,978	\$ 17,654	\$ 10,643
Interest exempt from U.S. federal income tax	317	334	348
Dividend income	367	312	223
<b>Total interest and dividend income on investments</b>	<b>\$ 18,662</b>	<b>\$ 18,300</b>	<b>\$ 11,214</b>

The following table presents realized gains and losses on the sales of investments, which exclude impairment losses:

<i>In millions of dollars</i>	2024	2023	2022
Gross realized investment gains	\$ 533	\$ 324	\$ 323
Gross realized investment losses	(205)	(136)	(256)
<b>Net realized gains on sales of investments</b>	<b>\$ 328</b>	<b>\$ 188</b>	<b>\$ 67</b>

**Debt Securities Available-for-Sale**

The amortized cost and fair value of AFS debt securities were as follows:

<i>In millions of dollars</i>	December 31, 2024					December 31, 2023				
	Amortized cost	Gross unrealized gains	Gross unrealized losses	Allowance for credit losses	Fair value	Amortized cost	Gross unrealized gains	Gross unrealized losses	Allowance for credit losses	Fair value
<b>Debt securities AFS</b>										
Mortgage-backed securities <sup>(1)</sup>										
U.S. government-sponsored agency guaranteed <sup>(2)(3)</sup>	\$ 30,208	\$ 40	\$ 942	\$ —	\$ 29,306	\$ 30,279	\$ 170	\$ 734	\$ —	\$ 29,715
Residential	626	—	2	—	624	426	—	3	—	423
Commercial	1	—	—	—	1	1	—	—	—	1
Total mortgage-backed securities	\$ 30,835	\$ 40	\$ 944	\$ —	\$ 29,931	\$ 30,706	\$ 170	\$ 737	\$ —	\$ 30,139
U.S. Treasury and federal agency securities										
U.S. Treasury	\$ 52,630	\$ 13	\$ 264	\$ —	\$ 52,379	\$ 81,684	\$ 59	\$ 1,382	\$ —	\$ 80,361
Total U.S. Treasury and federal agency securities	\$ 52,630	\$ 13	\$ 264	\$ —	\$ 52,379	\$ 81,684	\$ 59	\$ 1,382	\$ —	\$ 80,361
State and municipal	\$ 1,749	\$ 12	\$ 103	\$ —	\$ 1,658	\$ 2,204	\$ 18	\$ 91	\$ —	\$ 2,131
Foreign government	134,002	444	1,087	—	133,359	132,045	528	1,375	—	131,198
Corporate	4,923	19	122	6	4,814	5,610	18	208	8	5,412
Asset-backed securities <sup>(1)</sup>	856	3	11	—	848	921	17	—	—	938
Other debt securities	3,887	1	1	—	3,887	6,754	4	1	—	6,757
<b>Total debt securities AFS</b>	<b>\$ 228,882</b>	<b>\$ 532</b>	<b>\$ 2,532</b>	<b>\$ 6</b>	<b>\$ 226,876</b>	<b>\$ 259,924</b>	<b>\$ 814</b>	<b>\$ 3,794</b>	<b>\$ 8</b>	<b>\$ 256,936</b>

- (1) The Company invests in mortgage- and asset-backed securities, which are typically issued by VIEs through securitization transactions. The Company's maximum exposure to loss from these VIEs is equal to the carrying amount of the securities, which is reflected in the table above. See Note 23 for mortgage- and asset-backed securitizations in which the Company has other involvement.
- (2) In January 2023, Citi adopted ASU 2022-01. Upon adoption, Citi transferred \$3.3 billion of mortgage-backed securities from HTM classification to AFS classification as allowed under the ASU. At the time of transfer, the securities were in an unrealized gain position of \$0.1 billion, which was recorded in *AOCI* upon transfer. See Note 1.
- (3) Amortized cost includes unallocated portfolio-layer cumulative basis adjustments of \$(0.2) billion as of December 31, 2024. Gross unrealized gains and gross unrealized (losses) on mortgage-backed securities excluding the effect of unallocated portfolio-layer hedges cumulative basis adjustments were \$35 million and \$(1,129) million, respectively, as of December 31, 2024.

At December 31, 2024, the amortized cost of AFS debt securities for those in a loss position exceeded their fair value by \$2,532 million. Of the \$2,532 million, \$1,037 million represented unrealized losses on AFS debt securities that have been in a gross unrealized loss position for less than a year and, of these, 67% were rated investment grade; and \$1,495 million represented unrealized losses on AFS debt securities that have been in a gross unrealized loss position for a year or more and, of these, 91% were rated investment grade. Of the \$1,495 million, \$688 million represents mortgage-backed securities.

The following table presents the fair value of AFS debt securities that have been in an unrealized loss position:

<i>In millions of dollars</i>	Less than 12 months		12 months or longer		Total	
	Fair value	Gross unrealized losses	Fair value	Gross unrealized losses	Fair value	Gross unrealized losses
<b>December 31, 2024</b>						
<b>Debt securities AFS</b>						
Mortgage-backed securities						
U.S. government-sponsored agency guaranteed	\$ 16,690	\$ 255	\$ 8,484	\$ 687	\$ 25,174	\$ 942
Residential	375	1	216	1	591	2
Commercial	—	—	1	—	1	—
Total mortgage-backed securities	\$ 17,065	\$ 256	\$ 8,701	\$ 688	\$ 25,766	\$ 944
U.S. Treasury and federal agency securities						
U.S. Treasury	\$ 13,660	\$ 166	\$ 1,710	\$ 98	\$ 15,370	\$ 264
Total U.S. Treasury and federal agency securities	\$ 13,660	\$ 166	\$ 1,710	\$ 98	\$ 15,370	\$ 264
State and municipal	\$ 855	\$ 72	\$ 335	\$ 31	\$ 1,190	\$ 103
Foreign government	49,384	487	19,719	600	69,103	1,087
Corporate	455	45	2,444	77	2,899	122
Asset-backed securities	388	11	—	—	388	11
Other debt securities	1,098	—	939	1	2,037	1
<b>Total debt securities AFS</b>	<b>\$ 82,905</b>	<b>\$ 1,037</b>	<b>\$ 33,848</b>	<b>\$ 1,495</b>	<b>\$ 116,753</b>	<b>\$ 2,532</b>
<b>December 31, 2023</b>						
<b>Debt securities AFS</b>						
Mortgage-backed securities						
U.S. government-sponsored agency guaranteed	\$ 8,602	\$ 86	\$ 9,734	\$ 648	\$ 18,336	\$ 734
Residential	352	1	34	2	386	3
Commercial	—	—	—	—	—	—
Total mortgage-backed securities	\$ 8,954	\$ 87	\$ 9,768	\$ 650	\$ 18,722	\$ 737
U.S. Treasury and federal agency securities						
U.S. Treasury	\$ 11,851	\$ 113	\$ 57,669	\$ 1,269	\$ 69,520	\$ 1,382
Total U.S. Treasury and federal agency securities	\$ 11,851	\$ 113	\$ 57,669	\$ 1,269	\$ 69,520	\$ 1,382
State and municipal	\$ 906	\$ 17	\$ 324	\$ 74	\$ 1,230	\$ 91
Foreign government	42,250	540	29,176	835	71,426	1,375
Corporate	2,319	103	1,619	105	3,938	208
Asset-backed securities	154	—	16	—	170	—
Other debt securities	1,864	1	228	—	2,092	1
<b>Total debt securities AFS</b>	<b>\$ 68,298</b>	<b>\$ 861</b>	<b>\$ 98,800</b>	<b>\$ 2,933</b>	<b>\$ 167,098</b>	<b>\$ 3,794</b>

The following table presents the amortized cost and fair value of AFS debt securities by contractual maturity dates:

<i>In millions of dollars</i>	December 31, 2024		
	Amortized cost	Fair value	Weighted-average yield <sup>(1)</sup>
<b>Mortgage-backed securities<sup>(2)</sup></b>			
Due within 1 year	\$ 19	\$ 19	2.60 %
After 1 but within 5 years	880	869	4.05
After 5 but within 10 years	556	526	3.95
After 10 years	29,573	28,517	4.58
<b>Total<sup>(3)</sup></b>	<b>\$ 31,028</b>	<b>\$ 29,931</b>	<b>4.55 %</b>
<b>U.S. Treasury and federal agency securities</b>			
Due within 1 year	\$ 30,956	\$ 30,924	1.91 %
After 1 but within 5 years	21,474	21,280	3.14
After 5 but within 10 years	200	175	3.63
After 10 years	—	—	—
<b>Total</b>	<b>\$ 52,630</b>	<b>\$ 52,379</b>	<b>2.42 %</b>
<b>State and municipal</b>			
Due within 1 year	\$ 12	\$ 12	1.75 %
After 1 but within 5 years	131	126	3.68
After 5 but within 10 years	399	387	3.70
After 10 years	1,207	1,133	3.99
<b>Total</b>	<b>\$ 1,749</b>	<b>\$ 1,658</b>	<b>3.89 %</b>
<b>Foreign government</b>			
Due within 1 year	\$ 58,930	\$ 58,958	4.73 %
After 1 but within 5 years	69,775	69,297	5.17
After 5 but within 10 years	4,770	4,670	4.50
After 10 years	527	434	4.85
<b>Total</b>	<b>\$ 134,002</b>	<b>\$ 133,359</b>	<b>4.95 %</b>
<b>All other<sup>(4)</sup></b>			
Due within 1 year	\$ 5,122	\$ 5,110	2.55 %
After 1 but within 5 years	3,731	3,657	3.31
After 5 but within 10 years	741	743	2.18
After 10 years	72	39	1.84
<b>Total</b>	<b>\$ 9,666</b>	<b>\$ 9,549</b>	<b>2.81 %</b>
<b>Total debt securities AFS<sup>(3)</sup></b>	<b>\$ 229,075</b>	<b>\$ 226,876</b>	<b>4.22 %</b>

(1) Weighted-average yields are weighted based on the amortized cost of each security. The effective yield considers the contractual coupon, amortization of premiums and accretion of discounts and excludes the effects of any related hedging derivatives.

(2) Includes mortgage-backed securities of U.S. government-sponsored agencies. The Company invests in mortgage- and asset-backed securities, which are typically issued by VIEs through securitization transactions. See Note 23 for additional information about mortgage- and asset-backed securitizations in which the Company has other involvement.

(3) Amortized cost excludes unallocated portfolio-layer cumulative basis adjustments of \$(0.2) billion as of December 31, 2024.

(4) Includes corporate, asset-backed and other debt securities.

**Debt Securities Held-to-Maturity**

The carrying value and fair value of debt securities HTM were as follows:

<i>In millions of dollars</i>	<b>Amortized cost, net<sup>(1)</sup></b>	<b>Gross unrealized gains</b>	<b>Gross unrealized losses</b>	<b>Fair value</b>
<b>December 31, 2024</b>				
<b>Debt securities HTM</b>				
Mortgage-backed securities <sup>(2)</sup>				
U.S. government-sponsored agency guaranteed <sup>(3)</sup>	\$ 72,542	\$ —	\$ 10,291	\$ 62,251
Non-U.S. residential	—	—	—	—
Commercial	1,247	12	151	1,108
Total mortgage-backed securities	\$ 73,789	\$ 12	\$ 10,442	\$ 63,359
U.S. Treasury securities	\$ 126,142	\$ —	\$ 6,934	\$ 119,208
State and municipal	8,903	27	668	8,262
Foreign government	988	3	—	991
Asset-backed securities <sup>(2)</sup>	32,560	91	61	32,590
<b>Total debt securities HTM, net</b>	<b>\$ 242,382</b>	<b>\$ 133</b>	<b>\$ 18,105</b>	<b>\$ 224,410</b>
December 31, 2023				
Debt securities HTM				
Mortgage-backed securities <sup>(2)</sup>				
U.S. government-sponsored agency guaranteed	\$ 79,689	\$ 7	\$ 8,603	\$ 71,093
Non-U.S. residential	198	—	—	198
Commercial	1,146	2	156	992
Total mortgage-backed securities	\$ 81,033	\$ 9	\$ 8,759	\$ 72,283
U.S. Treasury securities	\$ 131,776	\$ —	\$ 9,908	\$ 121,868
State and municipal	9,182	73	477	8,778
Foreign government	2,210	—	58	2,152
Asset-backed securities <sup>(2)</sup>	30,046	9	135	29,920
<b>Total debt securities HTM, net</b>	<b>\$ 254,247</b>	<b>\$ 91</b>	<b>\$ 19,337</b>	<b>\$ 235,001</b>

(1) Amortized cost is reported net of ACL of \$137 million and \$95 million at December 31, 2024 and 2023, respectively.

(2) The Company invests in mortgage- and asset-backed securities. These securitizations are generally considered VIEs. The Company's maximum exposure to loss from these VIEs is equal to the carrying amount of the securities, which is reflected in the table above. See Note 23 for mortgage- and asset-backed securitizations in which the Company has other involvement.

(3) In January 2023, Citi adopted ASU 2022-01. Upon adoption, Citi transferred \$3.3 billion (amortized cost) of mortgage-backed securities from HTM classification to AFS classification as allowed under the ASU. At the time of transfer, the securities were in an unrealized gain position of \$0.1 billion, which was recorded in *AOCI* upon transfer. See Note 1.

The Company has the positive intent and ability to hold these securities to maturity or, where applicable, until the exercise of any issuer call option, absent any unforeseen significant changes in circumstances, including deterioration in credit or changes in regulatory capital requirements.

The net unrealized losses classified in *AOCI* for HTM debt securities primarily relate to debt securities previously classified as AFS that were transferred to HTM, and include any cumulative fair value hedge adjustments. The net unrealized loss amount also includes any non-credit-related changes in fair value of HTM debt securities that have suffered credit impairment recorded in earnings. The *AOCI* balance related to HTM debt securities is amortized as an adjustment of yield, in a manner consistent with the accretion of any difference between the carrying value at the transfer date and par value of the same debt securities.

The following table presents the carrying value and fair value of HTM debt securities by contractual maturity dates:

<i>In millions of dollars</i>	December 31, 2024		
	Amortized cost <sup>(1)</sup>	Fair value	Weighted- average yield <sup>(2)</sup>
<b>Mortgage-backed securities</b>			
Due within 1 year	\$ 68	\$ 68	5.53 %
After 1 but within 5 years	1,127	1,075	3.24
After 5 but within 10 years	1,168	1,075	2.73
After 10 years	71,426	61,141	2.89
<b>Total</b>	<b>\$ 73,789</b>	<b>\$ 63,359</b>	<b>2.90 %</b>
<b>U.S. Treasury securities</b>			
Due within 1 year	\$ 36,665	\$ 36,296	0.94 %
After 1 but within 5 years	89,477	82,912	1.16
After 5 but within 10 years	—	—	—
After 10 years	—	—	—
<b>Total</b>	<b>\$ 126,142</b>	<b>\$ 119,208</b>	<b>1.10 %</b>
<b>State and municipal</b>			
Due within 1 year	\$ 32	\$ 31	2.73 %
After 1 but within 5 years	162	162	3.89
After 5 but within 10 years	1,923	1,810	2.87
After 10 years	6,786	6,259	3.40
<b>Total</b>	<b>\$ 8,903</b>	<b>\$ 8,262</b>	<b>3.29 %</b>
<b>Foreign government</b>			
Due within 1 year	\$ 328	\$ 327	9.95 %
After 1 but within 5 years	660	664	9.80
After 5 but within 10 years	—	—	—
After 10 years	—	—	—
<b>Total</b>	<b>\$ 988</b>	<b>\$ 991</b>	<b>9.86 %</b>
<b>All other<sup>(3)</sup></b>			
Due within 1 year	\$ —	\$ —	— %
After 1 but within 5 years	—	—	—
After 5 but within 10 years	13,040	13,058	6.07
After 10 years	19,520	19,532	5.97
<b>Total</b>	<b>\$ 32,560</b>	<b>\$ 32,590</b>	<b>6.01 %</b>
<b>Total debt securities HTM</b>	<b>\$ 242,382</b>	<b>\$ 224,410</b>	<b>2.38 %</b>

(1) Amortized cost is reported net of ACL of \$137 million at December 31, 2024.

(2) Weighted-average yields are weighted based on the amortized cost of each security. The effective yield considers the contractual coupon, amortization of premiums and accretion of discounts and excludes the effects of any related hedging derivatives.

(3) Includes corporate and asset-backed securities.

### HTM Debt Securities Delinquency and Non-Accrual

#### Details

Citi did not have any HTM debt securities that were delinquent or on non-accrual status at December 31, 2024 and 2023.

There were no purchased credit-deteriorated HTM debt securities held by the Company as of December 31, 2024 and 2023.

## Evaluating Investments for Impairment—AFS Debt Securities

### Overview

The Company conducts periodic reviews of all AFS debt securities with unrealized losses to evaluate whether the impairment resulted from expected credit losses or from other factors and to evaluate the Company's intent to sell such securities.

An AFS debt security is impaired when the current fair value of an individual AFS debt security is less than its amortized cost basis.

The Company recognizes the entire difference between amortized cost basis and fair value in earnings for impaired AFS debt securities that Citi has an intent to sell or for which Citi believes it will more-likely-than-not be required to sell prior to recovery of the amortized cost basis. However, for those AFS debt securities that the Company does not intend to sell and is not likely to be required to sell, only the credit-related impairment is recognized in earnings by recording an allowance for credit losses. Any remaining fair value decline for such securities is recorded in *AOCI*. The Company does not consider the length of time that the fair value of a security is below its amortized cost when determining if a credit loss exists.

For AFS debt securities, credit losses exist where Citi does not expect to receive contractual principal and interest cash flows sufficient to recover the entire amortized cost basis of a security. The allowance for credit losses is limited to the amount by which the AFS debt security's amortized cost basis exceeds its fair value. The allowance is increased or decreased if credit conditions subsequently worsen or improve. Reversals of credit losses are recognized in earnings.

The Company's review for impairment of AFS debt securities generally entails:

- identification and evaluation of impaired investments;
- consideration of evidential matter, including an evaluation of factors or triggers that could cause individual positions to qualify as credit impaired and those that would not support credit impairment; and
- documentation of the results of these analyses, as required under business policies.

### Recognition and Measurement of Impairment

The following table presents total impairment on AFS investments recognized in earnings:

<i>In millions of dollars</i>	Year ended		
	2024	2023	2022
Impairment losses recognized in earnings for debt securities that the Company intends to sell, would more-likely-than-not be required to sell or will be subject to an issuer call deemed probable of exercise	\$ 323	\$ 188	\$ 360

The sections below describe the Company's process for identifying expected credit impairments for debt security types that have the most significant unrealized losses as of December 31, 2024.

### Agency Mortgage-Backed Securities

Citi records no allowances for credit losses on U.S. government-agency-guaranteed mortgage-backed securities, because the Company expects to incur no credit losses in the event of default due to a history of incurring no credit losses and due to the nature of the counterparties.

### State and Municipal Securities

The process for estimating credit losses in Citigroup's AFS state and municipal bonds is primarily based on a credit analysis that incorporates third-party credit ratings. Citi monitors the bond issuers and any insurers providing default protection in the form of financial guarantee insurance. The average external credit rating, disregarding any insurance, is Aa2/AA. In the event of an external rating downgrade or other indicator of credit impairment (i.e., based on instrument-specific estimates of cash flows or probability of issuer default), the subject bond is specifically reviewed for adverse changes in the amount or timing of expected contractual principal and interest payments.

For AFS state and municipal bonds with unrealized losses that Citi plans to sell or would more-likely-than-not be required to sell prior to recovery of value, the full impairment is recognized in earnings. For AFS state and municipal bonds where Citi has no intent to sell and it is not more-likely-than-not that the Company will be required to sell, Citi records an allowance for expected credit losses for the amount it expects not to collect, capped at the difference between the bond's amortized cost basis and fair value.

### **Allowance for Credit Losses on AFS Debt Securities**

The allowance for credit losses on AFS debt securities held that the Company does not intend to sell nor will likely be required to sell was \$6 million and \$8 million as of December 31, 2024 and 2023, respectively.

### **Non-Marketable Equity Securities Not Carried at Fair Value**

Non-marketable equity securities are required to be measured at fair value with changes in fair value recognized in earnings unless (i) the measurement alternative is elected or (ii) the investment represents Federal Reserve Bank and Federal Home Loan Bank stock or certain exchange seats that continue to be carried at cost.

The election to measure a non-marketable equity security using the measurement alternative is made on an instrument-by-instrument basis. Under the measurement alternative, an equity security is carried at cost plus or minus changes resulting from observable prices in orderly transactions for the identical or a similar investment of the same issuer. The carrying value of the equity security is adjusted to fair value on the date of an observed transaction. Fair value may differ from the observed transaction price due to a number of factors, including marketability adjustments and differences in rights and obligations when the observed transaction is not for the identical investment held by Citi.

Equity securities under the measurement alternative, which are composed of private equity investments, are also assessed for impairment. On a quarterly basis, management qualitatively assesses whether each equity security under the measurement alternative is impaired. Impairment indicators that are considered include, but are not limited to, the following:

- a significant deterioration in the earnings performance, credit rating, asset quality or business prospects of the investee;
- a significant adverse change in the regulatory, economic or technological environment of the investee;
- a significant adverse change in the general market condition of either the geographical area or the industry in which the investee operates;
- a bona fide offer to purchase, an offer by the investee to sell or a completed auction process for the same or similar investment for an amount less than the carrying amount of that investment; and
- factors that raise significant concerns about the investee's ability to continue as a going concern, such as negative cash flows from operations, working capital deficiencies or noncompliance with statutory capital requirements or debt covenants.

When the qualitative assessment indicates that the equity security is impaired, its fair value is determined. If the fair value of the investment is less than its carrying value, the investment is written down to fair value through earnings.

Below is the carrying value of non-marketable equity securities measured using the measurement alternative at December 31, 2024 and 2023:

<i>In millions of dollars</i>	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Measurement alternative:		
Carrying value	\$ 1,574	\$ 1,639

Below are amounts recognized in earnings and life-to-date amounts for non-marketable equity securities measured using the measurement alternative:

<i>In millions of dollars</i>	<b>Year ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
Measurement alternative <sup>(1)</sup> :		
Impairment losses	\$ 108	\$ 135
Downward changes for observable prices	5	24
Upward changes for observable prices	84	87

(1) See Note 26 for additional information on these nonrecurring fair value measurements.

<i>In millions of dollars</i>	<b>Life-to-date amounts on securities still held</b>	
	<b>December 31, 2024</b>	
Measurement alternative:		
Impairment losses	\$ 438	
Downward changes for observable prices	38	
Upward changes for observable prices	1,033	

A similar impairment analysis is performed for non-marketable equity securities carried at cost. For the years ended December 31, 2024 and 2023, there was no impairment loss recognized in earnings for non-marketable equity securities carried at cost.

### **Equity Method Investments**

Management assesses equity method investments that have fair values that are less than their respective carrying values for other-than-temporary impairment (OTTI). Fair value is measured as price multiplied by quantity if the investee has publicly listed securities. If the investee is not publicly listed, other methods are used (see Note 26).

For impaired equity method investments that Citi plans to sell prior to recovery of value or would more-likely-than-not be required to sell, with no expectation that the fair value will recover prior to the expected sale date, the full impairment is recognized as OTTI in *Other revenue* regardless of severity and duration. The measurement of the OTTI does not include partial projected recoveries subsequent to the balance sheet date.

For impaired equity method investments that management does not plan to sell and is not more-likely-than-not to be required to sell prior to recovery of value, the evaluation of whether an impairment is other-than-temporary is based on (i) whether and when an equity method investment will recover in value and (ii) whether the investor has the intent and ability to hold that investment for a period of time sufficient to recover the value. The determination of whether the impairment is considered other-than-temporary considers the following indicators:

- the cause of the impairment and the financial condition and near-term prospects of the issuer, including any specific events that may influence the operations of the issuer;
- the intent and ability to hold the investment for a period of time sufficient to allow for any anticipated recovery in market value; and
- the length of time and extent to which fair value has been less than the carrying value.

## 15. LOANS

Citigroup loans are reported in two categories: corporate and consumer. These categories are classified primarily according to the operating segment, reporting unit and component that manage the loans in addition to the nature of the obligor, with corporate loans generally made for corporate institutional and public sector clients around the world and consumer loans to retail and small business customers.

### CORPORATE LOANS

Corporate loans represent loans and leases managed by *Services, Markets, Banking* and the Mexico SBMM component of *All Other—Legacy Franchises*. The following table presents information by corporate loan type:

In millions of dollars	December 31, 2024	December 31, 2023
<b>In North America offices<sup>(1)</sup></b>		
Commercial and industrial	<b>\$ 57,730</b>	\$ 61,008
Financial institutions	<b>41,815</b>	39,393
Mortgage and real estate <sup>(2)</sup>	<b>18,411</b>	17,813
Installment and other <sup>(3)</sup>	<b>25,529</b>	23,335
Lease financing	<b>235</b>	227
<b>Total</b>	<b>\$ 143,720</b>	\$ 141,776
<b>In offices outside North America<sup>(1)</sup></b>		
Commercial and industrial	<b>\$ 92,856</b>	\$ 93,402
Financial institutions	<b>27,276</b>	26,143
Mortgage and real estate <sup>(2)</sup>	<b>8,136</b>	7,197
Installment and other <sup>(3)</sup>	<b>25,800</b>	27,907
Lease financing	<b>40</b>	48
Governments and official institutions	<b>3,630</b>	3,599
<b>Total</b>	<b>\$ 157,738</b>	\$ 158,296
<b>Corporate loans, net of unearned income, excluding portfolio-layer hedges cumulative basis adjustments<sup>(4)(5)(6)</sup></b>	<b>\$ 301,458</b>	\$ 300,072
Unallocated portfolio-layer hedges cumulative basis adjustments <sup>(7)</sup>	<b>\$ (72)</b>	\$ 93
<b>Corporate loans, net of unearned income<sup>(4)(5)(6)</sup></b>	<b>\$ 301,386</b>	\$ 300,165

- (1) North America includes the U.S., Canada and Puerto Rico. Mexico is included in offices outside North America. The classification between offices in North America and outside North America is based on the domicile of the booking unit. The difference between the domicile of the booking unit and the domicile of the managing unit is not material.
- (2) Loans secured primarily by real estate.
- (3) Installment and other includes loans to SPEs and TTS commercial cards.
- (4) Corporate loans are net of unearned income of (\$969) million and (\$917) million at December 31, 2024 and 2023, respectively. Unearned income on corporate loans primarily represents loan origination fees, net of certain direct origination costs, that are deferred and recognized as *Interest income* over the lives of the related loans.
- (5) Not included in the balances above is approximately \$2 billion of accrued interest receivable at December 31, 2024 and 2023, which is included in *Other assets* on the Consolidated Balance Sheet.
- (6) Accrued interest receivable considered to be uncollectible is reversed through interest income. Amounts reversed were not material for the years ended December 31, 2024 and 2023.

- (7) Represents fair value hedge basis adjustments related to portfolio-layer method hedges of mortgage and real estate loans, which are not allocated to individual loans in the portfolio. See Note 24.

The Company sold and/or reclassified to held-for-sale \$5.2 billion and \$5.7 billion of corporate loans during the years ended December 31, 2024 and 2023, respectively. The Company did not have significant purchases of corporate loans classified as held-for-investment for the years ended December 31, 2024 or 2023.

### Delinquency Status

Citi generally does not manage corporate loans on a delinquency basis. See Note 1 for Citi's policies related to corporate loans, including its non-accrual policy.

While corporate loans are generally managed based on their internally assigned risk rating (see further discussion below), the following tables present delinquency information by corporate loan type.

### Corporate Loan Delinquencies and Non-Accrual Details at December 31, 2024

<i>In millions of dollars</i>	30–89 days past due and accruing <sup>(1)</sup>	≥ 90 days past due and accruing <sup>(1)</sup>	Total past due and accruing	Total non-accrual <sup>(2)</sup>	Total current <sup>(3)</sup>	Total loans <sup>(4)</sup>
Commercial and industrial	\$ 183	\$ 35	\$ 218	\$ 542	\$ 147,914	\$ 148,674
Financial institutions	8	—	8	73	68,297	68,378
Mortgage and real estate	6	2	8	567	25,971	26,546
Lease financing	—	1	1	—	275	276
Other	62	16	78	195	49,552	49,825
Loans at fair value						7,759
<b>Total<sup>(5)</sup></b>	<b>\$ 259</b>	<b>\$ 54</b>	<b>\$ 313</b>	<b>\$ 1,377</b>	<b>\$ 292,009</b>	<b>\$ 301,458</b>

### Corporate Loan Delinquencies and Non-Accrual Details at December 31, 2023

<i>In millions of dollars</i>	30–89 days past due and accruing <sup>(1)</sup>	≥ 90 days past due and accruing <sup>(1)</sup>	Total past due and accruing	Total non-accrual <sup>(2)</sup>	Total current <sup>(3)</sup>	Total loans <sup>(4)</sup>
Commercial and industrial	\$ 308	\$ 118	\$ 426	\$ 717	\$ 150,308	\$ 151,451
Financial institutions	9	7	16	51	64,993	65,060
Mortgage and real estate	66	3	69	868	24,001	24,938
Lease financing	—	—	—	—	275	275
Other	66	17	83	246	50,738	51,067
Loans at fair value						7,281
<b>Total<sup>(5)</sup></b>	<b>\$ 449</b>	<b>\$ 145</b>	<b>\$ 594</b>	<b>\$ 1,882</b>	<b>\$ 290,315</b>	<b>\$ 300,072</b>

- (1) Corporate loans that are 90 days or more past due are generally classified as non-accrual. Corporate loans are considered past due when principal or interest is contractually due but unpaid.
- (2) Non-accrual loans generally include those loans that are 90 days or more past due or those loans for which Citi believes, based on actual experience and a forward-looking assessment of the collectibility of the loan in full, that the payment of interest and/or principal is doubtful.
- (3) Loans less than 30 days past due are presented as current.
- (4) The Total loans column includes loans at fair value, which are not included in the various delinquency columns and, therefore, the tables' total rows will not cross-foot.
- (5) Excludes \$(72) million of unallocated portfolio-layer hedges cumulative basis adjustments at December 31, 2024.

Citigroup has a risk management process to monitor, evaluate and manage the principal risks associated with its corporate loan portfolio. As part of its risk management process, Citi assigns numeric risk ratings to its corporate loan facilities based on quantitative and qualitative assessments of the obligor and facility. These risk ratings are reviewed at least annually or more often if material events related to the obligor or facility warrant. Factors considered in assigning the risk ratings include financial condition of the obligor, qualitative assessment of management and strategy, amount and sources of repayment, amount and type of collateral and guarantee arrangements, amount and type of any contingencies associated with the obligor and the obligor's industry and geography.

The obligor risk ratings are defined by ranges of default probabilities. The facility risk ratings are defined by ranges of loss norms, which are the product of the probability of default and the loss given default. The investment-grade rating categories are similar to the category BBB-/Baa3 and above as defined by S&P and Moody's. Loans classified according to the bank regulatory definitions as special mention, substandard, doubtful and loss will have risk ratings within the non-investment-grade categories.

**Corporate Loans Credit Quality Indicators**

In millions of dollars	Recorded investment in loans <sup>(1)</sup>								December 31, 2024	
	Term loans by year of origination							Revolving line of credit arrangements <sup>(2)</sup>		
	2024	2023	2022	2021	2020	Prior				
<b>Investment grade<sup>(3)</sup></b>										
Commercial and industrial <sup>(4)</sup>	\$ 36,039	\$ 8,101	\$ 5,035	\$ 2,492	\$ 1,225	\$ 4,853	\$ 32,862	\$ 90,607		
Financial institutions <sup>(4)</sup>	13,074	2,136	1,162	326	265	1,500	41,415	59,878		
Mortgage and real estate	5,325	3,927	3,269	2,537	1,460	1,533	248	18,299		
Other <sup>(5)</sup>	5,773	2,643	4,036	822	1,156	5,578	24,623	44,631		
<b>Total investment grade</b>	<b>\$ 60,211</b>	<b>\$ 16,807</b>	<b>\$ 13,502</b>	<b>\$ 6,177</b>	<b>\$ 4,106</b>	<b>\$ 13,464</b>	<b>\$ 99,148</b>	<b>\$ 213,415</b>		
<b>Non-investment grade<sup>(3)</sup></b>										
<i>Accrual</i>										
Commercial and industrial <sup>(4)</sup>	\$ 24,937	\$ 5,082	\$ 3,576	\$ 1,583	\$ 318	\$ 2,560	\$ 19,468	\$ 57,524		
Financial institutions <sup>(4)</sup>	4,103	529	255	655	41	355	2,489	8,427		
Mortgage and real estate	801	1,112	1,936	1,400	770	1,190	472	7,681		
Other <sup>(5)</sup>	1,227	592	427	261	190	274	2,304	5,275		
<i>Non-accrual</i>										
Commercial and industrial <sup>(4)</sup>	43	78	48	17	7	44	305	542		
Financial institutions	—	—	—	55	—	—	18	73		
Mortgage and real estate	16	2	104	107	28	279	31	567		
Other <sup>(5)</sup>	1	—	1	18	—	19	156	195		
<b>Total non-investment grade</b>	<b>\$ 31,128</b>	<b>\$ 7,395</b>	<b>\$ 6,347</b>	<b>\$ 4,096</b>	<b>\$ 1,354</b>	<b>\$ 4,721</b>	<b>\$ 25,243</b>	<b>\$ 80,284</b>		
<b>Loans at fair value<sup>(6)</sup></b>										
<b>Corporate loans, net of unearned income<sup>(7)</sup></b>	<b>\$ 91,339</b>	<b>\$ 24,201</b>	<b>\$ 19,849</b>	<b>\$ 10,274</b>	<b>\$ 5,460</b>	<b>\$ 18,185</b>	<b>\$ 124,391</b>	<b>\$ 301,458</b>		

Recorded investment in loans<sup>(1)</sup>

<i>In millions of dollars</i>	Term loans by year of origination						Revolving line of credit arrangements <sup>(2)</sup>	December 31, 2023
	2023	2022	2021	2020	2019	Prior		
<b>Investment grade<sup>(3)</sup></b>								
Commercial and industrial <sup>(4)</sup>	\$ 47,811	\$ 7,738	\$ 3,641	\$ 2,279	\$ 2,604	\$ 6,907	\$ 34,956	105,936
Financial institutions <sup>(4)</sup>	11,002	2,356	2,834	424	557	1,847	36,715	55,735
Mortgage and real estate	3,628	4,433	3,595	2,544	1,238	1,582	66	17,086
Other <sup>(5)</sup>	4,653	5,781	1,072	1,029	812	5,302	29,335	47,984
Total investment grade	\$ 67,094	\$ 20,308	\$ 11,142	\$ 6,276	\$ 5,211	\$ 15,638	\$ 101,072	226,741
<b>Non-investment grade<sup>(3)</sup></b>								
<i>Accrual</i>								
Commercial and industrial <sup>(4)</sup>	\$ 17,570	\$ 4,785	\$ 1,914	\$ 1,359	\$ 732	\$ 2,526	\$ 15,912	44,798
Financial institutions <sup>(4)</sup>	4,207	748	1,084	56	194	260	2,725	9,274
Mortgage and real estate	1,034	1,234	1,378	947	755	1,016	620	6,984
Other <sup>(5)</sup>	653	434	248	158	211	155	1,253	3,112
<i>Non-accrual</i>								
Commercial and industrial	53	46	84	35	45	93	361	717
Financial institutions <sup>(4)</sup>	—	—	—	—	—	—	51	51
Mortgage and real estate	118	233	8	38	110	308	53	868
Other <sup>(5)</sup>	8	—	41	—	55	12	130	246
Total non-investment grade	\$ 23,643	\$ 7,480	\$ 4,757	\$ 2,593	\$ 2,102	\$ 4,370	\$ 21,105	66,050
Loans at fair value <sup>(6)</sup>							\$ 7,281	
Corporate loans, net of unearned income	\$ 90,737	\$ 27,788	\$ 15,899	\$ 8,869	\$ 7,313	\$ 20,008	\$ 122,177	300,072

(1) Recorded investment in a loan includes net deferred loan fees and costs, unamortized premium or discount, less any direct write-downs.

(2) There were no significant revolving line of credit arrangements that converted to term loans during the year.

(3) Held-for-investment loans are accounted for on an amortized cost basis.

(4) Includes certain short-term loans with less than one year in tenor.

(5) Other includes installment and other, lease financing and loans to government and official institutions.

(6) Loans at fair value include loans to commercial and industrial, financial institutions, mortgage and real estate and other.

(7) Excludes \$(72) million of unallocated portfolio-layer hedges cumulative basis adjustments at December 31, 2024.

### Corporate Gross Credit Losses

The tables below detail gross credit losses recognized during the years ended December 31, 2024 and 2023, by year of loan origination:

In millions of dollars	For the year ended December 31, 2024							Revolving line of credit arrangement	Total
	2024	2023	2022	2021	2020	Prior			
Commercial and industrial	\$ 18 \$	2 \$	3 \$	9 \$	20 \$	15 \$	184	\$ 251	
Financial institutions	—	—	—	—	—	1	9	10	
Mortgage and real estate	1	37	11	1	—	85	29	164	
Other <sup>(1)</sup>	1	—	—	12	—	17	38	68	
<b>Total</b>	<b>\$ 20 \$</b>	<b>39 \$</b>	<b>14 \$</b>	<b>22 \$</b>	<b>20 \$</b>	<b>118 \$</b>	<b>260</b>	<b>\$ 493</b>	

In millions of dollars	For the year ended December 31, 2023							Revolving line of credit arrangement	Total
	2023	2022	2021	2020	2019	Prior			
Commercial and industrial	\$ 27 \$	20 \$	1 \$	1 \$	— \$	10 \$	130	\$ 189	
Financial institutions	1	1	—	—	—	—	38	40	
Mortgage and real estate	—	9	—	15	—	11	5	40	
Other <sup>(1)</sup>	—	—	—	—	—	—	59	59	
<b>Total</b>	<b>\$ 28 \$</b>	<b>30 \$</b>	<b>1 \$</b>	<b>16 \$</b>	<b>— \$</b>	<b>21 \$</b>	<b>232</b>	<b>\$ 328</b>	

(1) Other includes installment and other, lease financing and loans to government and official institutions.

### Non-Accrual Corporate Loans

In millions of dollars	December 31, 2024		December 31, 2023	
	Recorded investment <sup>(1)(2)</sup>	Related specific allowance	Recorded investment <sup>(1)(2)</sup>	Related specific allowance
<b>Non-accrual corporate loans with specific allowances</b>				
Commercial and industrial	\$ 199 \$	86	\$ 507 \$	168
Financial institutions	—	—	48	15
Mortgage and real estate	276	42	697	128
Other	185	174	185	51
<b>Total non-accrual corporate loans with specific allowances</b>	<b>\$ 660 \$</b>	<b>302</b>	<b>\$ 1,437 \$</b>	<b>362</b>
<b>Non-accrual corporate loans without specific allowances</b>				
Commercial and industrial	\$ 343	—	\$ 210	—
Financial institutions	73	—	3	—
Mortgage and real estate	291	—	171	—
Lease financing	—	—	—	—
Other	10	—	61	—
<b>Total non-accrual corporate loans without specific allowances</b>	<b>\$ 717</b>	<b>N/A</b>	<b>\$ 445</b>	<b>N/A</b>

(1) Recorded investment in a loan includes net deferred loan fees and costs, unamortized premium or discount, less any direct write-downs.

(2) Interest income recognized for the years ended December 31, 2024, 2023 and 2022 was \$65 million, \$38 million and \$66 million, respectively.

N/A Not applicable

### **Corporate Loan Modifications to Borrowers Experiencing Financial Difficulty**

Citi seeks to modify certain corporate loans to borrowers experiencing financial difficulty to reduce Citi's exposure to loss, often providing the borrower with an opportunity to work through financial difficulties. Each modification is unique to the borrower's individual circumstances. The following tables

detail corporate loan modifications granted during the year ended December 31, 2024 to borrowers experiencing financial difficulty by type of modification granted and the financial effect of those modifications. Citi defines a corporate loan modification to a borrower experiencing financial difficulty as a modification of a loan classified as substandard or worse at the time of modification.

<i>In millions of dollars, except for weighted-average term extension</i>	<b>For the year ended December 31, 2024</b>			
	<b>Total modifications balance at December 31, 2024<sup>(1)(2)(3)</sup></b>	<b>Term extension</b>	<b>Combination: Term extension and payment delay<sup>(4)</sup></b>	<b>Weighted-average term extension (months)</b>
Commercial and industrial	\$ 251	\$ 251	\$ —	16
Financial institutions	—	—	—	—
Mortgage and real estate	105	105	—	8
Other <sup>(5)</sup>	—	—	—	—
<b>Total</b>	<b>\$ 356</b>	<b>\$ 356</b>	<b>\$ —</b>	

- (1) The above table reflects activity for loans outstanding as of the end of the reporting period. The balances are not significant as a percentage of the total carrying values of loans by class of receivable as of December 31, 2024.
- (2) Commitments to lend to borrowers experiencing financial difficulty that were granted modifications totaled \$878 million as of December 31, 2024.
- (3) The allowance for corporate loans, including modified loans, is based on the borrower's overall financial performance. Charge-offs for amounts deemed uncollectible may be recorded at the time of the modification or may have already been recorded in prior periods such that no charge-off is required at the time of modification.
- (4) Payment delays either for principal or interest payments had an immaterial financial impact.
- (5) Other includes installment and other, lease financing and loans to government and official institutions.

<i>In millions of dollars, except for weighted-average term extension</i>	<b>For the year ended December 31, 2023</b>			
	<b>Total modifications balance at December 31, 2023<sup>(1)(2)(3)</sup></b>	<b>Term extension</b>	<b>Combination: Term extension and payment delay<sup>(4)</sup></b>	<b>Weighted-average term extension (months)</b>
Commercial and industrial	\$ 198	\$ 180	\$ 18	19
Financial institutions	—	—	—	—
Mortgage and real estate	144	143	1	24
Other <sup>(5)</sup>	—	—	—	—
<b>Total</b>	<b>\$ 342</b>	<b>\$ 323</b>	<b>\$ 19</b>	

- (1) The above table reflects activity for loans outstanding as of the end of the reporting period. The balances are not significant as a percentage of the total carrying values of loans by class of receivable as of December 31, 2023.
- (2) Commitments to lend to borrowers experiencing financial difficulty that were granted modifications totaled \$1.2 billion as of December 31, 2023.
- (3) The allowance for corporate loans, including modified loans, is based on the borrower's overall financial performance. Charge-offs for amounts deemed uncollectible may be recorded at the time of the modification or may have already been recorded in prior periods such that no charge-off is required at the time of modification.
- (4) Payment delays either for principal or interest payments had an immaterial financial impact.
- (5) Other includes installment and other, lease financing and loans to government and official institutions.

### Performance of Modified Corporate Loans

The following table presents the delinquencies of modified corporate loans to borrowers experiencing financial difficulty. It includes loans that were modified during the year ended December 31, 2024:

<i>In millions of dollars</i>	<b>Total</b>	<b>As of December 31, 2024<sup>(1)</sup></b>		
		<b>Current</b>	<b>30–89 days past due</b>	<b>90+ days past due</b>
Commercial and industrial	\$ 251	\$ 251	\$ —	\$ —
Financial institutions	—	—	—	—
Mortgage and real estate	105	105	—	—
Other <sup>(2)</sup>	—	—	—	—
<b>Total</b>	<b>\$ 356</b>	<b>\$ 356</b>	<b>\$ —</b>	<b>\$ —</b>

- (1) Corporate loans are generally not modified as a result of their delinquency status; rather, they are modified because of events that have impacted the overall financial performance of the borrower. Corporate loans, if past due, are re-aged to current status upon modification.
- (2) Other includes installment and other, lease financing and loans to government and official institutions.

### Defaults of Modified Corporate Loans

No modified corporate loans to borrowers experiencing financial difficulty defaulted during the year ended December 31, 2024.

Default is defined as 60 days past due, except for classifiably managed commercial banking loans, where default is defined as 90 days past due. For a modified corporate loan that is not collateral dependent, expected default rates are considered in the loan's individually assessed ACL.

### CONSUMER LOANS

Consumer loans represent loans and leases managed primarily by *USPB, Wealth and All Other—Legacy Franchises* (except Mexico SBMM).

Citigroup has established a risk management process to monitor, evaluate and manage the principal risks associated with its consumer loan portfolio. Credit quality indicators that are actively monitored include delinquency status, consumer credit scores under Fair Isaac Corporation (FICO) and loan-to-value (LTV) ratios, each as discussed in more detail below.

See Note 1 for Citi's policies related to consumer loans, including non-accrual and charge-off policies.

The following tables provide Citi's consumer loans by type:

### Consumer Loans, Delinquencies and Non-Accrual Status at December 31, 2024

In millions of dollars	Total current <sup>(1)(2)</sup>	30–89 days past due <sup>(3)</sup>	≥ 90 days past due <sup>(3)</sup>	Past due government guaranteed <sup>(4)</sup>	Total loans	Non-accrual loans for which there is no ACCL	Non-accrual loans for which there is an ACCL	Total non-accrual	90 days past due and accruing
<b>In North America offices<sup>(5)</sup></b>									
Residential first mortgages <sup>(6)</sup>	\$ 113,613	\$ 397	\$ 349	234	\$ 114,593	\$ 114	\$ 409	\$ 523	\$ 128
Home equity loans <sup>(7)(8)</sup>	3,060	23	58	—	3,141	25	114	139	—
Credit cards	166,021	2,333	2,705	—	171,059	—	—	—	2,705
Personal, small business and other <sup>(9)</sup>	33,010	94	50	1	33,155	7	154	161	2
<b>Total</b>	<b>\$ 315,704</b>	<b>\$ 2,847</b>	<b>\$ 3,162</b>	<b>235</b>	<b>\$ 321,948</b>	<b>\$ 146</b>	<b>\$ 677</b>	<b>\$ 823</b>	<b>\$ 2,835</b>
<b>In offices outside North America<sup>(5)</sup></b>									
Residential mortgages <sup>(6)</sup>	\$ 24,358	\$ 38	\$ 60	—	\$ 24,456	\$ —	\$ 155	\$ 155	\$ —
Credit cards	12,523	190	214	—	12,927	—	211	211	72
Personal, small business and other <sup>(9)</sup>	33,859	100	36	—	33,995	—	121	121	—
<b>Total</b>	<b>\$ 70,740</b>	<b>\$ 328</b>	<b>\$ 310</b>	<b>—</b>	<b>\$ 71,378</b>	<b>\$ —</b>	<b>\$ 487</b>	<b>\$ 487</b>	<b>\$ 72</b>
<b>Total excluding portfolio-layer hedges cumulative basis adjustments</b>	<b>\$ 386,444</b>	<b>\$ 3,175</b>	<b>\$ 3,472</b>	<b>235</b>	<b>\$ 393,326</b>	<b>\$ 146</b>	<b>\$ 1,164</b>	<b>\$ 1,310</b>	<b>\$ 2,907</b>
<b>Unallocated portfolio-layer hedges cumulative basis adjustments<sup>(10)</sup></b>					<b>\$ (224)</b>				
<b>Total Citigroup<sup>(11)(12)</sup></b>					<b>\$ 393,102</b>				

### Consumer Loans, Delinquencies and Non-Accrual Status at December 31, 2023

In millions of dollars	Total current <sup>(1)(2)</sup>	30–89 days past due <sup>(3)</sup>	≥ 90 days past due <sup>(3)</sup>	Past due government guaranteed <sup>(4)</sup>	Total loans	Non-accrual loans for which there is no ACCL	Non-accrual loans for which there is an ACCL	Total non-accrual	90 days past due and accruing
<b>In North America offices<sup>(5)</sup></b>									
Residential first mortgages <sup>(6)</sup>	\$ 107,720	\$ 462	\$ 294	235	\$ 108,711	\$ 105	\$ 384	\$ 489	\$ 120
Home equity loans <sup>(7)(8)</sup>	3,471	36	85	—	3,592	48	126	174	—
Credit cards	159,966	2,293	2,461	—	164,720	—	—	—	2,461
Personal, small business and other <sup>(9)</sup>	35,970	104	57	4	36,135	6	59	65	5
<b>Total</b>	<b>\$ 307,127</b>	<b>\$ 2,895</b>	<b>\$ 2,897</b>	<b>239</b>	<b>\$ 313,158</b>	<b>\$ 159</b>	<b>\$ 569</b>	<b>\$ 728</b>	<b>\$ 2,586</b>
<b>In offices outside North America<sup>(5)</sup></b>									
Residential mortgages <sup>(6)</sup>	\$ 26,309	\$ 48	\$ 69	—	\$ 26,426	\$ —	\$ 243	\$ 243	\$ —
Credit cards	13,797	209	227	—	14,233	—	211	211	88
Personal, small business and other <sup>(9)</sup>	35,233	107	40	—	35,380	—	133	133	—
<b>Total</b>	<b>\$ 75,339</b>	<b>\$ 364</b>	<b>\$ 336</b>	<b>—</b>	<b>\$ 76,039</b>	<b>\$ —</b>	<b>\$ 587</b>	<b>\$ 587</b>	<b>\$ 88</b>
<b>Total Citigroup<sup>(11)(12)</sup></b>					<b>\$ 382,466</b>	<b>\$ 3,259</b>	<b>\$ 3,233</b>	<b>239</b>	<b>\$ 389,197</b>
						<b>\$ 159</b>	<b>\$ 1,156</b>	<b>\$ 1,315</b>	<b>\$ 2,674</b>

(1) Loans less than 30 days past due are presented as current.

(2) Includes \$281 million and \$313 million at December 31, 2024 and 2023, respectively, of residential first mortgages recorded at fair value.

(3) Excludes loans guaranteed by U.S. government-sponsored agencies. Excludes delinquencies on \$25.9 billion and \$17.6 billion of classifiably managed Private Bank loans in North America and outside North America, respectively, at December 31, 2024. Excludes delinquencies on \$29.2 billion and \$17.0 billion of classifiably managed Private Bank loans in North America and outside North America, respectively, at December 31, 2023.

(4) Consists of loans that are guaranteed by U.S. government-sponsored agencies that are 30–89 days past due of \$0.1 billion and \$0.1 billion and 90 days or more past due of \$0.1 billion and \$0.1 billion at December 31, 2024 and 2023, respectively.

(5) North America includes the U.S., Canada and Puerto Rico. Mexico is included in offices outside North America.

- (6) Includes approximately \$0.2 billion and less than \$0.1 billion of residential first mortgage loans in process of foreclosure in North America and outside North America, respectively, and \$19.1 billion of residential mortgages outside North America related to *Wealth* at December 31, 2024. Includes approximately \$0.1 billion and less than \$0.1 billion of residential first mortgage loans in process of foreclosure in North America and outside North America, respectively, and \$19.9 billion of residential mortgages outside North America related to *Wealth* at December 31, 2023.
- (7) Includes less than \$0.1 billion and less than \$0.1 billion at December 31, 2024 and 2023, respectively, of home equity loans in process of foreclosure.
- (8) Fixed-rate home equity loans and loans extended under home equity lines of credit, which are typically in junior lien positions.
- (9) As of December 31, 2024, *Wealth* in North America includes \$28.1 billion of loans, of which \$25.9 billion are classifiably managed with 83% rated investment grade, and *Wealth* outside North America includes \$25.4 billion of loans, of which \$17.6 billion are classifiably managed with 56% rated investment grade. As of December 31, 2023, *Wealth* in North America includes \$31.6 billion of loans, of which \$29.2 billion are classifiably managed with 92% rated investment grade, and *Wealth* outside North America includes \$24.9 billion of loans, of which \$17.0 billion are classifiably managed with 74% rated investment grade. Such loans are presented as "current" above.
- (10) Represents fair value hedge basis adjustments related to portfolio-layer method hedges of mortgage and real estate loans, which are not allocated to individual loans in the portfolio. See Note 24.
- (11) Consumer loans were net of unearned income of \$889 million and \$802 million at December 31, 2024 and 2023, respectively. Unearned income on consumer loans primarily represents loan origination fees, net of certain direct origination costs, that are deferred and recognized as *Interest income* over the lives of the related loans.
- (12) Not included in the balances above is approximately \$1 billion and \$1 billion of accrued interest receivable at December 31, 2024 and 2023, respectively, which is included in *Other assets* on the Consolidated Balance Sheet, except for credit card loans (which include accrued interest and fees). During the years ended December 31, 2024 and 2023, the Company reversed accrued interest (primarily related to credit cards) of approximately \$1.7 billion and \$1.1 billion, respectively. These reversals of accrued interest are reflected as a reduction to *Interest income* in the Consolidated Statement of Income.

### Interest Income Recognized for Non-Accrual Consumer Loans

<i>In millions of dollars</i>	For the years ended December 31,	
	2024	2023
<b>In North America offices<sup>(1)</sup></b>		
Residential first mortgages	\$ 9	\$ 11
Home equity loans	5	6
Personal, small business and other	1	3
<b>Total</b>	<b>\$ 15</b>	<b>\$ 20</b>
<b>In offices outside North America<sup>(1)</sup></b>		
Residential mortgages	\$ 9	\$ 10
Personal, small business and other	2	—
<b>Total</b>	<b>\$ 11</b>	<b>\$ 10</b>
<b>Total Citigroup</b>	<b>\$ 26</b>	<b>\$ 30</b>

(1) North America includes the U.S., Canada and Puerto Rico. Mexico is included in offices outside North America.

### Sales and Purchases of Consumer Loans

During the years ended December 31, 2024 and 2023, the Company sold and/or reclassified to held-for-sale (HFS) approximately \$335 million and \$2,166 million of consumer loans, respectively. The higher sale activity in 2023 was primarily related to a larger mortgage portfolio sold. Except for the acquisition of an approximate \$700 million credit card portfolio during the year ended December 31, 2024, the Company did not have significant purchases of consumer loans classified as held-for-investment during the years ended December 31, 2024 and 2023. Loans held by businesses that are for sale are not included in the above since they have been reclassified to *Other assets*. See Note 2 for additional information regarding Citigroup's businesses held-for-sale.

### Consumer Credit Scores (FICO)

In the U.S., independent credit agencies rate an individual's risk for assuming debt based on the individual's credit history and assign every consumer a Fair Isaac Corporation (FICO) credit score. These scores are continually updated by the agencies based on an individual's credit actions (e.g., taking out a loan or missed or late payments).

The following tables provide details on the FICO scores for Citi's U.S. consumer loan portfolio based on end-of-period receivables by year of origination. FICO scores are updated monthly for substantially all of the portfolio or, otherwise, on a quarterly basis for the remaining portfolio. Loans that did not have FICO scores as of the prior period have been updated with FICO scores as they become available.

