

UNITED STATES SECURITIES AND EXCHANGE
COMMISSION

Washington, D.C. 20549

Form 10-Q

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

For the quarterly period ended March 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: 001-14965

The Goldman Sachs Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

13-4019460

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

200 West Street, New York, NY

(Address of principal executive offices)

10282

(Zip Code)

(212) 902-1000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Exchange Trading on which Symbol registered	
Common stock, par value \$.01 per share	GS	NYSE
Depository Shares, Each Representing 1/1,000th Interest in a Share of Floating Rate Non-Cumulative Preferred Stock, Series A	GS PrA	NYSE
Depository Shares, Each Representing 1/1,000th Interest in a Share of Floating Rate Non-Cumulative Preferred Stock, Series C	GS PrC	NYSE
Depository Shares, Each Representing 1/1,000th Interest in a Share of Floating Rate Non-Cumulative Preferred Stock, Series D	GS PrD	NYSE
Depository Shares, Each Representing 1/1,000th Interest in a Share of 6.375% Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series K	GS PrK	NYSE
5.793% Fixed-to-Floating Rate Normal Automatic Preferred Enhanced Capital Securities of Goldman Sachs Capital II	GS/43PE	NYSE
Floating Rate Normal Automatic Preferred Enhanced Capital Securities of Goldman Sachs Capital III	GS/43PF	NYSE
Medium-Term Notes, Series F, Callable Fixed and Floating Rate Notes due March 2031 of GS Finance Corp.	GS/31B	NYSE
Medium-Term Notes, Series F, Callable Fixed and Floating Rate Notes due May 2031 of GS Finance Corp.	GS/31X	NYSE

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. ☐

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

As of April 19, 2024, there were 322,463,497 shares of the registrant’s common stock outstanding.

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES
QUARTERLY REPORT ON FORM 10-Q FOR THE QUARTER ENDED MARCH 31, 2024

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PART I. FINANCIAL INFORMATION
Item 1. Financial Statements (Unaudited)

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

Consolidated Statements of Earnings
(Unaudited)

	Three Months Ended March	
in millions, except per share amounts	2024	2023
Revenues		
Investment banking	\$2,085	\$ 1,578
Investment management	2,491	2,289
Commissions and fees	1,077	1,088
Market making	5,992	5,433
Other principal transactions	960	55
Total non-interest revenues	12,605	10,443
Interest income	19,555	14,938
Interest expense	17,947	13,157
Net interest income	1,608	1,781
Total net revenues	14,213	12,224
Provision for credit losses	318	(171)
Operating expenses		
Compensation and benefits	4,585	4,090
Transaction based	1,497	1,405
Market development	153	172
Communications and technology	470	466
Depreciation and amortization	627	970
Occupancy	247	265
Professional fees	384	383
Other expenses	695	651
Total operating expenses	8,658	8,402
Pre-tax earnings	5,237	3,993
Provision for taxes	1,105	759
Net earnings	4,132	3,234
Preferred stock dividends	201	147
Net earnings applicable to common shareholders	\$3,931	\$ 3,087
Earnings per common share		
Basic	\$11.67	\$ 8.87
Diluted	\$11.58	\$ 8.79
Average common shares		
Basic	335.6	346.6
Diluted	339.5	351.3

Consolidated Statements of Comprehensive Income (Unaudited)

\$ in millions	Three Months Ended March	
	2024	2023
Net earnings	\$4,132	\$ 3,234
Other comprehensive income/(loss) adjustments, net of tax:		
Currency translation	26	(31)
Debt valuation adjustment	(556)	(1)
Pension and postretirement liabilities	16	14
Available-for-sale securities	115	427
Other comprehensive income/(loss)	(399)	409
Comprehensive income	\$3,733	\$ 3,643

The accompanying notes are an integral part of these consolidated financial statements.

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

Consolidated Balance Sheets
(Unaudited)

	As of	
	March	December
\$ in millions	2024	2023
Assets		
Cash and cash equivalents	\$ 209,385	\$ 241,577
Collateralized agreements:		
Securities purchased under agreements to resell (includes \$231,655 and \$223,543 at fair value)	231,918	223,805
Securities borrowed (includes \$48,624 and \$44,930 at fair value)	214,913	199,420
Customer and other receivables (includes \$23 and \$23 at fair value)	160,419	132,495
Trading assets (at fair value and includes \$113,748 and \$110,567 pledged as collateral)	507,718	477,510
Investments (includes \$81,777 and \$75,767 at fair value)	154,900	146,839
Loans (net of allowance of \$4,902 and \$5,050, and includes \$6,123 and \$6,506 at fair value)	183,934	183,358
Other assets (includes \$248 and \$366 at fair value)	35,253	36,590
Total assets	\$1,698,440	\$1,641,594
Liabilities and shareholders' equity		
Deposits (includes \$31,370 and \$29,460 at fair value)	\$ 440,662	\$ 428,417
Collateralized financings:		
Securities sold under agreements to repurchase (at fair value)	267,479	249,887
Securities loaned (includes \$10,289 and \$8,934 at fair value)	66,261	60,483
Other secured financings (includes \$14,798 and \$12,554 at fair value)	15,052	13,194
Customer and other payables	256,662	230,728
Trading liabilities (at fair value)	201,142	200,355
Unsecured short-term borrowings (includes \$50,017 and \$46,127 at fair value)	78,603	75,945
Unsecured long-term borrowings (includes \$87,142 and \$86,410 at fair value)	233,919	241,877
Other liabilities (includes \$150 and \$266 at fair value)	20,114	23,803
Total liabilities	1,579,894	1,524,689
Commitments, contingencies and guarantees		
Shareholders' equity		
Preferred stock; aggregate liquidation preference of \$11,203 and \$11,203	11,203	11,203
Common stock; 927,253,617 and 922,895,030 shares issued, and 324,014,481 and 323,376,354 shares outstanding	9	9
Share-based awards	4,564	5,121
Nonvoting common stock; no shares issued and outstanding	-	-
Additional paid-in capital	61,314	60,247
Retained earnings	146,690	143,688
Accumulated other comprehensive loss	(3,317)	(2,918)
Stock held in treasury, at cost; 603,239,138 and 599,518,678 shares	(101,917)	(100,445)
Total shareholders' equity	118,546	116,905
Total liabilities and shareholders' equity	\$1,698,440	\$1,641,594

The accompanying notes are an integral part of these consolidated financial statements.

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

**Consolidated Statements of Changes in Shareholders' Equity
(Unaudited)**

\$ in millions	Three Months Ended March	
	2024	2023
Preferred stock		
Beginning balance	\$ 11,203	\$ 10,703
Issued	-	-
Ending balance	11,203	10,703
Common stock		
Beginning balance	9	9
Issued	-	-
Ending balance	9	9
Share-based awards		
Beginning balance	5,121	5,696
Issuance and amortization of share-based awards	1,845	1,523
Delivery of common stock underlying share-based awards	(2,339)	(2,377)
Forfeiture of share-based awards	(63)	(19)
Ending balance	4,564	4,823
Additional paid-in capital		
Beginning balance	60,247	59,050
Delivery of common stock underlying share-based awards	2,319	2,372
Cancellation of share-based awards in satisfaction of withholding tax requirements	(1,252)	(1,279)
Ending balance	61,314	60,143
Retained earnings		
Beginning balance	143,688	139,372
Net earnings	4,132	3,234
Dividends and dividend equivalents declared on common stock and share-based awards	(929)	(868)
Dividends declared on preferred stock	(201)	(147)
Ending balance	146,690	141,591
Accumulated other comprehensive income/(loss)		
Beginning balance	(2,918)	(3,010)
Other comprehensive income/(loss)	(399)	409
Ending balance	(3,317)	(2,601)
Stock held in treasury, at cost		
Beginning balance	(100,445)	(94,631)
Repurchased	(1,500)	(2,546)
Reissued	33	28
Other	(5)	(10)
Ending balance	(101,917)	(97,159)
Total shareholders' equity	\$118,546	\$117,509

The accompanying notes are an integral part of these consolidated financial statements.