With respect to Citi's consumer loan portfolio outside of the U.S. as of December 31, 2024 and 2023 (\$72.5 billion and \$77.5 billion, respectively), various country-specific or regional credit risk metrics and acquisition and behavior scoring models are leveraged as one of the factors to evaluate the credit quality of customers (see "Consumer Loans and Ratios Outside of North America" below). As a result, details of relevant credit quality indicators for those loans are not comparable to the below FICO score distribution for the U.S. portfolio.

**FICO score distribution—U.S. portfolio<sup>(1)</sup>**

<i>In millions of dollars</i>	December 31, 2024					Total loans
	Less than 660	660 to 739	Greater than or equal to 740	Classifiably managed <sup>(2)</sup>	FICO not available <sup>(3)</sup>	
Residential first mortgages						
2024	\$ 123	\$ 2,213	\$ 10,308			
2023	223	2,451	12,936			
2022	354	3,272	16,034			
2021	312	2,745	14,651			
2020	298	1,990	12,245			
Prior	1,473	5,034	20,573			
<b>Total residential first mortgages</b>	<b>\$ 2,783</b>	<b>\$ 17,705</b>	<b>\$ 86,747</b>	<b>\$ —</b>	<b>\$ 7,358</b>	<b>\$ 114,593</b>
Home equity line of credit (pre-reset)	\$ 266	\$ 764	\$ 1,597			
Home equity line of credit (post-reset)	58	80	75			
Home equity term loans	45	87	114			
2024	—	—	—			
2023	—	—	—			
2022	—	—	—			
2021	—	—	1			
2020	—	1	2			
Prior	45	86	111			
<b>Total home equity loans</b>	<b>\$ 369</b>	<b>\$ 931</b>	<b>\$ 1,786</b>	<b>\$ —</b>	<b>\$ 55</b>	<b>\$ 3,141</b>
Credit cards	\$ 22,855	\$ 59,574	\$ 83,935			
Revolving loans converted to term loans <sup>(4)</sup>	1,462	668	129			
<b>Total credit cards<sup>(5)</sup></b>	<b>\$ 24,317</b>	<b>\$ 60,242</b>	<b>\$ 84,064</b>	<b>\$ —</b>	<b>\$ 1,874</b>	<b>\$ 170,497</b>
Personal, small business and other						
2024	\$ 96	\$ 398	\$ 1,219			
2023	132	282	577			
2022	131	180	271			
2021	28	38	54			
2020	2	2	4			
Prior	94	152	150			
<b>Total personal, small business and other<sup>(6)(7)</sup></b>	<b>\$ 483</b>	<b>\$ 1,052</b>	<b>\$ 2,275</b>	<b>\$ 25,860</b>	<b>\$ 2,730</b>	<b>\$ 32,400</b>
<b>Total<sup>(8)</sup></b>	<b>\$ 27,952</b>	<b>\$ 79,930</b>	<b>\$ 174,872</b>	<b>\$ 25,860</b>	<b>\$ 12,017</b>	<b>\$ 320,631</b>

FICO score distribution—U.S. portfolio <sup>(1)</sup>		December 31, 2023					
In millions of dollars		Less than 660	660 to 739	Greater than or equal to 740	Classifiably managed <sup>(2)</sup>	FICO not available <sup>(3)</sup>	Total loans
Residential first mortgages							
2023	\$	163	\$ 2,758	\$ 14,309			
2022		339	3,423	16,834			
2021		270	3,107	15,094			
2020		232	2,143	12,827			
2019		138	1,382	6,266			
Prior		1,377	4,122	16,164			
Total residential first mortgages	\$	2,519	\$ 16,935	\$ 81,494	\$ —	\$ 7,763	\$ 108,711
Home equity line of credit (pre-reset)	\$	300	\$ 905	\$ 1,873			
Home equity line of credit (post-reset)		61	76	69			
Home equity term loans		56	111	136			
2023		—	—	—			
2022		—	—	—			
2021		—	—	1			
2020		2	1	2			
2019		—	1	2			
Prior		54	109	131			
Total home equity loans	\$	417	\$ 1,092	\$ 2,078	\$ —	\$ 5	\$ 3,592
Credit cards	\$	21,899	\$ 57,479	\$ 81,168			
Revolving loans converted to term loans <sup>(4)</sup>		1,011	490	108			
Total credit cards <sup>(5)</sup>	\$	22,910	\$ 57,969	\$ 81,276	\$ —	\$ 1,955	\$ 164,110
Personal, small business and other							
2023	\$	88	\$ 343	\$ 996			
2022		204	351	583			
2021		52	83	128			
2020		6	9	14			
2019		5	7	8			
Prior		96	169	168			
Total personal, small business and other <sup>(6)(7)</sup>	\$	451	\$ 962	\$ 1,897	\$ 29,209	\$ 2,739	\$ 35,258
Total	\$	26,297	\$ 76,958	\$ 166,745	\$ 29,209	\$ 12,462	\$ 311,671

- (1) The FICO bands in the tables are consistent with general industry peer presentations.
- (2) These personal, small business and other loans without a FICO score available include \$25.9 billion and \$29.2 billion of Private Bank loans as of December 31, 2024 and 2023, respectively, which are classifiably managed within *Wealth* and are primarily evaluated for credit risk based on their internal risk ratings. As of December 31, 2024 and 2023, approximately 83% and 92% of these loans, respectively, were rated investment grade.
- (3) FICO scores not available primarily relate to loans guaranteed by government-sponsored enterprises for which FICO scores are generally not utilized.
- (4) Not included in the tables above are \$33 million and \$51 million of revolving credit card loans outside of the U.S. that were converted to term loans as of December 31, 2024 and 2023, respectively.
- (5) Excludes \$562 million and \$610 million of balances related to Canada for December 31, 2024 and 2023, respectively.
- (6) Excludes \$755 million and \$877 million of balances related to Canada for December 31, 2024 and 2023, respectively.
- (7) Includes approximately \$22 million and \$37 million of personal revolving loans that were converted to term loans for December 31, 2024 and 2023, respectively.
- (8) Excludes \$(224) million of unallocated portfolio-layer hedges cumulative basis adjustments at December 31, 2024.

**Consumer Gross Credit Losses**

The following tables provide details on gross credit losses recognized during the years ended December 31, 2024 and 2023, by year of loan origination:

<i>In millions of dollars</i>	<b>For the year ended December 31, 2024</b>	
Residential first mortgages		
2024	\$	—
2023		1
2022		—
2021		—
2020		—
Prior		47
<b>Total residential first mortgages</b>	<b>\$</b>	<b>48</b>
Home equity line of credit (pre-reset)	\$	15
Home equity line of credit (post-reset)		2
Home equity term loans		2
<b>Total home equity loans</b>	<b>\$</b>	<b>19</b>
Credit cards	\$	9,069
Revolving loans converted to term loans		265
<b>Total credit cards</b>	<b>\$</b>	<b>9,334</b>
Personal, small business and other		
2024	\$	171
2023		204
2022		165
2021		64
2020		25
Prior		171
<b>Total personal, small business and other</b>	<b>\$</b>	<b>800</b>
<b>Total Citigroup</b>	<b>\$</b>	<b>10,201</b>

<i>In millions of dollars</i>	<b>For the year ended December 31, 2023</b>	
Residential first mortgages		
2023	\$	—
2022		2
2021		1
2020		1
2019		5
Prior		41
<b>Total residential first mortgages</b>	<b>\$</b>	<b>50</b>
Home equity line of credit (pre-reset)	\$	3
Home equity line of credit (post-reset)		—
Home equity term loans		4
<b>Total home equity loans</b>	<b>\$</b>	<b>7</b>
Credit cards	\$	6,575
Revolving loans converted to term loans		184
<b>Total credit cards</b>	<b>\$</b>	<b>6,759</b>
Personal, small business and other		
2023	\$	162
2022		202
2021		106
2020		44
2019		51
Prior		172
<b>Total personal, small business and other</b>	<b>\$</b>	<b>737</b>
<b>Total Citigroup</b>	<b>\$</b>	<b>7,553</b>

**Loan-to-Value (LTV) Ratios—U.S. Consumer Mortgages**

LTV ratios (loan balance divided by appraised value) are calculated at origination and updated by applying market price data.

The following tables provide details on the LTV ratios for Citi's U.S. consumer mortgage portfolios by year of origination. LTV ratios are updated monthly using the most recent Core Logic Home Price Index data available for substantially all of the portfolio, applied at the Metropolitan Statistical Area level, if available, or the state level if not. The remainder of the portfolio is updated in a similar manner using the Federal Housing Finance Agency indices.

LTV distribution—U.S. portfolio <sup>(1)</sup>		December 31, 2024			
In millions of dollars		Less than or equal to 80%	> 80% but less than or equal to 100%	Greater than 100%	LTV not available <sup>(1)</sup>
<b>Residential first mortgages</b>					
2024	\$ 9,196	\$ 3,550	\$ 1		
2023	\$ 13,973	\$ 2,036	\$ 2		
2022	\$ 18,546	\$ 2,078	\$ 42		
2021	\$ 18,247	\$ 472	\$ 33		
2020	\$ 15,434	\$ 226	\$ 1		
Prior	\$ 28,797	\$ 351	\$ 25		
<b>Total residential first mortgages</b>	<b>\$ 104,193</b>	<b>\$ 8,713</b>	<b>\$ 104</b>	<b>\$ 1,583</b>	<b>\$ 114,593</b>
Home equity loans (pre-reset)	\$ 2,514	\$ 26	\$ 45		
Home equity loans (post-reset)	\$ 435	\$ 3	\$ 9		
<b>Total home equity loans</b>	<b>\$ 2,949</b>	<b>\$ 29</b>	<b>\$ 54</b>	<b>\$ 109</b>	<b>\$ 3,141</b>
<b>Total<sup>(2)</sup></b>	<b>\$ 107,142</b>	<b>\$ 8,742</b>	<b>\$ 158</b>	<b>\$ 1,692</b>	<b>\$ 117,734</b>

LTV distribution—U.S. portfolio <sup>(1)</sup>		December 31, 2023			
In millions of dollars		Less than or equal to 80%	> 80% but less than or equal to 100%	Greater than 100%	LTV not available <sup>(1)</sup>
<b>Residential first mortgages</b>					
2023	\$ 13,907	\$ 3,769	\$ 3		
2022	\$ 17,736	\$ 3,900	\$ 52		
2021	\$ 18,795	\$ 728	\$ 33		
2020	\$ 16,094	\$ 306	\$ 1		
2019	\$ 8,198	\$ 191	\$ 26		
Prior	\$ 23,120	\$ 191	\$ 23		
<b>Total residential first mortgages</b>	<b>\$ 97,850</b>	<b>\$ 9,085</b>	<b>\$ 138</b>	<b>\$ 1,638</b>	<b>\$ 108,711</b>
Home equity loans (pre-reset)	\$ 2,964	\$ 29	\$ 57		
Home equity loans (post-reset)	\$ 476	\$ 5	\$ 12		
<b>Total home equity loans</b>	<b>\$ 3,440</b>	<b>\$ 34</b>	<b>\$ 69</b>	<b>\$ 49</b>	<b>\$ 3,592</b>
<b>Total</b>	<b>\$ 101,290</b>	<b>\$ 9,119</b>	<b>\$ 207</b>	<b>\$ 1,687</b>	<b>\$ 112,303</b>

(1) Residential first mortgages with no LTV information available include government-guaranteed loans that do not require LTV information for credit risk assessment and fair value loans.

(2) Excludes \$(224) million of unallocated portfolio-layer cumulative basis adjustments at December 31, 2024.

**Loan-to-Value (LTV) Ratios—Outside of U.S. Consumer Mortgages**

The following tables provide details on the LTV ratios for Citi's consumer mortgage portfolio outside of the U.S. by year of origination:

LTV distribution—outside of U.S. portfolio <sup>(1)</sup>		December 31, 2024			
		Less than or equal to 80%	> 80% but less than or equal to 100%	Greater than 100%	LTV not available
<i>In millions of dollars</i>					Total
<b>Residential mortgages</b>					
2024	\$ 2,808	\$ 421	\$ —		
2023	2,406	654	412		
2022	2,579	462	698		
2021	2,505	426	657		
2020	1,739	326	176		
Prior	7,642	148	8		
<b>Total</b>	<b>\$ 19,679</b>	<b>\$ 2,437</b>	<b>\$ 1,951</b>	<b>\$ 389</b>	<b>\$ 24,456</b>

LTV distribution—outside of U.S. portfolio <sup>(1)</sup>		December 31, 2023			
		Less than or equal to 80%	> 80% but less than or equal to 100%	Greater than 100%	LTV not available
<i>In millions of dollars</i>					Total
<b>Residential mortgages</b>					
2023	\$ 2,756	\$ 1,007	\$ 112		
2022	3,229	807	439		
2021	3,257	754	382		
2020	2,286	454	62		
2019	2,525	84	2		
Prior	8,000	84	3		
<b>Total</b>	<b>\$ 22,053</b>	<b>\$ 3,190</b>	<b>\$ 1,000</b>	<b>\$ 183</b>	<b>\$ 26,426</b>

- (1) Mortgage portfolios outside of the U.S. are primarily in *Wealth*. As of December 31, 2024 and 2023, mortgage portfolios outside of the U.S. had an average LTV of approximately 58% and 55%, respectively.

## Consumer Loans and Ratios Outside of North America

	Total loans outside of North America <sup>(1)</sup>	Classifiably managed loans <sup>(2)</sup>	Delinquency-managed loans and ratios			
			Delinquency-managed loans	30–89 days past due ratio	≥ 90 days past due ratio	4Q24 NCL ratio
<i>In millions of dollars at December 31, 2024</i>						
Residential mortgages <sup>(3)</sup>	\$ 24,456	\$ —	\$ 24,456	0.16 %	0.25 %	0.06 %
Credit cards	12,927	—	12,927	1.47	1.66	4.91
Personal, small business and other <sup>(4)</sup>	33,995	17,553	16,442	0.61	0.22	1.02
<b>Total</b>	<b>\$ 71,378</b>	<b>\$ 17,553</b>	<b>\$ 53,825</b>	<b>0.61 %</b>	<b>0.58 %</b>	<b>1.39 %</b>

	Total loans outside of North America <sup>(1)</sup>	Classifiably managed loans <sup>(2)</sup>	Delinquency-managed loans and ratios			
			Delinquency-managed loans	30–89 days past due ratio	≥ 90 days past due ratio	4Q23 NCL ratio
<i>In millions of dollars at December 31, 2023</i>						
Residential mortgages <sup>(3)</sup>	\$ 26,426	\$ —	\$ 26,426	0.18 %	0.26 %	0.06 %
Credit cards	14,233	—	14,233	1.47	1.59	5.87
Personal, small business and other <sup>(4)</sup>	35,380	17,007	18,373	0.58	0.22	1.03
<b>Total</b>	<b>\$ 76,039</b>	<b>\$ 17,007</b>	<b>\$ 59,032</b>	<b>0.62 %</b>	<b>0.57 %</b>	<b>1.58 %</b>

(1) Mexico is included in offices outside of North America.

(2) Classifiably managed loans are primarily evaluated for credit risk based on their internal risk classification. As of December 31, 2024 and 2023, approximately 56% and 74% of these loans, respectively, were rated investment grade.

(3) Includes \$19.1 billion and \$19.9 billion as of December 31, 2024 and 2023, respectively, of residential mortgages related to *Wealth*.

(4) Includes \$25.4 billion and \$24.9 billion as of December 31, 2024 and 2023, respectively, of loans related to *Wealth*.

## Consumer Loan Modifications to Borrowers Experiencing Financial Difficulty

Citi's significant consumer modification programs are described below.

### Credit Cards

Citi seeks to assist credit card borrowers who are experiencing financial difficulty by offering long-term loan modification programs. These modifications generally involve reducing the interest rate on the credit card, placing the customer on a fixed payment plan not to exceed 60 months and canceling the customer's available line of credit. Citi also grants modifications to credit card borrowers working with third-party renegotiation agencies that seek to restructure customers' entire unsecured debt. In certain situations, Citi may forgive a portion of an outstanding balance if the borrower pays a required amount.

### Residential Mortgages

Citi utilizes a third-party subservicer for the servicing of its residential mortgage loans. Through this third-party subservicer, Citi seeks to assist residential mortgage borrowers who are experiencing financial difficulty primarily by offering interest rate reductions, principal and/or interest forbearance, term extensions or combinations thereof. Borrowers enrolled in forbearance programs typically have payments suspended until the end of the forbearance period. In the U.S., before permanently modifying the contractual payment terms of a mortgage loan, Citi enters into a trial modification with the borrower, generally a three-month period during which the borrower makes monthly payments under the anticipated modified payment terms. Upon successful completion of the trial period, and the borrower's formal acceptance of the modified terms, Citi and the borrower enter into a permanent modification. Citi expects the majority of loans entering trial modifications to ultimately be enrolled in a permanent modification. During the years ended December 31, 2024 and 2023, \$33 million and \$21 million of mortgage loans, respectively, were enrolled in trial programs. Mortgage loans of \$9 million and \$7 million had gone through Chapter 7 bankruptcy during the years ended December 31, 2024 and 2023, respectively.

### Types of Consumer Loan Modifications and Their Financial Effect

The following tables provide details on permanent consumer loan modifications granted during the years ended December 31, 2024 and 2023 to borrowers experiencing financial difficulty by type of modification granted and the financial effect of those modifications:

For the year ended December 31, 2024												
In millions of dollars, except weighted averages	Modifications as % of loans	Total modifications balance at December 31, 2024 <sup>(1)(2)(3)</sup>	Interest rate reduction	Term extension	Payment delay	Combination: interest rate reduction and term extension	Combination: term extension and payment delay	Weighted-average interest rate reduction %	Weighted-average term extension (months)	Weighted-average delay in payments (months)		
<b>In North America offices<sup>(4)</sup></b>												
Residential first mortgages <sup>(5)</sup>	0.09 %	\$ 99	\$ 1	\$ 52	\$ 36	\$ 10	\$ —	1 %	165	8		
Home equity loans	0.10	3	—	—	2	1	—	2	163	10		
Credit cards	0.84	1,432	1,430	—	2	—	—	24	—	4		
Personal, small business and other	0.08	25	1	—	1	23	—	8	18	7		
<b>Total</b>	<b>0.48 %</b>	<b>\$ 1,559</b>	<b>\$ 1,432</b>	<b>\$ 52</b>	<b>\$ 41</b>	<b>\$ 34</b>	<b>\$ —</b>					
<b>In offices outside North America<sup>(4)</sup></b>												
Residential mortgages	0.15 %	\$ 37	\$ —	\$ —	\$ 34	\$ 3	\$ —	2 %	189	12		
Credit cards	0.13	17	17	—	—	—	—	23	—	—		
Personal, small business and other	0.09	30	6	5	—	19	—	7	25	—		
<b>Total</b>	<b>0.12 %</b>	<b>\$ 84</b>	<b>\$ 23</b>	<b>\$ 5</b>	<b>\$ 34</b>	<b>\$ 22</b>	<b>\$ —</b>					

For the year ended December 31, 2023												
In millions of dollars, except weighted averages	Modifications as % of loans	Total modifications balance at December 31, 2023 <sup>(1)(2)(3)</sup>	Interest rate reduction	Term extension	Payment delay	Combination: interest rate reduction and term extension	Combination: term extension and payment delay	Weighted-average interest rate reduction %	Weighted-average term extension (months)	Weighted-average delay in payments (months)		
<b>In North America offices<sup>(4)</sup></b>												
Residential first mortgages <sup>(5)</sup>	0.15 %	\$ 164	\$ 3	\$ 63	\$ 89	\$ 9	\$ —	1 %	202	9		
Home equity loans	0.58	21	—	—	9	12	—	2	121	9		
Credit cards	0.63	1,039	1,039	—	—	—	—	23	—	—		
Personal, small business and other	0.04	14	2	—	—	12	—	6	15	—		
<b>Total</b>	<b>0.40 %</b>	<b>\$ 1,238</b>	<b>\$ 1,044</b>	<b>\$ 63</b>	<b>\$ 98</b>	<b>\$ 33</b>	<b>\$ —</b>					
<b>In offices outside North America<sup>(4)</sup></b>												
Residential mortgages	1.26 %	\$ 334	\$ —	\$ —	\$ 33	\$ 2	\$ 299	2 %	4	4		
Credit cards	0.30	43	42	—	—	1	—	18	37	—		
Personal, small business and other	0.08	27	5	7	—	15	—	7	19	—		
<b>Total</b>	<b>0.53 %</b>	<b>\$ 404</b>	<b>\$ 47</b>	<b>\$ 7</b>	<b>\$ 33</b>	<b>\$ 18</b>	<b>\$ 299</b>					

- (1) The above table reflects activity for loans outstanding as of the end of the reporting period. During the years ended December 31, 2024 and 2023, Citi granted forgiveness of \$1 million and less than \$1 million in residential first mortgage loans, \$81 million and \$50 million in credit card loans and \$3 million and \$2 million in personal, small business and other loans, respectively. As a result, there were no outstanding balances as of December 31, 2024 and 2023.
- (2) Commitments to lend to borrowers experiencing financial difficulty that were granted modifications included in the table above were immaterial at December 31, 2024 and 2023.
- (3) For major consumer portfolios, the ACLL is based on macroeconomic-sensitive models that rely on historical performance and macroeconomic scenarios to forecast expected credit losses. Modifications of consumer loans impact expected credit losses by affecting the likelihood of default.
- (4) North America includes the U.S., Canada and Puerto Rico. Mexico is included in offices outside North America.
- (5) Excludes residential first mortgages discharged in Chapter 7 bankruptcy in the years ended December 31, 2024 and 2023.

### Performance of Modified Consumer Loans

The following tables present the delinquencies and gross credit losses of permanently modified consumer loans to borrowers experiencing financial difficulty, including loans that were modified during the years ended December 31, 2024 and 2023:

In millions of dollars	As of December 31, 2024				
	Total	Current	30–89 days past due	90+ days past due	Gross credit losses
<b>In North America offices<sup>(1)</sup></b>					
Residential first mortgages	\$ 99	\$ 40	\$ 19	\$ 40	\$ —
Home equity loans	3	1	—	2	—
Credit cards	1,432	1,081	211	140	291
Personal, small business and other	25	22	2	1	2
<b>Total<sup>(2)(3)</sup></b>	<b>\$ 1,559</b>	<b>\$ 1,144</b>	<b>\$ 232</b>	<b>\$ 183</b>	<b>\$ 293</b>
<b>In offices outside North America<sup>(1)</sup></b>					
Residential mortgages	\$ 37	\$ 34	\$ 2	\$ 1	\$ —
Credit cards	17	16	1	—	—
Personal, small business and other	30	24	4	2	1
<b>Total<sup>(2)(3)</sup></b>	<b>\$ 84</b>	<b>\$ 74</b>	<b>\$ 7</b>	<b>\$ 3</b>	<b>\$ 1</b>

In millions of dollars	As of December 31, 2023				
	Total	Current	30–89 days past due	90+ days past due	Gross credit losses
<b>In North America offices<sup>(1)</sup></b>					
Residential first mortgages	\$ 164	\$ 70	\$ 22	\$ 72	\$ —
Home equity loans	21	14	1	6	—
Credit cards	1,039	740	179	120	204
Personal, small business and other	14	12	1	1	1
<b>Total<sup>(2)(3)</sup></b>	<b>\$ 1,238</b>	<b>\$ 836</b>	<b>\$ 203</b>	<b>\$ 199</b>	<b>\$ 205</b>
<b>In offices outside North America<sup>(1)</sup></b>					
Residential mortgages	\$ 334	\$ 331	\$ 2	\$ 1	\$ —
Credit cards	43	37	3	3	4
Personal, small business and other	27	24	3	—	1
<b>Total<sup>(2)(3)</sup></b>	<b>\$ 404</b>	<b>\$ 392</b>	<b>\$ 8</b>	<b>\$ 4</b>	<b>\$ 5</b>

(1) North America includes the U.S., Canada and Puerto Rico. Mexico is included in offices outside North America.

(2) Typically, upon modification a loan re-ages to current. However, FFIEC guidelines for re-aging certain loans require that at least three consecutive minimum monthly payments, or the equivalent amount, be received. In these cases, the loan will remain delinquent until the payment criteria for re-aging have been satisfied.

(3) Loans modified under Citi's COVID-19 consumer relief programs continue to be reported in the same delinquency bucket they were in at the time of modification.

### Defaults of Modified Consumer Loans

The following tables present default activity for permanently modified consumer loans to borrowers experiencing financial difficulty by type of modification granted, including loans that were modified and subsequently defaulted during the years ended December 31, 2024 and 2023. Default is defined as 60 days past due:

In millions of dollars	For the year ended December 31, 2024						
	Total <sup>(1)(2)</sup>	Interest rate reduction	Term extension	Payment delay	Combination: interest rate reduction and term extension	Combination: term extension and payment delay	Combination: interest rate reduction, term extension and payment delay
<b>In North America offices<sup>(3)</sup></b>							
Residential first mortgages	\$ 31	\$ —	\$ 28	\$ —	\$ 3	\$ —	\$ —
Home equity loans	—	—	—	—	—	—	—
Credit cards <sup>(4)</sup>	211	211	—	—	—	—	—
Personal, small business and other	1	—	—	—	1	—	—
<b>Total</b>	<b>\$ 243</b>	<b>\$ 211</b>	<b>\$ 28</b>	<b>\$ —</b>	<b>\$ 4</b>	<b>\$ —</b>	<b>\$ —</b>
<b>In offices outside North America<sup>(3)</sup></b>							
Residential mortgages	\$ 4	\$ —	\$ —	\$ 4	\$ —	\$ —	\$ —
Credit cards <sup>(4)</sup>	1	1	—	—	—	—	—
Personal, small business and other	5	—	—	—	5	—	—
<b>Total</b>	<b>\$ 10</b>	<b>\$ 1</b>	<b>\$ —</b>	<b>\$ 4</b>	<b>\$ 5</b>	<b>\$ —</b>	<b>\$ —</b>

In millions of dollars	For the year ended December 31, 2023						
	Total <sup>(1)(2)</sup>	Interest rate reduction	Term extension	Payment delay	Combination: interest rate reduction and term extension	Combination: term extension and payment delay	Combination: interest rate reduction, term extension and payment delay
<b>In North America offices<sup>(3)</sup></b>							
Residential first mortgages	\$ 12	\$ 1	\$ 10	\$ 1	\$ —	\$ —	\$ —
Home equity loans	—	—	—	—	—	—	—
Credit cards <sup>(4)</sup>	134	134	—	—	—	—	—
Personal, small business and other	1	—	—	—	1	—	—
<b>Total</b>	<b>\$ 147</b>	<b>\$ 135</b>	<b>\$ 10</b>	<b>\$ 1</b>	<b>\$ 1</b>	<b>\$ —</b>	<b>\$ —</b>
<b>In offices outside North America<sup>(3)</sup></b>							
Residential mortgages	\$ 3	\$ —	\$ —	\$ 3	\$ —	\$ —	\$ —
Credit cards <sup>(4)</sup>	5	5	—	—	—	—	—
Personal, small business and other	3	—	—	—	3	—	—
<b>Total</b>	<b>\$ 11</b>	<b>\$ 5</b>	<b>\$ —</b>	<b>\$ 3</b>	<b>\$ 3</b>	<b>\$ —</b>	<b>\$ —</b>

(1) The above tables reflect activity for loans outstanding as of the end of the reporting period.

(2) Modified residential first mortgages that default are typically liquidated through foreclosure or a similar type of liquidation.

(3) North America includes the U.S., Canada and Puerto Rico. Mexico is included in offices outside North America.

(4) Modified credit card loans that default continue to be charged off in accordance with Citi's consumer charge-off policy.

## 16. ALLOWANCE FOR CREDIT LOSSES

<i>In millions of dollars</i>	2024	2023	2022
<b>Allowance for credit losses on loans (ACLL) at beginning of year</b>	<b>\$ 18,145</b>	\$ 16,974	\$ 16,455
Adjustments to opening balance <sup>(1)</sup>			
Financial instruments—TDRs and vintage disclosures <sup>(1)</sup>	—	(352)	—
<b>Adjusted ACLL at beginning of year</b>	<b>\$ 18,145</b>	\$ 16,622	\$ 16,455
Gross credit losses on loans	<b>\$ (10,694)</b>	\$ (7,881)	\$ (5,156)
Gross recoveries on loans	<b>1,694</b>	1,444	1,367
<b>Net credit losses on loans (NCLs)</b>	<b>\$ (9,000)</b>	\$ (6,437)	\$ (3,789)
Replenishment of NCLs	<b>\$ 9,000</b>	\$ 6,437	\$ 3,789
Net reserve builds (releases) for loans	<b>791</b>	1,272	937
Net specific reserve builds (releases) for loans	<b>(65)</b>	77	19
<b>Total provision for credit losses on loans (PCLL)</b>	<b>\$ 9,726</b>	\$ 7,786	\$ 4,745
Initial allowance for credit losses on newly purchased credit-deteriorated assets during the period <sup>(2)</sup>	<b>23</b>	—	—
Other, net (see table below)	<b>(320)</b>	174	(437)
<b>ACLL at end of year</b>	<b>\$ 18,574</b>	\$ 18,145	\$ 16,974
<b>Allowance for credit losses on unfunded lending commitments (ACLUC) at beginning of year<sup>(3)</sup></b>	<b>\$ 1,728</b>	\$ 2,151	\$ 1,871
Provision (release) for credit losses on unfunded lending commitments	<b>(119)</b>	(425)	291
Other, net	<b>(8)</b>	2	(11)
<b>ACLUC at end of year<sup>(3)</sup></b>	<b>\$ 1,601</b>	\$ 1,728	\$ 2,151
<b>Total allowance for credit losses on loans, leases and unfunded lending commitments</b>	<b>\$ 20,175</b>	\$ 19,873	\$ 19,125

### Other, net details

<i>In millions of dollars</i>	2024	2023	2022
Sales or transfers of various consumer loan portfolios to HFS <sup>(4)</sup>			
Reclassification of Thailand, India, Malaysia, Taiwan, Indonesia, Bahrain and Vietnam consumer ACLL to HFS	\$ —	\$ —	\$ (350)
<b>Reclassifications of consumer ACLL to HFS<sup>(4)</sup></b>	<b>\$ —</b>	\$ —	\$ (350)
FX translation and other	<b>(320)</b>	174	(87)
<b>Other, net</b>	<b>\$ (320)</b>	\$ 174	\$ (437)

(1) See “Accounting Changes” in Note 1.

(2) Upon acquisition, the par value of the purchased credit-deteriorated assets was approximately \$52 million and \$26 million during the years ended December 31, 2024 and 2023, respectively.

(3) Represents additional credit loss reserves for unfunded lending commitments and letters of credit recorded in *Other liabilities* on the Consolidated Balance Sheet.

(4) See Note 2.

**Allowance for Credit Losses on Loans and End-of-Period Loans at December 31, 2024**

<i>In millions of dollars</i>	<b>Corporate</b>	<b>Consumer</b>	<b>Total</b>
ACLL at beginning of year	\$ 2,714	\$ 15,431	\$ 18,145
Charge-offs	(493)	(10,201)	(10,694)
Recoveries	96	1,598	1,694
Replenishment of NCLs	397	8,603	9,000
Net reserve builds (releases)	(67)	858	791
Net specific reserve builds (releases)	(63)	(2)	(65)
Initial allowance for credit losses on newly purchased credit-deteriorated assets during the year <sup>(1)</sup>	—	23	23
Other	(28)	(292)	(320)
<b>Ending balance</b>	<b>\$ 2,556</b>	<b>\$ 16,018</b>	<b>\$ 18,574</b>
ACLL			
Collectively evaluated <sup>(2)</sup>	\$ 2,254	\$ 15,967	\$ 18,221
Individually evaluated	302	38	340
Purchased credit deteriorated	—	13	13
<b>Total ACLL</b>	<b>\$ 2,556</b>	<b>\$ 16,018</b>	<b>\$ 18,574</b>
Loans, net of unearned income			
Collectively evaluated <sup>(2)</sup>	\$ 292,250	\$ 392,562	\$ 684,812
Individually evaluated	1,377	134	1,511
Purchased credit deteriorated	—	125	125
Held at fair value	7,759	281	8,040
<b>Total loans, net of unearned income</b>	<b>\$ 301,386</b>	<b>\$ 393,102</b>	<b>\$694,488</b>

(1) Upon acquisition, the par value of the purchased credit-deteriorated assets was approximately \$52 million and \$26 million during the years ended December 31, 2024 and 2023, respectively.

(2) See "Accounting Changes" in Note 1.

### **2024 Changes in the ACL**

The total allowance for credit losses on loans, leases and unfunded lending commitments as of December 31, 2024 was \$20,175 million, a slight increase from \$19,873 million at December 31, 2023, primarily reflecting the impact of macroeconomic pressures related to the elevated inflationary and interest rate environment and growth in cards balances.

### **Consumer ACLL**

Citi's total consumer allowance for credit losses on loans (ACLL) as of December 31, 2024 was \$16,018 million, an increase from \$15,431 million at December 31, 2023. The increase was primarily driven by the impact of macroeconomic pressures related to the elevated inflationary and interest rate environment, as well as cards loan growth.

### **Corporate ACLL**

Citi's total corporate ACLL as of December 31, 2024 was \$2,556 million, a decrease from \$2,714 million at December 31, 2023. The decrease was primarily driven by releases for (i) specific risks and uncertainties impacting vulnerable industries and regions, and (ii) transfer risk associated with exposures outside the U.S., driven by safety and soundness considerations under U.S. banking law.

### **ACLUC**

As of December 31, 2024, Citi's total allowance for unfunded lending commitments (ACLUC), included in *Other liabilities*, was \$1,601 million, a decrease from \$1,728 million at December 31, 2023. The decrease was primarily driven by releases for specific risks and uncertainties impacting vulnerable industries and regions.

## Allowance for Credit Losses on Loans and End-of-Period Loans at December 31, 2023

<i>In millions of dollars</i>	Corporate	Consumer	Total
ACLL at beginning of year	\$ 2,855	\$ 14,119	\$ 16,974
Adjustments to opening balance:			
Financial Instruments—TDRs and vintage disclosures <sup>(1)</sup>	—	(352)	(352)
Adjusted ACLL at beginning of year	\$ 2,855	\$ 13,767	\$ 16,622
Charge-offs	\$ (328)	\$ (7,553)	\$ (7,881)
Recoveries	78	1,366	1,444
Replenishment of NCLs	250	6,187	6,437
Net reserve builds (releases)	(168)	1,440	1,272
Net specific reserve builds (releases)	39	38	77
Other	(12)	186	174
Ending balance	\$ 2,714	\$ 15,431	\$ 18,145
ACLL			
Collectively evaluated <sup>(1)</sup>	\$ 2,352	\$ 15,391	\$ 17,743
Individually evaluated	362	40	402
Purchased credit deteriorated	—	—	—
Total ACLL	\$ 2,714	\$ 15,431	\$ 18,145
Loans, net of unearned income			
Collectively evaluated <sup>(1)</sup>	\$291,002	\$388,711	\$679,713
Individually evaluated	1,882	58	1,940
Purchased credit deteriorated	—	115	115
Held at fair value	7,281	313	7,594
Total loans, net of unearned income	\$300,165	\$389,197	\$689,362

(1) See “Accounting Changes” in Note 1.

## Allowance for Credit Losses on Loans at December 31, 2022

<i>In millions of dollars</i>	Corporate	Consumer	Total
ACLL at beginning of year	\$ 2,415	\$ 14,040	\$16,455
Charge-offs	(278)	(4,878)	(5,156)
Recoveries	100	1,267	1,367
Replenishment of NCLs	178	3,611	3,789
Net reserve builds (releases)	374	563	937
Net specific reserve builds (releases)	65	(46)	19
Other	1	(438)	(437)
Ending balance	\$ 2,855	\$ 14,119	\$16,974

**Allowance for Credit Losses on HTM Debt Securities**

The allowance for credit losses on HTM debt securities, which the Company has the intent and ability to hold, was \$137 million, \$95 million and \$120 million as of December 31, 2024, 2023 and 2022, respectively.

For ACL on AFS debt securities, see Note 14.

**Allowance for Credit Losses on Other Assets**

In millions of dollars	Year ended December 31, 2024				
	Deposits with banks	Securities borrowed and purchased under agreements to resell		All other assets <sup>(1)</sup>	Total
<b>Allowance for credit losses on other assets at beginning of year</b>	\$ 31	\$ 27	\$ 1,730	\$ 1,788	\$ 1,788
Gross credit losses	—	—	(53)	(53)	
Gross recoveries	—	—	27	27	
<b>Net credit losses (NCLs)</b>	\$ —	\$ —	\$ (26)	\$ (26)	
Replenishment of NCLs	\$ —	\$ —	\$ 26	\$ 26	
Net reserve builds (releases)	(7)	(23)	366	336	
<b>Total provision for credit losses</b>	\$ (7)	\$ (23)	\$ 392	\$ 362	
Other, net	\$ 1	\$ (1)	\$ (259)	\$ (259)	
<b>Allowance for credit losses on other assets at end of year</b>	\$ 25	\$ 3	\$ 1,837	\$ 1,865	

(1) Primarily ACL related to transfer risk associated with exposures outside the U.S., driven by safety and soundness considerations under U.S. banking law.

In millions of dollars	Year ended December 31, 2023				
	Deposits with banks	Securities borrowed and purchased under agreements to resell		All other assets <sup>(1)</sup>	Total
<b>Allowance for credit losses on other assets at beginning of year</b>	\$ 51	\$ 36	\$ 36	\$ 123	
Gross credit losses	—	—	(97)	(97)	
Gross recoveries	—	—	25	25	
<b>Net credit losses (NCLs)</b>	\$ —	\$ —	\$ (72)	\$ (72)	
Replenishment of NCLs	\$ —	\$ —	\$ 72	\$ 72	
Net reserve builds (releases)	(19)	14	1,695	1,690	
<b>Total provision for credit losses</b>	\$ (19)	\$ 14	\$ 1,767	\$ 1,762	
Other, net	\$ (1)	\$ (23)	\$ (1)	\$ (25)	
<b>Allowance for credit losses on other assets at end of year</b>	\$ 31	\$ 27	\$ 1,730	\$ 1,788	

(1) Primarily ACL related to transfer risk associated with exposures outside the U.S., driven by safety and soundness considerations under U.S. banking law.

In millions of dollars	Year ended December 31, 2022				
	Deposits with banks	Securities borrowed and purchased under agreements to resell		All other assets <sup>(1)</sup>	Total
<b>Allowance for credit losses on other assets at beginning of year</b>	\$ 21	\$ 6	\$ 26	\$ 53	
Gross credit losses	—	—	(24)	(24)	
Gross recoveries	—	—	3	3	
<b>Net credit losses (NCLs)</b>	\$ —	\$ —	\$ (21)	\$ (21)	
Replenishment of NCLs	\$ —	\$ —	\$ 21	\$ 21	
Net reserve builds (releases)	30	14	11	55	
<b>Total provision for credit losses</b>	\$ 30	\$ 14	\$ 32	\$ 76	
Other, net <sup>(2)</sup>	\$ —	\$ 16	\$ (1)	\$ 15	
<b>Allowance for credit losses on other assets at end of year</b>	\$ 51	\$ 36	\$ 36	\$ 123	

(1) Primarily accounts receivable.

(2) Includes \$30 million of ACL transferred from *Services, Markets* and *Banking* loans ACL during the second quarter of 2022 for securities borrowed and purchased under agreements to resell.

## 17. GOODWILL AND INTANGIBLE ASSETS

### Goodwill

The changes in *Goodwill* were as follows:

<i>In millions of dollars</i>	<b>Services</b>	<b>Markets<sup>(1)</sup></b>	<b>Banking<sup>(1)</sup></b>	<b>USPB</b>	<b>Wealth</b>	<b>All Other</b>	<b>Total</b>
Balance at December 31, 2021	\$ 2,105	\$ 6,078	\$ 1,032	\$ 5,223	\$ 4,494	\$ 2,367	\$ 21,299
Foreign currency translation	62	(293)	2	50	(26)	5	(200)
Divestitures <sup>(2)</sup>	—	—	—	—	—	(873)	(873)
Impairment of goodwill <sup>(3)</sup>	—	—	—	—	—	(535)	(535)
Balance at December 31, 2022	\$ 2,167	\$ 5,785	\$ 1,034	\$ 5,273	\$ 4,468	\$ 964	\$ 19,691
Foreign currency translation	47	85	5	125	1	144	407
Balance at December 31, 2023	\$ 2,214	\$ 5,870	\$ 1,039	\$ 5,398	\$ 4,469	\$ 1,108	\$ 20,098
Foreign currency translation	(162)	(196)	(37)	(179)	(2)	(206)	(782)
Divestitures <sup>(4)</sup>	—	—	—	—	(16)	—	(16)
<b>Balance at December 31, 2024</b>	<b>\$ 2,052</b>	<b>\$ 5,674</b>	<b>\$ 1,002</b>	<b>\$ 5,219</b>	<b>\$ 4,451</b>	<b>\$ 902</b>	<b>\$ 19,300</b>

(1) In 2023, goodwill of approximately \$537 million was transferred from *Banking* to *Markets* related to business realignment. Prior-period amounts have been revised to conform with the current presentation. See Note 3.

(2) Represents goodwill allocated to the Asia Consumer banking exit markets upon the signing of the respective sales agreements: in 2021, related to the Australia and Philippines consumer banking businesses, which were reclassified as HFS during 2021; in 2022, related to the India, Taiwan, Thailand, Malaysia, Indonesia, Bahrain and Vietnam consumer banking businesses, which were reclassified as HFS during 2022. See Note 2.

(3) Goodwill impairment of \$535 million (approximately \$489 million after-tax) was incurred in the Asia Consumer reporting unit of Legacy Franchises in the first quarter of 2022, due to the resegmentation and change of reporting units as well as the sequence of the signing of sale agreements.

(4) Goodwill allocated to the global fiduciary and trust administration services business was classified as HFS during the third quarter of 2024.

Citi performed its annual goodwill impairment test, which resulted in no impairment of any of Citi's reporting units' goodwill. No additional triggering events were identified during the fourth quarter of 2024 and no goodwill was impaired during 2024.

Unanticipated declines in business performance, increases in credit losses, increases in capital requirements and adverse regulatory or legislative changes, as well as deterioration in economic or market conditions, are factors that could result in a material impairment loss to earnings in a future period related to some portion of the associated goodwill.

For additional information regarding Citi's goodwill impairment testing process, see Note 1 for Citi's accounting policy for goodwill and Note 3 for a description of Citi's operating segments.

## Intangible Assets

The components of intangible assets were as follows:

In millions of dollars	December 31, 2024			December 31, 2023		
	Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
Purchased credit card relationships <sup>(1)</sup>	\$ 5,315	\$ 4,507	\$ 808	\$ 5,302	\$ 4,365	\$ 937
Credit card contract-related intangibles <sup>(2)</sup>	4,586	1,905	2,681	4,177	1,698	2,479
Other customer relationships	325	278	47	363	290	73
Present value of future profits	31	30	1	37	36	1
Indefinite-lived intangible assets	197	—	197	240	—	240
<b>Intangible assets (excluding MSRs)</b>	<b>\$ 10,454</b>	<b>\$ 6,720</b>	<b>\$ 3,734</b>	<b>\$ 10,119</b>	<b>\$ 6,389</b>	<b>\$ 3,730</b>
Mortgage servicing rights (MSRs) <sup>(3)</sup>	760	—	760	691	—	691
<b>Total intangible assets</b>	<b>\$ 11,214</b>	<b>\$ 6,720</b>	<b>\$ 4,494</b>	<b>\$ 10,810</b>	<b>\$ 6,389</b>	<b>\$ 4,421</b>

The changes in intangible assets were as follows:

In millions of dollars	Net carrying amount at December 31, 2023	Acquisitions/renewals/divestitures			FX translation and other	Net carrying amount at December 31, 2024
		Amortization	Impairments			
Purchased credit card relationships <sup>(1)</sup>	\$ 937	\$ 13	\$ (142)	\$ —	\$ —	\$ 808
Credit card contract-related intangibles <sup>(2)</sup>	2,479	414	(208)	(4)	—	2,681
Other customer relationships	73	—	(21)	—	(5)	47
Present value of future profits	1	—	—	—	—	1
Indefinite-lived intangible assets	240	—	—	—	(43)	197
<b>Intangible assets (excluding MSRs)</b>	<b>\$ 3,730</b>	<b>\$ 427</b>	<b>\$ (371)</b>	<b>\$ (4)</b>	<b>\$ (48)</b>	<b>\$ 3,734</b>
Mortgage servicing rights (MSRs) <sup>(3)</sup>	691	—	—	—	—	760
<b>Total intangible assets</b>	<b>\$ 4,421</b>					<b>\$ 4,494</b>

- (1) Reflects intangibles for the value of purchased credit card relationships (PCCR), which are discrete from contract-related intangibles. Additional PCCR during the year relates to a new card partnership with a 10-year term.
- (2) Reflects contract-related intangibles (CI) associated with a new card partnership or extension of Citi's existing credit card program agreements with partners. Additional CI during the year primarily relates to an extension of an existing card partnership. The weighted-average amortization period of the additional CI recognized during the year is approximately 20 years.
- (3) See Notes 23 and 26.

Intangible assets amortization expense was \$371 million, \$370 million and \$352 million for 2024, 2023 and 2022, respectively. Intangible assets amortization expense is estimated to be \$243 million in 2025, \$233 million in 2026, \$225 million in 2027, \$213 million in 2028 and \$182 million in 2029.

## 18. DEPOSITS

Deposits consisted of the following:

<i>In millions of dollars</i>	December 31,	
	2024	2023
Non-interest-bearing deposits in U.S. offices	\$ 123,338	\$ 112,089
Interest-bearing deposits in U.S. offices (including \$1,262 and \$1,309 as of December 31, 2024 and 2023, respectively, at fair value)	551,547	576,784
Total deposits in U.S. offices <sup>(1)</sup>	\$ 674,885	\$ 688,873
Non-interest-bearing deposits in offices outside the U.S. (including \$383 and \$0 as of December 31, 2024 and 2023, respectively, at fair value)	\$ 84,349	\$ 88,988
Interest-bearing deposits in offices outside the U.S. (including \$1,963 and \$1,131 as of December 31, 2024 and 2023, respectively, at fair value)	525,224	530,820
Total deposits in offices outside the U.S. <sup>(1)</sup>	\$ 609,573	\$ 619,808
<b>Total deposits</b>	<b>\$ 1,284,458</b>	<b>\$ 1,308,681</b>

At December 31, 2024 and 2023, time deposits in denominations that met or exceeded the insured limit were as follows:

<i>In millions of dollars</i>	December 31,	
	2024	2023
U.S. offices <sup>(1)(2)</sup>	\$ 41,153	\$ 67,471
Offices outside the U.S. <sup>(1)(3)(4)</sup>	146,109	155,973
<b>Total</b>	<b>\$ 187,262</b>	<b>\$ 223,444</b>

(1) The classification between offices in the U.S. and outside the U.S. is based on the domicile of the booking unit, rather than the domicile of the depositor.

(2) Represents time deposits in U.S. offices in denominations that met or exceeded \$250,000.

(3) Time deposits in offices outside the U.S. are assumed to be a depositor's account as single account ownership.

(4) The insurance coverage is applied in sequence of checking, savings and short- and long-term time deposits accounts.

At December 31, 2024, the maturities of time deposits were as follows:

<i>In millions of dollars</i>	U.S.	Outside U.S.	Total
2025	\$ 79,765	\$ 152,771	\$ 232,536
2026	1,834	950	2,784
2027	205	196	401
2028	219	20	239
2029	181	30	211
After 5 years	125	4	129
<b>Total</b>	<b>\$ 82,329</b>	<b>\$ 153,971</b>	<b>\$ 236,300</b>

### FDIC Special Assessment

Citi recorded \$203 million and \$1,706 million in *Other operating* expenses for the years ended 2024 and 2023, respectively, related to the FDIC's final rule implementing a special assessment to recover the uninsured deposit losses from the failures of Silicon Valley Bank and Signature Bank. The special assessment expenses are reflected in Corporate/Other in *All Other*.

## 19. DEBT

### Short-Term Borrowings

<i>In millions of dollars</i>	<b>December 31,</b>		<i>In millions of dollars</i>	<b>Balances at December 31,</b>		
				<b>Weighted-average coupon<sup>(1)</sup></b>	<b>Maturities</b>	
	<b>2024</b>	<b>2023</b>				
<b>Commercial paper</b>						
Bank <sup>(2)</sup>	\$ 15,127		\$ 11,116			
Broker-dealer and other <sup>(3)</sup>	13,789		9,106			
<b>Total commercial paper</b>	<b>\$ 28,916</b>	<b>4.85 %</b>	\$ 20,222	5.72 %		
<b>Other borrowings<sup>(4)</sup></b>	<b>19,589</b>	<b>4.67</b>	17,235	5.45		
<b>Total</b>	<b>\$ 48,505</b>		\$ 37,457			

- (1) The weighted-average coupon excludes structured notes accounted for at fair value and the effect of hedges.
- (2) Represents Citibank entities as well as other bank entities.
- (3) Represents broker-dealer and other non-bank subsidiaries that are consolidated into Citigroup Inc., the parent holding company.
- (4) Includes borrowings from Federal Home Loan Banks and other market participants. At December 31, 2024 and 2023, collateralized short-term advances from Federal Home Loan Banks were \$5.0 billion and \$8.0 billion, respectively.

Some of Citigroup's non-bank subsidiaries have credit facilities with Citigroup's subsidiary depository institutions, including Citibank. Borrowings under these facilities are secured in accordance with Section 23A of the Federal Reserve Act.

### Long-Term Debt

<i>In millions of dollars</i>	<b>Weighted-average coupon<sup>(1)</sup></b>	<b>Maturities</b>	<b>Balances at December 31,</b>	
			<b>2024</b>	<b>2023</b>
<b>Citigroup Inc.<sup>(2)</sup></b>				
Senior debt	3.66 %	2025–2098	\$ 133,519	\$ 135,579
Subordinated debt <sup>(3)</sup>	5.13	2025–2046	28,883	25,116
Trust preferred securities	10.93	2036–2040	1,622	1,614
<b>Bank<sup>(4)</sup></b>				
Senior debt	5.11	2025–2039	35,470	31,673
<b>Broker-dealer<sup>(5)</sup></b>				
Senior debt	4.55	2025–2070	87,806	92,637
<b>Total</b>	<b>4.26 %</b>		<b>\$ 287,300</b>	\$ 286,619
Senior debt			\$ 256,795	\$ 259,889
Subordinated debt <sup>(3)</sup>			28,883	25,116
Trust preferred securities			1,622	1,614
<b>Total</b>			<b>\$ 287,300</b>	\$ 286,619

- (1) The weighted-average coupon excludes structured notes accounted for at fair value and the effect of hedges.
- (2) Represents the parent holding company.
- (3) Includes notes that are subordinated within certain countries, regions or subsidiaries.
- (4) Represents Citibank entities as well as other bank entities. At December 31, 2024 and 2023, collateralized long-term advances from the Federal Home Loan Banks were \$8.5 billion and \$11.5 billion, respectively.
- (5) Represents broker-dealer and other non-bank subsidiaries that are consolidated into Citigroup Inc., the parent holding company. Certain Citigroup consolidated hedging activities are also included in this line. Balances primarily relate to senior debt.

The Company issues both fixed- and variable-rate debt in a range of currencies. It uses derivative contracts, primarily interest rate swaps, to effectively convert a portion of its fixed-rate debt to variable-rate debt. In addition, the Company uses other derivative contracts to manage the foreign exchange impact of certain debt issuances. At December 31, 2024, the Company's overall weighted-average interest rate for long-term debt, excluding structured notes accounted for at fair value, was 4.26% on a contractual basis and 4.40% including the effects of derivative contracts.

Aggregate annual maturities of long-term debt obligations (based on final maturity dates) including trust preferred securities are as follows:

<i>In millions of dollars</i>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>Thereafter</b>	<b>Total</b>
Citigroup Inc.	\$ 10,563	\$ 28,503	\$ 13,228	\$ 19,917	\$ 5,563	\$ 86,250	\$ 164,024
Bank	9,999	10,723	5,318	2,576	3,391	3,463	35,470
Broker-dealer	21,313	11,643	11,777	6,763	8,868	27,442	87,806
<b>Total</b>	<b>\$ 41,875</b>	<b>\$ 50,869</b>	<b>\$ 30,323</b>	<b>\$ 29,256</b>	<b>\$ 17,822</b>	<b>\$ 117,155</b>	<b>\$ 287,300</b>

The following table summarizes Citi's outstanding trust preferred securities at December 31, 2024:

<b>Trust</b>	<b>Issuance date</b>	<b>Securities issued</b>	<b>Liquidation value<sup>(1)</sup></b>	<b>Coupon rate<sup>(2)</sup></b>	<b>Junior subordinated debentures owned by trust</b>			
					<b>Common shares issued to parent</b>	<b>Notional amount</b>	<b>Maturity</b>	<b>Redeemable by issuer beginning</b>
<i>In millions of dollars, except securities and share amounts</i>								
Citigroup Capital III	Dec. 1996	194,053	\$ 194	7.625 % 3 mo. SOFR +663.161 bps <sup>(3)</sup>	6,003	\$ 200	Dec. 1, 2036	Not redeemable
Citigroup Capital XIII	Oct. 2010	89,840,000	2,246		1,000	2,246	Oct. 30, 2040	Oct. 30, 2015
<b>Total obligated</b>			<b>\$ 2,440</b>			<b>\$ 2,446</b>		

Note: Distributions on the trust preferred securities and interest on the subordinated debentures are payable semiannually for Citigroup Capital III and quarterly for Citigroup Capital XIII.

- (1) Represents the notional value received by outside investors from the trusts at the time of issuance. This differs from Citi's balance sheet carrying value due primarily to unamortized discount and issuance costs.
- (2) In each case, the coupon rate on the subordinated debentures is the same as that on the trust preferred securities.
- (3) The spread incorporates the original contractual spread and a 26.161 bps tenor spread adjustment.

## 20. REGULATORY CAPITAL

Citigroup is subject to risk-based capital and leverage standards issued by the Federal Reserve Board, which constitute the U.S. Basel III rules. Citi's U.S.-insured depository institution subsidiaries, including Citibank, are subject to similar standards issued by their respective primary bank regulatory agencies. These standards are used to evaluate capital adequacy and include the required minimums

presented in the following table. The regulatory agencies are required by law to take specific, prompt corrective actions with respect to institutions that do not meet minimum capital standards.

The following table presents for Citigroup and Citibank the regulatory capital tiers, total risk-weighted assets, quarterly adjusted average total assets, Total Leverage Exposure, risk-based capital ratios and leverage ratios:

<i>In millions of dollars, except ratios</i>	Citigroup			Citibank			
	Stated minimum	Well-capitalized minimum	December 31, 2024	December 31, 2023	Well-capitalized minimum	December 31, 2024	December 31, 2023
CET1 Capital		\$ 155,363	\$ 153,595		\$ 153,483	\$ 147,109	
Tier 1 Capital		174,527	172,504		155,613	149,238	
Total Capital (Tier 1 Capital + Tier 2 Capital)—Standardized Approach		205,827	201,768		173,060	168,571	
Total Capital (Tier 1 Capital + Tier 2 Capital)—Advanced Approaches		197,371	191,919		165,581	160,706	
Total risk-weighted assets—Standardized Approach		1,139,988	1,148,608		998,817	983,960	
Total risk-weighted assets—Advanced Approaches		1,280,190	1,268,723		1,109,387	1,057,194	
Quarterly adjusted average total assets <sup>(1)</sup>		2,433,364	2,394,272		1,726,312	1,666,609	
Total Leverage Exposure <sup>(2)</sup>		2,985,418	2,964,954		2,195,386	2,166,334	
CET1 Capital ratio <sup>(3)</sup>	4.5 %	N/A	13.63 %	13.37 %	6.5 %	13.83 %	13.92 %
Tier 1 Capital ratio <sup>(3)</sup>	6.0	6.0 %	15.31	15.02	8.0	14.03	14.12
Total Capital ratio <sup>(3)</sup>	8.0	10.0	15.42	15.13	10.0	14.93	15.20
Leverage ratio	4.0	N/A	7.17	7.20	5.0	9.01	8.95
Supplementary Leverage ratio	3.0	N/A	5.85	5.82	6.0	7.09	6.89

(1) Leverage ratio denominator.

(2) Supplementary Leverage ratio denominator.

(3) 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 both periods presented. Citibank's binding CET1 Capital, Tier 1 Capital and Total Capital ratios were derived under the Basel III Advanced Approaches framework for both periods presented.

N/A Not applicable

As indicated in the table above, Citigroup and Citibank were "well capitalized" under the current federal bank regulatory agencies definitions as of December 31, 2024 and 2023.

### Banking Subsidiaries—Constraints on Dividends

There are various legal limitations on the ability of Citigroup's subsidiary depository institutions to extend credit, pay dividends or otherwise supply funds to Citigroup and its non-bank subsidiaries. The approval of the Office of the Comptroller of the Currency is required if total dividends declared in any calendar year were to exceed amounts specified by the agency's regulations.

In determining the dividends, each subsidiary depository institution must also consider its effect on applicable risk-based capital and leverage ratio requirements, as well as policy statements of the federal bank regulatory agencies that indicate that banking organizations should generally pay dividends out of current operating earnings. Citigroup received \$5.5 billion and \$16.3 billion in dividends indirectly from Citibank through its holding company during 2024 and 2023, respectively.

## 21. CHANGES IN ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS) (AOCI)

Changes in each component of Citigroup's *Accumulated other comprehensive income (loss)* were as follows:

<i>In millions of dollars</i>	<b>Net unrealized gains (losses) on debt securities</b>	<b>Debt valuation adjustment (DVA)<sup>(1)</sup></b>	<b>Cash flow hedges<sup>(2)</sup></b>	<b>Benefit plans<sup>(3)</sup></b>	<b>CTA, net of hedges<sup>(4)(5)</sup></b>	<b>Excluded component of fair value hedges</b>	<b>Long-duration insurance contracts<sup>(6)</sup></b>	<b>Accumulated other comprehensive income (loss)</b>
Balance, December 31, 2021	\$ (614)	\$ (1,187)	\$ 101	\$ (5,852)	\$ (31,166)	\$ (47)	—	\$ (38,765)
Other comprehensive income before reclassifications	(5,599)	2,047	(2,718)	(19)	(2,855)	49	—	(9,095)
Increase (decrease) due to amounts reclassified from <i>AOCI</i>	215	(18)	95	116	384	6	—	798
Change, net of taxes	\$ (5,384)	\$ 2,029	\$ (2,623)	\$ 97	\$ (2,471)	\$ 55	—	\$ (8,297)
Balance, December 31, 2022	\$ (5,998)	\$ 842	\$ (2,522)	\$ (5,755)	\$ (33,637)	\$ 8	—	\$ (47,062)
Adjustment to opening balance, net of taxes <sup>(7)</sup>	—	—	—	—	—	—	27	27
Adjusted balance, beginning of period	\$ (5,998)	\$ 842	\$ (2,522)	\$ (5,755)	\$ (33,637)	\$ 8	27	\$ (47,035)
Other comprehensive income before reclassifications	2,266	(1,553)	(327)	(416)	752	(16)	7	713
Increase (decrease) due to amounts reclassified from <i>AOCI</i>	(12)	2	1,443	121	—	(32)	—	1,522
Change, net of taxes	\$ 2,254	\$ (1,551)	\$ 1,116	\$ (295)	\$ 752	\$ (48)	7	\$ 2,235
Balance, December 31, 2023	\$ (3,744)	\$ (709)	\$ (1,406)	\$ (6,050)	\$ (32,885)	\$ (40)	34	\$ (44,800)
Other comprehensive income before reclassifications	913	(429)	405	242	(5,162)	2	19	(4,010)
Increase (decrease) due to amounts reclassified from <i>AOCI</i>	(6)	17	781	181	—	(14)	(1)	958
Change, net of taxes	\$ 907	\$ (412)	\$ 1,186	\$ 423	\$ (5,162)	\$ (12)	18	\$ (3,052)
<b>Balance, December 31, 2024</b>	<b>\$ (2,837)</b>	<b>\$ (1,121)</b>	<b>\$ (220)</b>	<b>\$ (5,627)</b>	<b>\$ (38,047)</b>	<b>\$ (52)</b>	<b>52</b>	<b>\$ (47,852)</b>

(1) Reflects the after-tax valuation of Citi's fair value option liabilities. See "Market Valuation Adjustments" in Note 26.

(2) Primarily driven by Citi's pay floating/receive fixed interest rate swap programs that hedge certain floating rates on assets.

(3) Primarily reflects adjustments based on the quarterly actuarial valuations of the Company's significant pension and postretirement plans, annual actuarial valuations of all other plans and amortization of amounts previously recognized in other comprehensive income.

(4) Primarily reflects the movements in (by order of impact) the Mexican peso, Brazilian real, euro, Egyptian pound, Chilean peso, Japanese yen and South Korean won against the U.S. dollar and changes in related tax effects and hedges for the year ended December 31, 2024. Primarily reflects the movements in (by order of impact) the Mexican peso, Polish zloty, euro, Brazilian real, Russian ruble and Japanese yen against the U.S. dollar and changes in related tax effects and hedges for the year ended December 31, 2023. Primarily reflects the movements in (by order of impact) the Indian rupee, South Korean won, euro, Chinese yuan, Russian ruble, Japanese yen and British pound sterling against the U.S. dollar and changes in related tax effects and hedges for the year ended December 31, 2022. Amounts recorded in the CTA component of *AOCI* remain in *AOCI* until the sale or substantial liquidation of the foreign entity, at which point such amounts related to the foreign entity are reclassified into earnings.

(5) December 31, 2022 reflects a reduction from an approximate \$470 million (after-tax) (\$620 million pretax) CTA loss (net of hedges) recorded in June 2022, associated with the closing of Citi's sale of its consumer banking business in Australia (see Note 2). The reduction from *AOCI* had a neutral impact on Citi's CET1 Capital.

(6) Reflects the change in the liability for future policyholder benefits for certain long-duration life-contingent annuity contracts that are issued by a regulated Citi insurance subsidiary in Mexico and reported within Legacy Franchises. The amount reflects the change in the liability after discounting using an upper-medium-grade fixed income instrument yield that reflects the duration characteristics of the liability. The balance of the liability for future policyholder benefits, which is recorded within *Other liabilities*, for this insurance subsidiary was approximately \$413 million and \$557 million at December 31, 2024 and 2023, respectively.

(7) See Note 1.

The pretax and after-tax changes in each component of *Accumulated other comprehensive income (loss)* were as follows:

<i>In millions of dollars</i>	Pretax	Tax effect <sup>(1)</sup>	After-tax
Balance, December 31, 2021	\$ (45,383)	\$ 6,618	\$ (38,765)
Change in net unrealized gains (losses) on debt securities	(7,178)	1,794	(5,384)
Debt valuation adjustment (DVA)	2,685	(656)	2,029
Cash flow hedges	(3,477)	854	(2,623)
Benefit plans	31	66	97
Foreign currency translation adjustment (CTA)	(2,004)	(467)	(2,471)
Excluded component of fair value hedges	73	(18)	55
Long-duration insurance contracts	—	—	—
Change	\$ (9,870)	\$ 1,573	\$ (8,297)
Balance, December 31, 2022	\$ (55,253)	\$ 8,191	\$ (47,062)
Adjustment to opening balance <sup>(2)</sup>	39	(12)	27
Adjusted balance, beginning of period	\$ (55,214)	\$ 8,179	\$ (47,035)
Change in net unrealized gains (losses) on debt securities	3,136	(882)	2,254
DVA	(2,078)	527	(1,551)
Cash flow hedges	1,480	(364)	1,116
Benefit plans	(353)	58	(295)
CTA	665	87	752
Excluded component of fair value hedges	(70)	22	(48)
Long-duration insurance contracts	12	(5)	7
Change	\$ 2,792	\$ (557)	\$ 2,235
Balance, December 31, 2023	\$ (52,422)	\$ 7,622	\$ (44,800)
Change in net unrealized gains (losses) on debt securities	1,160	(253)	907
DVA	(573)	161	(412)
Cash flow hedges	1,570	(384)	1,186
Benefit plans	576	(153)	423
CTA	(4,759)	(403)	(5,162)
Excluded component of fair value hedges	(19)	7	(12)
Long-duration insurance contracts	28	(10)	18
Change	\$ (2,017)	\$ (1,035)	\$ (3,052)
<b>Balance, December 31, 2024</b>	<b>\$ (54,439)</b>	<b>\$ 6,587</b>	<b>\$ (47,852)</b>

(1) Income tax effects of these items are released from *AOCI* contemporaneously with the related gross pretax amount.

(2) See Note 1.

The Company recognized pretax (gains) losses related to amounts in *AOCI* reclassified to the Consolidated Statement of Income as follows:

<i>In millions of dollars</i>	Increase (decrease) in AOCI due to amounts reclassified to Consolidated Statement of Income		
	Year ended December 31,		
	2024	2023	2022
Realized (gains) losses on sales of investments	\$ (328)	\$ (188)	\$ (67)
Gross impairment losses	323	188	360
Subtotal, pretax	\$ (5)	\$ —	\$ 293
Tax effect	(1)	(12)	(78)
<b>Net realized (gains) losses on investments, after-tax<sup>(1)</sup></b>	<b>\$ (6)</b>	<b>\$ (12)</b>	<b>\$ 215</b>
Realized DVA (gains) losses on fair value option liabilities, pretax	\$ 23	\$ 3	\$ (25)
Tax effect	(6)	(1)	7
<b>Net realized DVA, after-tax</b>	<b>\$ 17</b>	<b>\$ 2</b>	<b>\$ (18)</b>
Interest rate contracts	\$ 1,027	\$ 1,897	\$ 125
Foreign exchange contracts	3	4	4
Subtotal, pretax	\$ 1,030	\$ 1,901	\$ 129
Tax effect	(249)	(458)	(34)
<b>Amortization of cash flow hedges, after-tax<sup>(2)</sup></b>	<b>\$ 781</b>	<b>\$ 1,443</b>	<b>\$ 95</b>
Amortization of unrecognized:			
Prior service cost (benefit)	\$ (17)	\$ (22)	\$ (23)
Net actuarial loss	256	196	221
Curtailment/settlement impact <sup>(3)</sup>	2	(7)	(37)
Subtotal, pretax	\$ 241	\$ 167	\$ 161
Tax effect	(60)	(46)	(45)
<b>Amortization of benefit plans, after-tax<sup>(3)</sup></b>	<b>\$ 181</b>	<b>\$ 121</b>	<b>\$ 116</b>
Excluded component of fair value hedges, pretax	\$ (18)	\$ (43)	\$ 9
Tax effect	4	11	(3)
<b>Excluded component of fair value hedges, after-tax</b>	<b>\$ (14)</b>	<b>\$ (32)</b>	<b>\$ 6</b>
Long-duration contracts, pretax	\$ (1)	\$ —	\$ —
Tax effect	—	—	—
<b>Long-duration contracts, after-tax</b>	<b>\$ (1)</b>	<b>\$ —</b>	<b>\$ —</b>
CTA, pretax	\$ —	\$ —	\$ 438
Tax effect	—	—	(54)
<b>CTA, after-tax<sup>(4)</sup></b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 384</b>
<b>Total amounts reclassified out of AOCI, pretax</b>	<b>\$ 1,270</b>	<b>\$ 2,028</b>	<b>\$ 1,005</b>
<b>Total tax effect</b>	<b>(312)</b>	<b>(506)</b>	<b>(207)</b>
<b>Total amounts reclassified out of AOCI, after-tax</b>	<b>\$ 958</b>	<b>\$ 1,522</b>	<b>\$ 798</b>

(1) The pretax amount is reclassified to *Realized gains (losses) on sales of investments, net* and *Gross impairment losses* in the Consolidated Statement of Income. See Note 14.

(2) See Note 24.

(3) See Note 8.

(4) The pretax amount is reclassified to *Discontinued operations* and *Other revenue* in the Consolidated Statement of Income, and results from the substantial liquidation of a legacy U.K. consumer operation. See Note 2.

## 22. PREFERRED STOCK

The following table summarizes the Company's preferred stock outstanding:

	<b>Issuance date</b>	<b>Redeemable by issuer beginning</b>	<b>Dividend rate as of December 31, 2024</b>	<b>Redemption price per depositary share/preference share</b>	<b>Number of depositary shares</b>	<b>Carrying value (in millions of dollars)</b>	
						<b>December 31, 2024</b>	<b>December 31, 2023</b>
Series D <sup>(1)</sup>	April 30, 2013	May 15, 2023	N/A \$	1,000	1,250,000	\$ —	\$ 1,250
Series J <sup>(2)</sup>	September 19, 2013	September 30, 2023	N/A	25	22,000,000	—	550
Series M <sup>(3)</sup>	April 30, 2014	May 15, 2024	N/A	1,000	1,750,000	—	1,750
Series P <sup>(4)</sup>	April 24, 2015	May 15, 2025	5.950 %	1,000	2,000,000	2,000	2,000
Series T <sup>(5)</sup>	April 25, 2016	August 15, 2026	6.250	1,000	1,500,000	1,500	1,500
Series U <sup>(6)</sup>	September 12, 2019	September 12, 2024	N/A	1,000	1,500,000	—	1,500
Series V <sup>(7)</sup>	January 23, 2020	January 30, 2025	4.700	1,000	1,500,000	1,500	1,500
Series W <sup>(8)</sup>	December 10, 2020	December 10, 2025	4.000	1,000	1,500,000	1,500	1,500
Series X <sup>(9)</sup>	February 18, 2021	February 18, 2026	3.875	1,000	2,300,000	2,300	2,300
Series Y <sup>(10)</sup>	October 27, 2021	November 15, 2026	4.150	1,000	1,000,000	1,000	1,000
Series Z <sup>(11)</sup>	March 7, 2023	May 15, 2028	7.375	1,000	1,250,000	1,250	1,250
Series AA <sup>(12)</sup>	September 21, 2023	November 15, 2028	7.625	1,000	1,500,000	1,500	1,500
Series BB <sup>(13)</sup>	March 6, 2024	May 15, 2029	7.200	1,000	550,000	550	—
Series CC <sup>(14)</sup>	May 29, 2024	August 15, 2029	7.125	1,000	1,750,000	1,750	—
Series DD <sup>(15)</sup>	July 30, 2024	August 15, 2034	7.000	1,000	1,500,000	1,500	—
Series EE <sup>(16)</sup>	December 3, 2024	February 15, 2030	6.750	1,000	1,500,000	1,500	—
						\$ 17,850	\$ 17,600

(1) Citi redeemed Series D in its entirety on May 15, 2024.

(2) Citi redeemed the remaining Series J in its entirety on March 29, 2024.

(3) Citi redeemed Series M in its entirety on August 15, 2024.

(4) Issued as depositary shares, each representing a 1/25<sup>th</sup> interest in a share of the corresponding series of non-cumulative perpetual preferred stock. Dividends are payable semiannually on May 15 and November 15 at a fixed rate until, but excluding, May 15, 2025, and thereafter payable quarterly on February 15, May 15, August 15 and November 15 at a floating rate, in each case when, as and if declared by the Citi Board of Directors.

(5) Issued as depositary shares, each representing a 1/25<sup>th</sup> interest in a share of the corresponding series of non-cumulative perpetual preferred stock. Dividends are payable semiannually on February 15 and August 15 at a fixed rate until, but excluding, August 15, 2026, thereafter payable quarterly on February 15, May 15, August 15 and November 15 at a floating rate, in each case when, as and if declared by the Citi Board of Directors.

(6) Citi redeemed Series U in its entirety on September 12, 2024.

(7) Issued as depositary shares, each representing a 1/25<sup>th</sup> interest in a share of the corresponding series of non-cumulative perpetual preferred stock. Dividends are payable semiannually on January 30 and July 30 at a fixed rate until, but excluding, January 30, 2025, thereafter payable quarterly on January 30, April 30, July 30 and October 30 at a floating rate, in each case when, as and if declared by the Citi Board of Directors. Citi redeemed Series V in its entirety on January 30, 2025.

(8) Issued as depositary shares, each representing a 1/25<sup>th</sup> interest in a share of the corresponding series of non-cumulative perpetual preferred stock. Dividends are payable quarterly on March 10, June 10, September 10 and December 10 at a fixed rate until, but excluding, December 10, 2025, thereafter payable quarterly on the same dates at a fixed rate that resets on the Series W reset date and every five years thereafter equal to the five-year treasury rate plus 3.597%, in each case when, as and if declared by the Citi Board of Directors.

(9) Issued as depositary shares, each representing a 1/25<sup>th</sup> interest in a share of the corresponding series of non-cumulative perpetual preferred stock. Dividends are payable quarterly on February 18, May 18, August 18 and November 18 at a fixed rate until, but excluding, February 18, 2026, thereafter payable quarterly on the same dates at a fixed rate that resets on the Series X reset date and every five years thereafter equal to the five-year treasury rate plus 3.417%, in each case when, as and if declared by the Citi Board of Directors.

(10) Issued as depositary shares, each representing a 1/25<sup>th</sup> interest in a share of the corresponding series of non-cumulative perpetual preferred stock. Dividends are payable quarterly on February 15, May 15, August 15 and November 15 at a fixed rate until, but excluding, November 15, 2026, thereafter payable quarterly on the same dates at a fixed rate that resets on the Series Y reset date and every five years thereafter equal to the five-year treasury rate plus 3.000%, in each case when, as and if declared by the Citi Board of Directors.

(11) Issued as depositary shares, each representing a 1/25<sup>th</sup> interest in a share of the corresponding series of non-cumulative perpetual preferred stock. Dividends are payable quarterly on February 15, May 15, August 15 and November 15 at a fixed rate until, but excluding, May 15, 2028, thereafter payable quarterly on the same dates at a fixed rate that resets on the Series Z reset date and every five years thereafter equal to the five-year treasury rate plus 3.209%, in each case when, as and if declared by the Citi Board of Directors.

(12) Issued as depositary shares, each representing a 1/25<sup>th</sup> interest in a share of the corresponding series of non-cumulative perpetual preferred stock. Dividends are payable quarterly on February 15, May 15, August 15 and November 15 at a fixed rate until, but excluding, November 15, 2028, thereafter payable quarterly on the same dates at a fixed rate that resets on the Series AA reset date and every five years thereafter equal to the five-year treasury rate plus 3.211%, in each case when, as and if declared by the Citi Board of Directors.

(13) Issued as depositary shares, each representing a 1/25<sup>th</sup> interest in a share of the corresponding series of non-cumulative perpetual preferred stock. Dividends are payable quarterly on February 15, May 15, August 15 and November 15 at a fixed rate until, but excluding, May 15, 2029, thereafter payable quarterly on the same dates at a fixed rate that resets on the Series BB reset date and every five years thereafter equal to the five-year treasury rate plus 2.905%, in each case when, as and if declared by the Citi Board of Directors.

- (14) Issued as depositary shares, each representing a 1/25<sup>th</sup> interest in a share of the corresponding series of non-cumulative perpetual preferred stock. Dividends are payable quarterly on February 15, May 15, August 15 and November 15 at a fixed rate until, but excluding, August 15, 2029, thereafter payable quarterly on the same dates at a fixed rate that resets on the Series CC reset date and every five years thereafter equal to the five-year treasury rate plus 2.693%, in each case when, as and if declared by the Citi Board of Directors.
  - (15) Issued as depositary shares, each representing a 1/25<sup>th</sup> interest in a share of the corresponding series of non-cumulative perpetual preferred stock. Dividends are payable quarterly on February 15, May 15, August 15 and November 15 at a fixed rate until, but excluding, August 15, 2034, thereafter payable quarterly on the same dates at a fixed rate that resets on the Series DD reset date and every 10 years thereafter equal to the 10-year treasury rate plus 2.757%, in each case when, as and if declared by the Citi Board of Directors.
  - (16) Issued as depositary shares, each representing a 1/25<sup>th</sup> interest in a share of the corresponding series of non-cumulative perpetual preferred stock. Dividends are payable quarterly on February 15, May 15, August 15 and November 15 at a fixed rate until, but excluding, February 15, 2030, thereafter payable quarterly on the same dates at a fixed rate that resets on the Series EE reset date and every five years thereafter equal to the five-year treasury rate plus 2.572%, in each case when, as and if declared by the Citi Board of Directors.
- N/A Not applicable, as the series has been redeemed.

On February 12, 2025, Citi issued \$2 billion of Series FF preferred stock.

## 23. SECURITIZATIONS AND VARIABLE INTEREST ENTITIES

Citigroup's involvement with consolidated and unconsolidated VIEs with which the Company holds significant variable interests or has continuing involvement through servicing a majority of the assets in a VIE is presented below:

In millions of dollars	As of December 31, 2024							
					Maximum exposure to loss in significant unconsolidated VIEs <sup>(1)</sup>			
	Total involvement with SPE assets	Consolidated VIE/SPE assets	Significant unconsolidated VIE assets <sup>(3)</sup>		Debt investments	Equity investments	Funding commitments	Guarantees and derivatives
Credit card securizations	\$ 29,746	\$ 29,746	\$ —	\$ —	\$ 2,387	\$ —	\$ —	\$ —
Mortgage securizations <sup>(4)</sup>								
U.S. agency-sponsored	120,568	—	120,568	2,387	—	—	—	123
Non-agency-sponsored	62,378	—	62,378	3,479	—	—	566	—
Citi-administered asset-backed commercial paper conduits	21,306	21,306	—	—	—	—	—	—
Collateralized loan obligations (CLOs)	3,920	—	3,920	2,019	—	—	—	2,019
Asset-based financing <sup>(5)</sup>	268,498	7,947	260,551	54,349	735	13,185	—	68,269
Municipal securities tender option bond trusts (TOBs)	935	935	—	—	—	—	—	—
Municipal investments	20,280	3	20,277	2,360	2,730	2,502	—	7,592
Client intermediation	387	81	306	20	—	—	49	69
Investment funds	641	21	620	4	18	98	—	120
<b>Total</b>	<b>\$ 528,659</b>	<b>\$ 60,039</b>	<b>\$ 468,620</b>	<b>\$ 64,618</b>	<b>\$ 3,483</b>	<b>\$ 16,351</b>	<b>\$ 172</b>	<b>\$ 84,624</b>

In millions of dollars	As of December 31, 2023							
					Maximum exposure to loss in significant unconsolidated VIEs <sup>(1)</sup>			
	Total involvement with SPE assets	Consolidated VIE/SPE assets	Significant unconsolidated VIE assets <sup>(3)</sup>		Debt investments	Equity investments	Funding commitments	Guarantees and derivatives
Credit card securizations	\$ 31,852	\$ 31,852	\$ —	\$ —	\$ 2,332	—	—	—
Mortgage securizations <sup>(4)</sup>								
U.S. agency-sponsored	123,787	—	123,787	2,332	—	—	136	2,468
Non-agency-sponsored	64,963	—	64,963	3,751	—	129	—	3,880
Citi-administered asset-backed commercial paper conduits	21,097	21,097	—	—	—	—	—	—
Collateralized loan obligations (CLOs)	5,562	—	5,562	2,344	—	—	—	2,344
Asset-based financing <sup>(5)</sup>	204,680	12,197	192,483	48,187	902	13,655	—	62,744
Municipal securities tender option bond trusts (TOBs)	1,493	883	610	12	—	417	—	429
Municipal investments	21,317	3	21,314	2,243	2,779	2,587	—	7,609
Client intermediation	368	86	282	37	—	—	—	37
Investment funds	545	70	475	3	10	95	—	108
<b>Total</b>	<b>\$ 475,664</b>	<b>\$ 66,188</b>	<b>\$ 409,476</b>	<b>\$ 58,909</b>	<b>\$ 3,691</b>	<b>\$ 16,883</b>	<b>\$ 136</b>	<b>\$ 79,619</b>

(1) The definition of maximum exposure to loss is included in the text that follows this table.

(2) Included on Citigroup's December 31, 2024 and 2023 Consolidated Balance Sheet.

(3) A significant unconsolidated VIE is an entity in which the Company has any variable interest or continuing involvement considered to be significant, regardless of the likelihood of loss.

(4) Citigroup mortgage securizations also include agency and non-agency (private label) re-securitization activities. These SPEs are not consolidated. See "Re-securitizations" below for further discussion.

- (5) Included within this line are loans to third-party-sponsored private equity funds, which represent \$45.5 billion and \$6 billion in unconsolidated VIE assets and \$824 million and \$282 million in maximum exposure to loss as of December 31, 2024 and 2023, respectively.

The previous tables do not include:

- certain investment funds for which the Company provides investment management services and personal estate trusts for which the Company provides administrative, trustee and/or investment management services;
- certain third-party-sponsored private equity funds to which the Company provides secured credit facilities. The Company has no decision-making power and does not consolidate these funds, some of which may meet the definition of a VIE. The Company's maximum exposure to loss is generally limited to a loan or lending-related commitment. As of December 31, 2024 and 2023, the Company's maximum exposure to loss related to these transactions was \$8.1 billion and \$8.5 billion, respectively (see Notes 15 and 26);
- certain VIEs structured by third parties in which the Company holds securities in inventory, as these investments are made on arm's-length terms;
- certain positions in mortgage- and asset-backed securities held by the Company, which are classified as *Trading account assets* or *Investments*, in which the Company has no other involvement with the related securitization entity deemed to be significant (see Notes 14 and 26);
- certain representations and warranties exposures in Citigroup residential mortgage securitizations, in which the original mortgage loan balances are no longer outstanding; and
- VIEs such as preferred securities trusts used in connection with the Company's funding activities. The Company does not have a variable interest in these trusts.

### **Consolidated VIEs**

The Company engages in on-balance sheet securitizations, which are securitizations that do not qualify for sales treatment; thus, the assets remain on Citi's Consolidated Balance Sheet, and any proceeds received are recognized as secured liabilities. In general, the third-party investors in the obligations of consolidated VIEs have legal recourse only to the assets of the respective VIEs and do not have such recourse to the Company, except where Citi has provided a guarantee to the investors or is the counterparty to certain derivative transactions involving the VIE. Thus, Citigroup's maximum legal exposure to loss related to consolidated VIEs is significantly less than the carrying value of the consolidated VIE assets due to outstanding third-party financing.

Intercompany assets and liabilities are excluded from Citi's Consolidated Balance Sheet. All VIE assets are restricted from being sold or pledged as collateral. The cash flows from these assets are the only source used to pay down the associated liabilities, which are non-recourse to Citi's general assets.

The asset balances for consolidated VIEs represent the carrying amounts of the assets consolidated by the Company. The carrying amount may represent the amortized cost or the current fair value of the assets depending on the classification of the asset (e.g., loan or security) and the associated accounting model ascribed to that classification.

The asset balances for unconsolidated VIEs in which the Company has significant involvement represent the most current information available to the Company. In most cases, the asset balances represent an amortized cost basis without regard to impairments, unless fair value information is readily available to the Company.

The maximum funded exposure represents the balance sheet carrying amount of the Company's investment in the VIE. It reflects the initial amount of cash invested in the VIE, adjusted for any accrued interest and cash principal payments received. The carrying amount may also be adjusted for increases or declines in fair value or any impairment in value recognized in earnings. The maximum exposure of unfunded positions represents the remaining undrawn committed amount, including liquidity and credit facilities provided by the Company or the notional amount of a derivative instrument considered to be a variable interest. In certain transactions, the Company has entered into derivative instruments or other arrangements that are not considered variable interests in the VIE (e.g., interest rate swaps, cross-currency swaps or where the Company is the purchaser of credit protection under a credit default swap or total return swap where the Company pays the total return on certain assets to the SPE). Receivables under such arrangements are not included in the maximum exposure amounts.

The following tables present certain assets and liabilities of consolidated VIEs, which are included on Citi's Consolidated Balance Sheet. The assets include those assets that can only be used to settle obligations of consolidated VIEs and are in excess of those obligations. In addition, the assets include third-party assets of consolidated VIEs only and exclude intercompany balances that eliminate in consolidation. The liabilities include third-party liabilities of consolidated VIEs only and exclude intercompany balances that eliminate in consolidation. The liabilities also exclude amounts where creditors or beneficial interest holders have recourse to the general credit of Citigroup.

<i>In millions of dollars</i>	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>Assets of consolidated VIEs to be used to settle obligations of consolidated VIEs</b>		
Cash and due from banks	\$ 65	\$ 44
Trading account assets	6,971	11,350
Investments	739	767
Loans, net of unearned income		
Consumer	32,958	35,141
Corporate	21,492	21,207
Loans, net of unearned income	\$ 54,450	\$ 56,348
Allowance for credit losses on loans (ACLL)	(2,376)	(2,481)
Total loans, net	\$ 52,074	\$ 53,867
Other assets	190	160
<b>Total assets of consolidated VIEs to be used to settle obligations of consolidated VIEs</b>	<b>\$ 60,039</b>	<b>\$ 66,188</b>

<i>In millions of dollars</i>	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>Liabilities of consolidated VIEs for which creditors or beneficial interest holders do not have recourse to the general credit of Citigroup</b>		
Short-term borrowings	\$ 13,628	\$ 9,692
Long-term debt	5,271	8,443
Other liabilities	920	927
<b>Total liabilities of consolidated VIEs for which creditors or beneficial interest holders do not have recourse to the general credit of Citigroup</b>	<b>\$ 19,819</b>	<b>\$ 19,062</b>

**Funding Commitments for Significant Unconsolidated VIEs—Liquidity Facilities and Loan Commitments**

The following table presents the notional amount of liquidity facilities and loan commitments that are classified as funding commitments in the VIE tables above:

<i>In millions of dollars</i>	December 31, 2024		December 31, 2023	
	Liquidity facilities	Loan/equity commitments	Liquidity facilities	Loan/equity commitments
Non-agency-sponsored mortgage securitizations	\$ —	\$ 566	\$ —	\$ 129
Citi-administered asset-backed commercial paper conduits	—	—	—	—
Asset-based financing	—	13,185	—	13,655
Municipal securities tender option bond trusts (TOBs)	—	—	417	—
Municipal investments	—	2,502	—	2,587
Investment funds	—	98	—	95
<b>Total funding commitments</b>	<b>\$ —</b>	<b>\$ 16,351</b>	<b>\$ 417</b>	<b>\$ 16,466</b>

**Significant Interests in Unconsolidated VIEs—Balance Sheet Classification**

The following table presents the carrying amounts and classification of significant variable interests in unconsolidated VIEs:

<i>In billions of dollars</i>	December 31, 2024	December 31, 2023
Cash	\$ —	\$ —
Trading account assets	3.4	1.9
Investments	5.6	8.3
Total loans, net of allowance	58.4	51.8
Other	0.6	0.6
<b>Total assets</b>	<b>\$ 68.0</b>	<b>\$ 62.6</b>

### Credit Card Securitizations

The Company securitizes credit card receivables through trusts established to purchase the receivables. Citigroup transfers receivables into the trusts on a non-recourse basis. Credit card securitizations are revolving securitizations: as customers pay their credit card balances, the cash proceeds are used to purchase new receivables and replenish the receivables in the trust.

The Company's primary credit card securitization activity is through two trusts—Citibank Credit Card Master Trust (Master Trust) and Citibank Omni Trust (Omni Trust), with the substantial majority through the Master Trust. These trusts are consolidated entities because, as servicer, Citigroup has the

power to direct the activities that most significantly impact the economic performance of the trusts. Citigroup holds a seller's interest and certain securities issued by the trusts, which could result in exposure to potentially significant losses or benefits from the trusts. Accordingly, the transferred credit card receivables remain on Citi's Consolidated Balance Sheet with no gain or loss recognized. The debt issued by the trusts to third parties is included on Citi's Consolidated Balance Sheet.

Citi utilizes securitizations as one of the sources of funding for its business in North America. The following table reflects amounts related to the Company's securitized credit card receivables:

*In billions of dollars*

#### Ownership interests in principal amount of trust credit card receivables

	December 31, 2024	December 31, 2023
Sold to investors via trust-issued securities	\$ 5.2	\$ 6.9
Retained by Citigroup as trust-issued securities	3.7	5.1
Retained by Citigroup via non-certificated interests	22.1	21.4
<b>Total</b>	<b>\$ 31.0</b>	<b>\$ 33.4</b>

The following table summarizes selected cash flow information related to Citigroup's credit card securitizations:

<i>In billions of dollars</i>	2024	2023	2022
Proceeds from new securitizations	\$ —	\$ 1.5	\$ 0.3
Pay down of maturing notes	(1.7)	(2.4)	(2.1)

#### Managed Loans

After securitization of credit card receivables, the Company continues to maintain credit card customer account relationships and provides servicing for receivables transferred to the trusts. As a result, the Company considers the securitized credit card receivables to be part of the business it manages. As Citigroup consolidates the credit card trusts, all managed securitized card receivables are on-balance sheet.

#### Funding, Liquidity Facilities and Subordinated Interests

As noted above, Citigroup securitizes credit card receivables through two securitization trusts—Master Trust and Omni Trust. The liabilities of the trusts are included on the Consolidated Balance Sheet, excluding those retained by Citigroup.

#### Master Trust Liabilities (at Par Value)

The Master Trust issues fixed- and floating-rate term notes. Some of the term notes may be issued to multi-seller commercial paper conduits. The weighted-average maturity of the third-party term notes issued by the Master Trust was 3.6 years as of December 31, 2024 and 3.8 years as of December 31, 2023.

<i>In billions of dollars</i>	Dec. 31, 2024	Dec. 31, 2023
Term notes issued to third parties	\$ 4.3	\$ 5.4
Term notes retained by Citigroup affiliates	1.7	1.5
<b>Total Master Trust liabilities</b>	<b>\$ 6.0</b>	<b>\$ 6.9</b>

#### Omni Trust Liabilities (at Par Value)

The Omni Trust issues fixed- and floating-rate term notes, some of which are purchased by multi-seller commercial paper conduits. The weighted-average maturity of the third-party term notes issued by the Omni Trust was 1.4 years as of December 31, 2024 and 1.3 years as of December 31, 2023.

<i>In billions of dollars</i>	Dec. 31, 2024	Dec. 31, 2023
Term notes issued to third parties	\$ 0.9	\$ 1.5
Term notes retained by Citigroup affiliates	2.0	3.6
<b>Total Omni Trust liabilities</b>	<b>\$ 2.9</b>	<b>\$ 5.1</b>

### Mortgage Securitizations

Citigroup provides a wide range of mortgage loan products to a diverse customer base that are securitized through the use of VIEs, which are funded through the issuance of trust certificates backed solely by the transferred assets. These certificates have the same life as the transferred assets. In addition to providing a source of liquidity and less expensive funding, securitizing these assets also reduces Citi's credit exposure to the borrowers. These mortgage loan securitizations are primarily non-recourse, thereby effectively transferring the risk of future credit losses to the purchasers of the securities issued by the trust.

Citi's U.S. consumer mortgage business generally retains the servicing rights and in certain instances retains investment securities, interest-only strips and residual interests in future cash flows from the trusts and also provides servicing for a limited number of *Services, Markets and Banking* securitizations. Citi's *Services, Markets and Banking* businesses may hold investment securities pursuant to credit risk retention rules or in connection with secondary market-making activities.

The Company securitizes mortgage loans generally through either a U.S. government-sponsored agency, such as Ginnie Mae, a U.S. agency-sponsored entity, such as Fannie Mae or Freddie Mac, or a private label (non-agency-sponsored)

mortgages) securitization. Citi is not the primary beneficiary of its U.S. agency-sponsored mortgage securitization entities because Citigroup does not have the power to direct the activities of the VIEs that most significantly impact the entities' economic performance. Therefore, Citi does not consolidate these U.S. agency-sponsored mortgage securitization entities. Substantially all of the consumer loans sold or securitized through non-consolidated trusts by Citigroup are U.S. prime residential mortgage loans. Retained interests in non-consolidated agency-sponsored mortgage securitization trusts are classified as *Trading account assets*, except for MSRs, which are included in *Other assets* on Citigroup's Consolidated Balance Sheet.

Citigroup does not consolidate certain non-agency-sponsored mortgage securitization entities because Citi is either not the servicer with the power to direct the significant activities of the entity or Citi is the servicer, but the servicing relationship is deemed to be a fiduciary relationship; therefore, Citi is not deemed to be the primary beneficiary of the entity.

In certain instances, the Company has (i) the power to direct the activities that most significantly impact the entities' economic performance and (ii) the obligation to either absorb losses or the right to receive benefits that could be potentially significant to its non-agency-sponsored mortgage securitization entities and, therefore, is the primary beneficiary and, thus, consolidates the VIE.

The following tables summarize selected cash flow information and retained interests related to Citigroup mortgage securitizations:

In billions of dollars	2024		2023		2022	
	U.S. agency-sponsored mortgages	Non-agency-sponsored mortgages	U.S. agency-sponsored mortgages	Non-agency-sponsored mortgages	U.S. agency-sponsored mortgages	Non-agency-sponsored mortgages
Principal securitized	\$ 8.0	\$ 9.4	\$ 4.9	\$ 4.8	\$ 6.9	\$ 13.9
Proceeds from new securitizations	8.2	8.8	4.9	3.5	6.7	13.4
Contractual servicing fees received	0.1	—	0.1	—	0.1	—
Cash flows received on retained interests and other net cash flows	—	0.2	—	0.2	—	0.2
Purchases of previously transferred financial assets	0.1	—	—	—	0.1	—

Note: Excludes re-securitization transactions.

For non-consolidated mortgage securitization entities where the transfer of loans to the VIE meets the conditions for sale accounting, Citi recognizes a gain or loss based on the difference between the carrying value of the transferred assets and the proceeds received (generally cash but may be beneficial interests or servicing rights).

Agency and non-agency securitization gains for the year ended December 31, 2024 were \$0.4 million and \$216.2 million, respectively.

Agency and non-agency securitization gains for the year ended December 31, 2023 were \$0.4 million and \$88.7 million, respectively, and \$1.3 million and \$154.8 million, respectively, for the year ended December 31, 2022.

In millions of dollars	2024			2023		
	U.S. agency-sponsored mortgages	Non-agency-sponsored mortgages <sup>(1)</sup>		U.S. agency-sponsored mortgages	Non-agency-sponsored mortgages <sup>(1)</sup>	
		Senior interests	Subordinated interests		Senior interests	Subordinated interests
Carrying value of retained interests <sup>(2)</sup>	\$ 783	\$ 902	\$ 1,058	\$ 689	\$ 943	\$ 963



- (1) Disclosure of non-agency-sponsored mortgages as senior and subordinated interests is indicative of the interests' position in the capital structure of the securitization.  
 (2) Retained interests consist of Level 2 and Level 3 assets depending on the observability of significant inputs. See Note 26 for more information about fair value measurements.

Key assumptions used in measuring the fair value of retained interests at the date of sale or securitization of mortgage receivables were as follows:

	December 31, 2024		
	U.S. agency-sponsored mortgages	Non-agency-sponsored mortgages <sup>(1)</sup>	
		Senior interests	Subordinated interests
Weighted-average discount rate	11.9 %	2.6 %	6.9 %
Weighted-average constant prepayment rate	9.5 %	17.7 %	10.1 %
Weighted-average anticipated net credit losses <sup>(2)</sup>	NM	0.2 %	0.4 %
Weighted-average life	6.8 years	3.2 years	7.5 years

	December 31, 2023		
	U.S. agency-sponsored mortgages	Non-agency-sponsored mortgages <sup>(1)</sup>	
		Senior interests	Subordinated interests
Weighted-average discount rate	12.9 %	6.0 %	6.1 %
Weighted-average constant prepayment rate	5.9 %	8.6 %	7.3 %
Weighted-average anticipated net credit losses <sup>(2)</sup>	NM	0.2 %	0.9 %
Weighted-average life	7.7 years	6.8 years	8.1 years

- (1) Disclosure of non-agency-sponsored mortgages as senior and subordinated interests is indicative of the interests' position in the capital structure of the securitization.  
 (2) Anticipated net credit losses represent estimated loss severity associated with defaulted mortgage loans underlying the mortgage securitizations disclosed above. Anticipated net credit losses, in this instance, do not represent total credit losses incurred to date, nor do they represent credit losses expected on retained interests in mortgage securitizations.

NM Anticipated net credit losses are not meaningful due to U.S. agency guarantees.

The interests retained by the Company range from highly rated and/or senior in the capital structure to unrated and/or residual interests. Key assumptions used in measuring the fair value of retained interests in securitizations of mortgage receivables at period end were as follows:

	December 31, 2024		
	U.S. agency-sponsored mortgages	Non-agency-sponsored mortgages <sup>(1)</sup>	
		Senior interests	Subordinated interests
Weighted-average discount rate	7.2 %	23.6 %	NM
Weighted-average constant prepayment rate	5.7 %	16.4 %	NM
Weighted-average anticipated net credit losses <sup>(2)</sup>	NM	NM	NM
Weighted-average life	7.6 years	4.5 years	NM

	December 31, 2023		
	U.S. agency-sponsored mortgages	Non-agency-sponsored mortgages <sup>(1)</sup>	
		Senior interests	Subordinated interests
Weighted-average discount rate	5.4 %	NM	NM
Weighted-average constant prepayment rate	5.8 %	NM	NM
Weighted-average anticipated net credit losses <sup>(2)</sup>	NM	NM	NM
Weighted-average life	7.5 years	NM	NM

- (1) Disclosure of non-agency-sponsored mortgages as senior and subordinated interests is indicative of the interests' position in the capital structure of the securitization.

- (2) Anticipated net credit losses represent estimated loss severity associated with defaulted mortgage loans underlying the mortgage securitizations disclosed above. Anticipated net credit losses, in this instance, do not represent total credit losses incurred to date, nor do they represent credit losses expected on retained interests in mortgage securitizations.
- NM Anticipated net credit losses are not meaningful due to U.S. agency guarantees.

The sensitivity of the fair value to adverse changes of 10% and 20% in each of the key assumptions is presented in the tables below. The negative effect of each change is calculated independently, holding all other assumptions constant. Because the key assumptions may not be independent, the net effect of simultaneous adverse changes in the key assumptions may be less than the sum of the individual effects presented below.

In millions of dollars	December 31, 2024		
	Non-agency-sponsored mortgages		
	U.S. agency-sponsored mortgages	Senior interests	Subordinated interests
Discount rate			
Adverse change of 10%	\$ (28)	\$ —	\$ —
Adverse change of 20%	(55)	(1)	—
Constant prepayment rate			
Adverse change of 10%	(19)	—	—
Adverse change of 20%	(37)	(1)	—
Anticipated net credit losses			
Adverse change of 10%	NM	—	—
Adverse change of 20%	NM	—	—

In millions of dollars	December 31, 2023		
	Non-agency-sponsored mortgages		
	U.S. agency-sponsored mortgages	Senior interests	Subordinated interests
Discount rate			
Adverse change of 10%	\$ (20)	\$ —	\$ —
Adverse change of 20%	(40)	—	—
Constant prepayment rate			
Adverse change of 10%	(17)	—	—
Adverse change of 20%	(34)	—	—
Anticipated net credit losses			
Adverse change of 10%	NM	—	—
Adverse change of 20%	NM	—	—

NM Anticipated net credit losses are not meaningful due to U.S. agency guarantees.

The following table includes information about loan delinquencies and liquidation losses for assets held in non-consolidated, non-agency-sponsored securitization entities at December 31:

In billions of dollars, except liquidation losses in millions	Securitized assets		90 days past due		Liquidation losses	
	2024	2023	2024	2023	2024	2023
<b>Securitized assets</b>						
Residential mortgages <sup>(1)</sup>	\$ 31.0	\$ 28.2	\$ 0.3	\$ 0.5	\$ (0.6)	\$ 4.3
Commercial and other	31.1	29.9	—	—	—	—
<b>Total</b>	<b>\$ 62.1</b>	<b>\$ 58.1</b>	<b>\$ 0.3</b>	<b>\$ 0.5</b>	<b>\$ (0.6)</b>	<b>\$ 4.3</b>

(1) Securitized assets include \$91 million of personal loan securitizations as of December 31, 2024.

### **Consumer Loan Securitizations**

Beginning in the third quarter of 2023, Citi relaunched a program securitizing other consumer loans into asset-backed securities. The principal securitized and the proceeds from new securitizations for the year ended December 31, 2024 were \$1.2 billion and \$1.2 billion, respectively, compared to \$1 billion and \$0.7 billion, respectively, as of December 31, 2023. The gains recognized on the securitization of consumer loans were \$5.1 million and \$7.5 million for the years ended December 31, 2024 and 2023.

### **Mortgage Servicing Rights (MSRs)**

In connection with the securitization of mortgage loans, Citi's U.S. consumer mortgage business generally retains the servicing rights, which entitle the Company to a future stream of cash flows based on the outstanding principal balances of the loans and the contractual servicing fee. Failure to service the loans in accordance with contractual requirements may lead to a termination of the servicing rights and the loss of future servicing fees.

These transactions create intangible assets referred to as MSRs, which are recorded at fair value on Citi's Consolidated Balance Sheet (see Note 26 for the valuation of MSRs). The MSRs correspond to principal loan balances of \$56 billion and \$52 billion as of December 31, 2024 and 2023, respectively.

The Company receives fees during the course of servicing previously securitized mortgages. The amounts of these fees were as follows:

In millions of dollars	2024	2023	2022
Servicing fees	\$ 127	\$ 129	\$ 122
Late fees	1	4	4
<b>Total MSR fees</b>	<b>\$ 128</b>	<b>\$ 133</b>	<b>\$ 126</b>

In the Consolidated Statement of Income these fees are primarily classified as *Commissions and fees*, and changes in MSR fair values are classified as *Other revenue*.

### **Re-securitizations**

The Company engages in re-securitization transactions backed by either residential or commercial mortgages in which debt securities are transferred to a VIE in exchange for new beneficial interests. Citi did not transfer non-agency (private label) securities to re-securitization entities, nor did Citi hold retained interests in such securitizations during the years ended December 31, 2024 and 2023.

As of December 31, 2024 and 2023, Citi held no retained interests in private label re-securitization transactions structured by Citi.

The Company also re-securitizes U.S. government-agency-guaranteed mortgage-backed (agency) securities. During the years ended December 31, 2024 and 2023, Citi transferred agency securities with a fair value of approximately \$22.8 billion and \$17.1 billion, respectively, to re-securitization entities.

As of December 31, 2024, the fair value of Citi-retained interests in agency re-securitization transactions structured by Citi totaled approximately \$1.6 billion (including \$977 million related to re-securitization transactions executed in 2024),

compared to \$1.7 billion as of December 31, 2023 (including \$930 million related to re-securitization transactions executed in 2023), which is recorded in *Trading account assets*. The original fair values of agency re-securitization transactions in which Citi holds a retained interest as of December 31, 2024 and 2023 were approximately \$76.8 billion and \$84.1 billion, respectively.

As of December 31, 2024 and 2023, the Company did not consolidate any private label or agency re-securitization entities.

### **Citi-Administered Asset-Backed Commercial Paper Conduits**

Citi's multi-seller commercial paper conduits provide the Company's clients access to low-cost funding in the commercial paper markets. The conduits provide financing facilities to clients that are funded by issuing commercial paper to third-party investors.

As administrator to Citi's conduits, the Company is responsible for selecting and structuring assets purchased or financed by the conduits, making decisions regarding the funding of the conduits, including determining the tenor and other features of the commercial paper issued, monitoring the quality and performance of the conduits' assets and facilitating the operations and cash flows of the conduits. In return, the Company earns structuring fees from customers for individual transactions and earns an administration fee from the conduit.

The assets are privately negotiated and structured transactions that are generally designed to be held by the conduit, rather than actively traded and sold. The yield earned by the conduit on each asset is generally tied to the rate on the commercial paper issued by the conduit, thus passing interest rate risk to the client. Each asset purchased by the conduit is structured with transaction-specific credit enhancement features provided by the third-party client, including over-collateralization, cash and excess spread collateral accounts, direct recourse or third-party guarantees. These credit enhancements are sized with the objective of approximating a credit rating of A or above, based on Citi's internal risk ratings. At December 31, 2024 and 2023, the commercial paper conduits administered by Citi had approximately \$21.3 billion and \$21.1 billion of purchased assets outstanding, and unfunded commitments with clients of approximately \$16.7 billion and \$16.7 billion, respectively.

At December 31, 2024 and 2023, the weighted-average remaining maturities of the commercial paper issued by the conduits were approximately 82 and 68 days, respectively.

The conduits have obtained letters of credit from the Company that equal at least 8% to 10% of the conduit's assets with a minimum of \$200 million to \$350 million. The letters of credit provided by the Company to the conduits total approximately \$2.1 billion as of December 31, 2024 and \$2.1 billion as of December 31, 2023. In the event that defaulted assets exceed the transaction-specific credit enhancement described above, any losses in each conduit are allocated first to the Company and then to the commercial paper investors.

Citigroup also provides the conduits with two forms of liquidity agreements that are used to provide funding to the conduits in the event of a market disruption, among other events. Each asset of the conduits is supported by a



transaction-specific liquidity facility in the form of an asset purchase agreement (APA). Under the APA, the Company has generally agreed to purchase non-defaulted eligible receivables from the conduit at par. The APA generally does not permit the purchase of defaulted or impaired assets. Any funding under the APA will likely subject the underlying conduit clients to increased interest costs. In addition, the Company provides the conduits with program-wide liquidity in the form of short-term lending commitments, where the Company has agreed to lend to the conduits in the event of a short-term disruption in the commercial paper market, subject to specified conditions.

In the normal course of business, Citi purchases commercial paper, including commercial paper issued by Citigroup's conduits. At December 31, 2024 and 2023, the Company owned \$6.4 billion and \$10.1 billion, respectively, of the commercial paper issued by its administered conduits. The Company's investments were not driven by market illiquidity and the Company is not obligated under any agreement to purchase the commercial paper issued by the conduits.

The asset-backed commercial paper conduits are consolidated by Citi. The Company has determined that, through its roles as administrator and liquidity provider, it has both the power to direct the activities that most significantly impact the entities' economic performance and an economic interest that could potentially be significant. No assets of any conduit are available to satisfy the creditors of Citigroup or any of its other subsidiaries.

### **Collateralized Loan Obligations (CLOs)**

A collateralized loan obligation (CLO) is a VIE that purchases a portfolio of assets consisting primarily of non-investment-grade corporate loans, financed through the issuance of multiple tranches of debt and equity to investors. A third-party asset manager is contracted by the CLO to purchase the underlying assets from the open market and monitor the credit risk associated with those assets. Over the term of a CLO, the asset manager directs purchases and sales of assets in a manner consistent with the CLO's asset management agreement and indenture.

Citi serves as a structuring and placement agent with respect to certain CLOs. Typically, the debt and equity of the CLOs are sold to third-party investors. On occasion, certain Citi entities may purchase some portion of a CLO's liabilities for investment purposes. In addition, Citi may purchase, typically in the secondary market, certain securities issued by the CLOs to support its market-making activities.

The Company generally does not have the power to direct the activities that most significantly impact the economic performance of the CLOs, as this power is generally held by a third-party asset manager of the CLO. As such, those CLOs are not consolidated.

The following tables summarize selected cash flow information and retained interests related to Citigroup CLOs:

<i>In billions of dollars</i>	<b>2024</b>	2023	2022
Cash flows received on retained interests and other net cash flows	\$ <b>0.3</b>	\$ 0.1	\$ 0.3
Purchases of previously transferred financial assets	—	—	—

<i>In millions of dollars</i>	<b>Dec. 31, 2024</b>	Dec. 31, 2023	Dec. 31, 2022
Carrying value of retained interests	\$ <b>275</b>	\$ 604	\$ 681

All of Citi's retained interests were held-to-maturity securities as of December 31, 2024 and 2023.

### **Municipal Securities Tender Option Bond (TOB) Trusts**

Municipal TOB trusts may hold fixed- or floating-rate, taxable or tax-exempt securities issued by state and local governments and municipalities. TOB trusts are typically structured as single-issuer entities whose assets are purchased from either the Company or from other investors in the municipal securities market. TOB trusts finance the purchase of their municipal assets by issuing two classes of certificates: long-dated, floating rate certificates (Floaters) that are putable pursuant to a liquidity facility and residual interest certificates (Residuals). The Floaters are purchased by third-party investors, typically tax-exempt money market funds. The Residuals are purchased by the original owner of the municipal securities that are being financed.

From Citigroup's perspective, there are two types of TOB trusts: customer and non-customer. Customer TOB trusts are those trusts utilized by customers of the Company to finance their securities, generally municipal securities. The Residuals issued by these trusts are purchased by the customer being financed. Non-customer TOB trusts are generally used by the Company to finance its own municipal securities investments; the Residuals issued by non-customer TOB trusts are purchased by the Company.

With respect to both customer and non-customer TOB trusts, Citi may provide remarketing agent services. If Floaters are optionally tendered, Citigroup may, but is not obligated to, purchase the tendered Floaters into its own inventory. The level of the Company's inventory of such Floaters fluctuates.

For certain non-customer trusts, the Company also provides credit enhancement. At December 31, 2024, \$0.4 billion of the municipal bonds owned by non-customer TOB trusts were subject to a credit guarantee provided by the Company. At December 31, 2023 none of the municipal bonds owned by non-customer TOB trusts were subject to a credit guarantee provided by the Company.