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

(Unaudited)

	Three Months Ended March	
\$ in millions	2024	2023
Cash flows from operating activities		
Net earnings	\$ 4,132	\$ 3,234
Adjustments to reconcile net earnings to net cash provided by/(used for) operating activities		
Depreciation and amortization	627	970
Deferred income taxes	60	76
Share-based compensation	1,844	1,541
Provision for credit losses	318	(171)
Changes in operating assets and liabilities:		
Customer and other receivables and payables, net	(1,807)	(4,930)
Collateralized transactions (excluding other secured financings), net	(236)	111,460
Trading assets	(30,120)	(100,066)
Trading liabilities	800	2,172
Loans held for sale, net	(301)	1,236
Other, net	(3,355)	(6,118)
Net cash provided by/(used for) operating activities	(28,038)	9,404
Cash flows from investing activities		
Purchase of property, leasehold improvements and equipment	(497)	(597)
Proceeds from sales of property, leasehold improvements and equipment	399	417
Net cash received from business dispositions	3,622	-
Purchase of investments	(25,239)	(10,461)
Proceeds from sales and paydowns of investments	17,664	8,166
Loans (excluding loans held for sale), net	(3,929)	497
Net cash used for investing activities	(7,980)	(1,978)
Cash flows from financing activities		
Unsecured short-term borrowings, net	6,274	3,648
Other secured financings (short-term), net	495	4,230
Proceeds from issuance of other secured financings (long-term)	2,201	854
Repayment of other secured financings (long-term), including the current portion	(627)	(745)
Proceeds from issuance of unsecured long-term borrowings	13,335	8,022
Repayment of unsecured long-term borrowings, including the current portion	(23,106)	(21,266)
Derivative contracts with a financing element, net	(13)	636
Deposits, net	12,146	(11,442)
Common stock repurchased	(1,500)	(2,546)
Settlement of share-based awards in satisfaction of withholding tax requirements	(1,252)	(1,279)
Dividends and dividend equivalents paid on common stock, preferred stock and share-based awards	(1,123)	(1,013)
Other financing, net	341	357
Net cash provided by/(used for) financing activities	7,171	(20,544)
Effect of exchange rate changes on cash and cash equivalents	(3,345)	620
Net decrease in cash and cash equivalents	(32,192)	(12,498)
Cash and cash equivalents, beginning balance	241,577	241,825
Cash and cash equivalents, ending balance	\$209,385	\$229,327

See Notes 9 and 16 for information about non-cash activities.

The accompanying notes are an integral part of these consolidated financial statements.

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

**Notes to Consolidated Financial Statements
(Unaudited)**

Note 1.**Description of Business**

The Goldman Sachs Group, Inc. (Group Inc. or parent company), a Delaware corporation, together with its consolidated subsidiaries (collectively, the firm), is a leading global financial institution that delivers a broad range of financial services to a large and diversified client base that includes corporations, financial institutions, governments and individuals. Founded in 1869, the firm is headquartered in New York and maintains offices in all major financial centers around the world.

The firm manages and reports its activities in the following three business segments:

Global Banking & Markets

The firm provides a broad range of services to a diverse group of corporations, financial institutions, investment funds and governments. Services include strategic advisory assignments with respect to mergers and acquisitions, divestitures, corporate defense activities, restructurings and spin-offs, and equity and debt underwriting of public offerings and private placements. The firm facilitates client transactions and makes markets in fixed income, equity, currency and commodity products. In addition, the firm makes markets in and clears institutional client transactions on major stock, options and futures exchanges worldwide and provides prime financing (including securities lending, margin lending and swaps), portfolio financing and other types of equity financing (including securities-based loans to individuals). The firm also provides lending to corporate clients, including through relationship lending and acquisition financing, and secured lending, through structured credit and asset-backed lending. In addition, the firm provides commodity financing to clients through structured transactions and also provides financing through securities purchased under agreements to resell (resale agreements). The firm also makes equity and debt investments related to Global Banking & Markets activities.

Asset & Wealth Management

The firm manages assets and offers investment products across all major asset classes to a diverse set of clients, both institutional and individuals, including through a network of third-party distributors around the world. The firm also provides investing and wealth advisory solutions, including financial planning and counseling, and executing brokerage transactions for wealth management clients. The firm issues loans to wealth management clients and accepts deposits through its consumer banking digital platform, Marcus by Goldman Sachs (Marcus), and through its private bank. The firm makes equity investments, which include investing activities related to public and private equity investments in corporate, real estate and infrastructure assets, as well as investments through consolidated investment entities (CIEs), substantially all of which are engaged in real estate investment activities. The firm also invests in debt instruments and engages in lending activities to middle-market clients, and provides financing for real estate and other assets.

Platform Solutions

The firm issues credit cards through partnership arrangements, accepts deposits from Apple Card customers and provides transaction banking and other services, including cash management services, such as deposit-taking and payment solutions for corporate and institutional clients. During the first quarter of 2024, the firm completed the sale of GreenSky Holdings, LLC (GreenSky). The firm has also entered into an agreement with General Motors (GM) regarding a process to transition the GM credit card program to another issuer to be selected by GM.

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

**Notes to Consolidated Financial Statements
(Unaudited)**

Note 2.**Basis of Presentation**

These consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP) and include the accounts of Group Inc. and all other entities in which the firm has a controlling financial interest. Intercompany transactions and balances have been eliminated.

These consolidated financial statements are unaudited and should be read in conjunction with the audited consolidated financial statements included in the firm's Annual Report on Form 10-K for the year ended December 31, 2023. References to "the 2023 Form 10-K" are to the firm's Annual Report on Form 10-K for the year ended December 31, 2023. Certain disclosures included in the annual financial statements have been condensed or omitted from these financial statements as they are not required for interim financial statements under U.S. GAAP and the rules of the SEC.

These unaudited consolidated financial statements reflect all adjustments that are, in the opinion of management, necessary for a fair statement of the results for the interim periods presented. These adjustments are of a normal, recurring nature. Interim period operating results may not be indicative of the operating results for a full year.

All references to March 2024 and March 2023 refer to the firm's periods ended, or the dates, as the context requires, March 31, 2024 and March 31, 2023, respectively. All references to December 2023 refer to the date December 31, 2023. Any reference to a future year refers to a year ending on December 31 of that year. Certain reclassifications have been made to previously reported amounts to conform to the current presentation.

Note 3.**Significant Accounting Policies**

The firm's significant accounting policies include when and how to measure the fair value of assets and liabilities, measuring the allowance for credit losses on loans and lending commitments accounted for at amortized cost, and when to consolidate an entity. See Note 4 for policies on fair value measurements, Note 9 for policies on the allowance for credit losses, and below and Note 17 for policies on consolidation accounting. All other significant accounting policies are either described below or included in the following footnotes:

Fair Value Measurements	Note 4
Fair Value Hierarchy	Note 5
Trading Assets and Liabilities	Note 6
Derivatives and Hedging Activities	Note 7
Investments	Note 8
Loans	Note 9
Fair Value Option	Note 10
Collateralized Agreements and Financings	Note 11
Other Assets	Note 12
Deposits	Note 13
Unsecured Borrowings	Note 14
Other Liabilities	Note 15
Securitization Activities	Note 16
Variable Interest Entities	Note 17
Commitments, Contingencies and Guarantees	Note 18
Shareholders' Equity	Note 19
Regulation and Capital Adequacy	Note 20

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

**Notes to Consolidated Financial Statements
(Unaudited)**

Consolidation

The firm consolidates entities in which the firm has a controlling financial interest. The firm determines whether it has a controlling financial interest in an entity by first evaluating whether the entity is a voting interest entity or a variable interest entity (VIE).

Voting Interest Entities. Voting interest entities are entities in which (i) the total equity investment at risk is sufficient to enable the entity to finance its activities independently and (ii) the equity holders have the power to direct the activities of the entity that most significantly impact its economic performance, the obligation to absorb the losses of the entity and the right to receive the residual returns of the entity. The usual condition for a controlling financial interest in a voting interest entity is ownership of a majority voting interest. If the firm has a controlling majority voting interest in a voting interest entity, the entity is consolidated.

Variable Interest Entities. A VIE is an entity that lacks one or more of the characteristics of a voting interest entity. The firm has a controlling financial interest in a VIE when the firm has a variable interest or interests that provide it with (i) the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and (ii) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE. See Note 17 for further information about VIEs.

Equity-Method Investments. When the firm does not have a controlling financial interest in an entity but can exert significant influence over the entity's operating and financial policies, the investment is generally accounted for at fair value by electing the fair value option available under U.S. GAAP. Significant influence generally exists when the firm owns 20% to 50% of the entity's common stock or in-substance common stock.

In certain cases, the firm applies the equity method of accounting to new investments that are strategic in nature or closely related to the firm's principal business activities when the firm has a

Investment Funds. The firm has formed investment funds with third-party investors. These funds are typically organized as limited partnerships or limited liability companies for which the firm acts as general partner or manager. Generally, the firm does not hold a majority of the economic interests in these funds. These funds are usually voting interest entities and generally are not consolidated because third-party investors typically have rights to terminate the funds or to remove the firm as general partner or manager. Investments in these funds are generally measured at net asset value (NAV) and are included in investments. See Notes 8, 18 and 22 for further information about investments in funds.

Use of Estimates

Preparation of these consolidated financial statements requires management to make certain estimates and assumptions, the most important of which relate to fair value measurements, the allowance for credit losses on loans and lending commitments accounted for at amortized cost, discretionary compensation accruals, accounting for goodwill and identifiable intangible assets, provisions for losses that may arise from litigation and regulatory proceedings (including governmental investigations), and accounting for income taxes. These estimates and assumptions are based on the best available information, but actual results could be materially different.

Revenue Recognition

Financial Assets and Liabilities at Fair Value. Trading assets and liabilities and certain investments are carried at fair value either under the fair value option or in accordance with other U.S. GAAP. In addition, the firm has elected to account for certain of its loans and other financial assets and liabilities at fair value by electing the fair value option. The fair value of a financial instrument is the amount 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. Financial assets are marked to bid prices and financial liabilities are marked to offer prices. Fair value measurements do not

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

**Notes to Consolidated Financial Statements
(Unaudited)**

Revenue from Contracts with Clients.

The firm recognizes revenue earned from contracts with clients for services, such as investment banking, investment management, and execution and clearing (contracts with clients), when the performance obligations related to the underlying transaction are completed.