Citigroup also provides liquidity services to many customer and non-customer trusts. If a trust is unwound early due to an event other than a credit event on the underlying municipal bonds, the underlying municipal bonds are sold out of the trust and bond sale proceeds are used to redeem the outstanding trust certificates. If this results in a shortfall between the bond sale proceeds and the redemption price of

the tendered Floaters, the Company, pursuant to the liquidity agreement, would be obligated to make a payment to the trust to satisfy that shortfall. For certain customer TOB trusts, Citigroup has also executed a reimbursement agreement with the holder of the Residual, pursuant to which the Residual holder is obligated to reimburse the Company for any payment the Company makes under the liquidity arrangement. These reimbursement agreements may be subject to daily margining based on changes in the market value of the underlying municipal bonds. In cases where a third party provides liquidity to a non-customer TOB trust, a similar reimbursement arrangement may be executed, whereby the Company (or a consolidated subsidiary of the Company), as Residual holder, would absorb any losses incurred by the liquidity provider.

For certain other non-customer TOB trusts, Citi serves as tender option provider. The tender option provider arrangement allows Floater holders to put their interests directly to the Company at any time, subject to the requisite notice period requirements, at a price of par.

At December 31, 2024, the Company did not have any liquidity or reimbursement agreements. At December 31, 2023, liquidity agreements provided with respect to customer TOB trusts totaled \$0.4 billion, of which \$0.3 billion was offset by reimbursement agreements.

Citi considers both customer and non-customer TOB trusts to be VIEs. Customer TOB trusts are not consolidated by the Company, as the power to direct the activities that most significantly impact the trust's economic performance rests with the customer Residual holder, who may unilaterally cause the sale of the trust's bonds.

Non-customer TOB trusts generally are consolidated because the Company holds the Residual interest and thus has the unilateral power to cause the sale of the trust's bonds.

The Company also provides other liquidity agreements or letters of credit to customer-sponsored municipal investment funds, which are not variable interest entities, and municipality-related issuers that totaled \$0.5 billion as of December 31, 2024 and \$1.2 billion as of December 31, 2023. These liquidity agreements and letters of credit are offset by reimbursement agreements with various term-out provisions.

### **Municipal Investments**

Municipal investment transactions include debt and equity interests in partnerships that finance the construction and rehabilitation of low-income housing, facilitate lending in new or underserved markets or finance the construction or operation of renewable municipal energy facilities. Citi generally invests in these partnerships as a limited partner and earns a return primarily through the receipt of tax credits and grants earned from the investments made by the partnership. The Company may also provide construction loans or permanent loans for the development or operation of real estate properties held by partnerships. These entities are generally considered VIEs. The power to direct the activities of these entities is typically held by the general partner. Accordingly, these entities are not consolidated by Citigroup.

### **Client Intermediation**

Client intermediation transactions represent a range of transactions designed to provide investors with specified returns based on the returns of an underlying security, referenced asset or index. These transactions include credit-linked notes and equity-linked notes. In these transactions, the VIE typically obtains exposure to the underlying security, referenced asset or index through a derivative instrument, such as a total-return swap or a credit-default swap. In turn, the VIE issues notes to investors that pay a return based on the specified underlying security, referenced asset or index. The VIE invests the proceeds in a financial asset or a guaranteed insurance contract that serves as collateral for the derivative contract over the term of the transaction. The Company's involvement in these transactions includes being the counterparty to the VIE's derivative instruments and investing in a portion of the notes issued by the VIE. In certain transactions, the investor's maximum risk of loss is limited and the Company absorbs risk of loss above a specified level. Citi does not have the power to direct the activities of the VIEs that most significantly impact their economic performance and thus it does not consolidate them.

Citi's maximum risk of loss in these transactions is defined as the amount invested in notes issued by the VIE and the notional amount of any risk of loss absorbed by Citi through a separate instrument issued by the VIE. The derivative instrument held by the Company may generate a receivable from the VIE (e.g., where the Company purchases credit protection from the VIE in connection with the VIE's issuance of a credit-linked note), which is collateralized by the assets owned by the VIE. These derivative instruments are not considered variable interests and any associated receivables are not included in the calculation of maximum exposure to the VIE.

### **Investment Funds**

The Company is the investment manager for certain investment funds and retirement funds that invest in various asset classes including private equity, hedge funds, real estate, fixed income and infrastructure. Citigroup earns a management fee, which is a percentage of capital under management, and may earn performance fees. In addition, for some of these funds the Company has an ownership interest in the investment funds. Citi has also established a number of investment funds as opportunities for qualified employees to invest in private equity investments. The Company acts as investment manager for these funds and may provide employees with financing on both recourse and non-recourse bases for a portion of the employees' investment commitments.



### Asset-Based Financing

The Company provides loans and other forms of financing to VIEs that hold assets. Those loans are subject to the same credit approvals as all other loans originated or purchased by the Company. Financings in the form of debt securities or derivatives are, in most circumstances, reported in *Trading account assets* and accounted for at fair value through earnings. The Company generally does not have the power to direct the activities that most significantly impact these VIEs' economic performance; thus, it does not consolidate them.

The primary types of Citi's asset-based financings, total assets of the unconsolidated VIEs with significant involvement and Citi's maximum exposure to loss are presented below. For Citi to realize the maximum loss, the VIE (borrower) would have to default with no recovery from the assets held by the VIE.

	December 31, 2024		December 31, 2023	
	Total unconsolidated VIE assets	Maximum exposure to unconsolidated VIEs	Total unconsolidated VIE assets	Maximum exposure to unconsolidated VIEs
<i>In millions of dollars</i>				
Type				
Commercial and other real estate	\$ 61,322	\$ 9,693	\$ 42,869	\$ 8,831
Corporate loans	45,542	21,009	27,903	18,546
Other (including investment funds, airlines and shipping)	153,687	37,567	121,711	35,367
<b>Total</b>	<b>\$ 260,551</b>	<b>\$ 68,269</b>	<b>\$ 192,483</b>	<b>\$ 62,744</b>

## 24. DERIVATIVES

In the ordinary course of business, Citigroup enters into various types of derivative transactions, which include:

- *Futures and forward contracts*, which are commitments to buy or sell at a future date a financial instrument, commodity or currency at a contracted price that may be settled in cash or through delivery of an item readily convertible to cash.
- *Swap contracts*, which are commitments to settle in cash at a future date or dates that may range from a few days to a number of years, based on differentials between specified indices or financial instruments, as applied to a notional principal amount.
- *Option contracts*, which give the purchaser, for a premium, the right, but not the obligation, to buy or sell within a specified time a financial instrument, commodity or currency at a contracted price that may also be settled in cash, based on differentials between specified indices or prices.

Swaps, forwards and some option contracts are over-the-counter (OTC) derivatives that are bilaterally negotiated with counterparties and settled with those counterparties, except for swap contracts that are novated and “cleared” through central counterparties (CCPs). Futures contracts and other option contracts are standardized contracts that are traded on an exchange with a CCP as the counterparty from the inception of the transaction. Citigroup enters into derivative contracts relating to interest rate, foreign currency, commodity and other market/credit risks for the following reasons:

- *Trading Purposes*: Citigroup trades derivatives as an active market maker. Citigroup offers its customers derivatives in connection with their risk management actions to transfer, modify or reduce their interest rate, foreign exchange and other market/credit risks or for their own trading purposes. Citigroup also manages its derivative risk positions through offsetting trade activities.
- *Hedging*: Citigroup uses derivatives in connection with its own risk management activities to hedge certain risks or reposition the risk profile of the Company. Hedging may be accomplished by applying hedge accounting in accordance with ASC 815, *Derivatives and Hedging*. For example, Citigroup issues fixed-rate long-term debt and then enters into a receive-fixed, pay-variable-rate interest rate swap with the same tenor and notional amount to synthetically convert the interest payments to a net variable-rate basis. This strategy is the most common form of an interest rate hedge, as it minimizes net interest cost in certain yield curve environments. Derivatives are also used to manage market risks inherent in specific groups of on-balance sheet assets and liabilities, including AFS securities, commodities and borrowings, as well as other interest-sensitive assets and liabilities. In addition, foreign exchange contracts are used to hedge non-U.S.-dollar-denominated debt, foreign currency-denominated AFS securities and net investment exposures.

Derivatives may expose Citigroup to market, credit or liquidity risks in excess of the amounts recorded on the Consolidated Balance Sheet. Market risk on a derivative product is the exposure created by potential fluctuations in interest rates, market prices, foreign exchange rates and other factors and is a function of the type of product, the volume of transactions, the tenor and terms of the agreement and the underlying volatility. Credit risk is the exposure to loss in the event of nonperformance by the other party to satisfy a derivative liability where the value of any collateral held by Citi is not adequate to cover such losses. The recognition in earnings of unrealized gains on derivative transactions is subject to management's assessment of the probability of counterparty default. Liquidity risk is the potential exposure that arises when the size of a derivative position may affect the ability to monetize the position in a reasonable period of time and at a reasonable cost in periods of high volatility and financial stress.

Derivative transactions are customarily documented under industry standard master netting agreements, which provide that following an event of default, the non-defaulting party may promptly terminate all transactions between the parties and determine the net obligation due to be paid to, or by, the defaulting party. These net obligations under master netting agreements are often secured by collateral posted under an industry standard credit support annex to the master netting agreement.

The netting and collateral rights incorporated in the master netting agreements are considered to be legally enforceable if a supportive legal opinion has been obtained from counsel of recognized standing that provides (i) the requisite level of certainty regarding enforceability and (ii) that the exercise of rights by the non-defaulting party to terminate and close-out transactions on a net basis under these agreements will not be stayed or avoided under applicable law upon an event of default, including bankruptcy, insolvency or similar proceeding.

A legal opinion may not be sought for certain jurisdictions where local law is silent or unclear as to the enforceability of such rights or where adverse case law or conflicting regulation may cast doubt on the enforceability of such rights. In some jurisdictions and for some counterparty types, the insolvency law may not provide the requisite level of certainty. For example, this may be the case for certain sovereigns, municipalities, central banks and U.S. pension plans.

Exposure to credit risk on derivatives is affected by market volatility, which may impair the ability of counterparties to satisfy their obligations to the Company. Credit limits are established and closely monitored for customers engaged in derivatives transactions. Citi considers the level of legal certainty regarding enforceability of its offsetting rights under master netting agreements and credit support annexes to be an important factor in its risk management process. Specifically, Citi generally transacts much lower volumes of derivatives under master netting agreements where Citi does not have the requisite level of legal certainty regarding enforceability, because such derivatives consume greater amounts of single counterparty credit limits than those executed under enforceable master netting agreements.

Cash collateral and security collateral in the form of G10 government debt securities are often posted by a party to a master netting agreement to secure the net open exposure of the other party; the receiving party is free to commingle/rehypothecate such collateral in the ordinary course of its business. Nonstandard collateral such as corporate bonds, municipal bonds, U.S. agency securities and/or MBS may also be pledged as collateral for derivative transactions. Security collateral posted to open and maintain a master netting agreement with a counterparty, in the form of cash and/or securities, may from time to time be segregated in an account at a third-party custodian pursuant to a tri-party account control agreement.

Information pertaining to Citigroup's derivatives activities, based on notional amounts, is presented in the table below. Derivative notional amounts are reference amounts from which contractual payments are derived and do not represent a complete measure of Citi's exposure to derivative transactions. Citi's derivative exposure arises primarily from market fluctuations (i.e., market risk), counterparty failure (i.e., credit risk) and/or periods of high volatility or financial stress (i.e., liquidity risk), as well as any market valuation adjustments that may be required on the transactions. Moreover, notional amounts presented below do not reflect the netting of offsetting trades. For example, if Citi enters into a receive-fixed interest rate swap with \$100 million notional, and offsets this risk with an identical but opposite pay-fixed position with a different counterparty, \$200 million in derivative notinals is reported, although these offsetting positions may result in de minimis overall market risk.

In addition, aggregate derivative notional amounts can fluctuate from period to period in the normal course of business based on Citi's market share, levels of client activity and other factors. All derivatives are recorded in *Trading account assets/Trading account liabilities* on the Consolidated Balance Sheet.

## Derivative Notionals

In millions of dollars	Hedging instruments under ASC 815		Trading derivative instruments	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
<b>Interest rate contracts</b>				
Swaps	\$ 276,939	\$ 277,003	\$ 15,245,212	\$ 17,077,712
Futures and forwards	—	—	3,006,869	3,022,127
Written options	—	—	2,799,577	2,753,912
Purchased options	—	—	2,526,165	2,687,662
<b>Total interest rate contracts</b>	<b>\$ 276,939</b>	<b>\$ 277,003</b>	<b>\$ 23,577,823</b>	<b>\$ 25,541,413</b>
<b>Foreign exchange contracts</b>				
Swaps	\$ 36,421	\$ 45,851	\$ 7,422,309	\$ 7,943,054
Futures, forwards and spot	55,671	49,779	4,028,135	3,737,063
Written options	—	—	1,022,109	778,397
Purchased options	—	—	1,013,884	771,134
<b>Total foreign exchange contracts</b>	<b>\$ 92,092</b>	<b>\$ 95,630</b>	<b>\$ 13,486,437</b>	<b>\$ 13,229,648</b>
<b>Equity contracts</b>				
Swaps	\$ —	\$ —	\$ 323,751	\$ 317,117
Futures and forwards	—	—	73,437	72,592
Written options	—	—	581,659	544,315
Purchased options	—	—	436,702	428,949
<b>Total equity contracts</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 1,415,549</b>	<b>\$ 1,362,973</b>
<b>Commodity and other contracts</b>				
Swaps	\$ —	\$ —	\$ 80,582	\$ 82,009
Futures and forwards	4,403	1,750	183,494	161,811
Written options	—	—	54,673	49,555
Purchased options	—	—	55,819	46,742
<b>Total commodity and other contracts</b>	<b>\$ 4,403</b>	<b>\$ 1,750</b>	<b>\$ 374,568</b>	<b>\$ 340,117</b>
<b>Credit derivatives<sup>(1)</sup></b>				
Protection sold	\$ —	\$ —	\$ 439,146	\$ 496,699
Protection purchased	—	—	531,429	567,627
<b>Total credit derivatives</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 970,575</b>	<b>\$ 1,064,326</b>
<b>Total derivative notionals</b>	<b>\$ 373,434</b>	<b>\$ 374,383</b>	<b>\$ 39,824,952</b>	<b>\$ 41,538,477</b>

- (1) Credit derivatives are arrangements designed to allow one party (protection purchaser) to transfer the credit risk of a “reference asset” to another party (protection seller). These arrangements allow a protection seller to assume the credit risk associated with the reference asset without directly purchasing that asset. The Company enters into credit derivative positions for purposes such as risk management, yield enhancement, reduction of credit concentrations and diversification of overall risk, and as a market-maker to facilitate client transactions.

The following tables present the gross and net fair values of the Company's derivative transactions and the related offsetting amounts as of December 31, 2024 and 2023. Gross positive fair values are offset against gross negative fair values by counterparty, pursuant to enforceable master netting agreements. Under ASC 815-10-45, payables and receivables in respect of cash collateral received from or paid to a given counterparty pursuant to a credit support annex are included in the offsetting amount if a legal opinion supporting the enforceability of netting and collateral rights has been obtained. GAAP does not permit similar offsetting for security collateral.

In addition, the following tables reflect rule changes adopted by clearing organizations that require or allow entities to treat certain derivative assets, liabilities and the related variation margin as settlement of the related derivative fair values for legal and accounting purposes, as opposed to presenting gross derivative assets and liabilities that are subject to collateral, whereby the counterparties would also record a related collateral payable or receivable. The tables also present amounts that are not permitted to be offset in the Company's balance sheet presentation, such as security collateral or cash collateral posted at third-party custodians, but which would be eligible for offsetting to the extent that an event of default has occurred and a legal opinion supporting enforceability of the netting and collateral rights has been obtained.

**Derivative Mark-to-Market (MTM) Receivables/Payables**

<i>In millions of dollars at December 31, 2024</i>	Derivatives classified in Trading account assets/liabilities <sup>(1)(2)</sup>	
	Assets	Liabilities
<b>Derivatives instruments designated as ASC 815 hedges</b>		
Over-the-counter	\$ 695	1
Cleared	154	19
<b>Interest rate contracts</b>	<b>\$ 849</b>	<b>20</b>
Over-the-counter	2,951	1,117
Cleared	—	—
<b>Foreign exchange contracts</b>	<b>2,951</b>	<b>1,117</b>
<b>Total derivatives instruments designated as ASC 815 hedges</b>	<b>\$ 3,800</b>	<b>\$ 1,137</b>
<b>Derivatives instruments not designated as ASC 815 hedges</b>		
Over-the-counter	95,907	88,776
Cleared	33,447	33,269
Exchange traded	75	67
<b>Interest rate contracts</b>	<b>129,429</b>	<b>\$ 122,112</b>
Over-the-counter	210,755	202,582
Cleared	2,329	2,298
Exchange traded	10	20
<b>Foreign exchange contracts</b>	<b>213,094</b>	<b>204,900</b>
Over-the-counter	19,262	25,950
Cleared	—	—
Exchange traded	35,882	35,786
<b>Equity contracts</b>	<b>55,144</b>	<b>61,736</b>
Over-the-counter	11,945	13,804
Exchange traded	675	826
<b>Commodity and other contracts</b>	<b>12,620</b>	<b>14,630</b>
Over-the-counter	6,907	5,569
Cleared	1,808	1,684
<b>Credit derivatives</b>	<b>8,715</b>	<b>7,253</b>
<b>Total derivatives instruments not designated as ASC 815 hedges</b>	<b>\$ 419,002</b>	<b>\$ 410,631</b>
<b>Total derivatives</b>	<b>\$ 422,802</b>	<b>\$ 411,768</b>
Less: Netting agreements <sup>(3)</sup>	(\$334,900)	(\$334,900)
Less: Netting cash collateral received/paid <sup>(4)</sup>	(27,303)	(28,570)
<b>Net receivables/payables included on the Consolidated Balance Sheet<sup>(5)</sup></b>	<b>\$ 60,599</b>	<b>\$ 48,298</b>
<b>Additional amounts subject to an enforceable master netting agreement, but not offset on the Consolidated Balance Sheet</b>		
Less: Cash collateral received/paid	(\$808)	(\$52)
Less: Non-cash collateral received/paid	(6,017)	(3,376)
<b>Total net receivables/payables<sup>(5)</sup></b>	<b>\$ 53,774</b>	<b>\$ 44,870</b>

- (1) The derivatives fair values are also presented in Note 26.
- (2) OTC derivatives are derivatives executed and settled bilaterally with counterparties without the use of an organized exchange or central clearing house. Cleared derivatives include derivatives executed bilaterally with a counterparty in the OTC market, but then novated to a central clearing house, whereby the central clearing house becomes the counterparty to both of the original counterparties. Exchange-traded derivatives include derivatives executed directly on an organized exchange that provides pre-trade price transparency.
- (3) Represents the netting of balances with the same counterparty under enforceable netting agreements. Approximately \$264 billion, \$36 billion and \$35 billion of the netting against trading account asset/liability balances is attributable to each of the OTC, cleared and exchange-traded derivatives, respectively.
- (4) Represents the netting of cash collateral paid and received by counterparties under enforceable credit support agreements with appropriate legal opinion supporting enforceability of netting. Substantially all netting of cash collateral received and paid is against OTC derivative assets and liabilities, respectively.
- (5) The net receivables/payables include approximately \$13 billion of derivative asset and \$15 billion of derivative liability fair values not subject to enforceable master netting agreements, respectively.

<i>In millions of dollars at December 31, 2023</i>	Derivatives classified in Trading account assets/liabilities <sup>(1)(2)</sup>	
	Assets	Liabilities
Derivatives instruments designated as ASC 815 hedges		
Over-the-counter	\$ 458	5
Cleared	99	121
Interest rate contracts	\$ 557	126
Over-the-counter	\$ 1,690	1,732
Cleared	—	—
Foreign exchange contracts	\$ 1,690	1,732
Total derivatives instruments designated as ASC 815 hedges	\$ 2,247	1,858
Derivatives instruments not designated as ASC 815 hedges		
Over-the-counter	\$ 113,993	105,512
Cleared	43,858	47,462
Exchange traded	86	86
Interest rate contracts	\$ 157,937	153,060
Over-the-counter	\$ 157,633	155,027
Cleared	368	420
Exchange traded	3	22
Foreign exchange contracts	\$ 158,004	155,469
Over-the-counter	\$ 19,515	25,425
Cleared	—	—
Exchange traded	23,763	22,521
Equity contracts	\$ 43,278	47,946
Over-the-counter	\$ 16,921	18,086
Exchange traded	648	710
Commodity and other contracts	\$ 17,569	18,796
Over-the-counter	\$ 6,094	6,293
Cleared	2,245	1,789
Credit derivatives	\$ 8,339	8,082
Total derivatives instruments not designated as ASC 815 hedges	\$ 385,127	383,353
Total derivatives	\$ 387,374	385,211
Less: Netting agreements <sup>(3)</sup>	\$ (308,431)	(308,431)
Less: Netting cash collateral received/paid <sup>(4)</sup>	(21,226)	(26,101)
Net receivables/payables included on the Consolidated Balance Sheet <sup>(5)</sup>	\$ 57,717	50,679
Additional amounts subject to an enforceable master netting agreement, but not offset on the Consolidated Balance Sheet		
Less: Cash collateral received/paid	\$ (563)	(348)
Less: Non-cash collateral received/paid	(5,208)	(12,504)
Total net receivables/payables <sup>(5)</sup>	\$ 51,946	37,827

- (1) The derivative fair values are also presented in Note 26.
- (2) OTC derivatives are derivatives executed and settled bilaterally with counterparties without the use of an organized exchange or central clearing house. Cleared derivatives include derivatives executed bilaterally with a counterparty in the OTC market, but then novated to a central clearing house, whereby the central clearing house becomes the counterparty to both of the original counterparties. Exchange-traded derivatives include derivatives executed directly on an organized exchange that provides pre-trade price transparency.
- (3) Represents the netting of balances with the same counterparty under enforceable netting agreements. Approximately \$242 billion, \$44 billion and \$22 billion of the netting against trading account asset/liability balances is attributable to each of the OTC, cleared and exchange-traded derivatives, respectively.
- (4) Represents the netting of cash collateral paid and received by counterparties under enforceable credit support agreements with appropriate legal opinion supporting enforceability of netting. Substantially all netting of cash collateral received and paid is against OTC derivative assets and liabilities, respectively.
- (5) The net receivables/payables include approximately \$4 billion of derivative asset and \$10 billion of derivative liability fair values not subject to enforceable master netting agreements, respectively.

For the years ended December 31, 2024, 2023 and 2022, amounts recognized in *Principal transactions* in the Consolidated Statement of Income include certain derivatives not designated in a qualifying hedging relationship. Citigroup presents this disclosure by business classification, showing derivative gains and losses related to its trading activities together with gains and losses related to non-derivative instruments within the same trading portfolios, as this represents how these portfolios are risk managed. See Note 6 for further information.

The amounts recognized in *Other revenue* in the Consolidated Statement of Income related to derivatives not designated in a qualifying hedging relationship are presented below. The table below does not include any offsetting gains (losses) on the economically hedged items:

<i>In millions of dollars</i>	<b>Gains (losses) included in Other revenue</b>		
	<b>Year ended December 31,</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
Interest rate contracts	\$ (91)	\$ (47)	\$ 141
Foreign exchange	(135)	(216)	(56)
<b>Total</b>	<b>\$ (226)</b>	<b>\$ (263)</b>	<b>\$ 85</b>

The following table summarizes the gains (losses) on the Company's fair value hedges:

<i>In millions of dollars</i>	<b>Gains (losses) on fair value hedges<sup>(1)</sup></b>					
	<b>Year ended December 31,</b>					
	<b>2024</b>	<b>2023</b>		<b>2022</b>		
<b>Other revenue</b>	<b>Net interest income</b>	<b>Other revenue</b>	<b>Net interest income</b>	<b>Other revenue</b>	<b>Net interest income</b>	
<b>Gain (loss) on the hedging derivatives included in assessment of the effectiveness of fair value hedges</b>						
Interest rate hedges	\$ — \$ (1,073)	\$ — \$ (804)	\$ — \$ (8,322)			
Foreign exchange hedges	(112)	—	1,433	—	(1,375)	—
Commodity hedges <sup>(2)</sup>	657	—	(46)	—	(1,870)	—
<b>Total gain (loss) on the hedging derivatives included in assessment of the effectiveness of fair value hedges</b>	<b>\$ 545</b>	<b>\$ (1,073)</b>	<b>\$ 1,387</b>	<b>\$ (804)</b>	<b>\$ (3,245)</b>	<b>\$ (8,322)</b>
<b>Gain (loss) on the hedged item in designated and qualifying fair value hedges</b>						
Interest rate hedges	\$ — \$ 1,071	\$ — \$ 795	\$ — \$ 8,087			
Foreign exchange hedges	112	—	(1,433)	—	1,372	—
Commodity hedges <sup>(2)</sup>	(657)	—	46	—	1,870	—
<b>Total gain (loss) on the hedged item in designated and qualifying fair value hedges</b>	<b>\$ (545)</b>	<b>\$ 1,071</b>	<b>\$ (1,387)</b>	<b>\$ 795</b>	<b>\$ 3,242</b>	<b>\$ 8,087</b>
<b>Net gain (loss) on the hedging derivatives excluded from assessment of the effectiveness of fair value hedges</b>						
Interest rate hedges	\$ — \$ —	\$ — \$ —	\$ — \$ —			
Foreign exchange hedges <sup>(3)</sup>	36	—	2	—	171	—
Commodity hedges <sup>(2)(4)</sup>	396	—	312	—	94	—
<b>Total net gain (loss) on the hedging derivatives excluded from assessment of the effectiveness of fair value hedges</b>	<b>\$ 432</b>	<b>\$ —</b>	<b>\$ 314</b>	<b>\$ —</b>	<b>\$ 265</b>	<b>\$ —</b>

(1) Gain (loss) amounts for interest rate risk hedges are included in *Interest income/Interest expense*. The accrued interest income on fair value hedges is recorded in *Net interest income* and is excluded from this table. Amounts included both hedges of AFS securities and long-term debt on a net basis, which largely offset in the current period.

(2) The gain (loss) amounts for commodity hedges are included in *Principal transactions* for periods beginning 2023.

(3) Amounts related to the forward points (i.e., the spot-forward difference) that are excluded from the assessment of hedge effectiveness and are generally reflected directly in earnings under the mark-to-market approach. Amounts related to cross-currency basis, which are recognized in *AOCI*, are not reflected in the table above. The amount of cross-currency basis included in *AOCI* was \$(19) million and \$(70) million for the years ended December 31, 2024 and 2023, respectively.

(4) Amounts related to the forward points (i.e., the spot-forward difference) that are excluded from the assessment of hedge effectiveness and are generally reflected directly in earnings under the mark-to-market approach or recorded in *AOCI* under the amortization approach. The year ended December 31, 2024 includes gain (loss) of approximately \$321 million and \$75 million under the mark-to-market approach and amortization approach, respectively. The year ended December 31, 2023 includes gain (loss) of approximately \$284 million and \$28 million under the mark-to-market approach and amortization approach, respectively.

**Cumulative Basis Adjustment**

The table below presents the carrying amount of Citi's hedged assets and liabilities under qualifying fair value hedges at December 31, 2024 and 2023, along with the cumulative basis adjustments included in the carrying value of those hedged assets and liabilities that would reverse through earnings in future periods.

Balance sheet line item in which hedged item is recorded (in millions of dollars)	Carrying amount of hedged asset/liability <sup>(1)</sup>	Cumulative basis adjustment increasing (decreasing) the carrying amount	
		Active	De-designated
<b>As of December 31, 2024</b>			
Debt securities AFS—specifically hedged <sup>(2)</sup>	\$ 55,786	\$ (348)	\$ (100)
Debt securities AFS—portfolio-layer method <sup>(2)(3)</sup>	28,554	(193)	(67)
Consumer loans—portfolio-layer method <sup>(4)</sup>	53,700	(224)	—
Corporate loans—portfolio-layer method <sup>(5)</sup>	4,269	(72)	(12)
Long-term debt	<b>147,910</b>	<b>(1,051)</b>	<b>(4,499)</b>
<b>As of December 31, 2023</b>			
Debt securities AFS—specifically hedged <sup>(2)</sup>	\$ 83,243	\$ (1,173)	\$ (231)
Debt securities AFS—portfolio-layer method <sup>(2)(3)</sup>	28,643	248	(51)
Corporate loans—portfolio-layer method <sup>(5)</sup>	4,968	93	(3)
Long-term debt	<b>141,449</b>	<b>(908)</b>	<b>(5,160)</b>

(1) Excludes physical commodities inventories with a carrying value of approximately \$11.4 billion and \$8 billion as of December 31, 2024 and 2023, respectively, which includes cumulative basis adjustments of approximately \$0.8 billion and \$1.2 billion, respectively, for active hedges.

(2) Carrying amount represents the amortized cost basis of the hedged securities or portfolio layers.

(3) The Company designated approximately \$12.9 billion and \$14.0 billion as the hedged amount in the portfolio-layer hedging relationship as of December 31, 2024 and 2023, respectively.

(4) The Company designated approximately \$17.0 billion as the hedged amount in the portfolio-layer hedging relationship as of December 31, 2024.

(5) The Company designated approximately \$3.0 billion and \$3.6 billion as the hedged amount in the portfolio-layer hedging relationship as of December 31, 2024 and 2023, respectively.

## Cash Flow Hedges

The pretax change in *AOCI* from cash flow hedges is presented below:

<i>In millions of dollars</i>	2024	2023	2022
<b>Amount of gain (loss) recognized in <i>AOCI</i> on derivatives</b>			
Interest rate contracts	\$ 476	\$ (434)	\$ (3,640)
Foreign exchange contracts	(7)	13	34
<b>Total gain (loss) recognized in <i>AOCI</i></b>	<b>\$ 469</b>	<b>\$ (421)</b>	<b>\$ (3,606)</b>
	<b>Net interest income</b>	<b>Net interest income</b>	<b>Net interest income</b>
	<b>Other revenue</b>	<b>Other revenue</b>	<b>Other revenue</b>
<b>Amount of gain (loss) reclassified from <i>AOCI</i> to earnings<sup>(1)</sup></b>			
Interest rate contracts	\$ —	\$ (1,027)	\$ —
Foreign exchange contracts	(3)	(4)	(4)
<b>Total gain (loss) reclassified from <i>AOCI</i> into earnings</b>	<b>\$ (3)</b>	<b>\$ (1,027)</b>	<b>\$ (4)</b>
<b>Net pretax change in cash flow hedges included within <i>AOCI</i></b>	<b>\$ 1,499</b>	<b>\$ 1,480</b>	<b>\$ (3,477)</b>

- (1) All amounts reclassified into earnings for interest rate contracts are included in *Interest income/Interest expense (Net interest income)*. For all other hedges, the amounts reclassified to earnings are included primarily in *Other revenue* and *Net interest income* in the Consolidated Statement of Income.

The net gain (loss) associated with cash flow hedges expected to be reclassified from *AOCI* within 12 months of December 31, 2024 is approximately \$(0.5) billion. The maximum length of time over which forecasted cash flows are hedged is 14 years.

The after-tax impact of cash flow hedges on *AOCI* is presented in Note 21.

### **Net Investment Hedges**

The pretax gain (loss) recorded in CTA within *AOCI*, related to net investment hedges, was \$2.8 billion, \$(1.4) billion and \$370 million for the years ended December 31, 2024, 2023 and 2022, respectively. The year ended December 31, 2022 includes a \$36 million pretax loss related to net investment hedges, which were reclassified from *AOCI* into earnings (recorded in *Other revenue*).

### **Credit Derivatives**

Citi is a market maker and trades a range of credit derivatives. Through these contracts, Citi either purchases or writes protection on either a single name or a portfolio of reference credits. Citi also uses credit derivatives to help mitigate credit risk in its corporate and consumer loan portfolios and other cash positions and to facilitate client transactions.

Citi manages counterparty credit risk arising from credit derivative contracts primarily through master netting agreements, collateral agreements and daily margin settlement requirements. A majority of Citi's top 15 counterparties (by receivable balance owed to Citi) are central clearing houses, banks, financial institutions or other dealers. Contracts with these counterparties do not include ratings-based termination events. However, counterparty ratings downgrades may have an incremental effect by lowering the threshold at which Citi may call for additional collateral.

The range of credit derivatives entered into includes credit default swaps, total return swaps, credit options and credit-linked notes.

A credit default swap is a contract in which, for a fee, a protection seller agrees to reimburse a protection buyer for any losses that occur due to a predefined credit event on a reference entity. These credit events are defined by the terms of the derivative contract and the reference entity and are generally limited to the market standard of failure to pay on indebtedness and bankruptcy of the reference entity and, in a more limited range of transactions, debt restructuring. Credit derivative transactions that reference emerging market entities also typically include additional credit events to cover the acceleration of indebtedness and the risk of repudiation or a payment moratorium. In certain transactions, protection may be provided on a portfolio of reference entities or asset-backed securities. If there is no credit event, as defined by the specific derivative contract, then the protection seller makes no payments to the protection buyer and receives only the contractually specified fee. However, if a credit event occurs as defined in the specific derivative contract sold, the protection seller will be required to make a payment to the protection buyer. Under certain contracts, the seller of protection may not be required to make a payment until a specified amount of losses has occurred with respect to the portfolio and/or may only be required to pay for losses up to a specified amount.

A total return swap typically transfers the total economic performance of a reference asset, which includes all associated cash flows, as well as capital appreciation or depreciation. The protection buyer receives a floating rate of interest and any depreciation on the reference asset from the protection seller and, in return, the protection seller receives the cash flows associated with the reference asset plus any appreciation. Thus, according to the total return swap agreement, the protection seller will be obligated to make a payment any time the floating interest rate payment plus any depreciation of the reference asset exceeds the cash flows associated with the underlying asset. A total return swap may terminate upon a default of the reference asset or a credit event with respect to the reference entity, subject to the provisions of the related total return swap agreement between the protection seller and the protection buyer.

A credit option is a credit derivative that allows investors to trade or hedge changes in the credit quality of a reference entity. For example, in a credit spread option, the option writer assumes the obligation to purchase or sell credit protection on the reference entity at a specified "strike" spread level. The option purchaser buys the right to sell credit default protection on the reference entity to, or purchase it from, the option writer at the strike spread level. The payments on credit spread options depend either on a particular credit spread or the price of the underlying credit-sensitive asset or other reference entity. The options usually terminate if a credit event occurs with respect to the underlying reference entity.

A credit-linked note is a form of credit derivative structured as a debt security with an embedded credit default swap. The purchaser of the note effectively provides credit protection to the issuer by agreeing to receive a return that could be negatively affected by credit events on the underlying reference entity. If the reference entity defaults, the note may be cash settled or physically settled by delivery of a debt security of the reference entity. Thus, the maximum amount of the note purchaser's exposure is the amount paid for the credit-linked note.

The following tables summarize the key characteristics of Citi's credit derivatives portfolio by reference entity and derivative form:

In millions of dollars at December 31, 2024	Fair values		Notionals	
	Receivable <sup>(1)</sup>	Payable <sup>(2)</sup>	Protection purchased	Protection sold
<b>By instrument</b>				
Credit default swaps and options	\$ 6,765	\$ 6,545	\$ 486,901	\$ 431,005
Total return swaps and other	1,950	708	44,528	8,141
<b>Total by instrument</b>	<b>\$ 8,715</b>	<b>\$ 7,253</b>	<b>\$ 531,429</b>	<b>\$ 439,146</b>
<b>By rating of reference entity</b>				
Investment grade	\$ 4,578	\$ 3,450	\$ 405,271	\$ 350,124
Non-investment grade	4,137	3,803	126,158	89,022
<b>Total by rating of reference entity</b>	<b>\$ 8,715</b>	<b>\$ 7,253</b>	<b>\$ 531,429</b>	<b>\$ 439,146</b>
<b>By maturity</b>				
Within 1 year	\$ 1,606	\$ 1,166	\$ 140,541	\$ 118,885
From 1 to 5 years	5,625	4,906	342,608	295,503
After 5 years	1,484	1,181	48,280	24,758
<b>Total by maturity</b>	<b>\$ 8,715</b>	<b>\$ 7,253</b>	<b>\$ 531,429</b>	<b>\$ 439,146</b>

(1) The fair value amount receivable is composed of \$3,864 million under protection purchased and \$4,851 million under protection sold.

(2) The fair value amount payable is composed of \$5,403 million under protection purchased and \$1,850 million under protection sold.

In millions of dollars at December 31, 2023	Fair values		Notionals	
	Receivable <sup>(1)</sup>	Payable <sup>(2)</sup>	Protection purchased	Protection sold
<b>By instrument</b>				
Credit default swaps and options	\$ 7,686	\$ 7,243	\$ 539,522	\$ 491,514
Total return swaps and other	653	839	28,105	5,185
<b>Total by instrument</b>	<b>\$ 8,339</b>	<b>\$ 8,082</b>	<b>\$ 567,627</b>	<b>\$ 496,699</b>
<b>By rating of reference entity</b>				
Investment grade	\$ 4,282	\$ 4,138	\$ 444,989	\$ 393,115
Non-investment grade	4,057	3,944	122,638	103,584
<b>Total by rating of reference entity</b>	<b>\$ 8,339</b>	<b>\$ 8,082</b>	<b>\$ 567,627</b>	<b>\$ 496,699</b>
<b>By maturity</b>				
Within 1 year	\$ 986	\$ 1,713	\$ 155,910	\$ 128,874
From 1 to 5 years	5,816	4,939	366,156	337,583
After 5 years	1,537	1,430	45,561	30,242
<b>Total by maturity</b>	<b>\$ 8,339</b>	<b>\$ 8,082</b>	<b>\$ 567,627</b>	<b>\$ 496,699</b>

(1) The fair value amount receivable is composed of \$2,770 million under protection purchased and \$5,569 million under protection sold.

(2) The fair value amount payable is composed of \$6,097 million under protection purchased and \$1,985 million under protection sold.

Fair values included in the above tables are prior to application of any netting agreements and cash collateral. For notional amounts, there is generally a difference between the total notional amounts of protection purchased and sold, and Citi may hold the reference assets directly rather than entering into offsetting credit derivative contracts as and when desired. The open risk exposures from credit derivative contracts are largely matched after certain cash positions in reference assets are considered and after notional amounts are adjusted, either to a duration-based equivalent basis or to reflect the level of subordination in tranches structures. The ratings of the credit derivatives portfolio presented in the tables and used to evaluate payment/performance risk are based on the assigned internal or external ratings of the reference asset or entity.

Where external ratings are used, investment-grade ratings are considered to be "Baa/BBB" and above, while anything below is considered non-investment grade. Citi's internal ratings are in line with the related external rating system.

Citigroup evaluates the payment/performance risk of the credit derivatives for which it stands as a protection seller based on the credit rating assigned to the underlying reference credit. Credit derivatives written on an underlying non-investment-grade reference entity represent greater payment risk to the Company. The non-investment-grade category in the table above also includes credit derivatives where the underlying reference entity has been downgraded subsequent to the inception of the derivative.

The maximum potential amount of future payments under credit derivative contracts presented in the table above is based on the notional value of the derivatives. The Company believes that the notional amount for credit protection sold is not representative of the actual loss exposure based on historical experience. This amount has not been reduced by the value of the reference assets and the related cash flows. In accordance with most credit derivative contracts, should a credit event occur, the Company usually is liable for the difference between the protection sold and the value of the reference assets. Furthermore, the notional amount for credit protection sold has not been reduced for any cash collateral paid to a given counterparty, as such payments would be calculated after netting all derivative exposures, including any credit derivatives with that counterparty in accordance with a related master netting agreement. Due to such netting processes, determining the amount of collateral that corresponds to credit derivative exposures alone is not possible. The Company actively monitors open credit-risk exposures and manages this exposure by using a variety of strategies, including purchased credit derivatives, cash collateral or direct holdings of the referenced assets. This risk mitigation activity is not captured in the table above.

#### **Credit Risk-Related Contingent Features in Derivatives**

Certain derivative instruments contain provisions that require the Company to either post additional collateral or immediately settle any outstanding liability balances upon the occurrence of a specified event related to the credit risk of the Company. These events, which are defined by the existing derivative contracts, are primarily downgrades in the credit ratings of the Company and its affiliates.

The fair value (excluding CVA) of all derivative instruments with credit risk-related contingent features that were in a net liability position at December 31, 2024 and 2023 was \$15 billion and \$15 billion, respectively. The Company posted \$13 billion and \$12 billion as collateral for this exposure in the normal course of business as of December 31, 2024 and 2023, respectively.

A downgrade could trigger additional collateral or cash settlement requirements for the Company and certain affiliates. In the event that Citigroup and Citibank were downgraded a single notch by all three major rating agencies as of December 31, 2024, the Company could be required to post an additional \$0.2 billion as either collateral or settlement of the derivative transactions. In addition, the Company could be required to segregate with third-party custodians collateral previously received from existing derivative counterparties in an amount of less than \$1 million upon the single notch downgrade, resulting in aggregate cash obligations and collateral requirements of approximately \$0.2 billion.

#### **Derivatives Accompanied by Financial Asset Transfers**

The Company executes total return swaps that provide it with synthetic exposure to substantially all of the economic return of the securities or other financial assets referenced in the contract. In certain cases, the derivative transaction is accompanied by the Company's transfer of the referenced financial asset to the derivative counterparty, most typically in response to the derivative counterparty's desire to hedge, in whole or in part, its synthetic exposure under the derivative contract by holding the referenced asset in funded form. In certain jurisdictions these transactions qualify as sales, resulting in derecognition of the securities transferred (see Note 1 for further discussion of the related sale conditions for transfers of financial assets). For a significant portion of the transactions, the Company has also executed another total return swap where the Company passes on substantially all of the economic return of the referenced securities to a different third party seeking the exposure. In those cases, the Company is not exposed, on a net basis, to changes in the economic return of the referenced securities.

These transactions generally involve the transfer of the Company's liquid government bonds, convertible bonds or publicly traded corporate equity securities from the trading portfolio and are executed with third-party financial institutions. The accompanying derivatives are typically total return swaps. The derivatives are cash settled and subject to ongoing margin requirements.

When the conditions for sale accounting are met, the Company reports the transfer of the referenced financial asset as a sale and separately reports the accompanying derivative transaction. These transactions generally do not result in a gain or loss on the sale of the security, because the transferred security was held at fair value in the Company's trading portfolio. For transfers of financial assets accounted for as a sale by the Company, and for which the Company has retained substantially all of the economic exposure to the transferred asset through a total return swap executed with the same counterparty in contemplation of the initial sale (and still outstanding), the asset amounts derecognized and the gross cash proceeds received as of the date of derecognition were \$6.2 billion and \$4.3 billion as of December 31, 2024 and 2023, respectively.

At December 31, 2024, the fair value of these previously derecognized assets was \$5.8 billion. The fair value of the total return swaps as of December 31, 2024 was \$179 million recorded as gross derivative assets and \$29 million recorded as gross derivative liabilities. At December 31, 2023, the fair value of these previously derecognized assets was \$4.3 billion, and the fair value of the total return swaps was \$121 million recorded as gross derivative assets and \$29 million recorded as gross derivative liabilities.

The balances for the total return swaps are on a gross basis, before the application of counterparty and cash collateral netting, and are included primarily as equity derivatives in the tabular disclosures in this Note.

## 25. CONCENTRATIONS OF CREDIT RISK

Concentrations of credit risk exist when changes in economic, industry or geographic factors similarly affect groups of counterparties whose aggregate credit exposure is material in relation to Citigroup's total credit exposure. Although Citigroup's portfolio of financial instruments is broadly diversified along industry, product and geographic lines, material transactions are completed with other financial institutions, particularly in the securities trading, derivatives and foreign exchange businesses.

In connection with the Company's efforts to maintain a diversified portfolio, the Company limits its exposure to any one geographic region, country or individual creditor and monitors this exposure on a continuous basis. At December 31, 2024, Citigroup's most significant concentration of credit risk was in AFS and HTM securities and *Trading-related assets* (trading securities) (collectively referred to below as "securities exposure") with the U.S. government and its agencies, foreign governments, and states and municipalities.

At December 31, 2024 and 2023, the Company's securities exposure to the U.S. government and its agencies was \$493 billion and \$517 billion; to foreign governments was \$209 billion and \$206 billion; and to states and municipalities was \$11 billion and \$12 billion, respectively.

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## 26. FAIR VALUE MEASUREMENT

ASC 820-10, *Fair Value Measurement*, defines fair value, establishes a consistent framework for measuring fair value and requires disclosures about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, and therefore represents an exit price. Among other things, the standard requires the Company to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Under ASC 820-10, the probability of counterparty default is factored into the valuation of derivatives and other positions, and the impact of Citigroup's own credit risk is factored into the valuation of derivatives and other liabilities that are measured at fair value.

### Fair Value Hierarchy Principles

ASC 820-10 specifies a hierarchy of inputs based on whether the inputs are observable or unobservable. Observable inputs are developed using market data and reflect market participant assumptions, while unobservable inputs reflect the Company's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1: Quoted prices for *identical* instruments in active markets.
- Level 2: Quoted prices for *similar* instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations in which all significant inputs and value drivers are *observable* in the market.
- Level 3: Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are *unobservable*.

As required under the fair value hierarchy, the Company considers relevant and observable market inputs in its valuations where possible.

The fair value hierarchy classification approach typically utilizes rules-based and data-driven criteria to determine whether an instrument is classified as Level 1, Level 2 or Level 3:

- The determination of whether an instrument is quoted in an active market and therefore considered a Level 1 instrument is based on the frequency of observed transactions and the quality of independent market data available on the measurement date.
- A Level 2 classification is assigned where there is observability of prices/market inputs to models, or where any unobservable inputs are not significant to the valuation. The determination of whether an input is considered observable is based on the availability of independent market data and its corroboration, for example through observed transactions in the market.
- Otherwise, an instrument is classified as Level 3.

### Determination of Fair Value and Hierarchy Levels

For assets and liabilities carried at fair value, the Company measures fair value using the procedures set out below, irrespective of whether the assets and liabilities are measured at fair value as a result of an election, a non-recurring lower-of-cost-or-market (LOCOM) adjustment, or because they are required to be measured at fair value.

When available, the Company uses quoted market prices from active markets to determine fair value and classifies such items as Level 1. In some specific cases where a market price is available, the Company will apply practical expedients (such as matrix pricing) to calculate fair value, in which case the items may be classified as Level 2.

The Company may also apply a price-based methodology that utilizes, where available, quoted prices or other market information obtained from recent trading activity in positions with the same or similar characteristics to the position being valued. If relevant and observable prices are available, those valuations may be classified as Level 2. However, when there are one or more significant unobservable "price" inputs, those valuations will be classified as Level 3. Furthermore, when a quoted price is considered stale, a significant adjustment to the price of a similar security is necessary to reflect differences in the terms of the actual security being valued, or alternatively, when prices from independent sources are insufficient to corroborate a valuation, the "price" inputs are considered unobservable and the fair value measurements are classified as Level 3.

If quoted market prices are not available, fair value is based upon internally developed valuation techniques that use, where possible, current market-based parameters, such as interest rates, currency rates and option volatilities. Items valued using such internally generated valuation techniques are classified according to the lowest level input or value driver that is significant to the valuation. Thus, an item may be classified as Level 3 even though there may be some significant inputs that are readily observable.

Where internal valuation techniques are used to determine fair value estimates, independent vendor or broker data is utilized when possible. Vendor and broker valuations may be based on a variety of inputs ranging from observed prices to proprietary valuation models, and the Company assesses the quality and relevance of this information in determining the estimate of fair value. The following section describes the valuation methodologies used by the Company to measure various financial instruments at fair value. Where appropriate, the description includes details of the valuation models, the key inputs to those models and any significant assumptions.

### Market Valuation Adjustments

Generally, the unit of account for a financial instrument is the individual financial instrument. The Company applies market valuation adjustments that are consistent with the unit of account, which do not include adjustments due to the size of the Company's position, except as follows. ASC 820-10 permits an exception, through an accounting policy election, to measure the fair value of a portfolio of financial assets and financial liabilities on the basis of the net open risk position when certain criteria are met. Citi has elected to measure certain portfolios of financial instruments that meet those



criteria, such as derivatives, on the basis of the net open risk position.

Valuation adjustments are applied to items classified as Level 2 or Level 3 in the fair value hierarchy to ensure that the fair value reflects the price at which the net open risk position could be exited. These valuation adjustments are based on the bid/offer spread for an instrument in the market. When Citi has elected to measure certain portfolios of financial investments, such as derivatives, on the basis of the net open risk position, the valuation adjustment may take into account the size of the position.

Credit valuation adjustments (CVA) and funding valuation adjustments (FVA) are applied to certain over-the-counter (OTC) derivative instruments where adjustments to reflect counterparty credit risk, own credit risk and term funding risk are required to estimate fair value. This principally includes derivatives with a base valuation (e.g., discounted using overnight indexed swap (OIS)) requiring adjustment for these effects, such as uncollateralized interest rate swaps. The CVA represents a portfolio-level adjustment to reflect the risk premium associated with the counterparty's (assets) or Citi's (liabilities) non-performance risk.

The FVA represents a market funding risk premium inherent in the uncollateralized portion of a derivative portfolio and in certain collateralized derivative portfolios that do not include standard credit support annexes (CSAs), such as where the CSA does not permit the reuse of collateral received. Citi's FVA methodology leverages the existing CVA methodology to estimate a funding exposure profile. The calculation of this exposure profile considers collateral agreements in which the terms do not permit the Company to reuse the collateral received, including where counterparties post collateral to third-party custodians. Citi's CVA and FVA methodologies consist of two steps:

- First, the exposure profile for each counterparty is determined using the terms of all individual derivative positions, and a Monte Carlo simulation or other quantitative analysis is used to generate a series of expected cash flows at future points in time. The calculation of this exposure profile considers the effect of credit risk mitigants and sources of funding, including pledged cash or other collateral and any legal right of offset that exists with a counterparty through arrangements such as netting agreements. Individual derivative contracts that are subject to an enforceable master netting agreement with a counterparty are aggregated as a netting set for this purpose, since it is those net cash flows that are subject to nonperformance risk. This process identifies specific, point-in-time future cash flows that are subject to nonperformance and term funding risk, rather than using the current recognized net asset or liability as a basis to measure the CVA and FVA.
- Second, for CVA, market-based views of default probabilities derived from observed credit spreads in the credit default swap (CDS) market are applied to the expected future cash flows determined in step one. Citi's own credit CVA is determined using Citi-specific CDS spreads for the relevant tenor. Generally, counterparty CVA is determined using CDS spread indices for each

credit rating and tenor. For certain identified netting sets where individual analysis is practicable (e.g., exposures to counterparties with liquid CDSs), counterparty-specific CDS spreads are used. For FVA, a term structure of spreads is applied to the expected funding exposures (e.g., the market liquidity spread used to represent the term funding premium associated with certain OTC derivatives).

The CVA and FVA are designed to incorporate a market view of the credit and funding risk, respectively, inherent in the derivative portfolio. However, most unsecured derivative instruments are negotiated bilateral contracts and are not commonly transferred to third parties. Derivative instruments are normally settled contractually or, if terminated early, are terminated at a value negotiated bilaterally between the parties. Thus, the CVA and FVA may not be realized upon a settlement or termination in the normal course of business. In addition, all or a portion of these adjustments may be reversed or otherwise adjusted in future periods in the event of changes in the credit or funding risk associated with the derivative instruments.

The table below summarizes the CVA and FVA applied to the fair value of derivative instruments (recorded in *Trading account assets* and *Trading account liabilities* on the Consolidated Balance Sheet) at December 31, 2024 and 2023:

<i>In millions of dollars</i>	<b>Credit and funding valuation adjustments contra-liability (contra-asset)</b>	
	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Counterparty CVA	\$ (561)	\$ (580)
Asset FVA	(539)	(562)
Citigroup (own credit) CVA	346	381
Liability FVA	209	255
<b>Total CVA and FVA—derivative instruments</b>	<b>\$ (545)</b>	<b>\$ (506)</b>

The table below summarizes pretax gains (losses) related to changes in CVA and FVA on derivative instruments, net of hedges (recorded in *Principal transactions revenue* in the Consolidated Statement of Income), and changes in debt valuation adjustments (DVA) on Citi's own fair value option (FVO) liabilities (recorded in *Other comprehensive income* in the Consolidated Statement of Comprehensive Income) for the years indicated:

<i>In millions of dollars</i>	<b>Credit/funding/debt valuation adjustments gain (loss)</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
Counterparty CVA	\$ (63)	\$ (31)	\$ (227)
Asset FVA	68	64	(102)
Own credit CVA	(56)	(212)	157
Liability FVA	(46)	(23)	155
<b>Total CVA and FVA— derivative instruments</b>	<b>\$ (97)</b>	<b>\$ (202)</b>	<b>\$ (17)</b>
DVA related to own FVO liabilities <sup>(1)</sup>	\$ (573)	\$ (2,078)	2,685
<b>Total CVA, DVA and FVA</b>	<b>\$ (670)</b>	<b>\$ (2,280)</b>	<b>\$ 2,668</b>

(1) See Note 21.

### **Securities Purchased Under Agreements to Resell and Securities Sold Under Agreements to Repurchase**

As no quoted prices exist for these instruments, fair value is determined using a discounted cash flow technique. Cash flows are estimated based on the terms of the contract, taking into account any embedded derivatives or other features. These cash flows are discounted using interest rates appropriate to the maturity of the instrument as well as the nature of the underlying collateral. Generally, when such instruments are recorded at fair value, they are classified within Level 2 of the fair value hierarchy, as the inputs used in the valuation are readily observable. However, certain long-dated positions are classified within Level 3 of the fair value hierarchy.

### **Trading Account Assets and Liabilities—Trading Securities and Trading Loans**

When available, the Company uses quoted market prices in active markets to determine the fair value of trading securities; such items are classified within Level 1 of the fair value hierarchy. Examples include government securities and exchange-traded equity securities.

For bonds and secondary market loans traded over the counter, the Company generally determines fair value utilizing various valuation techniques, including discounted cash flows, price-based and internal models. Where internal valuation techniques are used to determine fair value estimates, prices from independent sources, including third-party vendors, are utilized when possible. A price-based methodology utilizes, where available, quoted prices or other market information obtained from recent trading activity of instruments with similar characteristics to the bond or loan being valued. The yields used in discounted cash flow models are derived from the same price information. Trading securities and loans priced using such methods are generally classified as Level 2.

However, when the significant inputs to the valuation are unobservable, or prices from independent sources are insufficient to corroborate valuation, a loan or security is generally classified as Level 3. Where internal valuation techniques are used to determine fair value estimates, prices from independent sources, including third-party vendors, are utilized when possible.

When the Company's principal exit market for a portfolio of loans is through securitization, the Company uses the securitization price as a key input into the fair value of the loan portfolio. The securitization price is determined from the assumed proceeds of a hypothetical securitization within the current market environment. Where such a valuation approach is possible, loan portfolios are typically classified within Level 2 of the fair value hierarchy.

For most of the subprime mortgage-backed security (MBS) exposures, fair value is determined utilizing observable transactions where available, or other valuation techniques such as discounted cash flow analysis utilizing valuation assumptions derived from similar, more observable securities as market proxies. The valuation of certain asset-backed security (ABS) collateralized debt obligation (CDO) positions is inferred through the net asset value of the underlying assets of the ABS CDO.

### **Trading Account Assets and Liabilities—Derivatives**

Exchange-traded derivatives, measured at fair value using quoted (i.e., exchange) prices in active markets, where available, are classified as Level 1 within the fair value hierarchy.

Derivatives without a quoted price in an active market and derivatives executed over the counter are valued using internal valuation techniques. These derivative instruments are classified as either Level 2 or Level 3 depending on the observability of the significant inputs to the valuation.

The valuation techniques depend on the type of derivative and the nature of the underlying instrument. The principal techniques used to value these instruments are discounted cash flows and internal models, such as derivative pricing models (e.g., Black-Scholes and Monte Carlo simulations).

The key inputs depend upon the type of derivative and the nature of the underlying instrument and include interest rate yield curves, foreign exchange rates, volatilities and correlation.

### **Investments**

The investments category includes available-for-sale debt and marketable equity securities whose fair values are generally determined by utilizing similar procedures described for trading securities above or, in some cases, using vendor pricing as the primary source.

Also included in investments are nonpublic investments in private equity and real estate entities. Determining the fair value of nonpublic securities involves a significant degree of management judgment, as no quoted prices exist and such securities are not generally traded. In addition, there may be transfer restrictions on private equity securities. The Company's process for determining the fair value of such securities utilizes commonly accepted valuation techniques, including guideline public company analysis and comparable

transactions. In determining the fair value of nonpublic securities, the Company also considers events such as a proposed sale of the investee company, initial public offerings, equity issuances or other observable transactions. Private equity securities are generally classified within Level 3 of the fair value hierarchy.

#### **Mortgage Servicing Rights**

The fair value of the mortgage servicing rights (MSRs), included in *Intangible assets*, is primarily affected by changes in prepayments of mortgages that result from shifts in mortgage interest rates. Specifically, higher interest rates tend to lead to declining prepayments, which causes the fair value of the MSRs to increase. In managing this risk, Citigroup economically hedges a significant portion of the value of its MSRs through the use of interest rate derivative contracts, forward purchase and sale commitments of mortgage-backed securities and purchased securities, all classified as *Trading account assets*.

See Note 23 for additional information on Citi's MSRs.

#### ***Short-Term Borrowings and Long-Term Debt***

Where fair value accounting has been elected, the fair value of non-structured liabilities is determined by utilizing internal models using the appropriate discount rate for the applicable maturity. Such instruments are classified within Level 2 of the fair value hierarchy when all significant inputs are readily observable.

The Company determines the fair value of hybrid financial instruments, including structured liabilities, using the appropriate derivative valuation methodology (described above in "Trading Account Assets and Liabilities—Derivatives") given the nature of the embedded risk profile. Such instruments are classified within Level 2 or Level 3 depending on the observability of significant inputs to the valuation.

**Items Measured at Fair Value on a Recurring Basis**

The following tables present for each of the fair value hierarchy levels the Company's assets and liabilities that are measured at fair value on a recurring basis at December 31, 2024 and 2023. The Company may hedge positions that have

been classified in the Level 3 category with other financial instruments (hedging instruments) that may be classified as Level 3, but also with financial instruments classified as Level 1 or Level 2. The effects of these hedges are presented gross in the following tables:

**Fair Value Levels**

<i>In millions of dollars at December 31, 2024</i>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Gross inventory</b>	<b>Netting<sup>(1)</sup></b>	<b>Net balance</b>
<b>Assets</b>						
<b>Securities borrowed and purchased under agreements to resell</b>	\$ —	\$ 462,542	\$ 128	\$ 462,670	\$ (321,815)	\$ 140,855
<b>Trading non-derivative assets</b>						
<b>Trading mortgage-backed securities</b>						
U.S. government-sponsored agency guaranteed	—	63,365	301	63,666	—	63,666
Residential	—	528	67	595	—	595
Commercial	—	631	36	667	—	667
<b>Total trading mortgage-backed securities</b>	\$ —	\$ 64,524	\$ 404	\$ 64,928	\$ —	\$ 64,928
U.S. Treasury and federal agency securities	\$ 142,837	\$ 6,517	\$ 1	\$ 149,355	\$ —	\$ 149,355
State and municipal	—	168	11	179	—	179
Foreign government	35,805	39,035	15	74,855	—	74,855
Corporate	1,197	13,474	269	14,940	—	14,940
Equity securities	41,163	7,479	166	48,808	—	48,808
Asset-backed securities	—	2,131	178	2,309	—	2,309
Other trading assets	—	26,441	333	26,774	—	26,774
<b>Total trading non-derivative assets</b>	\$ 221,002	\$ 159,769	\$ 1,377	\$ 382,148	\$ —	\$ 382,148
<b>Trading derivatives</b>						
Interest rate contracts	\$ 17	\$ 128,562	\$ 1,699	\$ 130,278	—	
Foreign exchange contracts	—	215,330	715	216,045	—	
Equity contracts	44	53,734	1,366	55,144	—	
Commodity contracts	—	11,546	1,074	12,620	—	
Credit derivatives	—	7,993	722	8,715	—	
<b>Total trading derivatives—before netting and collateral</b>	\$ 61	\$ 417,165	\$ 5,576	\$ 422,802	\$ (334,900)	
<b>Netting agreements</b>						
<b>Netting of cash collateral received</b>					\$ (27,303)	
<b>Total trading derivatives—after netting and collateral</b>	\$ 61	\$ 417,165	\$ 5,576	\$ 422,802	\$ (362,203)	\$ 60,599
<b>Investments</b>						
<b>Mortgage-backed securities</b>						
U.S. government-sponsored agency guaranteed	\$ —	\$ 29,270	\$ 36	\$ 29,306	—	\$ 29,306
Residential	—	596	28	624	—	624
Commercial	—	1	—	1	—	1
<b>Total investment mortgage-backed securities</b>	\$ —	\$ 29,867	\$ 64	\$ 29,931	\$ —	\$ 29,931
U.S. Treasury and federal agency securities	\$ 51,501	\$ 878	\$ —	\$ 52,379	\$ —	\$ 52,379
State and municipal	—	1,230	428	1,658	—	1,658
Foreign government	62,106	71,241	12	133,359	—	133,359
Corporate	3,163	1,505	146	4,814	—	4,814
Marketable equity securities	130	7	14	151	—	151
Asset-backed securities	—	846	2	848	—	848
Other debt securities	—	3,881	6	3,887	—	3,887
Non-marketable equity securities <sup>(2)</sup>	—	—	404	404	—	404
<b>Total investments</b>	\$ 116,900	\$ 109,455	\$ 1,076	\$ 227,431	\$ —	\$ 227,431

Table continues on the next page.

<i>In millions of dollars at December 31, 2024</i>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Gross inventory</b>	<b>Netting<sup>(1)</sup></b>	<b>Net balance</b>
<b>Loans</b>	\$ —	\$ 7,778	\$ 262	\$ 8,040	\$ —	\$ 8,040
<b>Mortgage servicing rights</b>	—	—	760	760	—	760
<b>Other financial assets</b>	\$ 5,373	\$ 9,424	\$ 15	\$ 14,812	\$ —	\$ 14,812
<b>Total assets</b>	\$ 343,336	\$ 1,166,133	\$ 9,194	\$ 1,518,663	\$ (684,018)	\$ 834,645
<b>Total as a percentage of gross assets<sup>(3)</sup></b>	22.6 %	76.8 %	0.6 %			
<b>Liabilities</b>						
<b>Deposits</b>	\$ —	\$ 3,569	\$ 39	\$ 3,608	\$ —	\$ 3,608
<b>Securities loaned and sold under agreements to repurchase</b>	—	260,286	390	260,676	(211,522)	49,154
<b>Trading account liabilities</b>						
<b>Securities sold, not yet purchased</b>	72,324	13,184	28	85,536	—	85,536
<b>Other trading liabilities</b>	—	12	—	12	—	12
<b>Total trading account liabilities</b>	\$ 72,324	\$ 13,196	\$ 28	\$ 85,548	\$ —	\$ 85,548
<b>Trading derivatives</b>						
Interest rate contracts	\$ 6	\$ 120,097	\$ 2,029	\$ 122,132		
Foreign exchange contracts	—	205,487	530	206,017		
Equity contracts	40	58,642	3,054	61,736		
Commodity contracts	—	13,960	670	14,630		
Credit derivatives	—	6,635	618	7,253		
<b>Total trading derivatives—before netting and collateral</b>	\$ 46	\$ 404,821	\$ 6,901	\$ 411,768		
<b>Netting agreements</b>					\$ (334,900)	
<b>Netting of cash collateral paid</b>					(28,570)	
<b>Total trading derivatives—after netting and collateral</b>	\$ 46	\$ 404,821	\$ 6,901	\$ 411,768	\$ (363,470)	\$ 48,298
<b>Short-term borrowings</b>	\$ —	\$ 12,187	\$ 297	\$ 12,484	\$ —	\$ 12,484
<b>Long-term debt</b>	—	91,619	21,100	112,719	—	112,719
<b>Other financial liabilities</b>	\$ 4,478	\$ 744	\$ —	\$ 5,222	\$ —	\$ 5,222
<b>Total liabilities</b>	\$ 76,848	\$ 786,422	\$ 28,755	\$ 892,025	\$ (574,992)	\$ 317,033
<b>Total as a percentage of gross liabilities<sup>(3)</sup></b>	8.6 %	88.2 %	3.2 %			

(1) Represents netting of (i) the amounts due under securities purchased under agreements to resell and the amounts owed under securities sold under agreements to repurchase and (ii) derivative exposures covered by a qualifying master netting agreement and cash collateral offsetting.

(2) Amounts exclude \$23 million of investments measured at net asset value (NAV) in accordance with ASU 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*.

(3) Because the amount of the cash collateral paid/received has not been allocated to the Level 1, 2 and 3 subtotals, these percentages are calculated based on total assets and liabilities measured at fair value on a recurring basis, excluding the cash collateral paid/received on derivatives.

**Fair Value Levels**

<i>In millions of dollars at December 31, 2023</i>	Level 1	Level 2	Level 3	Gross inventory	Netting <sup>(1)</sup>	Net balance
Assets						
Securities borrowed and purchased under agreements to resell	\$ —	\$ 453,715	\$ 139	\$ 453,854	\$ (247,795)	\$ 206,059
Trading non-derivative assets						
Trading mortgage-backed securities						
U.S. government-sponsored agency guaranteed	—	79,795	581	80,376	—	80,376
Residential	1	597	116	714	—	714
Commercial	—	464	202	666	—	666
Total trading mortgage-backed securities	\$ 1	\$ 80,856	\$ 899	\$ 81,756	\$ —	\$ 81,756
U.S. Treasury and federal agency securities	\$ 112,851	\$ 2,398	\$ 7	\$ 115,256	\$ —	\$ 115,256
State and municipal	—	594	3	597	—	597
Foreign government	44,203	28,238	54	72,495	—	72,495
Corporate	1,858	16,716	500	19,074	—	19,074
Equity securities	32,966	12,135	292	45,393	—	45,393
Asset-backed securities	—	1,223	531	1,754	—	1,754
Other trading assets	97	16,784	833	17,714	—	17,714
Total trading non-derivative assets	\$ 191,976	\$ 158,944	\$ 3,119	\$ 354,039	\$ —	\$ 354,039
Trading derivatives						
Interest rate contracts	\$ 49	\$ 156,307	\$ 2,138	\$ 158,494		
Foreign exchange contracts	—	158,672	1,022	159,694		
Equity contracts	8	41,870	1,400	43,278		
Commodity contracts	2	16,456	1,111	17,569		
Credit derivatives	—	7,564	775	8,339		
Total trading derivatives—before netting and collateral	\$ 59	\$ 380,869	\$ 6,446	\$ 387,374		
Netting agreements					\$ (308,431)	
Netting of cash collateral received					(21,226)	
Total trading derivatives—after netting and collateral	\$ 59	\$ 380,869	\$ 6,446	\$ 387,374	\$ (329,657)	\$ 57,717
Investments						
Mortgage-backed securities						
U.S. government-sponsored agency guaranteed	\$ —	\$ 29,640	\$ 75	\$ 29,715	\$ —	\$ 29,715
Residential	—	307	116	423	—	423
Commercial	—	1	—	1	—	1
Total investment mortgage-backed securities	\$ —	\$ 29,948	\$ 191	\$ 30,139	\$ —	\$ 30,139
U.S. Treasury and federal agency securities	\$ 80,062	\$ 299	\$ —	\$ 80,361	\$ —	\$ 80,361
State and municipal	—	1,589	542	2,131	—	2,131
Foreign government	60,133	70,871	194	131,198	—	131,198
Corporate	2,680	2,370	362	5,412	—	5,412
Marketable equity securities	159	72	27	258	—	258
Asset-backed securities	—	938	—	938	—	938
Other debt securities	—	6,757	—	6,757	—	6,757
Non-marketable equity securities <sup>(2)</sup>	—	—	483	483	—	483
Total investments	\$ 143,034	\$ 112,844	\$ 1,799	\$ 257,677	\$ —	\$ 257,677

Table continues on the next page.

<i>In millions of dollars at December 31, 2023</i>	Level 1	Level 2	Level 3	Gross inventory	Netting <sup>(1)</sup>	Net balance
Loans	\$ —	\$ 7,167	\$ 427	\$ 7,594	\$ —	\$ 7,594
Mortgage servicing rights	—	—	691	691	—	691
Other financial assets	\$ 4,677	\$ 8,321	\$ 30	\$ 13,028	\$ —	\$ 13,028
Total assets	\$ 339,746	\$ 1,121,860	\$ 12,651	\$ 1,474,257	\$ (577,452)	\$ 896,805
Total as a percentage of gross assets <sup>(3)</sup>	23.0 %	76.1 %	0.9 %			
Liabilities						
Deposits	\$ —	\$ 2,411	\$ 29	\$ 2,440	\$ —	\$ 2,440
Securities loaned and sold under agreements to repurchase	—	228,048	390	228,438	(165,953)	62,485
Trading account liabilities						
Securities sold, not yet purchased	91,163	13,460	35	104,658	—	104,658
Other trading liabilities	—	8	—	8	—	8
Total trading account liabilities	\$ 91,163	\$ 13,468	\$ 35	\$ 104,666	\$ —	\$ 104,666
Trading derivatives						
Interest rate contracts	\$ 49	\$ 149,914	\$ 3,223	\$ 153,186		
Foreign exchange contracts	—	156,474	727	157,201		
Equity contracts	18	44,894	3,034	47,946		
Commodity contracts	—	17,964	832	18,796		
Credit derivatives	—	7,234	848	8,082		
Total trading derivatives—before netting and collateral	\$ 67	\$ 376,480	\$ 8,664	\$ 385,211		
Netting agreements				\$ (308,431)		
Netting of cash collateral paid				(26,101)		
Total trading derivatives—after netting and collateral	\$ 67	\$ 376,480	\$ 8,664	\$ 385,211	\$ (334,532)	\$ 50,679
Short-term borrowings	\$ —	\$ 6,064	\$ 481	\$ 6,545	\$ —	\$ 6,545
Long-term debt	—	77,958	38,380	116,338	—	116,338
Other financial liabilities	\$ 4,298	\$ 130	\$ 6	\$ 4,434	\$ —	\$ 4,434
Total liabilities	\$ 95,528	\$ 704,559	\$ 47,985	\$ 848,072	\$ (500,485)	\$ 347,587
Total as a percentage of gross liabilities <sup>(3)</sup>	11.3 %	83.0 %	5.7 %			

(1) Represents netting of (i) the amounts due under securities purchased under agreements to resell and the amounts owed under securities sold under agreements to repurchase and (ii) derivative exposures covered by a qualifying master netting agreement and cash collateral offsetting.

(2) Amounts exclude \$25 million of investments measured at NAV in accordance with ASU 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*.

(3) Because the amount of the cash collateral paid/received has not been allocated to the Level 1, 2 and 3 subtotals, these percentages are calculated based on total assets and liabilities measured at fair value on a recurring basis, excluding the cash collateral paid/received on derivatives.

### Changes in Level 3 Fair Value Category

The following tables present the changes in the Level 3 fair value category for the years ended December 31, 2024 and 2023. The gains and losses presented below include changes in the fair value related to both observable and unobservable inputs.

The Company often hedges positions with offsetting positions that are classified in a different level. For example,

### Level 3 Fair Value Rollforward

In millions of dollars	Dec. 31, 2023	Net realized/unrealized gains (losses) included in <sup>(1)</sup>		Transfers		Purchases	Issuances	Sales	Settlements	Dec. 31, 2024	Unrealized gains (losses) still held <sup>(3)</sup>
		Principal transactions	Other <sup>(1)(2)</sup>	into Level 3	out of Level 3						
<b>Assets</b>											
Securities borrowed and purchased under agreements to resell	\$ 139	\$ (4)	\$ —	\$ —	\$ —	\$ 111	\$ —	\$ —	\$ (118)	\$ 128	\$ (4)
Trading non-derivative assets											
<b>Trading mortgage-backed securities</b>											
U.S. government-sponsored agency guaranteed	581	(50)	—	456	(856)	667	—	(497)	—	301	(18)
Residential	116	(8)	—	84	(79)	159	—	(205)	—	67	(1)
Commercial	202	17	—	56	(189)	162	—	(212)	—	36	(4)
<b>Total trading mortgage-backed securities</b>	<b>\$ 899</b>	<b>\$ (41)</b>	<b>\$ —</b>	<b>\$ 596</b>	<b>\$ (1,124)</b>	<b>\$ 988</b>	<b>\$ —</b>	<b>\$ (914)</b>	<b>\$ —</b>	<b>\$ 404</b>	<b>\$ (23)</b>
<b>U.S. Treasury and federal agency securities</b>	<b>\$ 7</b>	<b>\$ 4</b>	<b>\$ —</b>	<b>\$ 1</b>	<b>\$ (1)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ (10)</b>	<b>\$ 1</b>	<b>\$ —</b>
<b>State and municipal</b>	<b>3</b>	<b>2</b>	<b>—</b>	<b>20</b>	<b>(10)</b>	<b>—</b>	<b>—</b>	<b>(4)</b>	<b>—</b>	<b>11</b>	<b>1</b>
<b>Foreign government</b>	<b>54</b>	<b>(9)</b>	<b>—</b>	<b>21</b>	<b>(49)</b>	<b>192</b>	<b>—</b>	<b>(194)</b>	<b>—</b>	<b>15</b>	<b>—</b>
<b>Corporate</b>	<b>500</b>	<b>155</b>	<b>—</b>	<b>188</b>	<b>(484)</b>	<b>587</b>	<b>—</b>	<b>(669)</b>	<b>(8)</b>	<b>269</b>	<b>97</b>
<b>Marketable equity securities</b>	<b>292</b>	<b>5</b>	<b>—</b>	<b>239</b>	<b>(75)</b>	<b>169</b>	<b>—</b>	<b>(464)</b>	<b>—</b>	<b>166</b>	<b>(8)</b>
<b>Asset-backed securities</b>	<b>531</b>	<b>(53)</b>	<b>—</b>	<b>54</b>	<b>(210)</b>	<b>273</b>	<b>—</b>	<b>(417)</b>	<b>—</b>	<b>178</b>	<b>(21)</b>
<b>Other trading assets</b>	<b>833</b>	<b>174</b>	<b>—</b>	<b>200</b>	<b>(440)</b>	<b>377</b>	<b>34</b>	<b>(829)</b>	<b>(16)</b>	<b>333</b>	<b>42</b>
<b>Total trading non-derivative assets</b>	<b>\$ 3,119</b>	<b>\$ 237</b>	<b>\$ —</b>	<b>\$ 1,319</b>	<b>\$ (2,393)</b>	<b>\$ 2,586</b>	<b>\$ 34</b>	<b>\$ (3,491)</b>	<b>\$ (34)</b>	<b>\$ 1,377</b>	<b>\$ 88</b>
<b>Trading derivatives, net<sup>(4)</sup></b>											
Interest rate contracts	\$ (1,085)	\$ (875)	\$ —	\$ 275	\$ 462	\$ 94	\$ 19	\$ (35)	\$ 815	\$ (330)	\$ (381)
Foreign exchange contracts	295	600	—	100	(485)	13	—	(197)	(141)	185	(474)
Equity contracts	(1,634)	68	—	(135)	1,022	(954)	—	(77)	22	(1,688)	(459)
Commodity contracts	279	460	—	46	(210)	(104)	—	(66)	(1)	404	512
Credit derivatives	(73)	155	—	(20)	29	(4)	—	—	17	104	81
<b>Total trading derivatives, net<sup>(4)</sup></b>	<b>\$ (2,218)</b>	<b>\$ 408</b>	<b>\$ —</b>	<b>\$ 266</b>	<b>\$ 818</b>	<b>\$ (955)</b>	<b>\$ 19</b>	<b>\$ (375)</b>	<b>\$ 712</b>	<b>\$ (1,325)</b>	<b>\$ (721)</b>

Table continues on the next page.

the gains and losses for assets and liabilities in the Level 3 category presented in the tables below do not reflect the effect of offsetting losses and gains on hedging instruments that may be classified in the Level 1 and Level 2 categories. In addition, the Company hedges items classified in the Level 3 category with instruments also classified in Level 3 of the fair value hierarchy. The hedged items and related hedges are presented gross in the following tables:

In millions of dollars	Dec. 31, 2023	Net realized/unrealized gains (losses) included in <sup>(1)</sup>		Transfers				Dec. 31, 2024	Unrealized gains (losses) still held <sup>(3)</sup>		
		Principal transactions	Other <sup>(1)(2)</sup>	into Level 3	out of Level 3	Purchases	Issuances	Sales	Settlements		
<b>Investments</b>											
<b>Mortgage-backed securities</b>											
U.S. government-sponsored agency guaranteed	\$ 75	\$ —	\$ 4	\$ 3	\$ —	\$ 7	\$ —	\$ (53)	\$ —	\$ 36	\$ 5
Residential	116	—	(3)	5	(90)	—	—	—	—	28	(3)
Commercial	—	—	—	—	—	—	—	—	—	—	—
<b>Total investment mortgage-backed securities</b>	\$ 191	\$ —	\$ 1	\$ 8	\$ (90)	\$ 7	\$ —	\$ (53)	\$ —	\$ 64	\$ 2
<b>U.S. Treasury and federal agency securities</b>	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
State and municipal	542	—	(31)	—	(8)	14	—	(89)	—	428	(14)
Foreign government	194	—	(16)	8	(174)	36	—	(36)	—	12	(3)
Corporate	362	—	(24)	78	(348)	183	—	(105)	—	146	(7)
Marketable equity securities	27	—	(13)	—	—	—	—	—	—	14	—
Asset-backed securities	—	—	—	2	—	3	—	(3)	—	2	—
Other debt securities	—	—	—	—	—	6	—	—	—	6	—
Non-marketable equity securities	483	—	(3)	—	—	187	—	(263)	—	404	(7)
<b>Total investments</b>	\$ 1,799	\$ —	\$ (86)	\$ 96	\$ (620)	\$ 436	\$ —	\$ (549)	\$ —	\$ 1,076	\$ (29)
<b>Loans</b>	\$ 427	\$ —	\$ (85)	\$ 664	\$ (896)	\$ —	\$ 250	\$ —	\$ (98)	\$ 262	\$ (6)
<b>Mortgage servicing rights</b>	691	—	37	—	—	—	104	—	(72)	760	44
<b>Other financial assets</b>	30	—	(1)	—	—	5	51	(5)	(65)	15	(1)
<b>Liabilities</b>											
<b>Deposits</b>	\$ 29	\$ 1	\$ 4	\$ 51	\$ (40)	\$ —	\$ 39	\$ —	\$ (35)	\$ 39	\$ 1
Securities loaned and sold under agreements to repurchase	390	5	—	—	—	976	—	—	(971)	390	5
<b>Trading account liabilities</b>											
Securities sold, not yet purchased	35	(14)	—	35	(30)	116	—	—	(142)	28	5
Other trading liabilities	—	—	—	—	—	—	—	—	—	—	—
<b>Short-term borrowings</b>	481	(94)	—	88	(560)	1	479	—	(286)	297	(37)
<b>Long-term debt</b>	38,380	1,757	—	4,626	(22,923)	—	5,995	—	(3,221)	21,100	1,731
<b>Other financial liabilities measured on a recurring basis</b>	6	—	—	—	—	—	5	—	(11)	—	—

(1) Net realized/unrealized gains (losses) are presented as increase (decrease) to Level 3 assets, and as (increase) decrease to Level 3 liabilities. Changes in fair value of available-for-sale debt securities are recorded in *AOCI*, unless related to credit impairment, while gains and losses from sales are recorded in *Realized gains (losses) from sales of investments* in the Consolidated Statement of Income.

(2) Unrealized gains (losses) on MSRs are recorded in *Other revenue* in the Consolidated Statement of Income.

(3) Represents the amount of total gains or losses for the period, included in earnings (and *AOCI* for changes in fair value of available-for-sale debt securities and DVA on fair value option liabilities), attributable to the change in fair value relating to assets and liabilities classified as Level 3 that are still held at December 31, 2024.

(4) Total Level 3 trading derivative assets and liabilities have been netted in these tables for presentation purposes only.

In millions of dollars	Dec. 31, 2022	Net realized/unrealized gains (losses) included in <sup>(1)</sup>		Transfers		Purchases	Issuances	Sales	Settlements	Dec. 31, 2023	Unrealized gains (losses) still held <sup>(3)</sup>
		Principal transactions	Other <sup>(1)(2)</sup>	into Level 3	out of Level 3						
Assets											
Securities borrowed and purchased under agreements to resell	\$ 149	\$ 8	\$ —	\$ —	\$ (2)	\$ 308	\$ —	\$ —	\$ (324)	\$ 139	\$ 13
Trading non-derivative assets											
Trading mortgage-backed securities											
U.S. government-sponsored agency guaranteed	600	7	—	396	(543)	616	—	(495)	—	581	14
Residential	166	2	—	103	(110)	197	—	(242)	—	116	(20)
Commercial	145	(25)	—	202	(88)	118	—	(150)	—	202	(15)
Total trading mortgage-backed securities	\$ 911	\$ (16)	\$ —	\$ 701	\$ (741)	\$ 931	\$ —	\$ (887)	\$ —	\$ 899	\$ (21)
U.S. Treasury and federal agency securities	\$ 1	\$ (4)	\$ —	\$ 10	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 7	\$ —
State and municipal	7	(3)	—	21	(2)	—	—	(20)	—	3	—
Foreign government	119	(18)	—	8	(66)	174	—	(163)	—	54	(1)
Corporate	394	289	—	285	(691)	1,163	—	(940)	—	500	(6)
Marketable equity securities	192	68	—	99	(39)	146	—	(174)	—	292	62
Asset-backed securities	668	25	—	105	(138)	801	—	(930)	—	531	12
Other trading assets	648	184	—	609	(437)	919	2	(1,086)	(6)	833	28
Total trading non-derivative assets	\$ 2,940	\$ 525	\$ —	\$ 1,838	\$ (2,114)	\$ 4,134	\$ 2	\$ (4,200)	\$ (6)	\$ 3,119	\$ 74
Trading derivatives, net <sup>(4)</sup>											
Interest rate contracts	\$ 355	\$ (1,588)	\$ —	\$ (172)	\$ (314)	\$ 21	\$ 6	\$ 58	\$ 549	\$ (1,085)	\$ (1,481)
Foreign exchange contracts	50	412	—	91	46	135	—	(107)	(332)	295	(144)
Equity contracts	(1,104)	(672)	—	32	858	(819)	—	(114)	185	(1,634)	(927)
Commodity contracts	278	324	—	235	77	(389)	—	(34)	(212)	279	(284)
Credit derivatives	(157)	(220)	—	(1)	307	(8)	—	—	6	(73)	(54)
Total trading derivatives, net <sup>(4)</sup>	\$ (578)	\$ (1,744)	\$ —	\$ 185	\$ 974	\$ (1,060)	\$ 6	\$ (197)	196	\$ (2,218)	\$ (2,890)
Investments											
Mortgage-backed securities											
U.S. government-sponsored agency guaranteed	\$ 30	\$ —	\$ 4	\$ —	\$ (3)	\$ 47	\$ —	\$ (3)	—	\$ 75	\$ 2
Residential	41	—	1	—	—	90	—	(16)	—	116	1
Commercial	—	—	—	—	—	—	—	—	—	—	—
Total investment mortgage-backed securities	\$ 71	\$ —	\$ 5	\$ —	\$ (3)	\$ 137	\$ —	\$ (19)	—	\$ 191	\$ 3
U.S. Treasury and federal agency securities	\$ —	\$ —	\$ (1)	\$ —	\$ (20)	\$ 51	\$ —	\$ (30)	—	\$ —	\$ —
State and municipal	586	—	27	2	(86)	64	—	(51)	—	542	31
Foreign government	608	—	(13)	27	(327)	850	—	(951)	—	194	(3)
Corporate	343	—	(2)	49	(61)	131	—	(98)	—	362	(4)
Marketable equity securities	10	—	17	—	—	—	—	—	—	27	—
Asset-backed securities	1	—	(1)	30	—	—	—	(30)	—	—	—
Other debt securities	—	—	1	—	(63)	62	—	—	—	—	—
Non-marketable equity securities	430	—	31	8	—	42	—	(28)	—	483	82
Total investments	\$ 2,049	\$ —	\$ 64	\$ 116	\$ (560)	\$ 1,337	\$ —	\$ (1,207)	—	\$ 1,799	\$ 109

Table continues on the next page.

In millions of dollars	Dec. 31, 2022	Net realized/unrealized gains (losses) included in <sup>(1)</sup>				Transfers				Dec. 31, 2023	Unrealized gains (losses) still held <sup>(3)</sup>
		Principal transactions	Other <sup>(1)(2)</sup>	into Level 3	out of Level 3	Purchases	Issuances	Sales	Settlements		
Loans	\$ 1,361	\$ —	\$ (236)	\$ 32	\$ (309)	\$ —	\$ 241	\$ —	\$ (662)	\$ 427	\$ (16)
Mortgage servicing rights	665	—	28	—	—	—	66	—	(68)	691	20
Other financial assets	57	—	(24)	—	(2)	50	22	(32)	(41)	30	—
Liabilities											
Deposits	\$ 15	\$ (7)	\$ (4)	\$ 50	\$ (118)	\$ —	\$ 84	\$ —	\$ (13)	\$ 29	\$ 9
Securities loaned and sold under agreements to repurchase	1,031	(5)	—	—	(24)	1,335	61	—	(2,018)	390	—
Trading account liabilities											
Securities sold, not yet purchased	50	(30)	—	22	(49)	123	—	—	(141)	35	(13)
Other trading liabilities	3	1	—	4	(2)	3	—	—	(7)	—	—
Short-term borrowings	38	44	—	62	(31)	2	488	—	(34)	481	(27)
Long-term debt	36,117	(1,039)	—	4,913	(10,215)	—	9,811	—	(3,285)	38,380	(2,644)
Other financial liabilities	2	—	6	—	(1)	6	49	(20)	(24)	6	—

- (1) Net realized/unrealized gains (losses) are presented as increase (decrease) to Level 3 assets, and as (increase) decrease to Level 3 liabilities. Changes in fair value of available-for-sale debt securities are recorded in *AOCI*, unless related to credit impairment, while gains and losses from sales are recorded in *Realized gains (losses) from sales of investments* in the Consolidated Statement of Income.
- (2) Unrealized gains (losses) on MSRs are recorded in *Other revenue* in the Consolidated Statement of Income.
- (3) Represents the amount of total gains or losses for the period, included in earnings (and *AOCI* for changes in fair value of available-for-sale debt securities and DVA on fair value option liabilities), attributable to the change in fair value relating to assets and liabilities classified as Level 3 that are still held at December 31, 2023.
- (4) Total Level 3 derivative assets and liabilities have been netted in these tables for presentation purposes only.

### Level 3 Fair Value Transfers

The following were the significant Level 3 transfers for the period December 31, 2023 to December 31, 2024:

During the 12 months ended December 31, 2024, transfers of *Long-term debt* were \$22.9 billion from Level 3 to Level 2, and \$4.6 billion from Level 2 to Level 3. The Level 3 to Level 2 transfers were primarily the result of enhanced significance testing of unobservable inputs for certain structured debt instruments. The Level 2 to Level 3 transfers were primarily the result of certain unobservable inputs becoming more significant to the overall valuation of these instruments. The Level 3 to Level 2 transfers of \$1.0 billion related to *Equity contracts* were primarily the result of certain unobservable inputs related to equity options becoming less significant to the overall valuation of these instruments.

The following were the significant Level 3 transfers for the period December 31, 2022 to December 31, 2023:

During the 12 months ended December 31, 2023, transfers of *Long-term debt* were \$4.9 billion from Level 2 to Level 3. Of the \$4.9 billion transfer, approximately \$4.2 billion related to interest rate option volatility inputs becoming unobservable and/or significant relative to their overall valuation, and \$0.6 billion related to equity and credit derivative inputs (in addition to other volatility inputs, e.g., interest rate volatility inputs) becoming unobservable and/or significant to their overall valuation. In other instances, market changes have resulted in some inputs becoming more observable, and some unobservable inputs becoming less significant to the overall valuation of the instruments (e.g., when an option becomes deep-in or deep-out of the money). This has primarily resulted in \$10.2 billion of certain structured long-term debt products being transferred from Level 3 to Level 2 during the 12 months ended December 31, 2023.

## Valuation Techniques and Inputs for Level 3 Fair Value Measurements

The Company's Level 3 inventory consists of both cash instruments and derivatives of varying complexity.

The following tables present the valuation techniques covering the majority of Level 3 inventory and the most significant unobservable inputs used in Level 3 fair value measurements. Methodologies are applied consistently.

Changes in listed inputs period versus period represent variables that become more, or less, significant, hence their addition or removal from the tables below. Differences between these tables and amounts presented in the Level 3 Fair Value Rollforward tables represent individually immaterial items that have been measured using a variety of valuation techniques other than those listed.

<i>As of December 31, 2024</i>	<b>Fair value<sup>(1)</sup> (in millions)</b>	<b>Methodology</b>	<b>Input</b>	<b>Low<sup>(2)(3)</sup></b>	<b>High<sup>(2)(3)</sup></b>	<b>Weight averag</b>
<b>Assets</b>						
<b>Securities borrowed and purchased under agreements to resell</b>						
\$	<b>128</b>	Model-based	Credit spread Interest rate	<b>10 bps 3.81 %</b>	<b>10 bps 3.81 %</b>	
<b>Mortgage-backed securities</b>	<b>\$ 230</b>	Yield analysis	Yield	<b>5.24 %</b>	<b>18.43 %</b>	
	<b>214</b>	Price-based	Price	<b>\$ 0.01</b>	<b>\$ 99.81</b>	
<b>State and municipal, foreign government, corporate and other debt securities</b>						
\$	<b>560</b>	Price-based	Price	\$ —	\$ 173.20	\$ —
	<b>489</b>	Model-based	Credit spread	<b>35 bps</b>	<b>550 bps</b>	
			Yield	<b>4.20 %</b>	<b>10.60 %</b>	
	<b>140</b>	Cash flow	WAL	<b>3.59 years</b>	<b>8.82 years</b>	<b>7.5</b>
<b>Marketable equity securities<sup>(5)</sup></b>	<b>\$ 131</b>	Price-based	Price	\$ —	\$ 14,382.07	\$ —
	<b>22</b>	Model-based	WAL	<b>2.40 years</b>	<b>2.40 years</b>	<b>2.4</b>
			Recovery (in millions)	<b>\$ 8,628</b>	<b>\$ 8,628</b>	<b>\$ 8,628</b>
<b>Asset-backed securities</b>	<b>\$ 132</b>	Price-based	Price	<b>\$ 3.46</b>	<b>\$ 132.54</b>	<b>\$ 3.46</b>
	<b>47</b>	Yield analysis	Yield	<b>5.85 %</b>	<b>12.76 %</b>	
<b>Non-marketable equities</b>	<b>\$ 222</b>	Comparables analysis	Illiquidity discount	<b>7.40 %</b>	<b>33.00 %</b>	<b>1</b>
			Revenue multiple	<b>4.50x</b>	<b>16.31x</b>	
			EBITDA multiples	<b>16.20x</b>	<b>16.20x</b>	
	<b>81</b>	Price-based	Price	<b>\$ 0.54</b>	<b>\$ 2,960.96</b>	<b>\$ 0.54</b>
	<b>50</b>	Cash flow	Discount rate	<b>9.75 %</b>	<b>17.50 %</b>	<b>1</b>
	<b>50</b>	Model-based				
<b>Derivatives—gross<sup>(6)</sup></b>						
<b>Interest rate contracts (gross)</b>	<b>\$ 3,574</b>	Model-based	IR normal volatility	<b>0.16 %</b>	<b>20.00 %</b>	
			Yield	<b>1.69 %</b>	<b>46.32 %</b>	
			Equity forward	<b>71.78 %</b>	<b>334.29 %</b>	<b>10</b>
<b>Foreign exchange contracts (gross)</b>	<b>\$ 1,247</b>	Model-based	IR normal volatility	<b>0.67 %</b>	<b>1.13 %</b>	
			IR basis	<b>(7.50)%</b>	<b>64.75 %</b>	
			FX volatility	<b>3.33 %</b>	<b>27.64 %</b>	<b>1</b>
			Yield	<b>1.69 %</b>	<b>46.32 %</b>	
<b>Equity contracts (gross)<sup>(7)</sup></b>	<b>\$ 4,345</b>	Model-based	Equity volatility	— %	<b>145.41 %</b>	
			Equity forward	<b>71.78 %</b>	<b>334.29 %</b>	<b>10</b>
			Equity-FX correlation	<b>(93.33)%</b>	<b>70.00 %</b>	<b>(1</b>
			Equity-Equity correlation	<b>(36.22)%</b>	<b>99.00 %</b>	<b>1</b>
<b>Commodity and other contracts (gross)</b>	<b>\$ 1,716</b>	Model-based	Forward price	<b>1.84 %</b>	<b>244.41 %</b>	<b>11</b>
			Commodity volatility	<b>7.14 %</b>	<b>285.61 %</b>	
<b>Credit derivatives (gross)</b>	<b>\$ 869</b>	Model-based	Recovery rate	<b>20.00 %</b>	<b>72.00 %</b>	<b>4</b>

<i>As of December 31, 2024</i>	<b>Fair value<sup>(1)</sup> (in millions)</b>	<b>Methodology</b>	<b>Input</b>	<b>Low<sup>(2)(3)</sup></b>	<b>High<sup>(2)(3)</sup></b>	<b>Weight averag</b>
<b>468</b>	<b>Price-based</b>	Credit spread		<b>5.00 bps</b>	<b>747.27 bps</b>	<b>10%</b>
		Credit spread volatility		<b>29.85 %</b>	<b>81.44 %</b>	<b>1%</b>
		Price	\$	<b>43.71</b>	<b>\$ 103.53</b>	<b>8%</b>
		Upfront points		<b>(6.25)%</b>	<b>110.52 %</b>	<b>4%</b>
<b>Other financial assets and liabilities (gross)</b>	<b>\$ 14</b>	<b>Price-based</b>	Price	<b>\$ 91.12</b>	<b>\$ 104.49</b>	<b>\$ 10%</b>
<b>Loans and leases</b>	<b>\$ 177</b>	<b>Model-based</b>	Equity volatility	<b>35.42 %</b>	<b>41.94 %</b>	<b>1%</b>
			Forward price	<b>1.84 %</b>	<b>244.41 %</b>	<b>10%</b>
	<b>82</b>	<b>Price-based</b>	Price	<b>\$ 73.88</b>	<b>\$ 99.25</b>	<b>\$ 8%</b>
<b>Mortgage servicing rights</b>	<b>\$ 671</b>	<b>Cash flow</b>	WAL	<b>3.59 years</b>	<b>8.82 years</b>	<b>7.5%</b>
		<b>84</b>	<b>Model-based</b>	Yield	<b>0.30 %</b>	<b>12.00 %</b>
<b>Liabilities</b>						
<b>Interest-bearing deposits</b>	<b>\$ 39</b>	<b>Model-based</b>	Forward price	<b>100.00 %</b>	<b>100.00 %</b>	<b>10%</b>
<b>Securities loaned and sold under agreements to repurchase</b>	<b>\$ 390</b>	<b>Model-based</b>	Interest rate	<b>4.25 %</b>	<b>4.85 %</b>	
			IR normal volatility	<b>0.67 %</b>	<b>1.13 %</b>	
<b>Trading account liabilities</b>						
<b>Securities sold, not yet purchased and other trading liabilities</b>	<b>\$ 27</b>	<b>Price-based</b>	Price	<b>\$ —</b>	<b>\$ 14,382.07</b>	<b>\$ 5%</b>
<b>Short-term borrowings and long-term debt</b>	<b>\$ 20,883</b>	<b>Model-based</b>	IR normal volatility	<b>0.04 %</b>	<b>20.00 %</b>	
			Equity volatility	<b>— %</b>	<b>145.41 %</b>	<b>1%</b>
			Equity-IR correlation	<b>(34.00)%</b>	<b>60.00 %</b>	<b>2%</b>

<i>As of December 31, 2023</i>	<b>Fair value<sup>(1)</sup> (in millions)</b>	<b>Methodology</b>	<b>Input</b>	<b>Low<sup>(2)(3)</sup></b>	<b>High<sup>(2)(3)</sup></b>	<b>Weighted average<sup>(4)</sup></b>
<b>Assets</b>						
Securities borrowed and purchased under agreements to resell	\$ 139	Model-based	Credit spread	15 bps	15 bps	15 bps
			Interest rate	4.00 %	4.00 %	4.00 %
<b>Mortgage-backed securities</b>	<b>\$ 679</b>	<b>Price-based</b>	Price	<b>\$ 1.67</b>	<b>\$ 124.63</b>	<b>\$ 55.39</b>
		<b>401</b>	<b>Yield analysis</b>	4.63 %	19.08 %	8.93 %
State and municipal, foreign government, corporate and other debt securities	\$ 1,582	Price-based	Price	\$ 0.01	\$ 123.74	\$ 79.71
	778	Model-based	Credit spread	35 bps	550 bps	304 bps
<b>Marketable equity securities<sup>(5)</sup></b>	<b>\$ 259</b>	<b>Price-based</b>	Price	<b>\$ —</b>	<b>\$ 12,189.17</b>	<b>\$ 168.09</b>
	38	Model-based	WAL	2.24 years	2.24 years	2.24 years
			Recovery (in millions)	\$ 7,398	\$ 7,398	\$ 7,398
<b>Asset-backed securities</b>	<b>\$ 475</b>	<b>Price-based</b>	Price	<b>\$ 3.50</b>	<b>\$ 129.00</b>	<b>\$ 65.87</b>
	57	Yield analysis	Yield	5.93 %	18.86 %	8.57 %
<b>Non-marketable equities</b>	<b>\$ 366</b>	<b>Comparables analysis</b>	Illiquidity discount	8.00 %	10.00 %	8.82 %
			PE ratio	9.30x	16.50x	11.37x
			Revenue multiple	2.80x	13.40x	12.28x
			EBITDA multiples	15.80x	15.80x	15.80x
	56	Cash flow	Discount to price	8.50 %	8.50 %	8.50 %
	50	Price-based	Price	\$ 0.40	\$ 158.92	\$ 56.78
<b>Derivatives—gross<sup>(6)</sup></b>						
<b>Interest rate contracts (gross)</b>	<b>\$ 5,237</b>	<b>Model-based</b>	IR normal volatility	<b>(0.07)%</b>	<b>15.00 %</b>	<b>1.44 %</b>

<i>As of December 31, 2023</i>	<i>Fair value<sup>(1)</sup> (in millions)</i>	<i>Methodology</i>	<i>Input</i>	<i>Low<sup>(2)(3)</sup></i>	<i>High<sup>(2)(3)</sup></i>	<i>Weighted average<sup>(4)</sup></i>
Foreign exchange contracts (gross)	\$ 1,652	Model-based	Interest rate	2.70 %	5.40 %	3.20 %
			IR normal volatility	(0.07)%	12.05 %	1.50 %
			IR basis	(1.45)%	147.79 %	7.11 %
Equity contracts (gross) <sup>(7)</sup>	\$ 4,239	Model-based	Equity volatility	0.10 %	334.35 %	38.35 %
			Equity forward	54.14 %	273.54 %	101.44 %
			Equity-FX correlation	(79.00)%	70.00 %	(7.66)%
			Equity-Equity correlation	(6.49)%	97.44 %	80.42 %
			WAL	2.24 years	2.24 years	2.24 years
			Recovery (in millions)	\$ 7,398	\$ 7,398	\$ 7,398
Commodity and other contracts (gross)	\$ 1,943	Model-based	Forward price	31.70 %	425.51 %	134.65 %
			Commodity volatility	14.72 %	149.99 %	37.03 %
			Commodity correlation	(45.33)%	93.02 %	45.03 %
Credit derivatives (gross)	\$ 1,135	Model-based	Credit spread	11.43 bps	1,519 bps	140.34 bps
			Credit spread volatility	23.94 %	115.66 %	42.76 %
			Recovery rate	15.00 %	75.00 %	36.56 %
	378	Price-based	Upfront points	1.25 %	117.31 %	58.10 %
			Price	\$ 37.67	\$ 97.00	\$ 79.54
Non-trading derivatives and other financial assets and liabilities measured on a recurring basis (gross)	\$ 36	Price-based	Price	\$ 0.01	\$ 104.79	\$ 90.87
Loans and leases	\$ 316	Price-based	Price	\$ 98.80	\$ 98.80	\$ 98.80
	111	Model-based	Forward price	33.48 %	348.43 %	115.47 %
			Commodity volatility	26.51 %	66.80 %	31.79 %
			Commodity correlation	(45.33)%	93.02 %	(7.28)%
			Equity volatility	41.61 %	45.40 %	43.17 %
Mortgage servicing rights	\$ 595	Cash flow	WAL	1.00 years	8.76 years	1.29 years
	66	Model-based	Yield	— %	12.00 %	8.06 %
Liabilities						
Interest-bearing deposits	\$ 29	Model-based	Forward price	100.00 %	100.00 %	100.00 %
Securities loaned and sold under agreements to repurchase	\$ 390	Model-based	Interest rate	3.92 %	5.27 %	3.96 %
Trading account liabilities						
Securities sold, not yet purchased and other trading liabilities	\$ 23	Price-based	Price	\$ —	\$ 12,189.17	\$ 28.70
	7	Yield analysis	Yield	7.46 %	7.46 %	7.46 %
	5	Model-based	FX volatility	3.56 %	28.13 %	13.17 %
Short-term borrowings and long-term debt	\$ 38,794	Model-based	IR normal volatility	0.32 %	20.00 %	1.25 %

(1) The tables above include the fair values for the items listed and may not represent the total population for each category.

(2) Some inputs are shown as zero due to rounding.

(3) When the low and high inputs are the same, there is either a constant input applied to all positions, or the methodology involving the input applies to only one large position.

(4) Weighted averages are calculated based on the fair values of the instruments.

(5) For equity securities, the price inputs are expressed on an absolute basis, not as a percentage of the notional amount.

(6) Both trading and non-trading account derivatives—assets and liabilities—are presented on a gross absolute value basis.

(7) Includes hybrid products.

## **Uncertainty of Fair Value Measurements Relating to Unobservable Inputs**

Valuation uncertainty arises when there is insufficient or dispersed market data to allow a precise determination of the exit value of a fair-valued position or portfolio in today's market. This is especially prevalent in Level 3 fair value instruments, where uncertainty exists in valuation inputs that may be both unobservable and significant to the instrument's (or portfolio's) overall fair value measurement. The uncertainties associated with key unobservable inputs on the Level 3 fair value measurements may not be independent of one another. In addition, the amount and direction of the uncertainty on a fair value measurement for a given change in an unobservable input depends on the nature of the instrument as well as whether the Company holds the instrument as an asset or a liability. For certain instruments, the pricing, hedging and risk management are sensitive to the correlation between various inputs rather than on the analysis and aggregation of the individual inputs.

The following section describes some of the most significant unobservable inputs used by the Company in Level 3 fair value measurements.

### **Correlation**

Correlation is a measure of the extent to which two or more variables change in relation to each other. A variety of correlation-related assumptions are required for a wide range of instruments, including equity and credit baskets, foreign exchange options, Credit Index Tranches and many other instruments. For almost all of these instruments, correlations are not directly observable in the market and must be calculated using alternative sources, including historical information. Estimating correlation can be especially difficult where it may vary over time, and calculating correlation information from market data requires significant assumptions regarding the informational efficiency of the market (e.g., swaption markets). Uncertainty therefore exists when an estimate of the appropriate level of correlation as an input into some fair value measurements is required.

Changes in correlation levels can have a substantial impact, favorable or unfavorable, on the value of an instrument, depending on its nature. A change in the default correlation of the fair value of the underlying bonds comprising a CDO structure would affect the fair value of the senior tranche. For example, an increase in the default correlation of the underlying bonds would reduce the fair value of the senior tranche, because highly correlated instruments produce greater losses in the event of default and a portion of these losses would become attributable to the senior tranche. That same change in default correlation would have a different impact on junior tranches of the same structure.

### **Volatility**

Volatility represents the speed and severity of market price changes and is a key factor in pricing options. Volatility generally depends on the tenor of the underlying instrument and the strike price or level defined in the contract. Volatilities for certain combinations of tenor and strike are not observable and need to be estimated using alternative methods, such as comparable instruments, historical analysis or other sources of

market information. This leads to uncertainty around the final fair value measurement of instruments with unobservable volatilities.

The general relationship between changes in the value of an instrument (or a portfolio) to changes in volatility also depends on changes in interest rates and the level of the underlying index. Generally, long option positions (assets) benefit from increases in volatility, whereas short option positions (liabilities) will suffer losses. Some instruments are more sensitive to changes in volatility than others. For example, an at-the-money option would experience a greater percentage change in its fair value than a deep-in-the-money option. In addition, the fair value of an option with more than one underlying security (e.g., an option on a basket of equities) depends on the volatility of the individual underlying securities as well as their correlations.

### **Yield**

In some circumstances, the yield of an instrument is not observable in the market and must be estimated from historical data or from yields of similar securities. This estimated yield may need to be adjusted to capture the characteristics of the security being valued. Whenever the amount of the adjustment is significant to the value of the security, the fair value measurement is classified as Level 3.

Adjusted yield is generally used to discount the projected future principal and interest cash flows on instruments, such as asset-backed securities. Adjusted yield is impacted by changes in the interest rate environment and relevant credit spreads.

### **Prepayment**

Voluntary unscheduled payments (prepayments) change the future cash flows for the investor and thereby change the fair value of the security. The effect of prepayments is more pronounced for residential mortgage-backed securities. Prepayment is generally negatively correlated with delinquency and interest rate. A combination of low prepayments and high delinquencies amplifies each input's negative impact on a mortgage security's valuation. As prepayment speeds change, the weighted-average life of the security changes, which impacts the valuation either positively or negatively, depending upon the nature of the security and the direction of the change in the weighted-average life.

### **Recovery**

Recovery is the proportion of the total outstanding balance of a bond or loan that is expected to be collected in a liquidation scenario. For many credit securities (e.g., commercial mortgage-backed securities), the expected recovery amount of a defaulted property is typically unknown until a liquidation of the property is imminent. The assumed recovery of a security may differ from its actual recovery that will be observable in the future. Generally, an increase in the recovery rate assumption increases the fair value of the security. An increase in loss severity, the inverse of the recovery rate, reduces the amount of principal available for distribution and, as a result, decreases the fair value of the security.

### Credit Spread

Credit spread is a component of the security representing its credit quality. Credit spread reflects the market perception of changes in prepayment, delinquency and recovery rates, therefore capturing the impact of other variables on the fair value. Changes in credit spread affect the fair value of securities differently depending on the characteristics and maturity profile of the security. For example, credit spread is a more significant driver of the fair value measurement of a high-yield bond as compared to an investment-grade bond. Generally, the credit spread for an investment-grade bond is also more observable and less volatile than its high-yield counterpart.

### Items Measured at Fair Value on a Nonrecurring Basis

Certain assets and liabilities are measured at fair value on a nonrecurring basis and, therefore, are not included in the tables above. These include assets measured at cost that have been written down to fair value during the periods as a result of an impairment. These also include non-marketable equity securities that have been measured using the measurement alternative and are either (i) written down to fair value during the periods as a result of an impairment or (ii) adjusted upward or downward to fair value as a result of a transaction observed during the periods for an identical or similar investment in the same issuer. In addition, these assets include loans held-for-sale and other real estate owned that are measured at the lower of cost or market value.

The following tables present the carrying amounts of all assets that were still held for which a nonrecurring fair value measurement was recorded:

<i>In millions of dollars</i>	<b>Fair value</b>	<b>Level 2</b>	<b>Level 3</b>
<b>December 31, 2024</b>			
Loans HFS <sup>(1)</sup>	\$ 684	\$ 413	\$ 271
Other real estate owned	1	—	1
Loans <sup>(2)</sup>	353	—	353
Non-marketable equity securities measured using the measurement alternative	184	—	184
<b>Total assets at fair value on a nonrecurring basis</b>	<b>\$ 1,222</b>	<b>\$ 413</b>	<b>\$ 809</b>

<i>In millions of dollars</i>	<b>Fair value</b>	<b>Level 2</b>	<b>Level 3</b>
<b>December 31, 2023</b>			
Loans HFS <sup>(1)</sup>	\$ 1,171	\$ 495	\$ 676
Other real estate owned	4	—	4
Loans <sup>(2)</sup>	328	—	328
Non-marketable equity securities measured using the measurement alternative	359	—	359
<b>Total assets at fair value on a nonrecurring basis</b>	<b>\$ 1,862</b>	<b>\$ 495</b>	<b>\$ 1,367</b>

(1) Net of mark-to-market amounts on the unfunded portion of loans HFS recognized as *Other liabilities* on the Consolidated Balance Sheet.

(2) Represents collateral-dependent loans held for investment for which the fair value of collateral is used to estimate expected credit losses, and whose carrying amount is based on the fair value of the underlying collateral less costs to sell, as applicable (primarily real estate).

The fair value of loans HFS is determined where possible using quoted secondary-market prices. If no such quoted price exists, the fair value of a loan is determined using quoted prices for a similar asset or assets, adjusted for the specific attributes of that loan. Fair value for the other real estate owned is based on appraisals. For loans whose carrying amount is based on the fair value of the underlying collateral, the fair values depend on the type of collateral. Fair value of the collateral is typically estimated based on quoted market prices if available, appraisals or other internal valuation techniques.