Revenues from contracts with clients represent approximately 40% of total non-interest revenues for the three months ended March 2024 (including approximately 85% of investment banking revenues, approximately 95% of investment management revenues and all commissions and fees), and approximately 45% of total non-interest revenues for the three months ended March 2023 (including approximately 85% of investment banking revenues, approximately 95% of investment management revenues and all commissions and fees). See Note 25 for information about net revenues by business segment.

Investment Banking

Advisory. Fees from financial advisory assignments are recognized in revenues when the services related to the underlying transaction are completed under the terms of the assignment. Non-refundable deposits and milestone payments in connection with financial advisory assignments are recognized in revenues upon completion of the underlying transaction or when the assignment is otherwise concluded.

Expenses associated with financial advisory assignments are recognized when incurred and are included in transaction based expenses. Client reimbursements for such expenses are included in investment banking revenues.

Underwriting. Fees from underwriting assignments are recognized in revenues upon completion of the underlying transaction based on the terms of the assignment.

Expenses associated with underwriting assignments are generally deferred until the related revenue is recognized or the assignment is otherwise concluded. Such expenses are included in transaction based expenses for completed

Investment Management

The firm earns management fees and incentive fees for investment management services, which are included in investment management revenues. The firm makes payments to brokers and advisors related to the placement of the firm's investment funds (distribution fees), which are included in transaction based expenses.

Management Fees. Management fees for mutual funds are calculated as a percentage of daily NAV and are received monthly. Management fees for hedge funds are calculated as a percentage of month-end NAV and are generally received quarterly. Management fees for separately managed accounts are calculated as a percentage of either the daily or monthly NAV and are received quarterly. Management fees for private equity funds are calculated as a percentage of monthly invested capital or committed capital and are received quarterly, semi-annually or annually, depending on the fund. Management fees are recognized over time in the period the services are provided.

Distribution fees paid by the firm are calculated based on either a percentage of the management fee, the investment fund's NAV or the committed capital. Such fees are included in transaction based expenses.

Incentive Fees. Incentive fees are calculated as a percentage of a fund's or separately managed account's return, or excess return above a specified benchmark or other performance target. Incentive fees are generally based on investment performance over a twelve-month period or over the life of a fund. Fees that are based on performance over a twelve-month period are subject to adjustment prior to the end of the measurement period. For fees that are based on investment performance over the life of the fund, future investment underperformance may require fees previously distributed to the firm to be returned to the fund.

Incentive fees earned from a fund or separately managed account are recognized when it is probable that a significant reversal of such fees will not occur, which is generally when such fees

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

**Notes to Consolidated Financial Statements
(Unaudited)**

Commissions and Fees

The firm earns substantially all commissions and fees from executing and clearing client transactions on stock, options and futures markets, as well as over-the-counter (OTC) transactions. Commissions and fees are recognized on the day the trade is executed. The firm also provides third-party research services to clients in connection with certain soft-dollar arrangements. Third-party research costs incurred by the firm in connection with such arrangements are presented net within commissions and fees.

Remaining Performance Obligations

Remaining performance obligations are services that the firm has committed to perform in the future in connection with its contracts with clients. The firm's remaining performance obligations are generally related to its financial advisory assignments and certain investment management activities. Revenues associated with remaining performance obligations relating to financial advisory assignments cannot be determined until the outcome of the transaction. For the firm's investment management activities, where fees are calculated based on the NAV of the fund or separately managed account, future revenues associated with such remaining performance obligations cannot be determined as such fees are subject to fluctuations in the market value of investments held by the fund or separately managed account.

The firm is able to determine the future revenues associated with management fees calculated based on committed capital. As of March 2024, substantially all future net revenues associated with such remaining performance obligations will be recognized through 2032. Annual revenues associated with such performance obligations average less than \$300 million through 2032.

Transfers of Financial Assets

Transfers of financial assets are accounted for as sales when the firm has relinquished control over the assets transferred. For transfers of financial assets accounted for as sales, any gains or losses are recognized in net revenues. Assets or

Cash and Cash Equivalents

The firm defines cash equivalents as highly liquid overnight deposits held in the ordinary course of business. Cash and cash equivalents included cash and due from banks of \$6.82 billion as of March 2024 and \$7.93 billion as of December 2023. Cash and cash equivalents also included interest-bearing deposits with banks of \$202.57 billion as of March 2024 and \$233.65 billion as of December 2023.

The firm segregates cash for regulatory and other purposes related to client activity. Cash and cash equivalents segregated for regulatory and other purposes were \$14.76 billion as of March 2024 and \$17.08 billion as of December 2023. In addition, the firm segregates securities for regulatory and other purposes related to client activity. See Note 11 for further information about segregated securities.

Customer and Other Receivables

Customer and other receivables included receivables from customers and counterparties of \$103.65 billion as of March 2024 and \$90.16 billion as of December 2023, and receivables from brokers, dealers and clearing organizations of \$56.77 billion as of March 2024 and \$42.33 billion as of December 2023. Such receivables primarily consist of customer margin loans, collateral posted in connection with certain derivative transactions, and receivables resulting from unsettled transactions.

Substantially all of these receivables are accounted for at amortized cost net of any allowance for credit losses, which generally approximates fair value. As these receivables are not accounted for at fair value, they are not included in the firm's fair value hierarchy in Notes 4 and 5. Had these receivables been included in the firm's fair value hierarchy, substantially all would have been classified in level 2 as of both March 2024 and December 2023. See Note 10 for further information about customer and other receivables accounted for at fair value under the fair value option. Interest on customer and other receivables is recognized over the life of the transaction and included in interest income.

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

**Notes to Consolidated Financial Statements
(Unaudited)**

Customer and Other Payables

Customer and other payables included payables to customers and counterparties of \$238.33 billion as of March 2024 and \$220.71 billion as of December 2023, and payables to brokers, dealers and clearing organizations of \$18.33 billion as of March 2024 and \$10.02 billion as of December 2023. Such payables primarily consist of customer credit balances related to the firm's prime brokerage activities. Customer and other payables are accounted for at cost plus accrued interest, which generally approximates fair value. As these payables are not accounted for at fair value, they are not included in the firm's fair value hierarchy in Notes 4 and 5. Had these payables been included in the firm's fair value hierarchy, substantially all would have been classified in level 2 as of both March 2024 and December 2023. Interest on customer and other payables is recognized over the life of the transaction and included in interest expense.

Offsetting Assets and Liabilities

To reduce credit exposures on derivatives and securities financing transactions, the firm may enter into master netting agreements or similar arrangements (collectively, netting agreements) with counterparties that permit it to offset receivables and payables with such counterparties. A netting agreement is a contract with a counterparty that permits net settlement of multiple transactions with that counterparty, including upon the exercise of termination rights by a non-defaulting party. Upon exercise of such termination rights, all transactions governed by the netting agreement are terminated and a net settlement amount is calculated. In addition, the firm receives and posts cash and securities collateral with respect to its derivatives and securities financing transactions, subject to the terms of the related credit support agreements or similar arrangements (collectively, credit support agreements). An enforceable credit support agreement grants the non-defaulting party exercising termination rights the right to liquidate the collateral and apply the proceeds to any amounts owed. In order to assess enforceability of the firm's right of setoff

In the consolidated balance sheets, derivatives are reported net of cash collateral received and posted under enforceable credit support agreements, when transacted under an enforceable netting agreement. In the consolidated balance sheets, resale and repurchase agreements, and securities borrowed and loaned, are not reported net of the related cash and securities received or posted as collateral. See Note 11 for further information about collateral received and pledged, including rights to deliver or repledge collateral. See Notes 7 and 11 for further information about offsetting assets and liabilities.

Share-Based Compensation

The cost of employee services received in exchange for a share-based award is generally measured based on the grant-date fair value of the award. Share-based awards that do not require future service (i.e., vested awards, including awards granted to retirement-eligible employees) are expensed immediately. Share-based awards that require future service are amortized over the relevant service period. Forfeitures are recorded when they occur.

Cash dividend equivalents paid on restricted stock units (RSUs) are generally charged to retained earnings. If RSUs that require future service are forfeited, the related dividend equivalents originally charged to retained earnings are reclassified to compensation expense in the period in which forfeiture occurs.

The firm generally issues new shares of common stock upon delivery of share-based awards. In limited cases, as outlined in the applicable award agreements, the firm may cash settle share-based compensation awards accounted for as equity instruments. For these awards, additional paid-in capital is adjusted to the extent of the difference between the value of the award at the time of cash settlement and the grant-date value of the award. The tax effect related to the settlement of share-based awards and payments of dividend equivalents is recorded in income tax benefit or expense.

Foreign Currency Translation

Assets and liabilities denominated in non-

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Recent Accounting Developments
Troubled Debt Restructurings and Vintage Disclosures (ASC 326). In March 2022, the FASB issued ASU No. 2022-02, "Financial Instruments — Credit Losses (Topic 326) — Troubled Debt Restructurings and Vintage Disclosures." This ASU eliminates the recognition and measurement guidance for troubled debt restructurings (TDRs) and requires enhanced disclosures about loan modifications for borrowers experiencing financial difficulty. This ASU also requires enhanced disclosure for loans that have been charged off. This ASU became effective for the firm in January 2023 under a prospective approach. Adoption of this ASU did not have a material impact on the firm's consolidated financial statements.

Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions (ASC 820). In June 2022, the FASB issued ASU No. 2022-03, "Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions." This ASU clarifies that a contractual restriction on the sale of an equity security should not be considered in measuring its fair value. In addition, the ASU requires specific disclosures related to equity securities that are subject to contractual sale restrictions. This ASU became effective for the firm in January 2024 under a prospective approach. Adoption of this ASU did not have a material impact on the firm's consolidated financial statements.

Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method (ASC 323). 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." This ASU expands the proportional amortization method election currently associated with low-income housing tax credits to other qualifying tax credits and requires incremental disclosures for programs in which the proportional amortization method is elected. This ASU became effective for the firm in January 2024 under a modified retrospective approach.

Improvements to Reportable Segment Disclosures (ASC 280). In November 2023, the FASB issued ASU No. 2023-07, "Improvements to Reportable Segment Disclosures." This ASU requires enhanced disclosures primarily about significant segment expenses that are regularly provided to the chief operating decision maker. This ASU is effective for the firm for annual periods beginning in January 2024, and interim periods beginning in January 2025 under a retrospective approach. Early adoption is permitted. Since this ASU only requires additional disclosures, adoption of this ASU will not have an impact on the firm's financial condition, results of operations or cash flows.

Improvements to Income Tax Disclosures (ASC 740). In December 2023, the FASB issued ASU No. 2023-09, "Improvements to Income Tax Disclosures." This ASU requires incremental disclosures primarily related to the reconciliation of the statutory income tax rate to the effective income tax rate, as well as income taxes paid. This ASU is effective for the firm for annual periods beginning in January 2025 under a prospective approach with the option to apply it retrospectively. Early adoption is permitted. Since this ASU only requires additional disclosures, adoption of this ASU will not have an impact on the firm's financial condition, results of operations or cash flows.

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Note 4.

Fair Value Measurements

The fair value of a financial instrument is the amount 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. Financial assets are marked to bid prices and financial liabilities are marked to offer prices. Fair value measurements do not include transaction costs. The firm measures certain financial assets and liabilities as a portfolio (i.e., based on its net exposure to market and/or credit risks).

The best evidence of fair value is a quoted price in an active market. If quoted prices in active markets are not available, fair value is determined by reference to prices for similar instruments, quoted prices or recent transactions in less active markets, or internally developed models that primarily use market-based or independently sourced inputs, including, but not limited to, interest rates, volatilities, equity or debt prices, foreign exchange rates, commodity prices, credit spreads and funding spreads (i.e., the spread or difference between the interest rate at which a borrower could finance a given financial instrument relative to a benchmark interest rate).

U.S. GAAP has a three-level hierarchy for disclosure of fair value measurements. This hierarchy prioritizes inputs to the valuation techniques used to measure fair value, giving the highest priority to level 1 inputs and the lowest priority to level 3 inputs. A financial instrument's level in this hierarchy is based on the lowest level of input that is significant to its fair value measurement. In evaluating the significance of a valuation input, the firm considers, among other factors, a portfolio's net risk exposure to that input. The fair value hierarchy is as follows:

Level 1. Inputs are unadjusted quoted prices in active markets to which the firm had access at the measurement date for identical, unrestricted assets or liabilities.

Level 2. Inputs to valuation techniques are observable, either directly or

The table below presents financial assets and liabilities carried at fair value.

	As of	
	March	December
\$ in millions	2024	2023
Total level 1 financial assets	\$ 366,197	\$ 332,549
Total level 2 financial assets	536,473	519,130
Total level 3 financial assets	23,999	25,100
Investments in funds at NAV	2,899	3,000
Counterparty and cash collateral netting	(53,400)	(51,134)
Total financial assets at fair value	\$ 876,168	\$ 828,645
Total assets	\$1,698,440	\$1,641,594
Total level 3 financial assets divided by:		
Total assets	1.4 %	1.5 %
Total financial assets at fair value	2.7 %	3.0 %
Total level 1 financial liabilities	\$ 120,750	\$ 125,715
Total level 2 financial liabilities	553,851	523,709
Total level 3 financial liabilities	29,409	28,704
Counterparty and cash collateral netting	(41,623)	(44,135)
Total financial liabilities at fair value	\$ 662,387	\$ 633,993
Total liabilities	\$1,579,894	\$1,524,689
Total level 3 financial liabilities divided by:		
Total liabilities	1.9 %	1.9%
Total financial liabilities at fair value	4.4 %	4.5%

In the table above:

- Counterparty netting among positions classified in the same level is included in that level.
- Counterparty and cash collateral netting represents the impact on derivatives of netting across levels.

The table below presents a summary of

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The valuation techniques and nature of significant inputs used to determine the fair value of the firm's financial instruments are described below. See Note 5 for further information about significant unobservable inputs used to value level 3 financial instruments.

Valuation Techniques and Significant Inputs for Trading Cash Instruments, Investments and Loans

Level 1. Level 1 instruments include U.S. government obligations, most non-U.S. government obligations, certain agency obligations, certain corporate debt instruments, certain money market instruments and actively traded listed equities. These instruments are valued using quoted prices for identical unrestricted instruments in active markets. The firm defines active markets for equity instruments based on the average daily trading volume both in absolute terms and relative to the market capitalization for the instrument. The firm defines active markets for debt instruments based on both the average daily trading volume and the number of days with trading activity.

Level 2. Level 2 instruments include certain non-U.S. government obligations, most agency obligations, most mortgage-backed loans and securities, most corporate debt instruments, most state and municipal obligations, most money market instruments, most other debt obligations, restricted or less liquid listed equities, certain private equities, commodities and certain lending commitments.

Valuations of level 2 instruments can be verified to quoted prices, recent trading activity for identical or similar instruments, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. Consideration is given to the nature of the quotations (e.g., indicative or executable) and the relationship of recent market activity to the prices provided from alternative pricing sources.

Valuation adjustments are typically made to level 2 instruments (i) if the instrument is subject to transfer restrictions and/or (ii) for other premiums and liquidity discounts

Valuation techniques of level 3 instruments vary by instrument, but are generally based on discounted cash flow techniques. The valuation techniques and the nature of significant inputs used to determine the fair values of each type of level 3 instrument are described below:

Loans and Securities Backed by Commercial Real Estate

Loans and securities backed by commercial real estate are directly or indirectly collateralized by a single property or a portfolio of properties, and may include tranches of varying levels of subordination. Significant inputs are generally determined based on relative value analyses and include:

- Market yields implied by transactions of similar or related assets and/or current levels and changes in market indices, such as the CMBX (an index that tracks the performance of commercial mortgage bonds);
- Transaction prices in both the underlying collateral and instruments with the same or similar underlying collateral;
- A measure of expected future cash flows in a default scenario (recovery rates) implied by the value of the underlying collateral, which is mainly driven by current performance of the underlying collateral and capitalization rates. Recovery rates are expressed as a percentage of notional or face value of the instrument and reflect the benefit of credit enhancements on certain instruments; and
- Timing of expected future cash flows (duration) which, in certain cases, may incorporate the impact of any loan forbearances and other unobservable inputs (e.g., prepayment speeds).

Loans and Securities Backed by Residential Real Estate

Loans and securities backed by residential real estate are directly or indirectly collateralized by portfolios of residential real estate and may include tranches of varying levels of subordination. Significant inputs are generally determined based on relative value analyses, which incorporate comparisons to instruments with similar collateral and risk profiles. Significant inputs include:

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Corporate Debt Instruments

Corporate debt instruments includes corporate loans, debt securities and convertible debentures. Significant inputs for corporate debt instruments are generally determined based on relative value analyses, which incorporate comparisons both to prices of credit default swaps that reference the same or similar underlying instrument or entity and to other debt instruments for the same or similar issuer for which observable prices or broker quotations are available. Significant inputs include:

- Market yields implied by transactions of similar or related assets and/or current levels and trends of market indices, such as the CDX (an index that tracks the performance of corporate credit);
- Current performance and recovery assumptions and, where the firm uses credit default swaps to value the related instrument, the cost of borrowing the underlying reference obligation;
- Duration; and
- Market and transaction multiples for corporate debt instruments with convertibility or participation options.

Equity Securities

Equity securities consists of private equities. Recent third-party completed or pending transactions (e.g., merger proposals, debt restructurings, tender offers) are considered the best evidence for any change in fair value. When these are not available, the following valuation methodologies are used, as appropriate:

- Industry multiples (primarily EBITDA and revenue multiples) and public comparables;
- Transactions in similar instruments;
- Discounted cash flow techniques; and
- Third-party appraisals.

The firm also considers changes in the outlook for the relevant industry and financial performance of the issuer as compared to projected performance. Significant inputs include:

- Market and transaction multiples;
- Discount rates and capitalization rates; and

Other Trading Cash Instruments, Investments and Loans

The significant inputs to the valuation of other instruments, such as non-U.S. government and agency obligations, state and municipal obligations, and other loans and debt obligations are generally determined based on relative value analyses, which incorporate comparisons both to prices of credit default swaps that reference the same or similar underlying instrument or entity and to other debt instruments for the same issuer for which observable prices or broker quotations are available. Significant inputs include:

- Market yields implied by transactions of similar or related assets and/or current levels and trends of market indices;
- Current performance and recovery assumptions and, where the firm uses credit default swaps to value the related instrument, the cost of borrowing the underlying reference obligation; and
- Duration.