Where the fair value of the related collateral is based on an appraised value, the loan is generally classified as Level 3. In addition, for corporate loans, appraisals of the collateral are often based on sales of similar assets; however, because the prices of similar assets require significant adjustments to reflect the unique features of the underlying collateral, these fair value measurements are generally classified as Level 3.

The fair value of non-marketable equity securities under the measurement alternative is based on observed transaction prices for the identical or similar investment of the same issuer, or an internal valuation technique in the case of an impairment. Where there are insufficient market observations to conclude the inputs are observable, where significant adjustments are made to the observed transaction prices or when an internal valuation technique is used, the security is classified as Level 3. Fair value may differ from the observed transaction price due to a number of factors, including marketability adjustments and differences in rights and obligations when the observed transaction is not for the identical investment held by Citi.



### Valuation Techniques and Inputs for Level 3 Nonrecurring Fair Value Measurements

The following tables present the valuation techniques covering the majority of Level 3 nonrecurring fair value measurements and the most significant unobservable inputs used in those measurements:

<i>As of December 31, 2024</i>	<b>Fair value<sup>(1)</sup> (in millions)</b>	<b>Methodology</b>	<b>Input</b>	<b>Low<sup>(2)</sup></b>	<b>High</b>	<b>Weighted average<sup>(3)</sup></b>
Loans HFS	\$ 271	Price-based	Price	\$ —	\$ 101.00	\$ 96.61
Loans <sup>(5)</sup>	\$ 353	Recovery analysis	Appraised value <sup>(4)</sup>	\$ 10,000	\$ 104,049,422	\$ 58,636,070
<b>Non-marketable equity securities measured using the measurement alternative</b>						
	\$ 136	Price-based	Price	\$ 1.50	\$ 2,961.00	\$ 258.00
	29	Comparable analysis	Revenue multiple	\$ 3.80	\$ 9.19	\$ 6.67
	19	Recovery analysis	Appraised value <sup>(4)</sup>	\$ 503,332	\$ 7,220,000	\$ 4,309,976

<i>As of December 31, 2023</i>	<b>Fair value<sup>(1)</sup> (in millions)</b>	<b>Methodology</b>	<b>Input</b>	<b>Low<sup>(2)</sup></b>	<b>High</b>	<b>Weighted average<sup>(3)</sup></b>
Loans HFS	\$ 674	Price-based	Price	\$ 67.50	\$ 100.00	\$ 93.39
Loans <sup>(5)</sup>	\$ 296	Recovery analysis	Appraised value <sup>(4)</sup>	\$ 12,000	\$ 75,997,078	\$ 46,121,923
<b>Non-marketable equity securities measured using the measurement alternative</b>						
	\$ 250	Price-based	Price	\$ 1.57	\$ 2,637.00	\$ 1,114.06
	109	Comparable analysis	Revenue multiple	2.3x	35.7x	11.69x
Other real estate owned	\$ 3	Price-based	Appraised value <sup>(4)</sup>	\$ 401,042	\$ 2,061,700	\$ 155,696

(1) The tables above include the fair values for the items listed and may not represent the total population for each category.

(2) Some inputs are shown as zero due to rounding.

(3) Weighted averages are calculated based on the fair values of the instruments.

(4) Appraised values are disclosed in whole dollars.

(5) Represents collateral-dependent loans held for investment for which the fair value of collateral is used to estimate expected credit losses, and whose carrying amount is based on the fair value of the underlying collateral less costs to sell, as applicable (primarily real estate).

### Nonrecurring Fair Value Changes

The following table presents total nonrecurring fair value measurements for the period, included in earnings, attributable to the change in fair value relating to assets that were still held:

<i>In millions of dollars</i>	<b>Year ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
Loans HFS	\$ (10)	\$ (119)
Other real estate owned	—	—
Loans <sup>(1)</sup>	(44)	(148)
Non-marketable equity securities measured using the measurement alternative	(29)	(72)
<b>Total nonrecurring fair value gains (losses)</b>	<b>\$ (83)</b>	<b>\$ (339)</b>

(1) Represents collateral-dependent loans held for investment for which the fair value of collateral is used to estimate expected credit losses, and whose carrying amount is based on the fair value of the underlying collateral less costs to sell, as applicable (primarily real estate).

### Estimated Fair Value of Financial Instruments Not Carried at Fair Value

The following tables present the carrying value and fair value of Citigroup's financial instruments that are not carried at fair value. The tables below therefore exclude items measured at fair value on a recurring basis presented in the tables above.

The disclosure also excludes leases, affiliate investments, pension and benefit obligations, certain insurance contracts and tax-related items. Also, as required, the disclosure excludes the effect of taxes, any premium or discount that could result from offering for sale at one time the entire holdings of a particular instrument, excess fair value.

associated with deposits with no fixed maturity and other expenses that would be incurred in a market transaction. In addition, the tables exclude the values of non-financial assets and liabilities, as well as a wide range of franchise, relationship and intangible values, which are integral to a full assessment of Citigroup's financial position and the value of its net assets.

Fair values vary from period to period based on changes in a wide range of factors, including interest rates, credit quality and market perceptions of value, and as existing assets and liabilities run off and new transactions are entered into.

*In billions of dollars*

	December 31, 2024			Estimated fair value		
	Carrying value	Estimated fair value	Level 1	Level 2	Level 3	
<b>Assets</b>						
HTM debt securities, net of allowance <sup>(1)</sup>	\$ 247.6	\$ 229.8	\$ 120.2	\$ 107.4	\$ 2.2	
Securities borrowed and purchased under agreements to resell	133.2	133.2	—	133.2	—	
Loans <sup>(2)(3)</sup>	667.6	673.5	—	—	673.5	
Other financial assets <sup>(3)(4)</sup>	362.2	362.2	260.6	15.9	85.7	
<b>Liabilities</b>						
Deposits <sup>(5)</sup>	\$ 1,280.9	\$ 1,280.9	\$ —	\$ 1,280.9	\$ —	
Securities loaned and sold under agreements to repurchase	205.6	205.6	—	205.6	—	
Long-term debt <sup>(6)</sup>	174.5	178.0	—	162.1	15.9	
Other financial liabilities <sup>(7)</sup>	137.7	137.7	—	34.7	103.0	

*In billions of dollars*

	December 31, 2023			Estimated fair value		
	Carrying value	Estimated fair value	Level 1	Level 2	Level 3	
<b>Assets</b>						
HTM debt securities, net of allowance <sup>(1)</sup>	\$ 259.7	\$ 240.6	\$ 124.0	\$ 114.1	\$ 2.5	
Securities borrowed and purchased under agreements to resell	139.6	139.7	—	139.7	—	
Loans <sup>(2)(3)</sup>	663.3	673.2	—	—	673.2	
Other financial assets <sup>(3)(4)</sup>	347.5	347.5	243.1	17.8	86.6	
<b>Liabilities</b>						
Deposits <sup>(5)</sup>	\$ 1,306.2	\$ 1,305.9	\$ —	\$ 1,116.5	\$ 189.4	
Securities loaned and sold under agreements to repurchase	215.6	215.6	—	215.6	—	
Long-term debt <sup>(6)</sup>	170.3	173.4	—	168.0	5.4	
Other financial liabilities <sup>(7)</sup>	132.8	132.8	—	29.2	103.6	

(1) Includes \$5.2 billion and \$5.5 billion of non-marketable equity securities carried at cost at December 31, 2024 and 2023, respectively.

(2) The carrying value of loans is net of the allowance for credit losses on loans of \$18.6 billion for December 31, 2024 and \$18.1 billion for December 31, 2023. In addition, the carrying values exclude \$0.3 billion and \$0.3 billion of lease finance receivables at December 31, 2024 and 2023, respectively.

(3) Includes items measured at fair value on a nonrecurring basis.

(4) Includes cash and due from banks, deposits with banks, brokerage receivables, reinsurance recoverables and other financial instruments included in *Other assets* on the Consolidated Balance Sheet, for all of which the carrying value is a reasonable estimate of fair value.

(5) As a result of Citi refining its application of fair value hierarchy methodologies, certain deposit liabilities that were previously classified as Level 3 are now classified as Level 2.

(6) The carrying value includes long-term debt balances under qualifying fair value hedges.

(7) Includes brokerage payables, separate and variable accounts, short-term borrowings (carried at cost) and other financial instruments included in *Other liabilities* on the Consolidated Balance Sheet, for all of which the carrying value is a reasonable estimate of fair value.

The estimated fair values of the Company's corporate unfunded lending commitments at December 31, 2024 and 2023 were off-balance sheet liabilities of \$13.5 billion and \$14.2 billion, respectively, substantially all of which are

classified as Level 3. The Company does not estimate the fair values of consumer unfunded lending commitments, which are generally cancelable by providing notice to the borrower.

## 27. FAIR VALUE ELECTIONS

The Company may elect to report most financial instruments and certain other items at fair value on an instrument-by-instrument basis with changes in fair value reported in earnings, other than DVA (see below). The election is made upon the initial recognition of an eligible financial asset, financial liability or firm commitment or when certain specified reconsideration events occur. The fair value election

The following table presents the changes in fair value of those items for which the fair value option has been elected:

<i>In millions of dollars</i>	Changes in fair value—gains (losses) for the years ended December 31,	
	2024	2023
<b>Assets</b>		
Securities borrowed and purchased under agreements to resell	\$ 77	\$ 267
Trading account assets	(28)	97
<b>Loans</b>		
Corporate loans	1,137	2,038
Consumer loans	(10)	6
Total loans	\$ 1,127	\$ 2,044
<b>Other assets</b>		
MSRs	\$ 37	\$ 28
Mortgage loans HFS <sup>(1)</sup>	16	(23)
Total other assets	\$ 53	\$ 5
<b>Total assets</b>	\$ 1,229	\$ 2,413
<b>Liabilities</b>		
Deposits	\$ (38)	\$ (97)
Securities loaned and sold under agreements to repurchase	46	(217)
Trading account liabilities	(190)	138
Short-term borrowings <sup>(2)</sup>	(524)	(18)
Long-term debt <sup>(2)</sup>	(6,285)	(12,998)
<b>Total liabilities</b>	\$ (6,991)	\$ (13,192)

(1) Includes gains (losses) associated with interest rate lock commitments for originated loans for which the Company has elected the fair value option.

(2) Includes DVA that is included in *AOCI*. See Notes 21 and 26.

### **Own Debt Valuation Adjustments (DVA)**

Own debt valuation adjustments are recognized on Citi's liabilities for which the fair value option has been elected using Citi's credit spreads observed in the bond market. Changes in fair value of fair value option liabilities related to changes in Citigroup's own credit spreads (DVA) are reflected as a component of *AOCI*. See Note 21 for additional information.

Among other variables, the fair value of liabilities for which the fair value option has been elected (other than non-recourse debt and similar liabilities) is impacted by the narrowing or widening of the Company's credit spreads.

The estimated changes in the fair value of these non-derivative liabilities due to such changes in the Company's own credit spread (or instrument-specific credit risk) were a loss of \$573 million and a loss of \$2,078 million for the years ended December 31, 2024 and 2023, respectively. Changes in fair value resulting from changes in instrument-specific credit risk were estimated by incorporating the Company's current credit spreads observable in the bond market into the relevant valuation technique used to value each liability as described above.

### **The Fair Value Option for Financial Assets and Financial Liabilities**

#### ***Selected Portfolios of Securities Purchased Under Agreements to Resell, Securities Borrowed, Securities Sold Under Agreements to Repurchase, Securities Loaned and Certain Uncollateralized Short-Term Borrowings***

The Company elected the fair value option for certain portfolios of fixed income securities purchased under

agreements to resell and fixed income securities sold under agreements to repurchase, securities borrowed, securities loaned and certain uncollateralized short-term borrowings held primarily by broker-dealer entities in the U.S., the U.K. and Japan. In each case, the election was made because the related interest rate risk is managed on a portfolio basis, primarily with offsetting derivative instruments that are accounted for at fair value through earnings.

Changes in fair value for transactions in these portfolios are recorded in *Principal transactions*. The related interest income and interest expense are measured based on the contractual rates specified in the transactions and are reported as *Interest income* and *Interest expense* in the Consolidated Statement of Income.

### ***Loans and Other Credit Products***

Citigroup has also elected the fair value option for certain other originated and purchased loans, including certain unfunded loan products, such as guarantees and letters of credit, executed by Citigroup's lending and trading businesses. Significant groups of transactions include loans and unfunded loan products that are expected to be either sold or securitized in the near term, or transactions where the economic risks are hedged with derivative instruments, such as purchased credit default swaps or total return swaps where the Company pays the total return on the underlying loans to a third party. Citigroup has elected the fair value option to mitigate accounting mismatches in cases where hedge accounting is complex and to achieve operational simplifications. Fair value was not elected for most lending transactions across the Company.

The following table provides information about certain credit products carried at fair value:

<i>In millions of dollars</i>	<b>December 31, 2024</b>		<b>December 31, 2023</b>	
	<b>Trading assets</b>	<b>Loans</b>	<b>Trading assets</b>	<b>Loans</b>
Carrying amount reported on the Consolidated Balance Sheet	\$ 5,025	\$ 8,040	\$ 4,518	\$ 7,594
Aggregate unpaid principal balance in excess of (less than) fair value	137	(55)	88	10
Balance of non-accrual loans or loans more than 90 days past due	—	2	—	1
Aggregate unpaid principal balance in excess of (less than) fair value for non-accrual loans or loans more than 90 days past due	—	—	—	1

In addition to the amounts reported above, \$280 million and \$391 million of unfunded commitments related to certain credit products selected for fair value accounting were outstanding as of December 31, 2024 and 2023, respectively.

Changes in the fair value of funded and unfunded credit products are classified in *Principal transactions* in Citi's Consolidated Statement of Income. Related interest income is measured based on the contractual interest rates and reported as *Interest income on Trading account assets* or loan interest depending on the balance sheet classifications of the credit products. The changes in fair value for the years ended December 31, 2024 and 2023 due to instrument-specific credit risk were a loss of \$38 million and a gain of \$39 million, respectively. Changes in fair value due to instrument-specific credit risk are estimated based on changes in borrower-specific credit spreads and recovery assumptions.

#### **Certain Investments in Unallocated Precious Metals**

Citigroup invests in unallocated precious metals accounts (e.g., gold, silver, platinum and palladium) as part of its commodity trading activities. Under ASC 815, the investment is bifurcated into a debt host contract and a commodity derivative instrument. Citigroup elects the fair value option for the debt host contract and reports the contract within *Trading account assets* on the Company's Consolidated Balance Sheet. The total carrying amount of debt host contracts across unallocated precious metals accounts was approximately \$0.9 billion and \$0.6 billion at December 31, 2024 and 2023, respectively.

The following table provides information about certain mortgage loans HFS carried at fair value:

<i>In millions of dollars</i>	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Carrying amount reported on the Consolidated Balance Sheet	\$ 692	\$ 571
Aggregate fair value in excess of (less than) unpaid principal balance	4	17
Balance of non-accrual loans or loans more than 90 days past due	1	3
Aggregate unpaid principal balance in excess of fair value for non-accrual loans or loans more than 90 days past due	—	—

The changes in the fair values of these mortgage loans are reported in *Other revenue* in the Company's Consolidated Statement of Income. There was no net change in fair value during the years ended December 31, 2024 and 2023 due to instrument-specific credit risk. Changes in fair value due to instrument-specific credit risk are estimated based on changes in the borrower default, prepayment and recovery forecasts in addition to instrument-specific credit spread. Related interest income continues to be measured based on the contractual interest rates and reported as *Interest income* in the Consolidated Statement of Income.

As part of its commodity trading activities, Citi trades unallocated precious metals investments and executes forward purchase and forward sale derivative contracts with trading counterparties. When Citi sells an unallocated precious metals investment, Citi's receivable from its depository bank is repaid and Citi derecognizes its investment in the unallocated precious metal. The forward purchase or sale contract with the trading counterparty indexed to unallocated precious metals is accounted for as a derivative, at fair value through earnings.

#### **Certain Mortgage Loans Held-for-Sale (HFS)**

Citigroup has elected the fair value option for certain purchased and originated prime fixed-rate and conforming adjustable-rate first mortgage loans HFS. These loans are intended for sale or securitization and are economically hedged with derivative instruments. The Company has elected the fair value option to mitigate accounting mismatches in cases where hedge accounting is complex and to achieve operational simplifications.

### Certain Debt Liabilities

The Company has elected the fair value option for certain debt liabilities, because these exposures are considered to be trading-related positions and, therefore, are managed on a fair value basis. These positions are classified as *Long-term debt* or *Short-term borrowings* on the Company's Consolidated Balance Sheet.

The following table provides information about the carrying value of notes carried at fair value, disaggregated by type of risk:

In billions of dollars	December 31, 2024	December 31, 2023
Interest rate linked	\$ 58.0	\$ 60.4
Foreign exchange linked	0.1	—
Equity linked	41.8	45.9
Commodity linked	6.9	5.3
Credit linked	5.9	4.7
<b>Total</b>	<b>\$ 112.7</b>	<b>\$ 116.3</b>

The portion of the changes in fair value attributable to changes in Citigroup's own credit spreads (DVA) is reflected as a component of *AOCI* while all other changes in fair value are reported in *Principal transactions*. Changes in the fair value of these liabilities include accrued interest, which is also included in the change in fair value reported in *Principal transactions*.

### Certain Non-Structured Liabilities

The Company has elected the fair value option for certain non-structured liabilities with fixed and floating interest rates. The Company has elected the fair value option where the interest rate risk of such liabilities may be economically hedged with derivative contracts or the proceeds are used to purchase

financial assets that will also be accounted for at fair value through earnings. The elections have been made to mitigate accounting mismatches and to achieve operational simplifications. These positions are reported in *Short-term borrowings* and *Long-term debt* on the Company's Consolidated Balance Sheet. The portion of the changes in fair value attributable to changes in Citigroup's own credit spreads (i.e., DVA) is reflected as a component of *AOCI* while all other changes in fair value are reported in *Principal transactions*.

Interest expense on non-structured liabilities is measured based on the contractual interest rates and reported as *Interest expense* in the Consolidated Statement of Income.

The following table provides information about long-term debt and short-term borrowings carried at fair value:

In millions of dollars	December 31, 2024	December 31, 2023
<b>Long-term debt</b>		
Carrying amount reported on the Consolidated Balance Sheet	\$ 112,719	\$ 116,338
Aggregate unpaid principal balance in excess of (less than) fair value	(1,943)	(2,842)
<b>Short-term borrowings</b>		
Carrying amount reported on the Consolidated Balance Sheet	\$ 12,484	\$ 6,545
Aggregate unpaid principal balance in excess of (less than) fair value	(87)	(60)

## 28. PLEDGED ASSETS, RESTRICTED CASH, COLLATERAL, GUARANTEES AND COMMITMENTS

### Pledged Assets

In connection with Citi's financing and trading activities, Citi has pledged assets to collateralize its obligations under repurchase agreements, secured financing agreements, secured liabilities of consolidated VIEs and other borrowings. The approximate carrying values of the significant components of pledged assets recognized on Citi's Consolidated Balance Sheet included the following:

In billions of dollars	December 31, 2024	December 31, 2023
Investment securities	\$ 244.2	229.2
Loans	294.4	292.3
Trading account assets	195.7	199.3
<b>Total</b>	<b>\$ 734.3</b>	<b>\$ 720.8</b>

At December 31, 2024 and 2023, \$535.6 billion and \$511.6 billion, respectively, of these pledged assets may not be sold or repledged by the secured parties.

### Restricted Cash

Citigroup defines restricted cash (as cash subject to withdrawal restrictions) to include cash deposited with central banks that must be maintained to meet minimum regulatory requirements, and cash set aside for the benefit of customers or for other purposes such as compensating balance arrangements or debt retirement. Restricted cash may include minimum reserve requirements at certain central banks and cash segregated to satisfy rules regarding the protection of customer assets as required by Citigroup broker-dealers' primary regulators, including the SEC, the Commodity Futures Trading Commission and the United Kingdom's Prudential Regulation Authority.

Restricted cash is included on the Consolidated Balance Sheet within the following balance sheet lines:

In millions of dollars	December 31, 2024	December 31, 2023
Cash and due from banks	\$ 3,325	3,479
Deposits with banks, net of allowance	16,217	15,538
<b>Total</b>	<b>\$ 19,542</b>	<b>\$ 19,017</b>

In addition to the restricted cash amounts presented above, at December 31, 2024 and 2023, approximately \$7.2 billion and \$3.9 billion, respectively, was held at the Russian Deposit Insurance Agency (DIA) and was subject to restrictions imposed by the Russian government. These restricted amounts are reported within *Other assets* on the Consolidated Balance Sheet.

### Collateral

At December 31, 2024 and 2023, the approximate fair value of securities collateral received by Citi that may be resold or repledged, excluding the impact of allowable netting, was \$844.8 billion and \$817.9 billion, respectively. This collateral was received in connection with resale agreements, securities borrowings and loans, securities for securities lending transactions, derivative transactions and margined broker loans.

At December 31, 2024 and 2023, a substantial portion of the collateral received by Citi had been sold or repledged in connection with repurchase agreements, securities sold, not yet purchased, securities lendings, pledges to clearing organizations, segregation requirements under securities laws and regulations, derivative transactions and bank loans.

## Guarantees

Citi provides a variety of guarantees and indemnifications to its customers to enhance their credit standing and enable them to complete a wide range of business transactions. For certain contracts meeting the definition of a guarantee, the guarantor must recognize, at inception, a liability for the fair value of the obligation undertaken in issuing the guarantee.

In addition, the guarantor must disclose the maximum potential amount of future payments that the guarantor could be required to make under the guarantee, if there were a total

default by the guaranteed parties. The determination of the maximum potential future payments is based on the notional amount of the guarantees without consideration of possible recoveries under recourse provisions or from collateral held or pledged. As such, Citi believes such amounts bear no relationship to the anticipated losses, if any, on these guarantees.

The following tables present information about Citi's guarantees:

<i>In billions of dollars at December 31, 2024</i>	<b>Maximum potential amount of future payments</b>			<b>Carrying value (in millions of dollars)</b>
	<b>Expire within 1 year</b>	<b>Expire after 1 year</b>	<b>Total amount outstanding</b>	
Financial standby letters of credit	\$ 15.5	\$ 63.5	\$ 79.0	\$ 546
Performance guarantees	4.2	5.8	10.0	27
Derivative instruments considered to be guarantees	15.8	27.3	43.1	332
Loans sold with recourse	—	1.0	1.0	—
Securities lending indemnifications <sup>(1)</sup>	96.3	—	96.3	—
Card merchant processing <sup>(2)</sup>	124.3	—	124.3	—
Credit card arrangements with partners <sup>(3)</sup>	0.2	21.5	21.7	2
Guarantees under the Fixed Income Clearing Corporation sponsored member repo program	139.5	—	139.5	—
Other <sup>(4)</sup>	0.1	8.4	8.5	57
<b>Total</b>	<b>\$ 395.9</b>	<b>\$ 127.5</b>	<b>\$ 523.4</b>	<b>\$ 964</b>

<i>In billions of dollars at December 31, 2023</i>	<b>Maximum potential amount of future payments</b>			<b>Carrying value (in millions of dollars)</b>
	<b>Expire within 1 year</b>	<b>Expire after 1 year</b>	<b>Total amount outstanding</b>	
Financial standby letters of credit	\$ 17.8	\$ 63.5	\$ 81.3	\$ 674
Performance guarantees	4.8	5.8	10.6	49
Derivative instruments considered to be guarantees	24.2	16.3	40.5	362
Loans sold with recourse	0.6	1.2	1.8	16
Securities lending indemnifications <sup>(1)</sup>	104.1	—	104.1	—
Card merchant processing <sup>(2)</sup>	138.0	—	138.0	—
Credit card arrangements with partners <sup>(3)</sup>	0.2	0.2	0.4	5
Guarantees under the Fixed Income Clearing Corporation sponsored member repo program	27.7	—	27.7	—
Other <sup>(4)</sup>	—	7.7	7.7	50
<b>Total</b>	<b>\$ 317.4</b>	<b>\$ 94.7</b>	<b>\$ 412.1</b>	<b>\$ 1,156</b>

- (1) The carrying values of securities lending indemnifications were not material for either period presented, as the probability of potential liabilities arising from these guarantees is minimal.
- (2) At December 31, 2024 and 2023, this maximum potential exposure was estimated to be approximately \$124.3 billion and \$138 billion, respectively. However, Citi believes that the maximum exposure is not representative of the actual potential loss exposure based on its historical experience. This contingent liability is unlikely to arise, as most products and services are delivered when purchased and amounts are refunded when items are returned to merchants. As such, any losses incurred and the carrying amounts of Citi's contingent obligations related to merchant processing activities were immaterial. See "Card Merchant Processing" below.
- (3) Includes additional guarantees entered into as part of the extension and amendment of the American Airlines co-branded credit card partnership agreement, executed in December 2024. See "Credit Card Arrangements with Partners" below. Citi believes that the maximum exposure is not representative of actual potential loss exposure based on historical and expected future performance of the portfolio.
- (4) Includes guarantees of subsidiaries.

### **Financial Standby Letters of Credit**

Citi issues standby letters of credit, which substitute its own credit for that of the borrower. If a letter of credit is drawn down, the borrower is obligated to repay Citi. Standby letters of credit protect a third party from defaults on contractual obligations. Financial standby letters of credit include (i) guarantees of payment of insurance premiums and reinsurance risks that support industrial revenue bond underwriting, (ii) settlement of payment obligations to clearing houses, including futures and over-the-counter derivatives clearing (see further discussion below), (iii) support options and purchases of securities in lieu of escrow deposit accounts and (iv) letters of credit that backstop loans, credit facilities, promissory notes and trade acceptances.

### **Performance Guarantees**

Performance guarantees and letters of credit are issued to guarantee a customer's tender bid on a construction or systems-installation project or to guarantee completion of such projects in accordance with contract terms. They are also issued to support a customer's obligation to supply specified products, commodities or maintenance or warranty services to a third party.

### **Derivative Instruments Considered to Be Guarantees**

Derivatives are financial instruments whose cash flows are based on a notional amount and an underlying instrument, reference credit or index, where there is little or no initial investment and whose terms require or permit net settlement. See Note 24 for a discussion of Citi's derivatives activities.

Derivative instruments considered to be guarantees include only those instruments that require Citi to make payments to the counterparty based on changes in an underlying instrument that is related to an asset, a liability or an equity security held by the guaranteed party. More specifically, derivative instruments considered to be guarantees include certain over-the-counter written put options where the counterparty is not a bank, hedge fund or broker-dealer (such counterparties are considered to be dealers in these markets and may, therefore, not hold the underlying instruments). Credit derivatives sold by Citi are excluded from the tables above as they are disclosed separately in Note 24. In instances where Citi's maximum potential future payment is unlimited, the notional amount of the contract is disclosed.

### **Loans Sold with Recourse**

Loans sold with recourse represent Citi's obligations to reimburse the buyers for loan losses under certain circumstances. Recourse refers to the clause in a sales agreement under which a seller/lender will fully reimburse the buyer/investor for any losses resulting from the purchased loans. This may be accomplished by the sellers taking back any loans that become delinquent.

In addition to the amounts presented in the tables above, Citi has recorded a repurchase reserve for its potential repurchases or make-whole liability regarding residential mortgage representation and warranty claims related to its whole loan sales to U.S. government-sponsored agencies and, to a lesser extent, private investors. The repurchase reserve was approximately \$12 million and \$11 million at

December 31, 2024 and 2023, respectively, and these amounts are included in *Other liabilities* on the Consolidated Balance Sheet.

### **Securities Lending Indemnifications**

Owners of securities frequently lend those securities for a fee to other parties who may sell them short or deliver them to another party to satisfy some other obligation. Banks may administer such securities lending programs for their clients. Securities lending indemnifications are issued by the bank to guarantee that a securities lending customer will be made whole in the event that the security borrower does not return the security subject to the lending agreement and collateral held is insufficient to cover the market value of the security.

### **Card Merchant Processing**

Card merchant processing guarantees represent the Company's indirect obligations in connection with (i) providing transaction processing services to various merchants with respect to its private label cards and (ii) potential liability for bank card transaction processing services. The nature of the liability in either case arises as a result of a billing dispute between a merchant and a cardholder that is ultimately resolved in the cardholder's favor. The merchant is liable to refund the amount to the cardholder. In general, if the card processing company is unable to collect this amount from the merchant, the card processing company bears the loss for the amount of the credit or refund paid to the cardholder.

With regard to (i) above, Citi has the primary contingent liability with respect to its portfolio of private label merchants. The risk of loss is mitigated as the cash flows between Citi and the merchant are settled on a net basis, and Citi has the right to offset any payments with cash flows otherwise due to the merchant. To further mitigate this risk, Citi may delay settlement, require a merchant to make an escrow deposit, include event triggers to provide Citi with more financial and operational control in the event of the financial deterioration of the merchant or require various credit enhancements (including letters of credit and bank guarantees). In the unlikely event that a private label merchant is unable to deliver products, services or a refund to its private label cardholders, Citi is contingently liable to credit or refund cardholders.

With regard to (ii) above, Citi has a potential liability for bank card transactions where Citi provides the transaction processing services as well as those where a third party provides the services and Citi acts as a secondary guarantor, should that processor fail to perform.

Citi's maximum potential contingent liability related to both bank card and private label merchant processing services is estimated to be the total volume of card transactions that meet the requirements to be valid charge-back transactions at any given time. At December 31, 2024 and 2023, this maximum potential exposure was estimated to be \$124.3 billion and \$138.0 billion, respectively.

However, Citi believes that the maximum exposure is not representative of the actual potential loss exposure based on its historical experience. This contingent liability is unlikely to arise, as most products and services are delivered when purchased and amounts are refunded when items are returned.

to merchants. Citi assesses the probability and amount of its contingent liability related to merchant processing based on the financial strength of the primary guarantor, the extent and nature of unresolved charge-backs and its historical loss experience. At December 31, 2024 and 2023, the losses incurred and the carrying amounts of Citi's contingent obligations related to merchant processing activities were immaterial.

#### **Credit Card Arrangements with Partners**

Citi, in one of its credit card partner arrangements, provides guarantees to the partner regarding the volume of certain customer originations and a minimum revenue target to be achieved by the program during the term of the agreement. To the extent that such origination and revenue targets are not met, the guarantees serve to compensate the partner for certain payments that otherwise would have been generated in connection with such originations and revenues generated by the program.

#### **Other Guarantees and Indemnifications**

##### **Credit Card Protection Programs**

Citi, through its credit card businesses, provides various cardholder protection programs on several of its card products, including programs that provide coverage for certain losses associated with purchased products, and protection for certain travel-related purchases. These guarantees are not included in the table, since the total outstanding amount of the guarantees and Citi's maximum exposure to loss cannot be quantified. The protection is limited to certain types of purchases and losses, and it is not possible to quantify the purchases that would qualify for these benefits at any given time. Citi assesses the probability and amount of its potential liability related to these programs based on the extent and nature of its historical loss experience. At December 31, 2024 and 2023, the actual and estimated losses incurred and the carrying value of Citi's obligations related to these programs were immaterial.

##### **Guarantees of Subsidiaries**

The Company, on a contract-by-contract basis, may enter into agreements that contain indemnifications between legal entities within the consolidated group, whereupon payment may become due if certain external events occur. In the fourth quarter of 2024, the Company entered into an agreement that indemnifies certain subsidiaries of the Company against certain matters related to the business operated by the Company through other subsidiaries, including certain existing and future legal actions and other matters, such as tax matters. Certain of such indemnification obligations have no stated expiration date and are not subject to specific limitations on the maximum potential amount of future payments that the Company could be required to make. The Company is not able to estimate the maximum potential amount of future payments to be made under this agreement because the triggering events are not predictable.

#### *Other Representation and Warranty Indemnifications*

In the normal course of business, Citi provides standard representations and warranties to counterparties in contracts in connection with numerous transactions and also provides indemnifications, including indemnifications that protect the counterparties to the contracts in the event that additional taxes are owed, due either to a change in the tax law or an adverse interpretation of the tax law. Counterparties to these transactions provide Citi with comparable indemnifications. While such representations, warranties and indemnifications are essential components of many contractual relationships, they do not represent the underlying business purpose for the transactions. The indemnification clauses are often standard contractual terms related to Citi's own performance under the terms of a contract and are entered into in the normal course of business based on an assessment that the risk of loss is remote. Often these clauses are intended to ensure that terms of a contract are met at inception. No compensation is received for these standard representations and warranties, and it is not possible to determine their fair value because they rarely, if ever, result in a payment. In many cases, there are no stated or notional amounts included in the indemnification clauses, and the contingencies potentially triggering the obligation to indemnify have not occurred and are not expected to occur. As a result, these indemnifications are not included in the tables above.

#### *Value-Transfer Networks (Including Exchanges and Clearing Houses) (VTNs)*

Citi is a member of, or shareholder in, hundreds of value-transfer networks (VTNs) (payment, clearing and settlement systems as well as exchanges) around the world. As a condition of membership, many of these VTNs require that members stand ready to pay a pro rata share of the losses incurred by the organization due to another member's default on its obligations. Citi's potential obligations may be limited to its membership interests in the VTNs, contributions to the VTN's funds, or, in certain narrow cases, to the full pro rata share. The maximum exposure is difficult to estimate as this would require an assessment of claims that have not yet occurred; however, Citi believes the risk of loss is remote given historical experience with the VTNs. Accordingly, Citi's participation in VTNs is not reported in the guarantees tables above, and there are no amounts reflected on the Consolidated Balance Sheet as of December 31, 2024 or 2023 for potential obligations that could arise from Citi's involvement with VTN associations.

#### *Long-Term Care Insurance Indemnification*

In 2000, Travelers Life & Annuity (Travelers), then a subsidiary of Citi, entered into a reinsurance agreement to transfer the risks and rewards of its long-term care (LTC) business to GE Life (now Genworth Financial Inc., or Genworth), then a subsidiary of the General Electric Company (GE). As part of this transaction, the reinsurance obligations were provided by two regulated insurance subsidiaries of GE Life, which funded two collateral trusts with securities. Presently, as discussed below, the trusts are referred to as the Genworth Trusts.

As part of GE's spin-off of Genworth in 2004, GE retained the risks and rewards associated with the 2000 Travelers reinsurance agreement by providing a reinsurance contract to Genworth through GE's Union Fidelity Life Insurance Company (UFLIC) subsidiary that covers the Travelers LTC policies. In addition, GE provided a capital maintenance agreement in favor of UFLIC that is designed to assure that UFLIC will have the funds to pay its reinsurance obligations. As a result of these reinsurance agreements and the spin-off of Genworth, Genworth has reinsurance protection from UFLIC (supported by GE) and has reinsurance obligations in connection with the Travelers LTC policies. As noted below, the Genworth reinsurance obligations now benefit Brighthouse Financial, Inc. (Brighthouse). While neither Brighthouse nor Citi are direct beneficiaries of the capital maintenance agreement between GE and UFLIC, Brighthouse and Citi benefit indirectly from the existence of the capital maintenance agreement, which helps assure that UFLIC will continue to have funds necessary to pay its reinsurance obligations to Genworth.

In connection with Citi's 2005 sale of Travelers to MetLife Inc. (MetLife), Citi provided an indemnification to MetLife for losses (including policyholder claims) relating to the LTC business for the entire term of the Travelers LTC policies, which, as noted above, are reinsured by subsidiaries of Genworth. In 2017, MetLife spun off its retail insurance business to Brighthouse. As a result, the Travelers LTC policies now reside with Brighthouse. The original reinsurance agreement between Travelers (now Brighthouse) and Genworth remains in place and Brighthouse is the sole beneficiary of the Genworth Trusts. The Genworth Trusts are designed to provide collateral to Brighthouse in an amount equal to the statutory liabilities of Brighthouse in respect of the Travelers LTC policies. The assets in the Genworth Trusts are evaluated and adjusted periodically to ensure that the fair value of the assets continues to provide collateral in an amount equal to these estimated statutory liabilities, as the liabilities change over time.

If both (i) Genworth fails to perform under the original Travelers/GE Life reinsurance agreement for any reason, including its insolvency or the failure of UFLIC to perform under its reinsurance contract or GE to perform under the capital maintenance agreement, and (ii) the assets of the two Genworth Trusts are insufficient or unavailable, then Citi, through its LTC reinsurance indemnification, must reimburse Brighthouse for any losses incurred in connection with the LTC policies. Since both events would have to occur before Citi would become responsible for any payment to Brighthouse pursuant to its indemnification obligation, and the likelihood of such events occurring is currently not probable, there is no liability reflected on the Consolidated Balance Sheet as of December 31, 2024 and 2023 related to this indemnification. However, if both events become reasonably possible (meaning more than remote but less than probable), Citi will be required to estimate and disclose a reasonably possible loss or range of loss to the extent that such an estimate could be made. In addition, if both events become probable, Citi will be required to accrue for such liability in accordance with applicable accounting principles.

#### **Futures and Over-the-Counter Derivatives Clearing**

Citi provides clearing services on central clearing parties (CCP) for clients that need to clear exchange-traded and over-the-counter (OTC) derivatives contracts with CCPs. Based on all relevant facts and circumstances, Citi has concluded that it acts as an agent for accounting purposes in its role as clearing member for these client transactions. As such, Citi does not reflect the underlying exchange-traded or OTC derivatives contracts in its Consolidated Financial Statements. See Note 24 for a discussion of Citi's derivatives activities that are reflected in its Consolidated Financial Statements.

As a clearing member, Citi collects and remits cash and securities collateral (margin) between its clients and the respective CCP. In certain circumstances, Citi collects a higher amount of cash (or securities) from its clients than it needs to remit to the CCPs. This excess cash is then held at depository institutions such as banks or carry brokers.

There are two types of margin: initial and variation. Where Citi obtains benefits from or controls cash initial margin (e.g., retains an interest spread), cash initial margin collected from clients and remitted to the CCP or depository institutions is reflected within *Brokerage payables* (payables to customers) and *Brokerage receivables* (receivables from brokers, dealers and clearing organizations) or *Cash and due from banks*, respectively.

However, for exchange-traded and OTC-cleared derivatives contracts where Citi does not obtain benefits from or control the client cash balances, the client cash initial margin collected from clients and remitted to the CCP or depository institutions is not reflected on Citi's Consolidated Balance Sheet. These conditions are met when Citi has contractually agreed with the client that (i) Citi will pass through to the client all interest paid by the CCP or depository institutions on the cash initial margin, (ii) Citi will not utilize its right as a clearing member to transform cash margin into other assets, (iii) Citi does not guarantee and is not liable to the client for the performance of the CCP or the depository institution and (iv) the client cash balances are legally isolated from Citi's bankruptcy estate. The total amount of cash initial margin collected and remitted in this manner was approximately \$14.9 billion and \$17.8 billion as of December 31, 2024 and 2023, respectively.

Variation margin due from clients to the respective CCP, or from the CCP to clients, reflects changes in the value of the client's derivative contracts for each trading day. As a clearing member, Citi is exposed to the risk of non-performance by clients (e.g., failure of a client to post variation margin to the CCP for negative changes in the value of the client's derivative contracts). In the event of non-performance by a client, Citi would move to close out the client's positions. The CCP would typically utilize initial margin posted by the client and held by the CCP, with any remaining shortfalls required to be paid by Citi as clearing member. Citi generally holds incremental cash or securities margin posted by the client, which would typically be expected to be sufficient to mitigate Citi's credit risk in the event that the client fails to perform.

As required by ASC 860-30-25-5, securities collateral posted by clients is not recognized on Citi's Consolidated Balance Sheet.

### **FICC Sponsored Member Repo Program**

Citi acts as a sponsoring member of the Government Securities Division of the Fixed Income Clearing Corporation (FICC) to clear eligible resale and repurchase agreements on behalf of its clients that become sponsored members of the FICC. Citi, as sponsoring member, is required to provide a guarantee to the FICC with respect to the prompt payment and performance of its sponsored members. Because Citi obtains a security interest in the cash or high-quality securities collateral that the clients place with the clearing house, Citi expects the risk of loss from this guarantee to be remote. See Note 12 for additional information on Citi's resale and repurchase agreements, including risk mitigation practices for these transactions.

### **Carrying Value—Guarantees and Indemnifications**

At December 31, 2024 and 2023, the total carrying amounts of the liabilities related to the guarantees and indemnifications included in the tables above amounted to approximately \$1.0 billion and \$1.2 billion, respectively. The carrying value of financial and performance guarantees is included in *Other liabilities*. For loans sold with recourse, the carrying value of the liability is included in *Other liabilities*.

### **Collateral**

Cash collateral available to Citi to reimburse losses realized under these guarantees and indemnifications amounted to \$49.0 billion and \$52.5 billion at December 31, 2024 and 2023, respectively. Securities and other marketable assets held as collateral amounted to \$62.5 billion and \$67.7 billion at December 31, 2024 and 2023, respectively. The majority of

<i>In billions of dollars at December 31, 2024</i>	Maximum potential amount of future payments				
	Non-grade	Investment grade	investment grade	Not rated	Total
Financial standby letters of credit	\$ 63.2	\$ 15.6	\$ 0.2	\$ 79.0	
Loans sold with recourse	—	—	1.0	1.0	
Other	—	8.4	—	8.4	
<b>Total</b>	<b>\$ 63.2</b>	<b>\$ 24.0</b>	<b>\$ 1.2</b>	<b>\$ 88.4</b>	

*In billions of dollars at December 31, 2023*

Financial standby letters of credit

Loans sold with recourse

Other

Total

collateral is held to reimburse losses realized under securities lending indemnifications. In addition, letters of credit in favor of Citi held as collateral amounted to \$3.1 billion and \$3.1 billion at December 31, 2024 and 2023, respectively. Other property may also be available to Citi to cover losses under certain guarantees and indemnifications; however, the value of such property has not been determined.

### **Performance Risk**

Citi evaluates the performance risk of its guarantees based on the assigned referenced counterparty internal or external ratings. Where external ratings are used, investment-grade ratings are considered to be Baa/BBB and above, while anything below is considered non-investment grade. Citi's internal ratings are in line with the related external rating system. On certain underlying referenced assets or entities, ratings are not available. Such referenced assets are included in the "not rated" category. The maximum potential amount of the future payments related to the outstanding guarantees is determined to be the notional amount of these contracts, which is the par amount of the assets guaranteed.

Presented in the tables below are the maximum potential amounts of future payments that are classified based on internal and external credit ratings. The determination of the maximum potential future payments is based on the notional amount of the guarantees without consideration of possible recoveries under recourse provisions or from collateral held or pledged. As such, Citi believes such amounts bear no relationship to the anticipated losses, if any, on these guarantees.

### Maximum potential amount of future payments

	Investment grade	Non-investment grade	Not rated	Total
Financial standby letters of credit	\$ 70.5	\$ 10.8	—	\$ 81.3
Loans sold with recourse	—	—	1.8	1.8
Other	—	7.7	—	7.7
<b>Total</b>	<b>\$ 70.5</b>	<b>\$ 18.5</b>	<b>1.8</b>	<b>\$ 90.8</b>

## Credit Commitments and Lines of Credit

The table below summarizes Citigroup's credit commitments:

In millions of dollars	U.S.	Outside of U.S. <sup>(1)</sup>	December 31, 2024	December 31, 2023
Commercial and similar letters of credit	\$ 607	\$ 3,424	\$ 4,031	\$ 5,345
One- to four-family residential mortgages	489	478	967	1,245
Revolving open-end loans secured by one- to four-family residential properties	5,253	18	5,271	5,495
Commercial real estate, construction and land development	12,599	1,508	14,107	15,266
Credit card lines	618,051	58,698	676,749	677,005
Commercial and other consumer loan commitments	209,032	116,297	325,329	312,300
Other commitments and contingencies <sup>(2)</sup>	4,846	62	4,908	5,146
<b>Total</b>	<b>\$ 850,877</b>	<b>\$ 180,485</b>	<b>\$ 1,031,362</b>	<b>\$ 1,021,802</b>

(1) Consumer commitments related to the business HFS countries under sales agreements are reflected in their original categories until the respective sales are completed.

(2) Other commitments and contingencies include commitments to purchase certain debt and equity securities.

The majority of unused commitments are contingent upon customers maintaining specific credit standards. Commercial commitments generally have floating interest rates and fixed expiration dates and may require payment of fees. Such fees (net of certain direct costs) are deferred and, upon exercise of the commitment, amortized over the life of the loan or, if exercise is deemed remote, amortized over the commitment period.

### Commercial and Similar Letters of Credit

A commercial letter of credit is an instrument by which Citigroup substitutes its credit for that of a customer to enable the customer to finance the purchase of goods or to incur other commitments. Citigroup issues a letter on behalf of its client to a supplier and agrees to pay the supplier upon presentation of documentary evidence that the supplier has performed in accordance with the terms of the letter of credit. When a letter of credit is drawn, the customer is then required to reimburse Citigroup.

### One- to Four-Family Residential Mortgages

A one- to four-family residential mortgage commitment is a written confirmation from Citigroup to a seller of a property that the bank will advance the specified sums enabling the buyer to complete the purchase.

### Revolving Open-End Loans Secured by One- to Four-Family Residential Properties

Revolving open-end loans secured by one- to four-family residential properties are essentially home equity lines of credit. A home equity line of credit is a loan secured by a primary residence or second home to the extent of the excess of fair market value over the debt outstanding for the first mortgage.

### Commercial Real Estate, Construction and Land Development

Commercial real estate, construction and land development include unused portions of commitments to extend credit for the purpose of financing commercial and multifamily residential properties as well as land development projects.

Both secured-by-real-estate and unsecured commitments are included in this line, as well as undistributed loan proceeds, where there is an obligation to advance for construction progress payments. However, this line only includes those extensions of credit that, once funded, will be classified as *Total loans, net* on the Consolidated Balance Sheet.

### Credit Card Lines

Citigroup provides credit to customers by issuing credit cards. The credit card lines are cancelable by providing notice to the cardholder or without such notice as permitted by local law.

### Commercial and Other Consumer Loan Commitments

Commercial and other consumer loan commitments include overdraft and liquidity facilities as well as commercial commitments to make or purchase loans, purchase third-party receivables, provide note issuance or revolving underwriting facilities and invest in the form of equity.

### Other Commitments

As a Federal Reserve member bank, Citi is required to subscribe to half of a certain amount of shares issued by its Federal Reserve District Bank. As of December 31, 2024 and 2023, Citi holds shares with a carrying value of \$4.5 billion, with the remaining half subject to call by the Federal Reserve District Bank Board.

In the normal course of business, Citi enters into reverse repurchase and securities borrowing agreements, as well as repurchase and securities lending agreements, which settle at a future date. At December 31, 2024 and 2023, Citi had approximately \$117.7 billion and \$120.9 billion of unsettled reverse repurchase and securities borrowing agreements, and approximately \$126.8 billion and \$96.4 billion of unsettled repurchase and securities lending agreements, respectively. See Note 12 for a further discussion of securities purchased under agreements to resell and securities borrowed, and securities sold under agreements to repurchase and securities loaned, including the Company's policy for offsetting repurchase and reverse repurchase agreements.

These amounts are not included in the table above.

## 29. LEASES

The Company's operating leases, where Citi is a lessee, include real estate, such as office space and branches, and various types of equipment. These leases may contain renewal and extension options and early termination features; however, these options do not impact the lease term unless the Company is reasonably certain that it will exercise options. These leases have a weighted-average remaining lease term of approximately 6.5 years as of December 31, 2024 and 6 years as of December 31, 2023.

For additional information regarding Citi's leases, see Note 1.

The following table presents information on the right-of-use (ROU) asset and lease liabilities included in *Premises and equipment* and *Other liabilities*, respectively:

In millions of dollars	<b>December 31, 2024</b>	<b>December 31, 2023</b>
ROU asset	\$ 2,836	\$ 2,801
Lease liability	3,013	2,974

The Company recognizes fixed lease costs on a straight-line basis throughout the lease term in the Consolidated Statement of Income. In addition, variable lease costs are recognized in the period in which the obligation for those payments is incurred.

At December 31, 2024, the Company had a future lease commitment scheduled to commence in April 2025 with fixed lease payments (undiscounted) totaling approximately \$255 million over a 15-year lease term.

The following table presents the total operating lease expense (principally for offices, branches and equipment) included in the Consolidated Statement of Income:

In millions of dollars	<b>Dec. 31, 2024</b>	<b>Dec. 31, 2023</b>	<b>Dec. 31, 2022</b>
Operating lease expense	\$ 842	\$ 842	\$ 852
Variable lease expense	204	208	199
Total lease costs <sup>(1)</sup>	\$ 1,046	\$ 1,050	\$ 1,051

(1) Balances do not include \$9 million, \$3 million and \$3 million of sublease income for the years ended December 31, 2024, 2023 and 2022, respectively.

The table below provides the supplemental Statement of Cash Flows information:

In millions of dollars	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Cash paid for amounts included in the measurement of lease liabilities	\$ 729	\$ 714
ROU assets obtained in exchange for new operating lease liabilities <sup>(1)</sup>	777	456

(1) Represents non-cash activity and, accordingly, is not reflected in the Consolidated Statement of Cash Flows.

Citi's future lease payments are as follows:

In millions of dollars		
2025	\$ 709	
2026	636	
2027	514	
2028	418	
2029	317	
Thereafter	865	
Total future lease payments	\$ 3,459	
Less imputed interest (based on weighted-average discount rate of 4.1%)	\$ (446)	
Lease liability	\$ 3,013	

## 30. CONTINGENCIES

### Accounting and Disclosure Framework

ASC 450 governs the disclosure and recognition of loss contingencies, including potential losses from litigation, regulatory, tax and other matters. ASC 450 defines a “loss contingency” as “an existing condition, situation, or set of circumstances involving uncertainty as to possible loss to an entity that will ultimately be resolved when one or more future events occur or fail to occur.” It imposes different requirements for the recognition and disclosure of loss contingencies based on the likelihood of occurrence of the contingent future event or events. It distinguishes among degrees of likelihood using the following three terms: “probable,” meaning that “the future event or events are likely to occur”; “remote,” meaning that “the chance of the future event or events occurring is slight”; and “reasonably possible,” meaning that “the chance of the future event or events occurring is more than remote but less than likely.” These three terms are used below as defined in ASC 450.

**Accruals.** ASC 450 requires accrual for a loss contingency when it is “probable that one or more future events will occur confirming the fact of loss” *and* “the amount of the loss can be reasonably estimated.” In accordance with ASC 450, Citigroup establishes accruals for contingencies, including any litigation, regulatory or tax matters disclosed herein, when Citigroup believes it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated. When the reasonable estimate of the loss is within a range of amounts, the minimum amount of the range is accrued, unless some higher amount within the range is a better estimate than any other amount within the range. Once established, accruals are adjusted from time to time, as appropriate, in light of additional information. The amount of loss ultimately incurred in relation to those matters may be substantially higher or lower than the amounts accrued for those matters.

**Disclosure.** ASC 450 requires disclosure of a loss contingency if “there is at least a reasonable possibility that a loss or an additional loss may have been incurred” *and* there is no accrual for the loss because the conditions described above are not met or an exposure to loss exists in excess of the amount accrued. In accordance with ASC 450, if Citigroup has not accrued for a matter because Citigroup believes that a loss is reasonably possible but not probable, or that a loss is probable but not reasonably estimable, and the reasonably possible loss is material, it discloses the loss contingency. In addition, Citigroup discloses matters for which it has accrued if it believes a reasonably possible exposure to material loss exists in excess of the amount accrued. In accordance with ASC 450, Citigroup’s disclosure includes an estimate of the reasonably possible loss or range of loss for those matters as to which an estimate can be made. ASC 450 does not require disclosure of an estimate of the reasonably possible loss or range of loss where an estimate cannot be made. Neither accrual nor disclosure is required for losses that are deemed remote.

### Litigation, Regulatory and Other Contingencies

**Overview.** In addition to the matters described below, in the ordinary course of business, Citigroup, its affiliates and subsidiaries, and current and former officers, directors and employees (for purposes of this section, sometimes collectively referred to as Citigroup and Related Parties) routinely are named as defendants in, or as parties to, various legal actions and proceedings. Certain of these actions and proceedings assert claims or seek relief in connection with alleged violations of consumer protection, fair lending, securities, banking, antifraud, antitrust, anti-money laundering, employment and other statutory and common laws. Certain of these actual or threatened legal actions and proceedings include claims for substantial or indeterminate compensatory or punitive damages, or for injunctive relief, and in some instances seek recovery on a class-wide basis.

In the ordinary course of business, Citigroup and Related Parties also are subject to governmental and regulatory examinations, information-gathering requests, investigations and proceedings (both formal and informal), certain of which may result in adverse judgments, settlements, fines, penalties, restitution, disgorgement, injunctions or other relief. In addition, certain affiliates and subsidiaries of Citigroup are banks, registered broker-dealers, futures commission merchants, investment advisors or other regulated entities and, in those capacities, are subject to regulation by various U.S., state and foreign securities, banking, commodity futures, consumer protection and other regulators. In connection with formal and informal inquiries by these regulators, Citigroup and such affiliates and subsidiaries receive numerous requests, subpoenas and orders seeking documents, testimony and other information in connection with various aspects of their regulated activities. From time to time Citigroup and Related Parties also receive grand jury subpoenas and other requests for information or assistance, formal or informal, from federal or state law enforcement agencies including, among others, various United States Attorneys’ Offices, the Money Laundering and Asset Recovery Section and other divisions of the Department of Justice, the Financial Crimes Enforcement Network of the United States Department of the Treasury, and the Federal Bureau of Investigation relating to Citigroup and its customers.

Because of the global scope of Citigroup’s operations and its presence in countries around the world, Citigroup and Related Parties are subject to litigation and governmental and regulatory examinations, information-gathering requests, investigations and proceedings (both formal and informal) in multiple jurisdictions with legal, regulatory and tax regimes that may differ substantially, and present substantially different risks, from those Citigroup and Related Parties are subject to in the United States. In some instances, Citigroup and Related Parties may be involved in proceedings involving the same subject matter in multiple jurisdictions, which may result in overlapping, cumulative or inconsistent outcomes.

Citigroup seeks to resolve all litigation, regulatory, tax and other matters in the manner management believes is in the best interests of Citigroup and its shareholders, and contests liability, allegations of wrongdoing and, where applicable, the amount of damages or scope of any penalties or other relief sought as appropriate in each pending matter.

*Inherent Uncertainty of the Matters Disclosed.* Certain of the matters disclosed below involve claims for substantial or indeterminate damages. The claims asserted in these matters typically are broad, often spanning a multiyear period and sometimes a wide range of business activities, and the plaintiffs' or claimants' alleged damages frequently are not quantified or factually supported in the complaint or statement of claim. Other matters relate to regulatory investigations or proceedings, as to which there may be no objective basis for quantifying the range of potential fine, penalty or other remedy. As a result, Citigroup is often unable to estimate the loss in such matters, even if it believes that a loss is probable or reasonably possible, until developments in the case, proceeding or investigation have yielded additional information sufficient to support a quantitative assessment of the range of reasonably possible loss. Such developments may include, among other things, discovery from adverse parties or third parties, rulings by the court on key issues, analysis by retained experts and engagement in settlement negotiations.

Depending on a range of factors, such as the complexity of the facts, the novelty of the legal theories, the pace of discovery, the court's scheduling order, the timing of court decisions and the adverse party's, regulator's or other authority's willingness to negotiate in good faith toward a resolution, it may be months or years after the filing of a case or commencement of a proceeding or an investigation before an estimate of the range of reasonably possible loss can be made.

*Matters as to Which an Estimate Can Be Made.* For some of the matters disclosed below, Citigroup is currently able to estimate a reasonably possible loss or range of loss in excess of amounts accrued (if any). For some of the matters included within this estimation, an accrual has been made because a loss is believed to be both probable and reasonably estimable, but a reasonably possible exposure to loss exists in excess of the amount accrued. In these cases, the estimate reflects the reasonably possible range of loss in excess of the accrued amount. For other matters included within this estimation, no accrual has been made because a loss, although estimable, is believed to be reasonably possible, but not probable; in these cases, the estimate reflects the reasonably possible loss or range of loss. As of December 31, 2024, Citigroup estimates that the reasonably possible unaccrued loss for these matters ranges up to approximately \$1.3 billion in the aggregate.

These estimates are based on currently available information. As available information changes, the matters for which Citigroup is able to estimate will change, and the estimates themselves will change. In addition, while many estimates presented in financial statements and other financial disclosures involve significant judgment and may be subject to significant uncertainty, estimates of the range of reasonably possible loss arising from litigation, regulatory and tax proceedings are subject to particular uncertainties. For example, at the time of making an estimate, (i) Citigroup may have only preliminary, incomplete or inaccurate information about the facts underlying the claim, (ii) its assumptions about the future rulings of the court, other tribunal or authority on significant issues, or the behavior and incentives of adverse parties, regulators or other authorities, may prove to be wrong and (iii) the outcomes it is attempting to predict are often not

amenable to the use of statistical or other quantitative analytical tools. In addition, from time to time an outcome may occur that Citigroup had not accounted for in its estimate because it had deemed such an outcome to be remote. For all of these reasons, the amount of loss in excess of amounts accrued in relation to matters for which an estimate has been made could be substantially higher or lower than the range of loss included in the estimate.

*Matters as to Which an Estimate Cannot Be Made.* For other matters disclosed below, Citigroup is not currently able to estimate the reasonably possible loss or range of loss. Many of these matters remain in very preliminary stages (even in some cases where a substantial period of time has passed since the commencement of the matter), with few or no substantive legal decisions by the court, tribunal or other authority defining the scope of the claims, the class (if any) or the potentially available damages or other exposure, and fact discovery is still in progress or has not yet begun. In many of these matters, Citigroup has not yet answered the complaint or statement of claim or asserted its defenses, nor has it engaged in any negotiations with the adverse party (whether a regulator, taxing authority or a private party). For all these reasons, Citigroup cannot at this time estimate the reasonably possible loss or range of loss, if any, for these matters.

*Opinion of Management as to Eventual Outcome.* Subject to the foregoing, it is the opinion of Citigroup's management, based on current knowledge and after taking into account its current accruals, that the eventual outcome of all matters described in this Note would not likely have a material adverse effect on the consolidated financial condition of Citigroup.

Nonetheless, given the substantial or indeterminate amounts sought in certain of these matters, and the inherent unpredictability of such matters, an adverse outcome in certain of these matters could, from time to time, have a material adverse effect on Citigroup's consolidated results of operations or cash flows in particular quarterly or annual periods.

### Foreign Exchange Matters

In 2019, two applications, captioned MICHAEL O'HIGGINS FX CLASS REPRESENTATIVE LIMITED v. BARCLAYS BANK PLC AND OTHERS and PHILLIP EVANS v. BARCLAYS BANK PLC AND OTHERS, were made to the U.K.'s Competition Appeal Tribunal requesting permission to commence collective proceedings against Citigroup, Citibank, and other defendants. On February 8, 2024, Michael O'Higgins FX Class Representative Limited withdrew its application. The Evans application seeks compensatory damages for losses alleged to have arisen from the actions at issue in the European Commission's foreign exchange spot trading infringement decision (European Commission Decision of May 16, 2019 in Case AT.40135-FOREX (Three Way Banana Split) C(2019) 3631 final). After claimants appealed the U.K. Competition Appeal Tribunal's judgment on certification, the Court of Appeal issued a judgment in November 2023 that the U.K. Competition Appeal Tribunal should not have declined to certify the proceedings. On April 17, 2024, the U.K. Supreme Court granted the defendants' permission to appeal the Court of Appeal's judgment. On September 2, 2024, the U.K. Supreme Court scheduled a

hearing of the appeal for April 1–2, 2025. Additional information concerning these actions is publicly available in court filings under the case numbers 1329/7/7/19 and 1336/7/7/19 in the U.K. Competition Appeal Tribunal, CA-2022-002002 and CA-2022-002003 in the Court of Appeal, and UKSC 2023/0177 in the U.K. Supreme Court.

In 2019, a putative class action was filed against Citibank and other defendants, captioned J WISBEY & ASSOCIATES PTY LTD v. UBS AG & ORS, in the Federal Court of Australia. Plaintiffs allege that defendants manipulated the foreign exchange markets. Plaintiffs assert claims under antitrust laws and seek compensatory damages and declaratory and injunctive relief. Additional information concerning this action is publicly available in court filings under the docket number VID567/2019.

In 2019, two motions for certification of class actions filed against Citigroup, Citibank, Citicorp, and other defendants were consolidated, under the caption GERTLER, ET AL. v. DEUTSCHE BANK AG, in the Tel Aviv Central District Court in Israel. Plaintiffs allege that defendants manipulated the foreign exchange markets. In August 2021, Citibank's motion to dismiss plaintiffs' petition for certification was denied. In April 2022, the Supreme Court of Israel denied Citibank's motion for leave to appeal the Central District Court's denial of its motion to dismiss. On February 20, 2024, the parties filed a motion for the Tel Aviv Central District Court to approve a settlement. On September 15, 2024, the parties responded to objections filed in connection with the proposed settlement. On December 26, 2024, the court held a hearing to consider whether to approve the settlement. Additional information concerning this action is publicly available in court filings under the docket number CA 29013-09-18.

On December 13, 2021, a Dutch foundation filed a writ of summons against Citigroup, Citibank, and other defendants, captioned STICHTING FX CLAIMS v. NATWEST MARKETS N.V., ET AL., in the Amsterdam District Court in the Netherlands. Claimant seeks damages on behalf of certain institutional investors for losses alleged to have arisen from the actions at issue in the European Commission's foreign exchange spot trading infringement decision (European Commission Decision of May 16, 2019 in Case AT.40135- FOREX (Three Way Banana Split) C(2019) 3631 final). In March 2023, the court dismissed claims made on behalf of parties located outside the Netherlands and permitted the other claims to go forward. Claimant appealed that decision and in September 2023 and January 2025 filed new writs of summons asserting similar claims on behalf of additional institutional investors. Additional information concerning this action is publicly available in court filings under the case numbers C/13/718639 / HA ZA 22-460 and C/13/743903 / HA ZA 23-1143 in the Amsterdam District Court and under the case number 200.329.379/01 in the Amsterdam Court of Appeal.

#### **Fund Administration Matter**

In 2016, an arbitration proceeding was commenced in Brazil's Market Arbitration Chamber against an asset manager of a Brazilian real estate investment fund and Citibank Distribuidora de Titulos e Valores Mob S.A. (Citi DTVM).

The claimant alleged that the asset manager had engaged in fraud in connection with investments in real estate projects and that Citi DTVM, as fund administrator, should be held jointly and severally liable for its investment losses. In 2020, the arbitration panel concluded that the asset manager had engaged in fraudulent activities in certain real estate projects and that Citi DTVM was jointly and severally liable pursuant to the terms of the fund administration contract. The damages phase of the arbitration proceeding is ongoing.

#### **Greek Pension Claims**

Beginning in 2015, four claims were filed in the Court of First Instance of Athens by former Citi employees against Citibank Europe PLC (as a successor to Citibank International PLC, Athens branch) regarding the treatment of their pension benefits following the sale of Citi's consumer operations in Greece.

In SOULTANA AGGELAKI & OTHERS v. CITIBANK EUROPE PUBLIC LIMITED COMPANY, in February 2017, the Court of First Instance of Athens issued a decision rejecting the claims. In January 2019, the Athens Court of Appeal affirmed the decision of the Court of First Instance of Athens. On May 14, 2024, following the further appeal by the claimants, the Greek Supreme Court dismissed some claims, allowed others to proceed, and referred others back to the Athens Court of Appeal for further consideration of the calculation methodology. The Court of Appeal held a hearing on February 18, 2025. Additional information concerning this action is available in court filings under the docket numbers 70/2019 in the Athens Court of Appeal and 430/2024 in the Greek Supreme Court.

In AGGELAKIS CHRISTOS & OTHERS v. CITIBANK EUROPE PUBLIC LIMITED COMPANY, in February 2017, the Court of First Instance of Athens dismissed the claims. On appeal, the Athens Court of Appeal initially stayed the case pending the outcome of the appeal filed with the Supreme Court in SOULTANA AGGELAKI & OTHERS v. CITIBANK EUROPE PUBLIC LIMITED COMPANY and has now scheduled a hearing for March 18, 2025. Additional information is available in court filings under the docket number 4716/2020 in the Athens Court of Appeal.

In GIACHOUNTOUDI & OTHERS v. CITIBANK EUROPE PUBLIC LIMITED COMPANY, on October 15, 2024, the Court of First Instance of Athens issued a decision rejecting the claims. The claimants have appealed, and the Court of Appeal has scheduled a hearing for March 18, 2025. This matter is filed under the docket numbers 2808/92/2019 in the Court of First Instance of Athens and 1086/771/2025 in the Athens Court of Appeal.

In GLYKAS & OTHERS v. CITIBANK EUROPE PUBLIC LIMITED COMPANY, in August 2017, the Court of First Instance of Athens dismissed the claims. On appeal, the Athens Court of Appeal initially stayed the action pending the outcome of the appeal filed with the Supreme Court in SOULTANA AGGELAKI & OTHERS v. CITIBANK EUROPE PUBLIC LIMITED COMPANY and has scheduled a hearing for March 4, 2025. Additional information is available in court filings under the docket number 4717/2020 in the Athens Court of Appeal.

## **Interbank Offered Rates-Related Litigation and Other Matters**

Citigroup and Citibank, along with other U.S. Dollar (USD) LIBOR panel banks, are defendants in a multi-district litigation proceeding before the United States District Court for the Southern District of New York captioned IN RE LIBOR-BASED FINANCIAL INSTRUMENTS ANTITRUST LITIGATION. The putative class actions and certain of the individual actions have been dismissed as to Citigroup and Citibank based on pretrial rulings or following settlements. Plaintiffs with surviving claims against Citigroup and Citibank assert claims under the Sherman Act and state law based on allegations that defendants suppressed or otherwise manipulated USD LIBOR. Plaintiffs seek compensatory damages and other relief. Additional information concerning these actions and related actions and appeals is publicly available in court filings under the docket numbers 11 MD 2262 (S.D.N.Y.) (Buchwald, J.) and 17-1569 (2d Cir.).

In August 2020, individual borrowers and consumers of loans and credit cards filed an action against Citigroup, Citibank, CGMI, and other defendants, captioned MCCARTHY, ET AL. v. INTERCONTINENTAL EXCHANGE, INC., ET AL., in the United States District Court for the Northern District of California. Plaintiffs allege that defendants conspired to fix ICE LIBOR, assert claims under the Sherman Act and the Clayton Act, and seek declaratory relief, injunctive relief, and treble damages. In October 2022, plaintiffs filed an amended complaint. In October 2023, the district court granted defendants' motion to dismiss the amended complaint with prejudice for all claims against Citigroup, Citibank, and CGMI. On December 9, 2024, the United States Court of Appeals for the Ninth Circuit affirmed the district court's ruling in all respects. On December 24, 2024, plaintiffs filed a petition for rehearing *en banc*. Additional information concerning this action is publicly available in court filings under the docket numbers 20-CV-5832 (N.D. Cal.) (Donato, J.) and 23-3458 (9th Cir.).

## **Interchange Fee Litigation**

Beginning in 2005, several putative class actions were filed against Citigroup, Citibank, and Citicorp, together with Visa, MasterCard, and other banks and their affiliates, in various federal district courts and consolidated with other related individual cases in a multi-district litigation proceeding in the United States District Court for the Eastern District of New York. This proceeding is captioned IN RE PAYMENT CARD INTERCHANGE FEE AND MERCHANT DISCOUNT ANTITRUST LITIGATION.

The plaintiffs, merchants that accept Visa and MasterCard branded payment cards, as well as various membership associations that claim to represent certain groups of merchants, allege, among other things, that defendants have engaged in conspiracies to set the price of interchange and merchant discount fees on credit and debit card transactions and to restrain trade unreasonably through various Visa and MasterCard rules governing merchant conduct, all in violation of Section 1 of the Sherman Act and certain California statutes. Plaintiffs further allege violations of Section 2 of the Sherman Act. Supplemental complaints also were filed against

defendants in the putative class actions alleging that Visa's and MasterCard's respective initial public offerings were anticompetitive and violated Section 7 of the Clayton Act, and that MasterCard's initial public offering constituted a fraudulent conveyance.

In 2014, the district court entered a final judgment approving the terms of a class settlement. Various objectors appealed from the final class settlement approval order to the United States Court of Appeals for the Second Circuit. In 2016, the Court of Appeals reversed the district court's approval of the class settlement and remanded for further proceedings. The district court thereafter appointed separate counsel for a putative class seeking damages and a putative class seeking injunctive relief. Amended or new complaints on behalf of the putative classes and various individual merchants were subsequently filed, including a further amended complaint on behalf of a putative damages class and a new complaint on behalf of a putative injunctive class, both of which named Citigroup, Citibank, and Citicorp LLC. In addition, numerous merchants have filed amended or new complaints against Visa, MasterCard, and in some instances one or more issuing banks, including Citigroup, Citibank, and Citicorp Payment Services.

In 2019, the district court granted the damages class plaintiffs' motion for final approval of a new settlement with the defendants. The settlement involves the damages class only and does not settle the claims of the injunctive relief class or any actions brought on a non-class basis by individual merchants. The settlement provides for a cash payment to the damages class of \$6.24 billion, later reduced by \$700 million based on the transaction volume of class members that opted out from the settlement. Several merchants and merchant groups appealed the final approval order. In September 2021, the court granted the injunctive relief class plaintiffs' motion to certify a non-opt-out class. On March 15, 2023, the United States Court of Appeals for the Second Circuit affirmed the district court's final approval of the damages class settlement and remanded the case back to the district court for administration of the settlement claims process. On January 8, 2024, the district court issued decisions on two pending motions for summary judgment. It granted in part and denied in part defendants' motions for summary judgment. The district court also denied Mastercard's motion for summary judgment as to Mastercard's lack of market power. From February to April 2024, the court issued opinions regarding the parties' remaining respective summary judgment motions. On March 26, 2024, the injunctive relief class plaintiffs filed a motion seeking preliminary approval of the parties' March 25, 2024, agreement to settle the injunctive relief class claims. On June 25, 2024, the district court denied the motion for preliminary approval of the injunctive relief class settlement. Beginning on June 25, 2024, the district court issued orders concluding the multi-district litigation proceedings and remanding the cases to other districts in GRUBHUB HOLDINGS, INC., ET AL. v. VISA INC., ET AL.; MIRAGE WINE & SPIRITS, INC., ET AL. v. VISA INC., ET AL.; TARGET CORP., ET AL. v. VISA INC., ET AL.; and 7-ELEVEN, INC., ET AL. v. VISA INC., ET AL. Additional information concerning these actions is publicly available in court filings under the docket numbers 1:05-md-01720

(E.D.N.Y.) (Brodie, J.); 1:13-cv-04442 (S.D.N.Y.) (Hellerstein, J.); 1:13-cv-03477 (S.D.N.Y.) (Hellerstein, J.); and 1:19-cv-07273 (N.D. Ill.) (Chang, J.).

### **Interest Rate and Credit Default Swap Litigation**

Beginning in 2015, Citigroup, Citibank, CGML, CGML and numerous other parties were named as defendants in a number of industry-wide putative class actions related to interest rate swap (IRS) trading. These actions have been consolidated in the United States District Court for the Southern District of New York under the caption IN RE INTEREST RATE SWAPS ANTITRUST LITIGATION. The actions allege that defendants colluded to prevent the development of exchange-like trading for IRS and assert federal and state antitrust claims and claims for unjust enrichment. Also consolidated under the same caption are individual actions filed by swap execution facilities, asserting federal and state antitrust claims, as well as claims for unjust enrichment and tortious interference with business relations. Plaintiffs in these actions seek treble damages, fees, costs, and injunctive relief. Lead plaintiffs in the class action moved for class certification in 2019 and subsequently filed an amended complaint. On December 15, 2023, the court denied plaintiffs' motion for class certification. On July 11, 2024, the district court granted preliminary approval of the parties' settlement of the class action. On October 10, 2024, the district court issued an order granting the motion to approve preliminarily the plans of allocation and preliminarily providing for notice to the settlement class. Additional information concerning these actions is publicly available in court filings under the docket numbers 18-CV-5361 (S.D.N.Y.) (Oetken, J.) and 16-MD-2704 (S.D.N.Y.) (Oetken, J.) and 24-81 (2d Cir.).

### **Madoff-Related Litigation**

In 2008, a Securities Investor Protection Act (SIPA) trustee was appointed for the SIPA liquidation of Bernard L. Madoff Investment Securities LLC (BLMIS) in the United States Bankruptcy Court for the Southern District of New York. Beginning in 2010, the SIPA trustee commenced actions against multiple Citi entities, including Citibank, Citicorp North America, Inc., and CGML, captioned PICARD v. CITIBANK, N.A., ET AL., seeking recovery of monies that originated at BLMIS and were allegedly received by the Citi entities as subsequent transferees.

In February 2022, the SIPA trustee filed an amended complaint against Citibank, Citicorp North America, Inc., and CGML. In April 2022, these Citi entities moved to dismiss the amended complaint, which the bankruptcy court denied. In November 2022, the remaining Citi entities moved to file an interlocutory appeal of the bankruptcy court's decision, which the district court denied on March 14, 2024, and answered the amended complaint. Additional information concerning these actions is publicly available in court filings under the docket numbers 10-5345 (Bankr. S.D.N.Y.) (Beckerman, J.) and 22-9597 (S.D.N.Y.) (Gardephe, J.).

Beginning in 2010, the British Virgin Islands liquidators of Fairfield Sentry Limited, whose assets were invested with BLMIS, commenced multiple actions against CGML, Citibank (Switzerland) AG, Citibank, NA London, Citivic Nominees Ltd., Cititrust Bahamas Ltd., and Citibank Korea Inc.,

captioned FAIRFIELD SENTRY LTD., ET AL. v. CITIGROUP GLOBAL MARKETS LTD., ET AL.; FAIRFIELD SENTRY LTD., ET AL. v. CITIBANK (SWITZERLAND) AG, ET AL.; FAIRFIELD SENTRY LTD., ET AL. v. ZURICH CAPITAL MARKETS COMPANY, ET AL.; FAIRFIELD SENTRY LTD., ET AL. v. CITIBANK NA LONDON, ET AL.; FAIRFIELD SENTRY LTD., ET AL. v. CITIVIC NOMINEES LTD., ET AL.; FAIRFIELD SENTRY LTD., ET AL. v. DON CHIMANGO SA, ET AL.; and FAIRFIELD SENTRY LTD., ET AL. v. CITIBANK KOREA INC. ET AL., in the United States Bankruptcy Court for the Southern District of New York. The actions seek recovery of monies that were allegedly received directly or indirectly from Fairfield Sentry.

In August 2022, the United States District Court for the Southern District of New York affirmed various decisions of the bankruptcy court, which dismissed claims against CGML, Citibank (Switzerland) AG, Citibank, NA London, Citivic Nominees Ltd., Cititrust Bahamas Ltd., and Citibank Korea Inc., and permitted a single claim against Citibank, NA London, CGML, Citivic Nominees Ltd., and Citibank (Switzerland) AG to proceed. In September 2022, the liquidators appealed the district court's decision dismissing the liquidators' claims. In September 2022, CGML, Citibank (Switzerland) AG, Citibank, NA London, and Citivic Nominees Ltd. moved for leave to appeal the district court's decision permitting the single claim to proceed against them. In July 2023, the United States Court of Appeals for the Second Circuit granted CGML, Citibank (Switzerland) AG, Citivic Nominees Ltd., and Citibank, NA London leave to appeal the district court's decision permitting a single claim to proceed against them and ordered those appeals to be heard in tandem with the liquidators' pending consolidated direct appeal.

In May 2023, the liquidators voluntarily dismissed the single pending claim against Citibank (Switzerland) AG and Citivic Nominees Ltd. without prejudice, but the action continued against other defendants. On January 9, 2025, the liquidators voluntarily dismissed the entire action with prejudice, thereby permanently disposing of the single pending claim the liquidators previously voluntarily dismissed without prejudice. The claims previously dismissed by the bankruptcy court against Citibank (Switzerland) AG and Citivic Nominees Ltd. remain subject to the pending consolidated direct appeal in the United States Court of Appeals for the Second Circuit and are unaffected by the liquidators' voluntary dismissals. Additional information is publicly available in court filings under the docket numbers 10-13164, 10-3496, 10-3622, 10-3634, 10-4100, 10-3640, 11-2770, 12-1142, 12-1298 (Bankr. S.D.N.Y.) (Mastando, J.); 19-3911, 19-4267, 19-4396, 19-4484, 19-5106, 19-5135, 19-5109, 21-2997, 21-3243, 21-3526, 21-3529, 21-3530, 21-3998, 21-4307, 21-4498, 21-4496 (S.D.N.Y.) (Broderick, J.); and 22-2101 (consolidated lead appeal), 22-2557, 22-2122, 23-697, 22-2562, 22-2216, 22-2545, 22-2308, 22-2591, 22-2502, 22-2553, 22-2398, 22-2582, 23-965 (consolidated lead appeal), 23-549, 23-572, 23-573, 23-975, 23-982, 23-987 (2d Cir.).



### New York Attorney General Unauthorized Wire Litigation

On January 30, 2024, the New York Attorney General's Office filed an action against Citibank captioned THE PEOPLE OF THE STATE OF NEW YORK v. CITIBANK, N.A. in the United States District Court for the Southern District of New York. The action alleges that Citi has failed to comply with the Electronic Funds Transfer Act (EFTA) and certain New York state laws in its treatment of unauthorized wire transfers and seeks an injunction, restitution, disgorgement of profits, civil penalties under New York state law, and monetary damages. On April 2, 2024, Citibank filed a motion to dismiss. On January 21, 2025, the court entered an order granting in part and denying in part Citibank's motion to dismiss, holding that consumer wire transfers are covered by EFTA. On February 18, 2025, Citibank filed a motion to certify the court's order for interlocutory appeal. Additional information concerning this action is publicly available in court filings under the docket number 1:24-cv-00659-JPO (S.D.N.Y.) (Oetken, J.).

### Parmalat Litigation

In 2004, an Italian commissioner appointed to oversee the administration of various Parmalat companies filed a complaint against Citigroup, Citibank, and related parties, alleging that the defendants facilitated a number of frauds by Parmalat insiders. In 2008, a jury rendered a verdict in Citigroup's favor and awarded Citi \$431 million. In 2019, the Italian Supreme Court affirmed the decision in the full amount of \$431 million. Citigroup has taken steps to enforce the judgment in Italian and Belgian courts. Additional information concerning these actions is publicly available in court filings under the docket numbers 27618/2014, 4133/2019, 22098/2019, and 3023/2024 (Italy), and 20/3617/A, 20/4007/A, and C.24.266.T (Belgium).

In 2015, Parmalat filed a claim in an Italian civil court in Milan claiming damages of €1.8 billion against Citigroup, Citibank, and related parties. The Milan court dismissed Parmalat's claim on grounds that it was duplicative of Parmalat's previously unsuccessful claims. In 2019, the Milan Court of Appeal rejected Parmalat's appeal of the Milan court's dismissal. In June 2019, Parmalat filed a further appeal with the Italian Supreme Court, and a hearing took place in November 2024. Additional information concerning this action is publicly available in court filings under the docket numbers 1009/2018 and 20598/2019.

On January 29, 2020, Parmalat, its three directors, and its sole shareholder, Sofil S.a.s., as co-plaintiffs, filed a claim before the Italian civil court in Milan seeking a declaratory judgment that they do not owe compensatory damages of €990 million to Citibank. On November 5, 2020, Citibank joined the proceedings, seeking dismissal of the declaratory judgment application and raised a counterclaim, seeking €990 million as damages. These proceedings are currently stayed. Additional information concerning this action is publicly available in court filings under the docket number 8611/2020.

### Shareholder Derivative and Securities Litigation

Beginning in October 2020, four derivative actions were filed in the United States District Court for the Southern District of New York, purportedly on behalf of Citigroup (as nominal defendant) against certain of Citigroup's current and former directors. The actions were later consolidated under the case name IN RE CITIGROUP INC. SHAREHOLDER DERIVATIVE LITIGATION. The consolidated complaint asserts claims for breach of fiduciary duty, unjust enrichment, and contribution and indemnification in connection with defendants' alleged failures to implement adequate internal controls. In addition, the consolidated complaint asserts derivative claims for violations of Sections 10(b) and 14(a) of the Securities Exchange Act of 1934 in connection with statements in Citigroup's 2019 and 2020 annual meeting proxy statements. In February 2021, the court stayed the action pending resolution of defendants' motion to dismiss in IN RE CITIGROUP SECURITIES LITIGATION. In April 2023, after defendants' motion to dismiss was granted in IN RE CITIGROUP SECURITIES LITIGATION, the court maintained the stay in this action pending resolution of the securities plaintiffs' motion for leave to amend the complaint and, if leave is granted, any subsequent motion to dismiss. Additional information concerning this action is publicly available in court filings under the docket number 1:20-CV-09438 (S.D.N.Y.) (Preska, J.).

Beginning in December 2020, two derivative actions were filed in the Supreme Court of the State of New York, purportedly on behalf of Citigroup (as nominal defendant) against certain of Citigroup's current and former directors, and certain current and former officers. The actions were later consolidated under the case name IN RE CITIGROUP INC. DERIVATIVE LITIGATION, and the court stayed the action pending resolution of defendants' motion to dismiss in IN RE CITIGROUP SECURITIES LITIGATION. In April 2023, a third related derivative action also filed in the Supreme Court of the State of New York was consolidated for all purposes into this action. That same month, following the dismissal of the securities complaint in IN RE CITIGROUP SECURITIES LITIGATION, the court maintained the stay in this action pending resolution of the securities plaintiffs' motion for leave to amend the complaint and, if leave is granted, any subsequent motion to dismiss. Additional information concerning this action is publicly available in court filings under the docket number 656759/2020 (N.Y. Sup. Ct.) (Schechter, J.).

On August 2, 2022, a shareholder derivative action captioned LIPSHUTZ ET AL. v. COSTELLO ET AL. was filed in the United States District Court for the Eastern District of New York, purportedly on behalf of Citigroup (as nominal defendant) against Citigroup's current directors. The action raises substantially the same claims and allegations as IN RE CITIGROUP INC. SHAREHOLDER DERIVATIVE LITIGATION. The LIPSHUTZ action additionally asserts that plaintiffs made a litigation demand on the Citigroup Board of Directors and that the demand was wrongfully refused. In May 2023, on defendants' motion, the action was transferred to the United States District Court for the Southern District of New York so that it could be litigated along with IN RE CITIGROUP INC. SHAREHOLDER DERIVATIVE

## LITIGATION and IN RE CITIGROUP SECURITIES

LITIGATION. Additional information concerning this action is publicly available in court filings under the docket number 1:23-CV-04058 (S.D.N.Y.) (Preska, J.).

Beginning in October 2020, three putative class action complaints were filed in the United States District Court for the Southern District of New York against Citigroup and certain of its current and former officers, asserting violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 in connection with defendants' alleged misstatements concerning Citigroup's internal controls. The actions were consolidated under the case name IN RE CITIGROUP SECURITIES LITIGATION. The consolidated complaint later added certain of Citigroup's current and former directors as defendants. On March 24, 2023, the court granted defendants' motion to dismiss without prejudice. On May 24, 2023, plaintiffs moved for leave to file a second amended complaint against Citigroup and certain of Citigroup's current or former officers for alleged violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 based on alleged misstatements concerning risk management and internal controls. Additional information concerning this action is publicly available in court filings under the docket number 1:20-CV-09132 (S.D.N.Y.) (Preska, J.).

## Sovereign Securities Matters

*Regulatory Action:* On May 24, 2023, the UK Competition and Markets Authority (CMA) announced that it had provisionally found that Citigroup, CGML, and four other banks unlawfully shared information related to the buying and selling of British pound sterling-denominated government bonds issued by the United Kingdom. The CMA noted that Citigroup and CGML applied for leniency and had reached an agreement to settle with the CMA. On February 21, 2025, the CMA announced resolutions with Citigroup and CGML related to conduct that occurred between 2011 and 2013 and imposed a fine of £17.16 million.

*Antitrust and Other Litigation:* In 2018, a putative class action was filed against Citigroup, CGMI, Citigroup Financial Products Inc., Citigroup Global Markets Holdings Inc., Banamex, Grupo Banamex, and other banks, captioned IN RE MEXICAN GOVERNMENT BONDS ANTITRUST LITIGATION, in the United States District Court for the Southern District of New York. The complaint alleges that defendants colluded in the Mexican sovereign bond market. In September 2019, the court granted defendants' motion to dismiss. In December 2019, plaintiffs filed an amended complaint against Banamex and other market makers in the Mexican sovereign bond market. Plaintiffs no longer assert any claims against Citigroup or any other U.S. Citi affiliates. The amended complaint alleges a conspiracy to fix prices in the Mexican sovereign bond market, asserts antitrust and unjust enrichment claims, and seeks treble damages, restitution, and injunctive relief. In November 2020, the court granted defendants' motion to dismiss, and the plaintiffs appealed. On February 9, 2024, the United States Court of Appeals for the Second Circuit vacated the dismissal. On June 12, 2024, plaintiffs filed a third amended complaint. On July 29, 2024, certain defendants, including Banamex, filed a motion to dismiss the third amended complaint. On January

15, 2025, the court denied the motion to dismiss. Additional information concerning this action is publicly available in court filings under the docket numbers 18-CV-2830 (S.D.N.Y.) (Oetken, J.) and 22-2039 (2d Cir.).

In February 2021, purchasers of Euro-denominated sovereign debt issued by European central governments added CGMI, CGML, and others as defendants to a putative class action, captioned IN RE EUROPEAN GOVERNMENT BONDS ANTITRUST LITIGATION, in the United States District Court for the Southern District of New York. Plaintiffs allege that defendants engaged in a conspiracy to inflate prices of European government bonds in primary market auctions and to fix the prices of European government bonds in secondary markets. Plaintiffs assert a claim under the Sherman Act and seek treble damages and attorneys' fees. In March 2022, the court granted defendants' motion to dismiss the fourth amended complaint as to certain defendants but denied defendants' motion to dismiss as to other defendants, including CGMI and CGML. In October 2023, plaintiffs filed a fifth amended complaint. On December 9, 2024, the court granted final approval of plaintiffs' settlement of the action with certain defendants, including CGMI and CGML. Additional information concerning this action is publicly available in court filings under the docket number 19-CV-2601 (S.D.N.Y.) (Marrero, J.).

## Variable Rate Demand Obligation Litigation

In 2019, plaintiffs in the consolidated actions CITY OF PHILADELPHIA v. BANK OF AMERICA CORP, ET AL. and MAYOR AND CITY COUNCIL OF BALTIMORE v. BANK OF AMERICA CORP., ET AL. filed a consolidated complaint naming as defendants Citigroup, Citibank, CGMI, CGML, and numerous other industry participants. The consolidated complaint asserts violations of the Sherman Act, as well as claims for breach of contract, breach of fiduciary duty, and unjust enrichment, and seeks damages and injunctive relief based on allegations that defendants served as remarketing agents for municipal bonds called variable rate demand obligations (VRDOs) and colluded to set artificially high VRDO interest rates. On November 6, 2020, the court granted in part and denied in part defendants' motion to dismiss the consolidated complaint.

On June 2, 2021, the Board of Directors of the San Diego Association of Governments, acting as the San Diego County Regional Transportation Commission, filed a parallel putative class action against the same defendants named in the already pending nationwide consolidated class action. The two actions were consolidated and on August 6, 2021, plaintiffs in the nationwide putative class action filed a consolidated amended complaint, captioned THE CITY OF PHILADELPHIA, MAYOR AND CITY COUNCIL OF BALTIMORE, THE BOARD OF DIRECTORS OF THE SAN DIEGO ASSOCIATION OF GOVERNMENTS, ACTING AS THE SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION v. BANK OF AMERICA CORP., ET AL.

In September 2021, defendants moved to dismiss the consolidated amended complaint in part. In June 2022, the court granted in part and denied in part defendants' partial motion to dismiss the consolidated amended complaint. In October 2022, plaintiffs filed a motion to certify a class of



persons and entities who, from February 2008 to November 2015, paid interest rates on VRDOs with respect to the antitrust claim. Plaintiffs also moved to certify a subclass of individuals who entered into remarketing agreements with the defendants during that same period. On September 21, 2023, the court granted plaintiffs' motion for class certification, certifying both an antitrust class and a breach-of-contract subclass. On October 5, 2023, defendants filed a Rule 23(f) petition seeking leave to appeal the certification ruling. On November 8, 2023, the plaintiffs voluntarily dismissed certain defendants from the case, including Citigroup, Citibank, and CGML. On February 5, 2024, the United States Court of Appeals for the Second Circuit granted defendants' Rule 23(f) petition to appeal the district court's order granting class certification. Additional information concerning this action is publicly available in court filings under the docket number 19-CV-1608 (S.D.N.Y.) (Furman, J.) and 23-7328 (2d Cir.).

Since April 2018, Citigroup and certain of its affiliates, including Citibank and CGMI, have been named in state court *qui tam* lawsuits in which Edelweiss Fund, LLC alleges that Citi and other financial institutions defrauded certain state and municipal VRDO issuers in connection with resetting VRDO interest rates. Filed under each state's respective false claims act, these actions are pending in state courts in California, Illinois, New Jersey, and New York, and are captioned STATE OF CALIFORNIA EX REL. EDELWEISS FUND, LLC v. JP MORGAN CHASE & CO., ET AL., STATE OF ILLINOIS EX REL. EDELWEISS FUND, LLC v. JP MORGAN CHASE & CO., ET AL., STATE OF NEW JERSEY EX REL. EDELWEISS FUND, LLC v. JP MORGAN CHASE & CO., ET AL., and STATE OF NEW YORK EX REL. EDELWEISS FUND, LLC v. JP MORGAN CHASE & CO., ET AL., respectively. In the Illinois state *qui tam*, the parties entered into a settlement agreement effective February 1, 2024. In the New Jersey state *qui tam*, on December 27, 2024, the Appellate Division of the New Jersey Superior Court remanded the case to the trial court for the entry of summary judgment in favor of defendants. Additional information concerning these actions is publicly available in court filings under the docket numbers CGC-14-540777 (Cal. Super. Ct.) (Schulman, J.), 2017 L 000289 (Ill. Cir. Ct.) (Donnelly, J.), L-885-15 (N.J. Super. Ct.) (Hurd, J.), and 100559/2014 (N.Y. Sup. Ct.) (Borrok, J.).

### **Settlement Payments**

Payments required in settlement agreements described above have been made or are covered by existing litigation or other accruals.

### 31. SUBSIDIARY GUARANTEES

Citigroup Inc. has fully and unconditionally guaranteed the payments due on debt securities issued by Citigroup Global Markets Holdings Inc. (CGMHI), a wholly owned subsidiary, under the Senior Debt Indenture dated as of March 8, 2016, between CGMHI, Citigroup Inc. and The Bank of New York Mellon, as trustee. In addition, Citigroup Capital III and Citigroup Capital XIII (collectively, the Capital Trusts), each of which is a wholly owned finance subsidiary of Citigroup Inc., have issued trust preferred securities. Citigroup Inc. has guaranteed the payments due on the trust preferred securities.

to the extent that the Capital Trusts have insufficient available funds to make payments on the trust preferred securities. The guarantee, together with Citigroup Inc.'s other obligations with respect to the trust preferred securities, effectively provides a full and unconditional guarantee of amounts due on the trust preferred securities (see Note 19). No other subsidiary of Citigroup Inc. guarantees the debt securities issued by CGMHI or the trust preferred securities issued by the Capital Trusts.

Summarized financial information for Citigroup Inc. and CGMHI is presented in the tables below:

### SUMMARIZED INCOME STATEMENT

	2024	
	Citigroup parent company	CGMHI
<i>In millions of dollars</i>		
Total revenues, net of interest expense	\$ 2,890	\$ 11,461
Total operating expenses	274	11,025
Provision for credit losses	—	24
Equity in undistributed income of subsidiaries	9,300	—
Income (loss) from continuing operations before income taxes	\$ 11,916	\$ 412
Provision (benefit) for income taxes	(766)	540
<b>Net income (loss)</b>	<b>\$ 12,682</b>	<b>\$ (128)</b>

### SUMMARIZED BALANCE SHEET

	December 31, 2024		December 31, 2023	
	Citigroup parent company	CGMHI	Citigroup parent company	CGMHI
<i>In millions of dollars</i>				
Cash and deposits with banks	\$ 4,014	\$ 19,464	\$ 3,011	\$ 23,756
Securities borrowed and purchased under resale agreements	—	215,995	—	283,174
Trading account assets	203	294,396	461	273,379
Advances to subsidiaries	150,790	—	150,845	—
Investments in subsidiary bank holding company	179,253	—	172,125	—
Investments in non-bank subsidiaries	46,549	—	46,870	—
Other assets	14,642	158,080	14,202	167,609
<b>Total assets</b>	<b>\$ 395,451</b>	<b>\$ 687,935</b>	<b>\$ 387,514</b>	<b>\$ 747,918</b>
Securities loaned and sold under agreements to repurchase	\$ —	\$ 268,178	\$ —	\$ 309,862
Trading account liabilities	69	89,146	300	111,233
Short-term borrowings	—	29,410	—	20,481
Long-term debt	164,024	184,516	162,309	184,083
Advances from subsidiaries	19,974	—	16,724	—
Other liabilities	2,786	80,486	2,728	85,079
Stockholders' equity	208,598	36,199	205,453	37,180
<b>Total liabilities and equity</b>	<b>\$ 395,451</b>	<b>\$ 687,935</b>	<b>\$ 387,514</b>	<b>\$ 747,918</b>

## 32. CONDENSED PARENT COMPANY FINANCIAL STATEMENTS

The following are the Condensed Statements of Income and Comprehensive Income for the years ended December 31, 2024, 2023 and 2022, Condensed Balance Sheet as of December 31, 2024 and 2023 and Condensed Statement of Cash Flows for the years ended December 31, 2024, 2023 and 2022 for Citigroup Inc., the parent holding company.

### Condensed Statements of Income and Comprehensive Income

### *Parent Company Only*

<i>In millions of dollars</i>	<b>Year ended December 31,</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Revenues</b>			
Dividends from subsidiaries	\$ 5,549	\$ 16,811	\$ 8,992
Interest revenue—intercompany	\$ 7,523	\$ 6,955	\$ 4,628
Interest expense	6,680	6,339	5,250
Interest expense—intercompany	1,518	1,460	715
<b>Net interest income</b>	<b>\$ (675)</b>	<b>\$ (844)</b>	<b>\$ (1,337)</b>
Commissions and fees	\$ —	\$ —	\$ —
Commissions and fees—intercompany	(57)	(31)	(1)
Principal transactions	691	(928)	5,147
Principal transactions—intercompany	(2,590)	(771)	(5,686)
Other revenue	147	(23)	210
Other revenue—intercompany	(175)	(135)	(220)
<b>Total non-interest revenues</b>	<b>\$ (1,984)</b>	<b>\$ (1,888)</b>	<b>\$ (550)</b>
<b>Total revenues, net of interest expense</b>	<b>\$ 2,890</b>	<b>\$ 14,079</b>	<b>\$ 7,105</b>
<b>Operating expenses</b>			
Compensation and benefits	\$ 14	\$ 9	\$ 9
Compensation and benefits—intercompany	23	18	12
Other operating	207	160	85
Other operating—intercompany	30	15	15
<b>Total operating expenses</b>	<b>\$ 274</b>	<b>\$ 202</b>	<b>\$ 121</b>
Equity in undistributed income of subsidiaries	\$ 9,300	\$ (5,572)	\$ 6,173
<b>Income from continuing operations before income taxes</b>	<b>\$ 11,916</b>	<b>\$ 8,305</b>	<b>\$ 13,157</b>
Provision (benefit) for income taxes	(766)	(923)	(1,688)
<b>Net income</b>	<b>\$ 12,682</b>	<b>\$ 9,228</b>	<b>\$ 14,845</b>
<b>Comprehensive income</b>			
Add: Other comprehensive income (loss)	(3,052)	2,235	(8,297)
<b>Total Citigroup comprehensive income</b>	<b>\$ 9,630</b>	<b>\$ 11,463</b>	<b>\$ 6,548</b>

**Condensed Balance Sheet***Parent Company Only*

<i>In millions of dollars</i>	December 31,	
	2024	2023
<b>Assets</b>		
Cash and due from banks	\$ —	—
Cash and due from banks—intercompany	14	11
Deposits with banks—intercompany	4,000	3,000
Trading account assets	(164)	113
Trading account assets—intercompany	367	348
Investments, net of allowance	1	1
Advances to subsidiaries	\$ 150,790	\$ 150,845
Investments in subsidiary bank holding company	179,253	172,125
Investments in non-bank subsidiaries	46,549	46,870
Other assets, net of allowance <sup>(1)</sup>	10,255	10,031
Other assets—intercompany	4,386	4,170
<b>Total assets</b>	<b>\$ 395,451</b>	<b>\$ 387,514</b>
<b>Liabilities and equity</b>		
Trading account liabilities	\$ (159)	\$ 34
Trading account liabilities—intercompany	228	266
Long-term debt	164,024	162,309
Advances from subsidiary bank holding company	10,948	8,677
Advances from non-bank subsidiaries	9,026	8,047
Other liabilities	2,719	2,560
Other liabilities—intercompany	67	168
Stockholders' equity	208,598	205,453
<b>Total liabilities and equity</b>	<b>\$ 395,451</b>	<b>\$ 387,514</b>

(1) Citigroup parent company at December 31, 2024 and 2023 included \$75.4 billion and \$56.9 billion, respectively, of placements to Citibank and its branches, of which \$71.6 billion and \$33.8 billion, respectively, had a remaining term of less than 30 days.

**Condensed Statement of Cash Flows***Parent Company Only*

<i>In millions of dollars</i>	<b>Year ended December 31,</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Net cash provided by (used in) operating activities of continuing operations</b>	\$ 2,536	\$ 17,163	\$ 156
<b>Cash flows from investing activities of continuing operations</b>			
Changes in investments and advances—intercompany	\$ (1,287)	\$ (3,450)	\$ (7,815)
<b>Net cash provided by (used in) investing activities of continuing operations</b>	\$ (1,287)	\$ (3,450)	\$ (7,815)
<b>Cash flows from financing activities of continuing operations</b>			
Dividends paid	\$ (5,199)	\$ (5,212)	\$ (5,003)
Issuance of preferred stock	5,282	2,739	—
Redemption of preferred stock	(5,050)	(4,145)	—
Treasury stock acquired	(2,474)	(1,977)	(3,250)
Proceeds (repayments) from issuance of long-term debt, net	4,399	(6,955)	14,661
Net change in short-term borrowings and other advances—intercompany	3,250	2,162	1,093
Other financing activities	(454)	(329)	(344)
<b>Net cash provided by (used in) financing activities of continuing operations</b>	\$ (246)	\$ (13,717)	\$ 7,157
<b>Change in cash and due from banks and deposits with banks</b>	\$ 1,003	\$ (4)	\$ (502)
<b>Cash and due from banks and deposits with banks at beginning of year</b>	3,011	3,015	3,517
<b>Cash and due from banks and deposits with banks at end of year</b>	\$ 4,014	\$ 3,011	\$ 3,015
Cash and due from banks (including segregated cash and other deposits)	\$ 14	\$ 11	\$ 15
Deposits with banks, net of allowance	4,000	3,000	3,000
<b>Cash and due from banks and deposits with banks at end of year</b>	\$ 4,014	\$ 3,011	\$ 3,015
<b>Supplemental disclosure of cash flow information for continuing operations</b>			
Cash paid (received) during the year for income taxes	\$ (93)	\$ (2,000)	\$ (1,269)
Cash paid during the year for interest	5,934	5,704	1,309

## FINANCIAL DATA SUPPLEMENT

### RATIOS

	2024	2023	2022
Return on average assets	0.51 %	0.38 %	0.62 %
Return on average common stockholders' equity <sup>(1)</sup>	6.1	4.3	7.7
Return on average total stockholders' equity <sup>(2)</sup>	6.1	4.5	7.5
Total average equity to average assets <sup>(3)</sup>	8.4	8.5	8.3
Dividend payout ratio <sup>(4)</sup>	37	51	29

(1) Based on Citigroup's net income less preferred stock dividends as a percentage of average common stockholders' equity.

(2) Based on Citigroup's net income as a percentage of average total Citigroup stockholders' equity.

(3) Based on average Citigroup stockholders' equity as a percentage of average assets.

(4) Dividends declared per common share as a percentage of diluted EPS.

### AVERAGE DEPOSIT LIABILITIES<sup>(1)</sup>

<i>In millions of dollars at year end, except ratios</i>	2024		2023		2022	
	Average balance	Average interest rate	Average balance	Average interest rate	Average balance	Average interest rate
In U.S. offices						
Demand deposits	\$ 304,198	4.53 %	\$ 294,081	4.30 %	\$ 271,123	1.38 %
Time deposits	100,314	4.83	103,170	4.28	45,673	2.19
Savings deposits	165,536	2.47	197,337	1.79	255,598	0.48
Total interest-bearing deposits—U.S.	\$ 570,048	3.99 %	\$ 594,588	3.46 %	\$ 572,394	1.05 %
In offices outside the U.S.						
Demand deposits	\$ 330,118	2.95 %	\$ 317,321	2.58 %	\$ 345,941	0.75 %
Time and savings deposits	216,465	3.63	219,428	3.42	170,388	1.76
Total interest-bearing deposits—outside the U.S.	\$ 546,583	3.22 %	\$ 536,749	2.92 %	\$ 516,329	1.08 %
Total interest-bearing deposits	\$ 1,116,631	3.61 %	\$ 1,131,337	3.21 %	\$ 1,088,723	1.06 %
Non-interest-bearing deposits	\$ 200,319	— %	\$ 202,736	— %	\$ 244,741	— %
<b>Total deposits</b>	<b>\$ 1,316,950</b>	<b>3.06 %</b>	<b>\$ 1,334,073</b>	<b>2.72 %</b>	<b>\$ 1,333,464</b>	<b>0.87 %</b>

(1) Interest rates and amounts include the effects of risk management activities and also reflect the impact of the local interest rates prevailing in certain countries.

### UNINSURED DEPOSITS

The table below presents the estimated amount of uninsured time deposits by maturity profile:

<i>In millions of dollars at December 31, 2024</i>	Three months or less	Over 3 months but within 6 months	Over 6 months but within 12 months	Over 12 months	Total	
<b>In U.S. offices<sup>(1)</sup></b>						
Time deposits in excess of FDIC insurance limits <sup>(2)</sup>	\$ 20,056	\$ 6,172	\$ 7,165	\$ 1,317	\$	34,710
<b>In offices outside the U.S.<sup>(1)</sup></b>						
Time deposits in excess of foreign jurisdiction insurance limits <sup>(3)(4)</sup>	117,926	7,853	11,717	1,816		139,312
<b>Total uninsured time deposits<sup>(5)</sup></b>	<b>\$ 137,982</b>	<b>\$ 14,025</b>	<b>\$ 18,882</b>	<b>\$ 3,133</b>	<b>\$</b>	<b>174,022</b>

(1) The classification between offices in the U.S. and outside the U.S. is based on the domicile of the booking unit, rather than the domicile of the depositor.

(2) The standard insurance amount is \$250,000 per depositor, per insured bank, for single ownership categories.

(3) Time deposits in offices outside the U.S. are assumed to be a depositor's account as single account ownership.

(4) The insurance coverage is applied in sequence of checking, savings and short- and long-term time deposits accounts.

(5) The maturity term is based on the remaining term of the time deposit rather than the original maturity date.

Total uninsured deposits as of December 31, 2024 were \$1.00 trillion (see footnotes 1, 2 and 3 to the table above).



## SUPERVISION, REGULATION AND OTHER

### SUPERVISION AND REGULATION

Citi is subject to regulation under various U.S. federal and state laws, as well as applicable laws in the other jurisdictions in which it does business.

#### General

Citigroup is a registered bank holding company and financial holding company and is regulated and supervised by the Federal Reserve Board (FRB). Citigroup's nationally chartered subsidiary banks, including Citibank, are regulated and supervised by the Office of the Comptroller of the Currency (OCC). The Federal Deposit Insurance Corporation (FDIC) also has examination authority for banking subsidiaries whose deposits it insures. Overseas branches of Citibank are regulated and supervised by the FRB and OCC and overseas subsidiary banks by the FRB. These overseas branches and subsidiary banks are also regulated and supervised by regulatory authorities in the host countries. In addition, the Consumer Financial Protection Bureau regulates consumer financial products and services. Citi is also subject to laws and regulations concerning the collection, use, sharing and disposition of certain customer, employee and other personal and confidential information, including those imposed by the Gramm-Leach-Bliley Act, the Fair Credit Reporting Act and the EU General Data Protection Regulation. For more information on U.S. and foreign regulation affecting or potentially affecting Citi, see "Capital Resources," "Managing Global Risk—Liquidity Risk" and "Risk Factors" above.

#### Other Bank and Bank Holding Company Regulation

Citi, including its banking subsidiaries, is subject to regulatory limitations, including requirements as to liquidity, risk-based capital and leverage (see "Capital Resources" above and Note 20), restrictions on the types and amounts of loans that may be made and the interest that may be charged, and limitations on investments that can be made and services that can be offered. The FRB may also expect Citi to commit resources to its subsidiary banks in certain circumstances. Citi is also subject to anti-money laundering and financial transparency laws, including standards for verifying client identification at account opening and obligations to monitor client transactions and report suspicious activities.

#### Securities and Commodities Regulation

Citi conducts securities underwriting, brokerage and dealing activities in the U.S. through Citigroup Global Markets Inc. (CGMI), its primary broker-dealer, and other broker-dealer subsidiaries, which are subject to regulations of the U.S. Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority and certain exchanges. Citi conducts similar securities activities outside the U.S., subject to local requirements, through various subsidiaries and affiliates, principally Citigroup Global Markets Limited in London (CGML), which is regulated principally by the U.K. Financial Conduct Authority and Prudential Regulation Authority (PRA), and Citigroup Global Markets Japan Inc. in

Tokyo, which is regulated principally by the Financial Services Agency of Japan.

Citi also has subsidiaries that are members of futures exchanges and derivatives clearinghouses. In the U.S., CGMI is a member of the principal U.S. futures exchanges and clearinghouses, and Citi has subsidiaries that are registered as futures commission merchants and commodity pool operators with the Commodity Futures Trading Commission (CFTC). Citibank, CGMI, Citigroup Energy Inc., Citigroup Global Markets Europe AG (CGME) and CGML are also registered as swap dealers with the CFTC (see below). CGMI is also subject to SEC and CFTC rules that specify uniform minimum net capital requirements. Compliance with these rules could limit those operations of CGMI that require the intensive use of capital and also limits the ability of broker-dealers to transfer large amounts of capital to parent companies and other affiliates. See "Capital Resources" above and Note 20 for a further discussion of capital considerations of Citi's non-banking subsidiaries.

#### Transactions with Affiliates

Transactions between Citi's U.S. subsidiary depository institutions and their non-bank affiliates are regulated by the FRB, and are generally required to be on arm's-length terms. See "Managing Global Risk—Liquidity Risk" above.

#### COMPETITION

The financial services industry is highly competitive. Citi's competitors include a variety of financial services and advisory companies, as well as certain non-financial services firms. Citi competes for clients and capital (including deposits and funding in the short- and long-term debt markets) with some of these competitors globally and with others on a regional or product basis. Citi's competitive position depends on many factors, including, among others, the value of Citi's brand name and reputation, and the types of clients and geographies served; the quality, range, performance, innovation and pricing of products and services; the effectiveness of and access to distribution channels, maintenance of partner relationships, emerging technologies and technology advances, customer service and convenience; the effectiveness of transaction execution, interest rates, lending limits and risk appetite; regulatory constraints and compliance; and changes in the macroeconomic business environment or societal norms. Citi's ability to compete effectively also depends upon its ability to attract new employees and retain and motivate existing employees, while managing compensation and other costs. For additional information on competitive factors and uncertainties impacting Citi's businesses, see "Risk Factors—Strategic Risks" above.

**DISCLOSURE PURSUANT TO SECTION 219 OF THE  
IRAN THREAT REDUCTION AND SYRIA HUMAN  
RIGHTS ACT**

Pursuant to Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012 (Section 219), which added Section 13(r) to the Securities Exchange Act of 1934, as amended, Citi is required to disclose in its annual or quarterly reports, as applicable, whether it or any of its affiliates knowingly engaged in certain activities, transactions or dealings relating to Iran or with certain individuals or entities that are the subject of sanctions under U.S. law. Disclosure may be required even where the activities, transactions or dealings were conducted in compliance with applicable law. To the extent that transactions or dealings for its clients are permitted by U.S. law, Citi may continue to engage in such activities. Citi, in its First Quarter of 2024 Form 10-Q, identified one transaction pursuant to Section 219, and Citi, in its Second Quarter of 2024 Form 10-Q, identified 27 transactions pursuant to Section 219. Citi did not identify any reportable activities pursuant to Section 219 during the third quarter of 2024.

During the fourth quarter of 2024, Citigroup identified one transaction pursuant to Section 219. On November 19, 2024, Citibank, N.A. processed a transaction between the Central Bank of Iran (the CBI) and an international organization. The CBI sent funds in yen, through Citibank, N.A., Tokyo Branch, which were then converted to U.S. dollars and transferred to the international organization's U.S. dollar account at Citibank, N.A., New York Branch. The total value of the payment was USD 18,245,109.21. The transaction represented a payment for the Government of Iran's membership dues to the international organization and was processed pursuant to general licenses issued by the U.S. Department of the Treasury's Office of Foreign Assets Control. Citibank realized approximately USD 3,559.18 for incoming and outgoing payments fees and a foreign exchange transaction fee.