Valuation Techniques and Significant Inputs for Derivatives

The firm's level 2 and level 3 derivatives are valued using derivative pricing models (e.g., discounted cash flow models, correlation models and models that incorporate option pricing methodologies, such as Monte Carlo simulations). Price transparency of derivatives can generally be characterized by product type, as described below.

- **Interest Rate.** In general, the key inputs used to value interest rate derivatives are transparent, even for most long-dated contracts. Interest rate swaps and options denominated in the currencies of leading industrialized nations are characterized by high trading volumes and tight bid/offer spreads. Interest rate derivatives that reference indices, such as an inflation index, or the shape of the yield curve (e.g., 10-year swap rate vs. 2-year swap rate) are more complex, but the key inputs are generally observable.
- **Credit.** Price transparency for credit default swaps, including both single names and baskets of credits, varies by market and underlying reference entity or obligation. Credit default swaps that

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- **Currency.** Prices for currency derivatives based on the exchange rates of leading industrialized nations, including those with longer tenors, are generally transparent. The primary difference between the price transparency of developed and emerging market currency derivatives is that emerging markets tend to be only observable for contracts with shorter tenors.
- **Commodity.** Commodity derivatives include transactions referenced to energy (e.g., oil, natural gas and electricity), metals (e.g., precious and base) and soft commodities (e.g., agricultural). Price transparency varies based on the underlying commodity, delivery location, tenor and product quality (e.g., diesel fuel compared to unleaded gasoline). In general, price transparency for commodity derivatives is greater for contracts with shorter tenors and contracts that are more closely aligned with major and/or benchmark commodity indices.
- **Equity.** Price transparency for equity derivatives varies by market and underlier. Options on indices and the common stock of corporates included in major equity indices exhibit the most price transparency. Equity derivatives generally have observable market prices, except for contracts with long tenors or reference prices that differ significantly from current market prices. More complex equity derivatives, such as those sensitive to the correlation between two or more individual stocks, generally have less price transparency.

Liquidity is essential to the observability of all product types. If transaction volumes decline, previously transparent prices and other inputs may become unobservable. Conversely, even highly structured products may at times have trading volumes large enough to provide observability of prices and other inputs.

Level 1. Level 1 derivatives include short-term contracts for future delivery of securities when the underlying security is a level 1 instrument, and exchange-traded derivatives if they are actively traded and are valued at their quoted market price.

Valuation models require a variety of inputs, such as contractual terms, market prices, yield curves, discount rates (including those derived from interest rates on collateral received and posted as specified in credit support agreements for collateralized derivatives), credit curves, measures of volatility, prepayment rates, loss severity rates and correlations of such inputs. Significant inputs to the valuations of level 2 derivatives can be verified to market transactions, broker or dealer quotations or other alternative pricing sources with reasonable levels of price transparency. Consideration is given to the nature of the quotations (e.g., indicative or executable) and the relationship of recent market activity to the prices provided from alternative pricing sources.

Level 3. Level 3 derivatives are valued using models which utilize observable level 1 and/or level 2 inputs, as well as unobservable level 3 inputs. The significant unobservable inputs used to value the firm's level 3 derivatives are described below.

- For level 3 interest rate and currency derivatives, significant unobservable inputs include correlations of certain currencies and interest rates (e.g., the correlation between Euro inflation and Euro interest rates) and specific interest rate and currency volatilities.
- For level 3 credit derivatives, significant unobservable inputs include illiquid credit spreads and upfront credit points, which are unique to specific reference obligations and reference entities, and recovery rates.
- For level 3 commodity derivatives, significant unobservable inputs include volatilities for options with strike prices that differ significantly from current market prices and prices or spreads for certain products for which the product quality or physical location of the commodity is not aligned with benchmark indices.
- For level 3 equity derivatives, significant unobservable inputs generally include equity volatility inputs for options that are long-dated and/or have strike prices that differ significantly from current market prices. In addition, the valuation

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Subsequent to the initial valuation of a level 3 derivative, the firm updates the level 1 and level 2 inputs to reflect observable market changes and any resulting gains and losses are classified in level 3. Level 3 inputs are changed when corroborated by evidence, such as similar market transactions, third-party pricing services and/or broker or dealer quotations or other empirical market data. In circumstances where the firm cannot verify the model value by reference to market transactions, it is possible that a different valuation model could produce a materially different estimate of fair value. See Note 5 for further information about significant unobservable inputs used in the valuation of level 3 derivatives.

Valuation Adjustments. Valuation adjustments are integral to determining the fair value of derivative portfolios and are used to adjust the mid-market valuations produced by derivative pricing models to the exit price valuation. These adjustments incorporate bid/offer spreads, the cost of liquidity, and credit and funding valuation adjustments, which account for the credit and funding risk inherent in the uncollateralized portion of derivative portfolios. The firm also makes funding valuation adjustments to collateralized derivatives where the terms of the agreement do not permit the firm to deliver or repledge collateral received. Market-based inputs are generally used when calibrating valuation adjustments to market-clearing levels.

In addition, for derivatives that include significant unobservable inputs, the firm makes model or exit price adjustments to account for the valuation uncertainty present in the transaction.

Valuation Techniques and Significant Inputs for Other Financial Assets and Liabilities at Fair Value

In addition to trading cash instruments, derivatives, and certain investments and loans, the firm accounts for certain of its other financial assets and liabilities at fair value under the fair value option. Such instruments include repurchase agreements and substantially all resale agreements; certain securities borrowed and loaned transactions; certain customer and other receivables, including certain

Resale and Repurchase Agreements and Securities Borrowed and Loaned.

The significant inputs to the valuation of resale and repurchase agreements and securities borrowed and loaned are funding spreads, the amount and timing of expected future cash flows and interest rates.

Customer and Other Receivables. The significant inputs to the valuation of receivables are interest rates, the amount and timing of expected future cash flows and funding spreads.

Deposits. The significant inputs to the valuation of time deposits are interest rates and the amount and timing of future cash flows. The inputs used to value the embedded derivative component of hybrid financial instruments are consistent with the inputs used to value the firm's other derivative instruments described above. See Note 7 for further information about derivatives and Note 13 for further information about deposits.

Other Secured Financings. The significant inputs to the valuation of other secured financings are the amount and timing of expected future cash flows, interest rates, funding spreads and the fair value of the collateral delivered by the firm (determined using the amount and timing of expected future cash flows, market prices, market yields and recovery assumptions). See Note 11 for further information about other secured financings.

Unsecured Short- and Long-Term Borrowings.

The significant inputs to the valuation of unsecured short- and long-term borrowings are the amount and timing of expected future cash flows, interest rates, the credit spreads of the firm and commodity prices for prepaid commodity transactions. The inputs used to value the embedded derivative component of hybrid financial instruments are consistent with the inputs used to value the firm's other derivative instruments described above. See Note 7 for further information about derivatives and Note 14 for further information about borrowings.

Other Assets and Liabilities. The significant inputs to the valuation of other

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Note 5.**Fair Value Hierarchy**

Financial assets and liabilities at fair value includes trading cash instruments, derivatives, and certain investments, loans and other financial assets and liabilities at fair value.

Trading Cash Instruments

Fair Value by Level. The table below presents trading cash instruments by level within the fair value hierarchy.

\$ in millions	Level 1	Level 2	Level 3	Total
As of March 2024				
Assets				
Government and agency obligations:				
U.S.	\$ 129,256	\$ 56,813	\$ -	\$ 186,069
Non-U.S.	43,222	31,014	61	74,297
Loans and securities backed by:				
Commercial real estate	-	755	79	834
Residential real estate	-	9,265	85	9,350
Corporate debt instruments	567	41,445	1,235	43,247
State and municipal obligations	-	956	1	957
Other debt obligations	32	3,496	92	3,620
Equity securities	136,233	1,922	86	138,241
Commodities	-	5,483	1	5,484
Total	\$ 309,310	\$151,149	\$1,640	\$ 462,099

Liabilities

Government and agency obligations:

U.S.	\$ (24,433)	\$ (62)	\$ -	\$ (24,495)
Non-U.S.	(39,835)	(2,664)	(4)	(42,503)

Loans and securities

backed by:

Commercial real estate	-	(32)	-	(32)
Residential real estate	-	(9)	-	(9)

Trading cash instruments consists of instruments held in connection with the firm's market-making or risk management activities. These instruments are carried at fair value and the related fair value gains and losses are recognized in the consolidated statements of earnings.

In the table above:

- Assets are shown as positive amounts and liabilities are shown as negative amounts.
- Corporate debt instruments includes corporate loans, debt securities, convertible debentures, prepaid commodity transactions and transfers of assets accounted for as secured loans rather than purchases.
- Other debt obligations includes other asset-backed securities and money market instruments.
- Equity securities includes public equities and exchange-traded funds.

See Note 4 for an overview of the firm's fair value measurement policies, valuation techniques and significant inputs used to determine the fair value of trading cash instruments.