**UNREGISTERED SALES OF EQUITY SECURITIES,  
REPURCHASES OF EQUITY SECURITIES AND  
DIVIDENDS**

**Unregistered Sales of Equity Securities**

None.

**Equity Security Repurchases**

All large banks, including Citi, are subject to limitations on capital distributions in the event of a breach of any regulatory capital buffers, including the Stress Capital Buffer, with the degree of such restrictions based on the extent to which the buffers are breached. For additional information, see “Capital Resources—Regulatory Capital Buffers” and “Risk Factors—Strategic Risks,” “—Operational Risks” and “—Compliance Risks” above.

The following table summarizes Citi’s common share repurchases for the fourth quarter of 2024:

<i>In thousands, except per share amounts</i>	<b>Total shares purchased</b>	<b>Average price paid per share</b>
<b>October 2024</b>		
Open market repurchases <sup>(1)</sup>	529	\$ 64.63
Employee transactions <sup>(2)</sup>	—	—
<b>November 2024</b>		
Open market repurchases <sup>(1)</sup>	3,698	67.80
Employee transactions <sup>(2)</sup>	—	—
<b>December 2024</b>		
Open market repurchases <sup>(1)</sup>	10,102	70.79
Employee transactions <sup>(2)</sup>	—	—
<b>Total for 4Q24</b>	<b>14,329</b>	<b>\$ 69.79</b>

(1) Repurchases not made pursuant to any publicly announced plan or program.

(2) During the fourth quarter, pursuant to Citigroup’s Board of Directors’ authorization, Citi withheld an insignificant number of shares of common stock, added to treasury stock, related to activity on employee stock programs to satisfy the employee tax requirements.

On January 13, 2025, Citigroup’s Board of Directors authorized a new, multiyear \$20 billion common stock repurchase program, beginning in the first quarter of 2025. Repurchases by Citigroup under this common stock repurchase program are subject to quarterly approval by Citigroup’s Board of Directors; may be effected from time to time through open market purchases, trading plans established in accordance with U.S. Securities and Exchange Commission rules, or other means; and, as determined by Citigroup, may be subject to satisfactory market conditions, Citigroup’s capital position and capital requirements, applicable legal requirements and other factors.

As previously announced, during the first quarter of 2025, Citi plans to repurchase \$1.5 billion of common shares, subject to market conditions and other factors. After the first quarter of 2025, Citi will continue to assess common share repurchases on a quarter-by-quarter basis.

**Dividends**

Citi paid common dividends of \$0.56 per share for the fourth quarter of 2024 and the first quarter of 2025. Citi intends to maintain a quarterly common dividend of at least \$0.56 per share, subject to financial and macroeconomic conditions and its Board of Directors’ approval.

Citi’s ability to pay common stock dividends is subject to limitations on capital distributions in the event of a breach of any regulatory capital buffers, including the Stress Capital Buffer, with the degree of such restrictions based on the extent to which the buffers are breached. For additional information, see “Capital Resources—Regulatory Capital Buffers” and “Risk Factors—Strategic Risks,” “—Operational Risks” and “—Compliance Risks” above.

Any dividend on Citi’s outstanding common stock would also need to be in compliance with Citi’s obligations on its outstanding preferred stock.

During 2024, Citi distributed \$1,054 million in dividends on its outstanding preferred stock. On January 14, 2025, Citi declared preferred dividends of approximately \$269 million for the first quarter of 2025.

See Note 20 for information on the ability of Citigroup’s subsidiary depository institutions to pay dividends.

## OTHER INFORMATION

### **Insider Trading Policies and Procedures and Arrangements**

Citi has insider trading policies and procedures governing the purchase, sale and/or other dispositions of Citi securities by its officers and employees, as well as by members of the Citigroup Board of Directors and Citi itself, that are reasonably designed to promote compliance with insider trading laws, rules and regulations, and listing standards applicable to Citi. A copy of Citi's Trading and Material Non-Public Information (MNPI) Standard for Citi Securities, applicable to officers and employees, is filed as Exhibit 19.01 to this Form 10-K. Citi's Policy on Transactions in Citigroup Inc. Securities by Non-Management Members of Citigroup Inc.'s Board of Directors and the Citigroup Inc. Share Repurchase and Securities Issuance Procedures applicable to Citi itself, are filed as Exhibits 19.02 and 19.03, respectively, to this Form 10-K.

During the fourth quarter of 2024, no director or executive officer of Citi adopted or terminated any Rule 10b5-1 or non-Rule 10b5-1 trading arrangement (each, as defined in Item 408 of Regulation S-K).

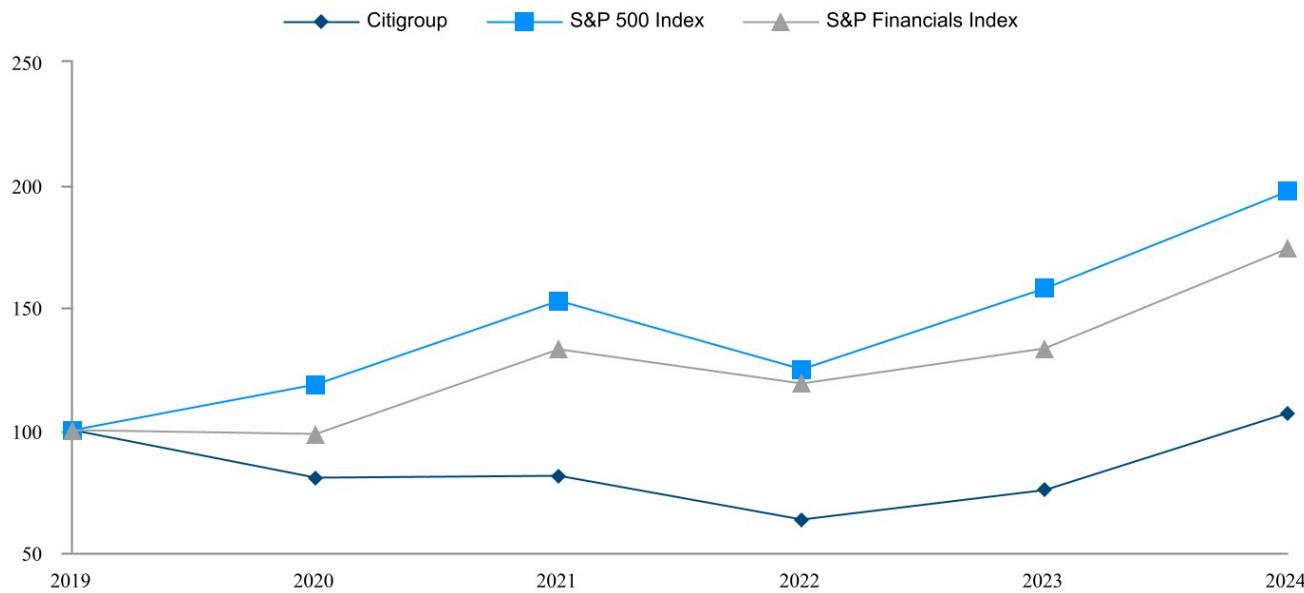
## PERFORMANCE GRAPH

### Comparison of Five-Year Cumulative Total Return

The following graph and table compare the cumulative total return on Citigroup's common stock with the cumulative total return of the S&P 500 Index and the S&P Financials Index over the five-year period through December 31, 2024. The graph and table assume that \$100 was invested on December 31, 2019 in Citigroup's common stock, the S&P 500 Index and the S&P Financials Index, and that all dividends were reinvested.

### Comparison of Five-Year Cumulative Total Return

*For the years ended*



DATE	Citigroup	S&P 500 Index	S&P Financials Index
31-Dec-2019	100.0	100.0	100.0
31-Dec-2020	80.4	118.4	98.3
31-Dec-2021	81.2	152.4	132.8
31-Dec-2022	63.2	124.8	118.8
31-Dec-2023	75.2	157.6	133.2
31-Dec-2024	106.8	197.0	173.9

Note: Citigroup's common stock is listed on the NYSE under the ticker symbol "C" and held by 58,273 registered common stockholders of record as of January 31, 2025.

## CORPORATE INFORMATION

### EXECUTIVE OFFICERS

Citigroup's executive officers as of February 21, 2025 are:

Name	Age	Position and office held
Jane Fraser	57	Chief Executive Officer, Citigroup Inc.
Sunil Garg	59	CEO, Citibank, N.A., and Head of North America
Shahmir Khaliq	54	Head of Services
David Livingstone	61	Chief Client Officer
Gonzalo Luchetti	51	Head of U.S. Personal Banking
Mark A. L. Mason	55	Chief Financial Officer
Brent McIntosh	51	Chief Legal Officer and Corporate Secretary
Andrew Morton	63	Head of Markets
Vis Raghavan	58	Head of Banking and Executive Vice Chair
Tim Ryan	61	Head of Technology and Business Enablement
Anand Selvakesari	57	Chief Operating Officer
Andy Sieg	57	Head of Wealth
Edward Skyler	51	Head of Enterprise Services & Public Affairs
Ernesto Torres Cantú	60	Head of International
Zdenek Turek	60	Chief Risk Officer
Robert Walsh	54	Interim Chief Accounting Officer
Sara Wechter	44	Chief Human Resources Officer

The following executive officers have not held their current executive officer positions with Citigroup for at least five years:

- Ms. Fraser joined Citi in 2004 and assumed her current position in March 2021. Previously, she served as CEO of *Global Consumer Banking* from October 2019 to December 2020. Before that, she served as CEO of Citi Latin America from June 2015 to October 2019. She held a number of other roles across the organization, including CEO of U.S. Consumer and Commercial Banking and CitiMortgage, CEO of Citi's Global Private Bank and Global Head of Strategy and M&A.
- Mr. Garg joined Citi in May 1988 and assumed his current position in February 2021, and in January 2023 also assumed the position of Head of North America. Previously, he was global CEO of the Commercial Bank beginning in 2011. Prior to that, he led the U.S. Commercial Banking business from 2008 until 2011. In addition, he held various other roles at Citi in Operations and Technology, Treasury and Trade Solutions, Corporate and Investment Banking and Commercial Banking.
- Mr. Khaliq joined Citi in 1991 and assumed his current position in 2023. He served as the Global Head of TTS from 2021 to 2023. Prior to that, he was Head of TTS Operations and Technology.

- Mr. Livingstone joined Citi in 2016 and assumed his current position in September 2023. Previously, he served as CEO of Citi's EMEA region from February 2019, and as Country Officer for Australia and New Zealand from June 2016. Prior to joining Citi, he spent nine years at Credit Suisse, where he was Vice Chairman of the Investment Banking and Capital Markets Division for the EMEA region, Head of M&A and CEO of Credit Suisse Australia, and over 16 years at the Goldman Sachs Group, Inc. in a variety of senior roles in the investment banking division.
- Mr. Luchetti joined Citi in 2006 and assumed his current position in February 2021. Prior to his current role, he served as Head of the Consumer Bank in Asia and EMEA. He also served as the Head of the Asia Retail Bank and Global Head of Wealth Management and Insurance. Prior to joining Citi, he worked for JPMorgan Chase and Bain & Company.
- Mr. McIntosh joined Citi in his current position in October 2021. Previously, he served as Under Secretary for International Affairs at the U.S. Treasury from 2019 to 2021. From 2017 to 2019, he served as the U.S. Treasury's General Counsel. Prior to that, he was a partner in the law firm of Sullivan & Cromwell and served in the U.S. White House from 2006 until 2009.
- Mr. Morton joined Citi in 2008 and assumed his current position in March 2022. Prior to his current role, he was appointed Co-Head of Markets in November 2019, and prior to that, he was Head of the G10 Rates and Financing businesses. Prior to joining Citi, he spent 15 years at Lehman Brothers, holding several positions including European Head of Fixed Income and Global Head of Fixed Income.
- Mr. Raghavan joined Citi in his current position in 2024. Prior to joining Citi, he was Head of Global Investment Banking at JPMorgan, after previously having served as Co-Head of Global Investment and Corporate Banking since 2020. In addition to his global Banking responsibilities, he was also Chief Executive Officer of JPMorgan in Europe, the Middle East and Africa since 2017. He first joined J.P. Morgan in 2000 and has held senior roles in Debt and Equity Capital Markets globally.
- Mr. Ryan joined Citi in his current position in 2024. He has over 30 years of diversified experience in the financial services industry, both in the U.S. and internationally. Previously, he was a Senior Partner at PricewaterhouseCoopers, overseeing the firm's strategy and execution. He also served as Vice Chairman, where his responsibilities included strategy, investor relations, regulatory affairs, public policy, corporate responsibility, marketing and sales, and human capital.
- Mr. Selvakesari joined Citi in 1991 and assumed his current position in March 2023. Previously, he served as CEO of Citi's *Personal Banking and Wealth Management* franchise. He also served as Head of the U.S. Consumer Bank from 2019 to 2020, and Head of Consumer Banking for Asia Pacific from 2015 to 2018, as well as in a number of regional and country roles, including Head of Consumer Banking for ASEAN and India, leading the consumer banking businesses in Singapore, Malaysia,

Indonesia, the Philippines, Thailand and Vietnam, as well as India.

- Mr. Sieg joined Citi in his current position in September 2023. Previously, he served as the president of Merrill Wealth Management and held various senior strategy, product and field leadership roles in the wealth management business. He served as a senior wealth management executive at Citi from 2005 to 2009, and earlier in his career in the White House as an aide to the Assistant to the President for Economic and Domestic Policy.
- Mr. Torres Cantú joined Citi in 1989 and assumed his current position in September 2023. Previously, he served as CEO of Latin America. From 2014 to 2019, he served as CEO of Citibanamex, and from 2012 to 2014 as CEO of Citibanamex Consumer Banking.
- Mr. Turek joined Citi in 1991 and assumed his current position in February 2021. Prior to being named Interim Chief Risk Officer for Citi in December 2020, he served as EMEA Chief Risk Officer. He held various other roles at Citi, including CEO of Citibank Europe, as well as leading significant franchises across Citi, including in Russia, South Africa and Hungary.
- Mr. Walsh joined Citi in 1999 and assumed his current position in September 2024. Prior to his current role, he served as Head of SEC and Financial Reporting from 2015 to 2024. Additional roles held by Mr. Walsh include the Controller for *Services* as well as the North American Controller for the *Institutional Clients Group*. Prior to joining Citi, he spent seven years at Arthur Andersen. He is a Certified Public Accountant, licensed in New York State.

#### **Code of Conduct, Code of Ethics**

Citi has a Code of Conduct that maintains its commitment to the highest standards of conduct. The Code of Conduct is supplemented by a Code of Ethics for Financial Professionals (including accounting, controllers, financial reporting operations, financial planning and analysis, treasury, capital planning, tax, productivity and strategy, M&A, investor relations and regional/product finance professionals and administrative staff) that applies worldwide. The Code of Ethics for Financial Professionals applies to Citi's principal executive officer, principal financial officer and principal accounting officer. Amendments and waivers, if any, to the Code of Ethics for Financial Professionals will be disclosed on Citi's website, [www.citigroup.com](http://www.citigroup.com). The Audit Committee has responsibility for the oversight of Citi's Code of Ethics for Financial Professionals.

Both the Code of Conduct and the Code of Ethics for Financial Professionals can be found on the Citi website by clicking on "Investors" and then "Corporate Governance." Citi's Corporate Governance Guidelines can also be found there, as well as the charters for the Audit Committee, the Compensation, Performance Management and Culture Committee, the Nomination, Governance and Public Affairs Committee, the Risk Management Committee and the Technology Committee of Citigroup's Board of Directors. These materials are also available by writing to Citigroup Inc., Corporate Governance, 388 Greenwich Street, 17th Floor, New York, New York 10013.

**CITIGROUP BOARD OF DIRECTORS****Titilope Cole**

Former Head of Legacy Franchises,  
Citigroup Inc.

**Ellen M. Costello**

Former President and CEO  
BMO Financial Corporation and Former  
U.S. Country Head  
BMO Financial Group

**Grace E. Dailey**

Former Senior Deputy Comptroller for  
Bank Supervision Policy and Chief  
National Bank Examiner  
Office of the Comptroller of the  
Currency (OCC)

**Barbara J. Desoer**

Chair  
Citibank, N.A.

**John C. Dugan**

Chair  
Citigroup Inc.

**Jane Fraser**

Chief Executive Officer  
Citigroup Inc.

**Duncan P. Hennes**

Co-Founder and Partner  
Atrevida Partners, LLC

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Institution, and Senior Fellow, Freeman  
Spogli Institute for International  
Studies, Stanford University

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Intelligence and Analysis  
U.S. Department of the Treasury and  
National Intelligence Manager for  
Threat Finance, Office of the Director of  
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**Casper W. von Koskull**

Former President and Group Chief  
Executive Officer  
Nordea Bank Abp

## GLOSSARY OF TERMS AND ACRONYMS

The following is a list of terms and acronyms that are used in this report and certain other Citigroup presentations.

\* Denotes a Citi metric

**2024 Annual Report on Form 10-K:** Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC.

**90+ days past due delinquency rate\***: Represents consumer loans that are past due by 90 or more days, divided by that period's total EOP loans.

**ABS:** Asset-backed securities

**ACL:** Allowance for credit losses, which is composed of the allowance for credit losses on loans (ACLL), allowance for credit losses on unfunded lending commitments (ACLUC), allowance for credit losses on HTM securities and allowance for credit losses on other assets.

**ACLL:** Allowance for credit losses on loans

**ACLUC:** Allowance for credit losses on unfunded lending commitments

**Advanced Approaches:** The Advanced Approaches capital framework, established through Basel III rules by the FRB, requires certain banking organizations to use an internal ratings-based approach and other methodologies to calculate risk-based capital requirements for credit risk and advanced measurement approaches to calculate risk-based capital requirements for operational risk.

**AFS:** Available-for-sale

**ALCO:** Asset and Liability Committee

**Amortized cost:** Amount at which a financing receivable or investment is originated or acquired, adjusted for accretion or amortization of premium, discount, and net deferred fees or costs, collection of cash, charge-offs, foreign exchange and fair value hedge accounting adjustments. For AFS securities, amortized cost is also reduced by any impairment losses recognized in earnings. Amortized cost is not reduced by the allowance for credit losses, except where explicitly presented net.

**OCI:** Accumulated other comprehensive income (loss)

**ASC:** Accounting Standards Codification under GAAP issued by the FASB.

**Asia Consumer:** Asia Consumer Banking

**ASU:** Accounting Standards Update under GAAP issued by the FASB.

**AUA:** Assets under administration

**AUC:** Assets under custody

**Available liquidity resources\***: Resources available at the balance sheet date to support Citi's client and business needs, including HQLA assets; additional unencumbered securities, including excess liquidity held at bank entities that is non-transferable to other entities within Citigroup; and available assets not already accounted for within Citi's HQLA to

support Federal Home Loan Bank (FHLB) and Federal Reserve Bank discount window borrowing capacity.

**Basel III:** Liquidity and capital rules adopted by the FRB based on an internationally agreed set of measures developed by the Basel Committee on Banking Supervision.

**Beneficial interests issued by consolidated VIEs:** Represents the interest of third-party holders of debt, equity securities or other obligations, issued by VIEs that Citi consolidates.

**Benefit obligation:** Refers to the projected benefit obligation for pension plans and the accumulated postretirement benefit obligation for OPEB plans.

**BHC:** Bank holding company

**Board:** Citigroup's Board of Directors

**Book value per share\***: EOP common equity divided by EOP common shares outstanding.

**Bps:** Basis points. One basis point equals 1/100th of one percent.

**Branded Cards:** Citi's branded cards business with a portfolio of proprietary cards (Value, Rewards and Cash) and co-branded cards (including Costco and American Airlines).

**Build:** A net increase in ACL through the provision for credit losses.

**Card spend volume\***: Dollar amount of card customers' gross purchases. Also known as purchase sales.

**Cards:** Citi's credit cards' businesses or activities.

**CCAR:** Comprehensive Capital Analysis and Review

**CCO:** Chief Compliance Officer

**CDS:** Credit default swaps

**CECL:** Current expected credit losses

**CEO:** Chief Executive Officer

**CET1 Capital:** Common Equity Tier 1 Capital. See "Capital Resources—Components of Citigroup Capital" above within MD&A for the components of CET1.

**CET1 Capital ratio\***: Common Equity Tier 1 Capital ratio. A primary regulatory capital ratio representing end-of-period CET1 Capital divided by total risk-weighted assets.

**CFO:** Chief Financial Officer

**CGMHI:** Citigroup Global Markets Holdings Inc.

**CGMI:** Citigroup Global Markets Inc.

**CGML:** Citigroup Global Markets Limited

**Citi:** Citigroup Inc.

**Citibank or CBNA:** Citibank, N.A. (National Association)



**Classifiably managed:** Loans primarily evaluated for credit risk based on internal risk rating classification.

**Client investment assets:** Represent assets under management, trust and custody assets.

**Cluster revenues:** Cluster revenues are primarily based on where the underlying transaction is managed.

**CODM:** Chief operating decision maker. For Citi, the Chief Executive Officer.

**Collateral dependent:** A loan is considered collateral dependent when repayment of the loan is expected to be provided substantially through the operation or sale of the collateral when the borrower is experiencing financial difficulty, including when foreclosure is deemed probable based on borrower delinquency.

**Commercial card spend volume:** Represents the total global spend volumes using Citi-issued commercial cards net of refunds and returns.

**Commercial cards:** Provides a wide range of payment services to corporate and public sector clients worldwide through commercial card products. Services include procurement, corporate travel and entertainment, expense management services and business-to-business payment solutions.

**Consent Orders:** In October 2020, Citigroup and Citibank entered into consent orders with the FRB and OCC that require Citigroup and Citibank to make improvements in various aspects of enterprise-wide risk management, compliance, data quality management related to governance, and internal controls. In July 2024, the FRB and OCC entered into civil money penalty consent orders with Citigroup and Citibank to address remediation effort shortcomings.

**CRE:** Commercial real estate

**Credit cycle:** A period of time over which credit quality improves, deteriorates and then improves again (or vice versa). The duration of a credit cycle can vary from a couple of years to several years.

**Credit derivatives:** Financial instruments whose value is derived from the credit risk associated with the debt of a third-party issuer (the reference entity), which allow one party (the protection purchaser) to transfer that risk to another party (the protection seller).

**Criticized:** Criticized loans, lending-related commitments and derivative receivables that are classified as special mention, substandard and doubtful categories for regulatory purposes.

**Cross-border transaction value:** Represents the total value of cross-border FX payments processed through Citi's proprietary Worldlink and Cross-Border Funds Transfer platforms, including payments from consumer, corporate, financial institution and public sector clients.

**CTA:** Cumulative translation adjustment (also known as currency translation adjustment). A separate component of equity within *AOCI* reported net of tax. For Citi, represents the impact of translating non-USD balance sheet items into USD

each period. The CTA amount in EOP *AOCI* is a cumulative balance, net of tax.

**CVA:** Credit valuation adjustment

**DCM:** Debt Capital Markets

**Delinquency managed:** Loans primarily evaluated for credit risk based on delinquencies, FICO scores and the value of underlying collateral.

**Digital asset:** Anything created and stored digitally that is identifiable and discoverable, establishes ownership and has or provides value (e.g., cryptocurrency).

**Divestiture-related impacts:** 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 announced 14 exit markets.

**Dividend payout ratio\*:** Represents dividends declared per common share as a percentage of net income per diluted share.

**DPD:** Days past due

**DTA:** Deferred tax asset

**DVA:** Debt valuation adjustment

**ECM:** Equity Capital Markets

**Efficiency ratio\*:** A ratio signifying how much of a dollar in expenses (as a percentage) it takes to generate one dollar in revenue. Represents total operating expenses divided by total revenues, net.

**EOP:** End-of-period

**EPS\*:** Earnings per share

**EU:** European Union

**Fannie Mae:** Federal National Mortgage Association

**FASB:** Financial Accounting Standards Board

**FCA:** Financial Conduct Authority

**FDIC:** Federal Deposit Insurance Corporation

**Federal Reserve Board (FRB):** The Board of the Governors of the Federal Reserve System

**FFIEC:** Federal Financial Institutions Examination Council

**FHA:** Federal Housing Administration

**FHLB:** Federal Home Loan Bank

**FICO:** Fair Isaac Corporation

**FICO score:** A measure of consumer credit risk provided by credit bureaus, typically produced from statistical models by Fair Isaac Corporation utilizing data collected by the credit bureaus.

**FINRA:** Financial Industry Regulatory Authority

**FRB:** Federal Reserve Board

**Freddie Mac:** Federal Home Loan Mortgage Corporation

**FVA:** Funding valuation adjustment



**FX:** Foreign exchange

**FX translation:** The impact of converting non-U.S. dollar currencies into U.S. dollars.

**GAAP or U.S. GAAP:** Generally accepted accounting principles in the United States of America.

**Ginnie Mae:** Government National Mortgage Association

**GSIB:** Global Systemically Important Bank

**HFI loans:** Loans that are held-for-investment (i.e., excludes loans held-for-sale).

**HFS:** Held-for-sale

**HQLA:** High-quality liquid assets. Consist of cash and certain high-quality liquid securities as defined in the LCR rule.

**HTM:** Held-to-maturity

**Hyperinflation:** Extreme economic inflation with prices rising at a very high rate in a very short time. Under U.S. GAAP, entities operating in a hyperinflationary economy need to change their functional currency to the U.S. dollar. Once the change is made, the CTA balance is frozen.

**IMF:** International Monetary Fund

**Interchange revenue:** Fees earned from merchants based on Citi's credit and debit card customers' sales transactions.

**International region:** Comprises six clusters: United Kingdom; Japan, Asia North and Australia (JANA); LATAM; Asia South; Europe; and Middle East and Africa (MEA).

**IPO:** Initial public offering

**JANA:** Japan, Asia North and Australia

**KPMG:** KPMG LLP, Citi's Independent Registered Public Accounting Firm

**LATAM:** Latin America

**LCR:** Liquidity Coverage ratio. Represents HQLA divided by net outflows in the period.

**LGD:** Loss given default

**LIBOR:** London Interbank Offered Rate

**LLC:** Limited Liability Company

**LTD:** Long-term debt

**LTV:** Loan-to-value. For residential real estate loans, the relationship, expressed as a percentage, between the principal amount of a loan and the estimated value of the collateral (i.e., residential real estate) securing the loan.

**Managed basis:** Results reflected on a managed basis exclude divestiture-related impacts.

**Master netting agreement:** A single agreement with a counterparty that permits multiple transactions governed by that agreement to be terminated or accelerated and settled through a single payment in a single currency in the event of a default (e.g., bankruptcy, failure to make a required payment or securities transfer or deliver collateral or margin when due).

**MBS:** Mortgage-backed securities

**MD&A:** Management's Discussion and Analysis, a section within an SEC Form 10-Q or 10-K.

**MEA:** Middle East and Africa

**Measurement alternative:** Measures equity securities without readily determinable fair values at cost less impairment (if any), plus or minus observable price changes from an identical or similar investment of the same issuer.

**Mexico Consumer:** Mexico Consumer Banking

**Mexico Consumer/SBMM:** Mexico Consumer Banking and Small Business and Middle-Market Banking reported within Legacy Franchises in *All Other*. Mexico Consumer/SBMM operates primarily through Banamex 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 well as retirement fund administration and insurance products through certain Banamex affiliate entities.

**Mexico SBMM:** Mexico Small Business and Middle-Market Banking

**Moody's:** Moody's Ratings

**MSRs:** Mortgage servicing rights

**N/A:** Data is not applicable or available for the period presented.

**NAA:** Non-accrual assets. Consists of non-accrual loans and OREO.

**NAL:** Non-accrual loans. Loans for which interest income is not recognized on an accrual basis. Loans (other than credit card loans and certain consumer loans insured by U.S. government-sponsored agencies) are placed on non-accrual status when full payment of principal and interest is not expected, regardless of delinquency status, or when principal and interest have been in default for a period of 90 days or more unless the loan is both well secured and in the process of collection. Collateral-dependent loans are typically maintained on non-accrual status.

**NAV:** Net asset value

**NCL(s):** Net credit losses. Represents gross credit losses, less gross credit recoveries.

**NCL ratio\*:** Represents net credit losses (recoveries) (annualized), divided by average loans for the reporting period.

**Net capital rule:** Rule 15c3-1 under the Securities Exchange Act of 1934.

**Net new investment asset flows:** Represents investment asset inflows, including dividends, interest and distributions, less investment asset outflows. Excluded from the calculation are the impacts of fees and commissions, market movement, internal transfers within Citi specific to systematic upgrades/downgrades with USPB and any impact from strategic decisions by Citi to exit certain markets or services. Also excluded from the calculation are net new investment assets associated with markets for which data was not available for current-period reporting.



**NIM\***: Net interest margin expressed as a yield percentage, calculated as annualized net interest income divided by average interest-earning assets for the period.

**NM:** Not meaningful

**Noncontrolling interests:** The portion of an investment that has been consolidated by Citi that is not 100% owned by Citi.

**Non-GAAP financial measure:** A non-GAAP financial measure is a numerical measure of the Company's historical or future financial performance, financial position or cash flows that (i) excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with GAAP in the statement of income, balance sheet or statement of cash flows (or equivalent statements) of the Company; or (ii) includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented.

**Note:** All "Note" references correspond to the Notes to the Consolidated Financial Statements herein, unless otherwise indicated.

**NSFR:** Net stable funding ratio

**O/S:** Outstanding

**OCC:** Office of the Comptroller of the Currency

**OCI:** Other comprehensive income (loss)

**Operating leverage\***: Represents the year-over-year growth rate in basis points (bps) of *Total revenues, net of interest expense* less the year-over-year growth rate of *Total operating expenses*. A positive operating leverage percentage indicates that the revenue growth rate was greater than the expense growth rate.

**OREO:** Other real estate owned

**OTTI:** Other-than-temporary impairment

**Over-the-counter cleared (OTC-cleared) derivatives:**

Derivative contracts that are negotiated and executed bilaterally, but subsequently settled via a central clearing house, such that each derivative counterparty is only exposed to the default of that clearing house.

**Over-the-counter (OTC) derivatives:** Derivative contracts that are negotiated, executed and settled bilaterally between two derivative counterparties, where one or both counterparties is a derivatives dealer.

**Parent company:** Citigroup Inc.

**Partner payments:** Payments made to credit card partners primarily based on program sales and profitability.

**PD:** Probability of default

**Prime balances:** Prime balances are defined as clients' billable balances where Citi provides cash or synthetic prime brokerage services. Management uses this information in reviewing the business's size and growth and believes it is useful to investors concerning underlying business size and growth trends.

**Principal transactions revenue:** Primarily trading-related revenues predominantly generated by the *Services, Markets and Banking* businesses. See Note 6.

**Provision for credit losses:** Composed of the provision for credit losses on loans, provision for credit losses on HTM investments, provision for credit losses on other assets and provision for credit losses on unfunded lending commitments.

**Provisions:** Provisions for credit losses and for benefits and claims.

**Purchased credit-deteriorated:** Purchased credit-deteriorated assets are financial assets that as of the date of acquisition have experienced a more-than-insignificant deterioration in credit quality since origination, as determined by the Company.

**R&S forecast period:** Reasonable and supportable period over which Citi forecasts future macroeconomic conditions for CECL purposes.

**Real GDP:** Real gross domestic product is the inflation-adjusted value of the goods and services produced by labor and property located in a country.

**Reconciling Items:** Divestiture-related impacts excluded from the results of *All Other*, as well as *All Other—Legacy Franchises* on a managed basis. The Reconciling Items are fully reflected in Citi's Consolidated Statement of Income for each respective line item.

**Regulatory VaR:** Daily aggregated VaR calculated in accordance with regulatory rules.

**Release:** A net decrease in ACL through the provision for credit losses.

**Reported basis:** Financial statements prepared under U.S. GAAP.

**Results of operations that exclude certain impacts from gains or losses on sale, or one-time charges\*:** Represents GAAP items, excluding the impact of gains or losses on sales, or one-time charges (e.g., the loss on sale related to the sale of Citi's consumer banking business in Australia).

**Results of operations that exclude the impact of FX translation\*:** Represents GAAP items, excluding the impact of FX translation, whereby the prior periods' foreign currency balances are translated into U.S. dollars at the current period's conversion rates (also known as constant dollar). GAAP measures excluding the impact of FX translation are non-GAAP financial measures.

**Retail Services:** Citi's U.S. retail services cards business with a portfolio of co-brand and private label relationships (including, among others, The Home Depot, Best Buy, Macy's and Sears).

**RoTCE\*:** Return on tangible common equity. Represents net income less preferred dividends (both annualized), divided by average tangible common equity for the period.

**RWA:** Risk-weighted assets. Basel III establishes two comprehensive approaches for calculating RWA (the Standardized Approach and the Advanced Approaches), which include capital requirements for credit risk, market risk and

operational risk for Advanced Approaches. Key differences in the calculation of credit risk RWA between the Standardized and Advanced Approaches are that for Advanced, credit risk RWA is based on risk-sensitive approaches that largely rely on the use of internal credit models and parameters, whereas for Standardized, credit risk RWA is generally based on supervisory risk-weightings, which vary primarily by counterparty type and asset class. Market risk RWA is calculated on a generally consistent basis between Basel III Standardized Approach and Basel III Advanced Approaches.

**S&P:** Standard and Poor's Global Ratings

**SCB:** Stress Capital Buffer

**SEC:** The U.S. Securities and Exchange Commission

**SLR:** Supplementary Leverage ratio. Represents Tier 1 Capital divided by Total Leverage Exposure.

**SOFR:** Secured Overnight Financing Rate

**SPEs:** Special purpose entities

**Standardized Approach:** Established through Basel III, the Standardized Approach aligns regulatory capital requirements more closely with the key elements of banking risk by introducing a wider differentiation of risk weights and a wider recognition of credit risk mitigation techniques, while avoiding excessive complexity. Accordingly, the Standardized Approach produces capital ratios more in line with the actual economic risks that banks face.

**Tangible book value per share (TBVPS)\*:** Represents tangible common equity divided by EOP common shares outstanding.

**Tangible common equity (TCE):** Represents common stockholders' equity less goodwill and identifiable intangible assets, other than MSRs.

**Taxable-equivalent basis:** Represents the total revenue, net of interest expense for the business, adjusted for revenue from investments that receive tax credits and the impact of tax-exempt securities. This metric presents results on a level comparable to taxable investments and securities. GAAP measures on a taxable equivalent basis, including the metrics derived from these measures, are non-GAAP financial measures.

**TDR:** Troubled debt restructuring. Prior to January 1, 2023, a TDR was deemed to occur when the Company modified the original terms of a loan agreement by granting a concession to a borrower that was experiencing financial difficulty. Loans with short-term and other insignificant modifications that are not considered concessions were not TDRs. The accounting guidance for TDRs was eliminated with the adoption of ASU 2022-02. See "Accounting Changes" in Note 1.

**TEGU:** taxable equivalent gross-up adjustments

**TLAC:** Total loss-absorbing capacity

**Total ACL:** Allowance for credit losses, which comprises the allowance for credit losses on loans (ACLL), allowance for credit losses on unfunded lending commitments (ACLUC), allowance for credit losses on HTM securities and allowance for credit losses on other assets.

**Total payout ratio\*:** Represents total common dividends declared plus common share repurchases as a percentage of net income available to common shareholders.

**Transactional and tax charges:** Largely comprises costs that are driven by revenues and transaction volumes, and is primarily composed of brokerage exchange and clearance costs, exchange fees, regulatory memberships and certain indirect, non-income tax payments that are not recorded in *Provision for income taxes* in the Consolidated Statement of Income.

**Transformation:** 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.

**Unaudited:** Financial statements and information that have not been subjected to auditing procedures sufficient to permit an independent certified public accountant to express an opinion.

**U.S. dollar clearing volume:** Represents the number of U.S. dollar clearing payment instructions processed by Citi on behalf of U.S. and foreign-domiciled entities (primarily financial institutions).

**U.S. Treasury:** U.S. Department of the Treasury

**VaR:** Value at risk. A measure of the dollar amount of potential loss from adverse market moves in an ordinary market environment.

**VIEs:** Variable interest entities

**Wallet:** Proportion of fee revenue based on estimates of investment banking fees generated across the industry (i.e., the revenue wallet) from investment banking transactions in M&A, equity and debt underwriting, and loan syndications.



## EXHIBIT INDEX

<b>Exhibit Number</b>	<b>Description of Exhibit</b>
<a href="#">3.1+</a>	<a href="#">Restated Certificate of Incorporation of Citigroup Inc., as amended, as in effect on the date hereof.</a>
<a href="#">3.02</a>	<a href="#">By-Laws of Citigroup Inc., as amended, as in effect on the date hereof, incorporated by reference to Exhibit 3.02 to Citigroup Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023 (File No. 001-09924).</a>
<a href="#">4.01</a>	<a href="#">Form of Senior Indenture between Citigroup Inc. and The Bank of New York Mellon, as trustee, incorporated by reference to Exhibit 4.8 to Citigroup Inc.'s Registration Statement on Form S-3 filed November 13, 2013 (File No. 333-192302).</a>
<a href="#">4.02</a>	<a href="#">First Supplemental Indenture, dated as of February 1, 2016, between Citigroup Inc. and The Bank of New York Mellon, as trustee, incorporated by reference to Exhibit 4.01 to Citigroup Inc.'s Current Report on Form 8-K filed on February 1, 2016 (File No. 001-9924).</a>
<a href="#">4.03</a>	<a href="#">Second Supplemental Indenture, dated as of December 29, 2016, between Citigroup Inc. and The Bank of New York Mellon, as trustee, incorporated by reference to Exhibit 4.01 to Citigroup Inc.'s Current Report on Form 8-K filed on December 29, 2016 (File No. 001-9924).</a>
<a href="#">4.04</a>	<a href="#">Third Supplemental Indenture dated as of June 26, 2017 among Citigroup Global Markets Holdings Inc., Citigroup Inc. and The Bank of New York Mellon, as trustee, to Indenture dated as of November 13, 2013, incorporated by reference to Exhibit 4.01 to Citigroup Inc.'s Quarterly Report on Form 10-Q filed on August 1, 2017 (File No. 001-09924).</a>
<a href="#">4.05</a>	<a href="#">Fourth Supplemental Indenture dated as of June 27, 2019, between Citigroup Inc. and The Bank of New York Mellon, as trustee, incorporated by reference to Exhibit 4.2 to Citigroup Inc.'s Current Report on Form 8-K filed on June 28, 2019 (File No. 001-09924).</a>
<a href="#">4.06</a>	<a href="#">Fifth Supplemental Indenture dated as of December 18, 2023, between Citigroup Inc. and The Bank of New York Mellon, as trustee, incorporated by reference to Exhibit 4.1 to Citigroup Inc.'s Current Report on Form 8-K filed on December 19, 2023 (File No. 001-09924).</a>
<a href="#">4.07</a>	<a href="#">Subordinated Debt Indenture, dated as of April 12, 2001, between Citigroup Inc. and The Bank of New York Mellon, as successor to JP Morgan Chase Bank (formerly Bank One Trust Company, N.A.), as trustee, incorporated by reference to Exhibit 4.1 to Citigroup Inc.'s Registration Statement on Form S-3 filed February 4, 2013 (File No. 333-186425).</a>
<a href="#">4.08</a>	<a href="#">First Supplemental Indenture, dated as of August 2, 2004, between Citigroup Inc. and J.P. Morgan Trust Company, N.A. (formerly Bank One Trust Company, N.A.), as trustee, incorporated by reference to Exhibit 4.13 to Citigroup Inc.'s Registration Statement on Form S-3/A filed August 31, 2004 (File No. 333-117615).</a>
<a href="#">4.09</a>	<a href="#">Second Supplemental Indenture, dated as of May 18, 2016, between Citigroup Inc. and The Bank of New York Mellon, as successor to J.P. Morgan Trust Company, N.A. (formerly Bank One Trust Company, N.A.), as trustee, incorporated by reference to Exhibit 4.2 to Citigroup Inc.'s Current Report on Form 8-K filed on May 20, 2016 (File No. 001-9924).</a>
<a href="#">4.10</a>	<a href="#">Third Supplemental Indenture, dated as of March 1, 2017, between Citigroup Inc. and The Bank of New York Mellon, as successor to J.P. Morgan Trust Company, N.A. (formerly Bank One Trust Company, N.A.), as trustee, incorporated by reference to Exhibit 4.11 to Citigroup Inc.'s Registration Statement on Form S-3 filed March 1, 2017 (File No. 333-216372).</a>
<a href="#">4.11</a>	<a href="#">Fourth Supplemental Indenture, dated as of June 27, 2019, between Citigroup Inc. and The Bank of New York Mellon, as trustee, incorporated by reference to Exhibit 4.1 to Citigroup Inc.'s Current Report on Form 8-K filed on June 28, 2019 (File No. 001-09924).</a>

4.12		Indenture, dated as of March 15, 1987, between Primerica Corporation, a New Jersey corporation, and The Bank of New York, as trustee, incorporated by reference to Exhibit 4.01 to Citigroup Inc.'s Registration Statement on Form S-3 filed December 8, 1992 (File No. 03355542).
4.13		First Supplemental Indenture, dated as of December 15, 1988, among Primerica Corporation, Primerica Holdings, Inc. and The Bank of New York, as trustee, incorporated by reference to Exhibit 4.02 to Citigroup Inc.'s Registration Statement on Form S-3 filed December 8, 1992 (File No. 03355542).
4.14		Second Supplemental Indenture, dated as of January 31, 1991, between Primerica Holdings, Inc. and The Bank of New York, as trustee, incorporated by reference to Exhibit 4.03 to Citigroup Inc.'s Registration Statement on Form S-3 filed December 8, 1992 (File No. 03355542).
4.15		Third Supplemental Indenture, dated as of December 9, 1992, among Primerica Holdings, Inc., Primerica Corporation and The Bank of New York, as trustee, incorporated by reference to Exhibit 5 to Citigroup Inc.'s Form 8-A dated December 21, 1992, with respect to its 7 3/4% Notes due June 15, 1999 (File No. 001-09924).
4.16		<a href="#">Fourth Supplemental Indenture, dated as of November 2, 1998, between Citigroup Inc. and The Bank of New York, as trustee, incorporated by reference to Exhibit 4.01 to Citigroup Inc.'s Quarterly Report on Form 10-Q for the quarter ended September 30, 1998 (File No. 001-09924).</a>
4.17		<a href="#">Fifth Supplemental Indenture, dated as of December 9, 2008, between Citigroup Inc. and The Bank of New York Mellon, as trustee, incorporated by reference to Exhibit 4.04 to Citigroup Inc.'s Current Report on Form 8-K filed December 11, 2008 (File No. 001-09924).</a>
4.18		<a href="#">Sixth Supplemental Indenture, dated as of December 20, 2012, between Citigroup Inc. and The Bank of New York Mellon, as trustee, providing for the issuance of debt securities, incorporated by reference to Exhibit 4.5 to Citigroup Inc.'s Current Report on Form 8-K filed December 21, 2012 (File No. 001-09924).</a>
4.19		<a href="#">Seventh Supplemental Indenture, dated as of May 18, 2016, between Citigroup Inc. and The Bank of New York Mellon, as trustee, incorporated by reference to Exhibit 4.1 to Citigroup Inc.'s Current Report on Form 8-K filed on May 20, 2016 (File No. 001-9924).</a>
4.20		<a href="#">Senior Debt Indenture, dated as of June 1, 2005, among Citigroup Funding Inc., Citigroup Inc. and The Bank of New York Mellon, as successor trustee to JPMorgan Chase Bank, N.A., incorporated by reference to Exhibit 4(b) to Citigroup Inc.'s Registration Statement on Form S-3 filed March 13, 2006 (File No. 333-132370-01).</a>
4.21		<a href="#">Second Supplemental Indenture, dated as of December 20, 2012, among Citigroup Funding Inc., Citigroup Inc. and The Bank of New York Mellon, as successor trustee to JPMorgan Chase Bank, N.A., incorporated by reference to Exhibit 4.2 to Citigroup Inc.'s Current Report on Form 8-K filed December 21, 2012 (File No. 001-09924).</a>
4.22		<a href="#">Indenture, dated as of July 23, 2004, between Citigroup Inc. and The Bank of New York Mellon, as successor trustee to JPMorgan Chase Bank, as trustee, incorporated by reference to Exhibit 4.28 to Citigroup Inc.'s Registration Statement on Form S-3 filed July 23, 2004 (File No. 333-117615).</a>
4.23		<a href="#">Form of Indenture, between Citigroup Inc. and The Bank of New York Mellon, as successor trustee to JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank), incorporated by reference to Exhibit 4.11 to the Travelers Group Inc. Registration Statement on Form S-3 filed September 20, 1996 (File No. 333-12439).</a>
4.24		<a href="#">Senior Debt Indenture, dated as of March 8, 2016, between Citigroup Global Markets Holdings Inc., Citigroup Inc. and The Bank of New York Mellon, as trustee, incorporated by reference to Exhibit 4.1 to Citigroup Inc.'s Current Report on Form 8-K filed March 9, 2016 (File No. 001-09924).</a>
4.25		<a href="#">First Supplemental Indenture, dated as of March 1, 2017, between Citigroup Global Markets Holdings Inc., Citigroup Inc. and the Bank of New York Mellon, as trustee, incorporated by reference to Exhibit 4.24 to Citigroup Inc.'s Registration Statement on Form S-3 filed March 1, 2017 (File No. 333-216372).</a>

<a href="#">4.26</a>	<a href="#">Second Supplemental Indenture, dated as of April 13, 2020, between Citigroup Global Markets Holdings Inc., Citigroup Inc. and the Bank of New York Mellon, as trustee, incorporated by reference to Exhibit 4.01 to Citigroup Inc.'s Current Report on Form 8-K filed on April 13, 2020 (File No. 001-09924).</a>
<a href="#">4.27</a>	<a href="#">Third Supplemental Indenture, dated as of December 18, 2023, between Citigroup Global Markets Holdings Inc., Citigroup Inc. and the Bank of New York Mellon, as trustee, incorporated by reference to Exhibit 4.2 to Citigroup Inc.'s Current Report on Form 8-K filed on December 19, 2023 (File No. 001-09924).</a>
<a href="#">4.28</a>	<a href="#">Form of Capital Securities Guarantee Agreement between Citigroup Inc. as Guarantor, and The Bank of New York Mellon, as Guarantee Trustee, incorporated by reference to Exhibit 4.32 to Citigroup Inc.'s Registration Statement on Form S-3 filed July 2, 2004 (File No. 333-117615).</a>
<a href="#">4.29</a>	<a href="#">Specimen Physical Common Stock Certificate of Citigroup Inc., incorporated by reference to Exhibit 4.1 to Citigroup Inc.'s Current Report on Form 8-K filed May 9, 2011 (File No. 001-09924).</a>
<a href="#">4.30</a>	<a href="#">Amended and Restated Declaration of Trust for Citigroup Capital XIII (incorporated by reference to Exhibit 4.02 to Citigroup Inc.'s Current Report on Form 8-K filed on September 30, 2010 (File No. 109924)).</a>
<a href="#">4.31</a>	<a href="#">Form of Amended and Restated Declaration of Trust for Citigroup Capital III (previously known as Travelers Capital III), incorporated by reference to Exhibit 4.8 to Travelers Group Inc.'s Registration Statement on Form S-3 (File No. 333-12439).</a>
<a href="#">4.32+</a>	<a href="#">Description of Citigroup Inc.'s Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.</a>
<a href="#">10.01*</a>	<a href="#">Citi Discretionary Incentive and Retention Award Plan (as Amended and Restated Effective as of January 1, 2024), incorporated by reference to Exhibit 10.01 to Citigroup Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2024 (File No. 001-09924).</a>
<a href="#">10.02.1*</a>	<a href="#">Citigroup Inc. 2014 Stock Incentive Plan (as amended and restated effective April 24, 2018), incorporated by reference to Exhibit 10.1 to Citigroup Inc.'s Current Report on Form 8-K filed April 30, 2018 (File No. 001-09924).</a>
<a href="#">10.02.2*</a>	<a href="#">Citigroup Inc. 2019 Stock Incentive Plan (as amended and restated effective April 30, 2024), incorporated by reference to Exhibit 10.1 to Citigroup Inc.'s Current Report on Form 8-K filed May 2, 2024 (File No. 001-09924).</a>
<a href="#">10.03*</a>	<a href="#">Citigroup Inc. Deferred Cash Award Plan (as Amended and Restated Effective as of January 1, 2024), incorporated by reference to Exhibit 10.02 to Citigroup Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2024 (File No. 001-09924).</a>
<a href="#">10.04*</a>	<a href="#">Form of Citigroup Inc. CAP/DCAP Agreement (for awards granted on February 10, 2022 and in future years), incorporated by reference to Exhibit 10.01 to Citigroup Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2022 (File No. 001-09924).</a>
<a href="#">10.05*</a>	<a href="#">Form of Citigroup Inc. CAP Agreement, incorporated by reference to Exhibit 10.01 to Citigroup Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2019 (File No. 001-09924).</a>
<a href="#">10.06*</a>	<a href="#">Citigroup Inc. DCAP Agreement, incorporated by reference to Exhibit 10.04 to Citigroup Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 (File No. 001-09924).</a>
<a href="#">10.07*</a>	<a href="#">Form of Citigroup Inc. CAP Agreement (for awards to be granted in February 2025 and future years), incorporated by reference to Exhibit 10.1 to Citigroup Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024 (File No. 001-09924).</a>

<a href="#">10.08.1*</a>	<a href="#">Form of Citigroup Inc. Performance Share Unit Award Agreement (awards dated February 11, 2021 and in future years), incorporated by reference to Exhibit 10.01 to Citigroup Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2021 (File No. 001-09924).</a>
<a href="#">10.08.2*</a>	<a href="#">Form of Citigroup Inc. Performance Share Unit Award Agreement (awards to be granted in February 2025 and in future years), incorporated by reference to Exhibit 10.2 to Citigroup Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024 (File No. 001-09924).</a>
<a href="#">10.09*</a>	<a href="#">Employment Termination Notice and Non-Solicitation Policy for U.S. Employees, effective April 1, 2021, incorporated by reference to Exhibit 10.03 to Citigroup Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2024 (File No. 001-09924).</a>
<a href="#">10.10*</a>	<a href="#">Citigroup Inc. Non-Employee Directors Compensation Plan (Effective as of January 1, 2008), incorporated by reference to Exhibit 10.01 to Citigroup Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2007 (File No. 001-09924).</a>
<a href="#">10.11*</a>	<a href="#">Agreement between Bradford Hu and Citibank, N.A. (dated as of March 12, 2021), incorporated by reference to Exhibit 10.03 to Citigroup Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2021 (File No. 001-09924).</a>
<a href="#">10.12*</a>	<a href="#">Form of Transformation Program Agreement (for awards granted on November 1, 2022), incorporated by reference to Exhibit 10.02 to Citigroup Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2022 (File No. 001-09924).</a>
<a href="#">10.13*</a>	<a href="#">Agreement between Andrew Sieg and Citibank, N.A. (dated March 20, 2023), incorporated by reference to Exhibit 10.3 to Citigroup Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024 (File No. 001-09924).</a>
<a href="#">19.01+</a>	<a href="#">Trading and Material Non-Public Information (MNPI) Standard for Citi Securities.</a>
<a href="#">19.02+</a>	<a href="#">Policy on Transactions in Citigroup Inc. Securities by Non-Management Members of Citigroup Inc.'s Board of Directors.</a>
<a href="#">19.03+</a>	<a href="#">Citigroup Inc. Share Repurchase and Securities Issuance Procedures.</a>
<a href="#">21.01+</a>	<a href="#">Subsidiaries of Citigroup Inc.</a>
<a href="#">22.01+</a>	<a href="#">Subsidiary Issuers of Guaranteed Securities.</a>
<a href="#">23.01+</a>	<a href="#">Consent of KPMG LLP, Independent Registered Public Accounting Firm.</a>
<a href="#">24.01+</a>	<a href="#">Powers of Attorney.</a>
<a href="#">31.01+</a>	<a href="#">Certification of principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
<a href="#">31.02+</a>	<a href="#">Certification of principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
<a href="#">32.01+</a>	<a href="#">Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
<a href="#">97.01+</a>	<a href="#">Citigroup Inc. Dodd-Frank Clawback Provisions (effective as of October 2, 2023).</a>

<a href="#">99.01+</a>	<a href="#">List of Securities Registered Pursuant to Section 12(b) of the Securities Exchange Act of 1934, formatted in inline XBRL.</a>
101.01+	Financial statements from the Annual Report on Form 10-K of Citigroup Inc. for the fiscal year ended December 31, 2024, filed on February 21, 2025, formatted in inline XBRL: (i) the Consolidated Statement of Income, (ii) the Consolidated Balance Sheet, (iii) the Consolidated Statement of Changes in Stockholders' Equity, (iv) the Consolidated Statement of Cash Flows and (v) the Notes to Consolidated Financial Statements.
104	The cover page of this Annual Report on Form 10-K, formatted in inline XBRL.

The total amount of securities authorized pursuant to any instrument defining rights of holders of long-term debt of Citigroup Inc. does not exceed 10% of the total assets of Citigroup Inc. and its consolidated subsidiaries. Citigroup Inc. will furnish copies of any such instrument to the SEC upon request.

Copies of any of the exhibits referred to above will be furnished at a cost of \$0.25 per page (although no charge will be made for the 2024 Annual Report on Form 10-K) to security holders who make a written request to Citigroup Inc., Corporate Governance, 388 Greenwich Street, New York, NY 10013.

\* Denotes a management contract or compensatory plan or arrangement.

+ Filed herewith.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on the 21st day of February, 2025.

Citigroup Inc.  
(Registrant)

/s/ Mark A. L. Mason

Mark A. L. Mason  
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on the 21st day of February, 2025.

Citigroup's Principal Executive Officer and a Director:

/s/ Jane Fraser

Jane Fraser

Citigroup's Principal Financial Officer:

/s/ Mark A. L. Mason

Mark A. L. Mason

Citigroup's Interim Principal Accounting Officer:

/s/ Robert Walsh

Robert Walsh

The Directors of Citigroup listed below executed a power of attorney appointing Mark A. L. Mason their attorney-in-fact, empowering him to sign this report on their behalf.

Titilope Cole  
Ellen M. Costello  
Grace E. Dailey  
Barbara J. Desoer  
John C. Dugan  
Duncan P. Hennes  
Peter Blair Henry

S. Leslie Ireland  
Renée J. James  
Gary M. Reiner  
Diana L. Taylor  
James S. Turley  
Casper W. von Koskull

/s/ Mark A. L. Mason

Mark A. L. Mason