Significant Unobservable Inputs. The table below presents the amount of level 3 trading cash instrument assets, and ranges and weighted averages of significant unobservable inputs used to value such trading cash instrument assets.

\$ in millions	As of March 2024		As of December 2023	
	Amount or Range	Weighted Average	Amount or Range	Weighted Average
Loans and securities backed by real estate				
Level 3 assets	\$ 164		\$ 144	
Yield	4.2% to 29.7%	16.3 %	3.8% to 26.1%	12.8 %
Recovery rate	20.0% to 65.0%	37.9 %	35.5% to 76.0%	44.6 %
Duration (years)	0.3 to 12.3	4.0	0.3 to 15.3	5.2
Corporate debt				

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In the table above:

- Other includes government and agency obligations, state and municipal obligations, other debt obligations, equity securities and commodities.
- Ranges represent the significant unobservable inputs that were used in the valuation of each type of trading cash instrument.
- Weighted averages are calculated by weighting each input by the relative fair value of the trading cash instruments.
- The ranges and weighted averages of these inputs are not representative of the appropriate inputs to use when calculating the fair value of any one trading cash instrument. For example, the highest recovery rate for corporate debt instruments is appropriate for valuing a specific corporate debt instrument, but may not be appropriate for valuing any other corporate debt instrument. Accordingly, the ranges of inputs do not represent uncertainty in, or possible ranges of, fair value measurements of level 3 trading cash instruments.
- Increases in yield or duration used in the valuation of level 3 trading cash instruments would have resulted in a lower fair value measurement, while increases in recovery rate or multiples would have resulted in a higher fair value measurement as of both March 2024 and December 2023. Due to the distinctive nature of each level 3 trading cash instrument, the interrelationship of inputs is not necessarily uniform within each product type.
- Trading cash instruments are valued using discounted cash flows.

Level 3 Rollforward. The table below presents a summary of the changes in fair value for level 3 trading cash instruments.

\$ in millions	Three Months Ended March	
	2024	2023
Assets		
Beginning balance	\$ 1,791	\$ 1,734
Net realized gains/(losses)	35	13
Net unrealized gains/(losses)	(7)	25
Purchases	307	181
Sales	(264)	(175)
Settlements	(91)	(169)
Transfers into level 3	185	238
Transfers out of level 3	(316)	(289)
Ending balance	\$ 1,640	\$ 1,558
Liabilities		
Beginning balance	\$ (78)	\$ (64)
Net realized gains/(losses)	-	2
Net unrealized gains/(losses)	(19)	(9)
Purchases	36	46
Sales	(39)	(28)
Settlements	6	13
Transfers into level 3	(22)	(11)
Transfers out of level 3	21	6
Ending balance	\$ (95)	\$ (45)

In the table above:

- Changes in fair value are presented for all trading cash instruments that are classified in level 3 as of the end of the period.
- Net unrealized gains/(losses) relates to trading cash instruments that were still held at period-end.
- Transfers between levels of the fair value hierarchy are reported at the beginning of the reporting period in which they occur. If a trading cash instrument was transferred to level 3 during a reporting period, its entire gain or loss for the period is classified in level 3.
- For level 3 trading cash instrument assets, increases are shown as positive amounts, while decreases are shown as negative amounts. For level 3 trading cash instrument liabilities, increases are

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The table below presents information, by product type, for assets included in the summary table above.

\$ in millions	Three Months Ended March	
	2024	2023
Loans and securities backed by real estate		
Beginning balance	\$ 144	\$ 154
Net realized gains/(losses)	1	3
Net unrealized gains/(losses)	-	3
Purchases	5	52
Sales	(21)	(21)
Settlements	(6)	(6)
Transfers into level 3	56	14
Transfers out of level 3	(15)	(21)
Ending balance	\$ 164	\$ 178
Corporate debt instruments		
Beginning balance	\$ 1,415	\$ 1,238
Net realized gains/(losses)	21	2
Net unrealized gains/(losses)	(8)	13
Purchases	280	94
Sales	(173)	(111)
Settlements	(71)	(150)
Transfers into level 3	60	175
Transfers out of level 3	(289)	(251)
Ending balance	\$ 1,235	\$ 1,010
Other		
Beginning balance	\$ 232	\$ 342
Net realized gains/(losses)	13	8
Net unrealized gains/(losses)	1	9
Purchases	22	35
Sales	(70)	(43)
Settlements	(14)	(13)
Transfers into level 3	69	49
Transfers out of level 3	(12)	(17)
Ending balance	\$ 241	\$ 370

In the table above, other includes government and agency obligations, state and municipal obligations, other debt obligations, equity securities and commodities.

Level 3 Rollforward Commentary for the Three Months Ended March 2024. The net realized and unrealized gains on level 3 trading cash instrument assets of \$28 million (reflecting \$35 million of net realized gains and \$7 million of net unrealized losses) for the three months ended March 2024 included gains of \$3 million reported in market making and \$25 million reported in interest income.

The drivers of the net unrealized losses on level 3 trading cash instrument assets for the three months ended March 2024 were not material.

The drivers of the transfers into level 3 trading cash instrument assets during the three months ended March 2024 were not material.

Transfers out of level 3 trading cash instrument assets during the three months ended March 2024 primarily reflected transfers of certain corporate debt instruments to level 2 (principally due to increased price transparency as a result of market evidence, including market transactions in these instruments).

Level 3 Rollforward Commentary for the Three Months Ended March 2023. The net realized and unrealized gains on level 3 trading cash instrument assets of \$38 million (reflecting \$13 million of net realized gains and \$25 million of net unrealized gains) for the three months ended March 2023 included gains of \$22 million reported in market making and \$16 million reported in interest income.

The drivers of the net unrealized gains on level 3 trading cash instrument assets for the three months ended March 2023 were not material.

Transfers into level 3 trading cash instrument assets during the three months ended March 2023 primarily reflected transfers of certain corporate debt instruments from level 2 (principally due to reduced price transparency as a result of a lack of market evidence, including fewer market transactions in these instruments).

Transfers out of level 3 trading cash instrument assets during the three months ended March 2023 primarily reflected transfers of certain corporate debt

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Derivatives

Fair Value by Level. The table below presents derivatives on a gross basis by level and product type, as well as the impact of netting.

\$ in millions	Level 1	Level 2	Level 3	Total
As of March 2024				
Assets				
Interest rates	\$ 54	\$ 230,561	\$ 652	\$ 231,267
Credit	-	9,027	2,829	11,856
Currencies	-	78,688	128	78,816
Commodities	-	14,814	1,528	16,342
Equities	9	82,728	777	83,514
Gross fair value	63	415,818	5,914	421,795
Counterparty netting in levels	-	(321,798)	(978)	(322,776)
Subtotal	\$ 63	\$ 94,020	\$ 4,936	\$ 99,019
Cross-level counterparty netting				(891)
Cash collateral netting				(52,509)
Net fair value				\$ 45,619

Liabilities

Interest rates	\$ (43)	\$(202,641)	\$(1,021)	\$(203,705)
Credit	-	(9,696)	(1,193)	(10,889)
Currencies	-	(79,743)	(52)	(79,795)
Commodities	-	(16,662)	(775)	(17,437)
Equities	(15)	(108,875)	(2,804)	(111,694)
Gross fair value	(58)	(417,617)	(5,845)	(423,520)
Counterparty netting in levels	-	321,798	978	322,776
Subtotal	\$ (58)	\$ (95,819)	\$(4,867)	\$(100,744)
Cross-level counterparty netting				891
Cash collateral netting				40,732
Net fair value				\$ (59,121)

As of December 2023

Assets

Interest rates	\$ 15	\$ 241,850	\$ 758	\$ 242,623
Credit	-	9,964	2,861	12,825

In the table above:

- Gross fair values exclude the effects of both counterparty netting and collateral netting, and therefore are not representative of the firm's exposure.
- Counterparty netting is reflected in each level to the extent that receivable and payable balances are netted within the same level and is included in counterparty netting in levels. Where the counterparty netting is across levels, the netting is included in cross-level counterparty netting.
- Assets are shown as positive amounts and liabilities are shown as negative amounts.

See Note 4 for an overview of the firm's fair value measurement policies, valuation techniques and significant inputs used to determine the fair value of derivatives.

Significant Unobservable Inputs. The table below presents the amount of level 3 derivative assets (liabilities), and ranges, averages and medians of significant unobservable inputs used to value such derivatives.

	As of March 2024		As of December 2023	
\$ in millions, except inputs	Amount or Range	Average/ Median	Amount or Range	Average/ Median
Interest rates, net	\$ (369)		\$ (439)	
Correlation	(10)% to 90%	60%/72%	(10)% to 75%	60%/66%
Volatility (bps)	31 to 101	56/49	31 to 101	56/49
Credit, net	\$ 1,636		\$ 1,650	
Credit spreads (bps)	5 to 1,787	131/83	3 to 1,750	130/85
Upfront credit points	(1) to 100	24/12	0 to 100	26/15
Recovery rates	20% to 70%	42%/40%	20% to 70%	43%/40%
Currencies, net	\$ 76		\$ 42	
Correlation	20% to 71%	40%/43%	20% to 90%	41%/43%
Volatility	13% to 14%	14%/14%	15% to 16%	16%/16%
Commodities				

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- Averages represent the arithmetic average of the inputs and are not weighted by the relative fair value or notional amount of the respective financial instruments. An average greater than the median indicates that the majority of inputs are below the average. For example, the difference between the average and the median for credit spreads indicates that the majority of the inputs fall in the lower end of the range.
 - The ranges, averages and medians of these inputs are not representative of the appropriate inputs to use when calculating the fair value of any one derivative. For example, the highest correlation for interest rate derivatives is appropriate for valuing a specific interest rate derivative but may not be appropriate for valuing any other interest rate derivative. Accordingly, the ranges of inputs do not represent uncertainty in, or possible ranges of, fair value measurements of level 3 derivatives.
 - Interest rates, currencies and equities derivatives are valued using option pricing models, credit derivatives are valued using option pricing, correlation and discounted cash flow models, and commodities derivatives are valued using option pricing and discounted cash flow models.
 - The fair value of any one instrument may be determined using multiple valuation techniques. For example, option pricing models and discounted cash flow models are typically used together to determine fair value. Therefore, the level 3 balance encompasses both of these techniques.
 - Correlation within currencies and equities includes cross-product type correlation.
 - Natural gas spread represents the spread per million British thermal units of natural gas.
 - Oil spread represents the spread per barrel of oil and refined products.
 - Electricity price represents the price per
 - **Volatility.** Ranges for volatility cover numerous underliers across a variety of markets, maturities and strike prices. For example, volatility of equity indices is generally lower than volatility of single stocks.
 - **Credit spreads, upfront credit points and recovery rates.** The ranges for credit spreads, upfront credit points and recovery rates cover a variety of underliers (index and single names), regions, sectors, maturities and credit qualities (high-yield and investment-grade). The broad range of this population gives rise to the width of the ranges of significant unobservable inputs.
 - **Commodity prices and spreads.** The ranges for commodity prices and spreads cover variability in products, maturities and delivery locations.
- Sensitivity of Fair Value Measurement to Changes in Significant Unobservable Inputs.** The following is a description of the directional sensitivity of the firm's level 3 fair value measurements to changes in significant unobservable inputs, in isolation, as of each period-end:
- **Correlation.** In general, for contracts where the holder benefits from the convergence of the underlying asset or index prices (e.g., interest rates, credit spreads, foreign exchange rates, inflation rates and equity prices), an increase in correlation results in a higher fair value measurement.
 - **Volatility.** In general, for purchased options, an increase in volatility results in a higher fair value measurement.
 - **Credit spreads, upfront credit points and recovery rates.** In general, the fair value of purchased credit protection increases as credit spreads or upfront credit points increase or recovery rates decrease. Credit spreads, upfront credit points and recovery rates are strongly related to distinctive risk factors of the underlying reference obligations, which include reference entity-specific factors, such as leverage, volatility and industry, market-based risk factors, such as borrowing costs or liquidity of the underlying reference obligation, and macroeconomic conditions.

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Level 3 Rollforward. The table below presents a summary of the changes in fair value for level 3 derivatives.

\$ in millions	Three Months Ended March	
	2024	2023
Total level 3 derivatives, net		
Beginning balance	\$ 810	\$ 1,521
Net realized gains/(losses)	(94)	147
Net unrealized gains/(losses)	34	(3)
Purchases	235	219
Sales	(598)	(424)
Settlements	103	335
Transfers into level 3	(710)	(98)
Transfers out of level 3	289	(124)
Ending balance	\$ 69	\$ 1,573

In the table above:

- Changes in fair value are presented for all derivative assets and liabilities that are classified in level 3 as of the end of the period.
- Net unrealized gains/(losses) relates to instruments that were still held at period-end.
- Transfers between levels of the fair value hierarchy are reported at the beginning of the reporting period in which they occur. If a derivative was transferred into level 3 during a reporting period, its entire gain or loss for the period is classified in level 3.
- Positive amounts for transfers into level 3 and negative amounts for transfers out of level 3 represent net transfers of derivative assets. Negative amounts for transfers into level 3 and positive amounts for transfers out of level 3 represent net transfers of derivative liabilities.
- A derivative with level 1 and/or level 2 inputs is classified in level 3 in its entirety if it has at least one significant level 3 input.
- If there is one significant level 3 input, the entire gain or loss from adjusting only observable inputs (i.e., level 1 and

The table below presents information, by product type, for derivatives included in the summary table above.

\$ in millions	Three Months Ended March	
	2024	2023
Interest rates, net		
Beginning balance	\$ (439)	\$ (459)
Net realized gains/(losses)	(83)	(37)
Net unrealized gains/(losses)	(155)	263
Purchases	81	101
Sales	(108)	(219)
Settlements	176	126
Transfers into level 3	(53)	(55)
Transfers out of level 3	212	(96)
Ending balance	\$ (369)	\$ (376)

Credit, net

Beginning balance	\$ 1,650	\$ 1,460
Net realized gains/(losses)	58	5
Net unrealized gains/(losses)	68	22
Purchases	52	57
Sales	(33)	(9)
Settlements	(145)	(32)
Transfers into level 3	(23)	3
Transfers out of level 3	9	17
Ending balance	\$ 1,636	\$ 1,523

Currencies, net

Beginning balance	\$ 42	\$ 162
Net realized gains/(losses)	10	33
Net unrealized gains/(losses)	(5)	(11)
Purchases	1	2
Sales	(6)	(2)
Settlements	(7)	(20)
Transfers into level 3	4	1
Transfers out of level 3	37	17
Ending balance	\$ 76	\$ 182

Commodities, net

Beginning balance	\$ 628	\$ 919
Net realized gains/(losses)	(63)	(15)
Net unrealized gains/(losses)	81	(5)
Purchases	55	2
Sales	(9)	(37)
Settlements	77	95
Transfers into level 3	(35)	(21)
Transfers out of level 3	19	(50)

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Level 3 Rollforward Commentary for the Three Months Ended March 2024. The net realized and unrealized losses on level 3 derivatives of \$60 million (reflecting \$94 million of net realized losses and \$34 million of net unrealized gains) for the three months ended March 2024 included gains/(losses) of \$(72) million reported in market making and \$12 million reported in other principal transactions.

The net unrealized gains on level 3 derivatives for the three months ended March 2024 primarily reflected gains on certain commodity derivatives (principally due to the impact of an increase in commodity prices), gains on certain credit derivatives (principally due to the impact of changes in foreign exchange rates), and gains on certain equity derivatives (principally due to the impact of an increase in equity prices), partially offset by losses on certain interest rate derivatives (principally due to the impact of an increase in interest rates).

Transfers into level 3 derivatives during the three months ended March 2024 primarily reflected transfers of certain equity derivative liabilities from level 2 (principally due to certain unobservable inputs becoming significant to the valuation of these derivatives).

Transfers out of level 3 derivatives during the three months ended March 2024 primarily reflected transfers of certain interest rate derivative liabilities to level 2 (principally due to certain unobservable volatility inputs no longer being significant to the valuation of these derivatives).

Level 3 Rollforward Commentary for the Three Months Ended March 2023. The net realized and unrealized gains on level 3 derivatives of \$144 million (reflecting \$147 million of net realized gains and \$3 million of net unrealized losses) for the three months ended March 2023 included gains/(losses) of \$148 million reported in market making and \$(4) million reported in other principal transactions.

The net unrealized losses on level 3 derivatives for the three months ended March 2023 primarily reflected losses on certain equity derivatives (principally due to the impact of changes in equity prices), largely offset by gains on certain interest

Investments

Fair Value by Level. The table below presents investments accounted for at fair value by level within the fair value hierarchy.

\$ in millions	Level 1	Level 2	Level 3	Total
As of March 2024				
Government and agency obligations:				
U.S.	\$53,225	\$ -	\$ -	\$53,225
Non-U.S.	2,348	61	-	2,409
Corporate debt securities	173	2,374	6,110	8,657
Securities backed by real estate	-	3	666	669
Money market instruments	302	863	-	1,165
Other debt obligations	9	11	235	255
Equity securities	767	2,260	9,471	12,498
Subtotal	\$56,824	\$5,572	\$16,482	\$78,878
Investments in funds at NAV				2,899
Total investments				\$81,777
As of December 2023				
Government and agency obligations:				
U.S.	\$ 46,731	\$ -	\$ -	\$ 46,731
Non-U.S.	2,399	144	-	2,543
Corporate debt securities	160	2,299	6,533	8,992
Securities backed by real estate	-	2	687	689
Money market instruments	52	999	-	1,051
Other debt obligations	9	14	244	267
Equity securities	721	2,099	9,674	12,494
Subtotal	\$ 50,072	\$ 5,557	\$ 17,138	\$ 72,767
Investments in funds at NAV				3,000
Total investments				\$ 75,767

See Note 4 for an overview of the firm's fair value measurement policies, valuation techniques and significant inputs used to

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Significant Unobservable Inputs. The table below presents the amount of level 3 investments, and ranges and weighted averages of significant unobservable inputs used to value such investments.

\$ in millions	As of March 2024		As of December 2023	
	Amount or Weighted Range	Average	Amount or Weighted Range	Average
Corporate debt securities				
Level 3 assets	\$ 6,110		\$ 6,533	
Yield	5.0% to 21.6%	12.4 %	6.0% to 31.0%	12.1 %
Recovery rate	7.6% to 77.1%	36.7 %	7.3% to 41.2%	27.6 %
Duration (years)	0.2 to 8.3	3.3	0.4 to 5.3	3.0
Multiples	0.9x to 16.1x	5.8x	0.9x to 53.3x	7.7x
Securities backed by real estate				
Level 3 assets	\$ 666		\$ 687	
Yield	8.3% to 18.3%	14.1 %	7.4% to 18.8%	14.1 %
Duration (years)	0.3 to 3.8	3.6	0.4 to 4.1	3.9
Other debt obligations				
Level 3 assets	\$ 235		\$ 244	
Yield	5.9% to 9.0%	7.9 %	7.6% to 8.8%	8.2 %
Equity securities				
Level 3 assets	\$ 9,471		\$ 9,674	
Multiples	0.5x to 23.7x	8.6x	0.5x to 25.2x	8.3x
Discount rate/ yield	6.0% to 38.5%	12.6 %	6.0% to 38.5%	12.3 %
Capitalization rate	4.4% to 9.2%	5.5 %	4.5% to 8.0%	5.3 %

In the table above:

- Ranges represent the significant unobservable inputs that were used in the valuation of each type of investment.
- Weighted averages are calculated by weighting each input by the relative fair value of the investment.
- The ranges and weighted averages of these inputs are not representative of the

- Corporate debt securities, securities backed by real estate and other debt obligations are valued using discounted cash flows, and equity securities are valued using market comparables and discounted cash flows.

- The fair value of any one instrument may be determined using multiple valuation techniques. For example, market comparables and discounted cash flows may be used together to determine fair value. Therefore, the level 3 balance encompasses both of these techniques.

Level 3 Rollforward. The table below presents a summary of the changes in fair value for level 3 investments.

\$ in millions	Three Months Ended March	
	2024	2023
Beginning balance	\$17,138	\$ 16,942
Net realized gains/(losses)	54	102
Net unrealized gains/(losses)	61	(76)
Purchases	222	213
Sales	(231)	(236)
Settlements	(523)	(356)
Transfers into level 3	278	860
Transfers out of level 3	(517)	(216)
Ending balance	\$16,482	\$ 17,233

In the table above:

- Changes in fair value are presented for all investments that are classified in level 3 as of the end of the period.
- Net unrealized gains/(losses) relates to investments that were still held at period-end.
- Transfers between levels of the fair value hierarchy are reported at the beginning of the reporting period in which they occur. If an investment was transferred to level 3 during a reporting period, its entire gain or loss for the period is classified in level 3.

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The table below presents information, by product type, for investments included in the summary table above.

\$ in millions	Three Months Ended March	
	2024	2023
Corporate debt securities		
Beginning balance	\$ 6,533	\$ 7,003
Net realized gains/(losses)	57	94
Net unrealized gains/(losses)	40	46
Purchases	136	111
Sales	(46)	(74)
Settlements	(392)	(267)
Transfers into level 3	90	617
Transfers out of level 3	(308)	(82)
Ending balance	\$ 6,110	\$ 7,448

Securities backed by real estate		
Beginning balance	\$ 687	\$ 827
Net realized gains/(losses)	2	8
Net unrealized gains/(losses)	(10)	(3)
Purchases	7	21
Settlements	(20)	(14)
Ending balance	\$ 666	\$ 839

Other debt obligations		
Beginning balance	\$ 244	\$ 256
Net realized gains/(losses)	1	1
Net unrealized gains/(losses)	-	4
Purchases	5	1
Settlements	(15)	(11)
Ending balance	\$ 235	\$ 251

Equity securities		
Beginning balance	\$ 9,674	\$ 8,856
Net realized gains/(losses)	(6)	(1)
Net unrealized gains/(losses)	31	(123)
Purchases	74	80
Sales	(185)	(162)
Settlements	(96)	(64)
Transfers into level 3	188	243
Transfers out of level 3	(209)	(134)
Ending balance	\$ 9,471	\$ 8,695

Level 3 Rollforward Commentary for the Three Months Ended March 2024. The net realized and unrealized gains on level 3 investments of \$115 million (reflecting \$54 million of net realized gains and \$61

Transfers into level 3 investments during the three months ended March 2024 primarily reflected transfers of certain equity securities from level 2 (principally due to reduced price transparency as a result of a lack of market evidence, including fewer market transactions in these instruments).

Transfers out of level 3 investments during the three months ended March 2024 reflected transfers of certain corporate debt securities to level 2 (principally due to certain unobservable yield inputs becoming less significant to the valuation of these instruments) and certain private equity securities to level 2 (principally due to increased price transparency as a result of market evidence, including market transactions in these instruments).

Level 3 Rollforward Commentary for the Three Months Ended March 2023. The net realized and unrealized gains on level 3 investments of \$26 million (reflecting \$102 million of net realized gains and \$76 million of net unrealized losses) for the three months ended March 2023 included gains/(losses) of \$(133) million reported in other principal transactions and \$159 million reported in interest income.

The net unrealized losses on level 3 investments for the three months ended March 2023 reflected losses on certain private equity securities (principally driven by corporate performance).

Transfers into level 3 investments during the three months ended March 2023 primarily reflected transfers of certain corporate debt securities from level 2 (principally due to certain unobservable yield and duration inputs becoming significant to the valuation of these instruments) and certain equity securities from level 2 (principally due to reduced price transparency as a result of a lack of market evidence, including fewer market transactions in these instruments).

Transfers out of level 3 investments during the three months ended March 2023 primarily reflected transfers of certain equity securities to level 2 (principally due to increased price transparency as a result of market evidence, including market transactions in these instruments).

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Loans

Fair Value by Level. The table below presents loans held for investment accounted for at fair value under the fair value option by level within the fair value hierarchy.

\$ in millions	Level 1	Level 2	Level 3	Total
As of March 2024				
Loan Type				
Corporate	\$ -	\$ 419	\$ 339	\$ 758
Real estate:				
Commercial	-	327	170	497
Residential	-	3,797	56	3,853
Other collateralized	-	789	135	924
Other	-	25	66	91
Total	\$ -	\$ 5,357	\$ 766	\$ 6,123
As of December 2023				
Loan Type				
Corporate	\$ -	\$ 415	\$ 344	\$ 759
Real estate:				
Commercial	-	360	203	563
Residential	-	4,087	58	4,145
Other collateralized	-	775	136	911
Other	-	46	82	128
Total	\$ -	\$ 5,683	\$ 823	\$ 6,506

The gains/(losses) as a result of changes in the fair value of loans held for investment for which the fair value option was elected were \$(37) million for the three months ended March 2024 and \$76 million for the three months ended March 2023. These gains/(losses) were included in other principal transactions.

Significant Unobservable Inputs. The table below presents the amount of level 3 loans, and ranges and weighted averages of significant unobservable inputs used to value such loans.

\$ in millions	As of March 2024		As of December 2023	
	Amount or Weighted		Amount or Weighted	
	Range	Average	Range	Average
Corporate				
Level 3 assets	\$ 339		\$ 344	
Yield	8.0% to 17.1%	12.0 %	8.0% to 17.1%	10.5 %

In the table above:

- Ranges represent the significant unobservable inputs that were used in the valuation of each type of loan.
- Weighted averages are calculated by weighting each input by the relative fair value of the loan.
- The ranges and weighted averages of these inputs are not representative of the appropriate inputs to use when calculating the fair value of any one loan. For example, the highest yield for real estate loans is appropriate for valuing a specific real estate loan but may not be appropriate for valuing any other real estate loan. Accordingly, the ranges of inputs do not represent uncertainty in, or possible ranges of, fair value measurements of level 3 loans.
- Increases in yield or duration used in the valuation of level 3 loans would have resulted in a lower fair value measurement, while increases in recovery rate would have resulted in a higher fair value measurement as of both March 2024 and December 2023. Due to the distinctive nature of each level 3 loan, the interrelationship of inputs is not necessarily uniform within each product type.
- Loans are valued using discounted cash flows.

Notes to Consolidated Financial Statements (Unaudited)

Level 3 Rollforward. The table below presents a summary of the changes in fair value for level 3 loans.

\$ in millions	Three Months Ended March	
	2024	2023
Beginning balance	\$ 823	\$ 1,837
Net realized gains/(losses)	11	19
Net unrealized gains/(losses)	(13)	3
Purchases	7	33
Sales	(31)	(5)
Settlements	(31)	(100)
Ending balance	\$ 766	\$ 1,787

In the table above:

- Changes in fair value are presented for loans that are classified in level 3 as of the end of the period.
- Net unrealized gains/(losses) relates to loans that were still held at period-end.
- Purchases includes originations and secondary purchases.
- Transfers between levels of the fair value hierarchy are reported at the beginning of the reporting period in which they occur. If a loan was transferred to level 3 during a reporting period, its entire gain or loss for the period is classified in level 3.

The table below presents information, by loan type, for loans included in the summary table above.

\$ in millions	Three Months Ended March	
	2024	2023
Corporate		
Beginning balance	\$ 344	\$ 637
Net realized gains/(losses)	4	10
Net unrealized gains/(losses)	(9)	(1)
Purchases	7	32
Sales	-	(5)
Settlements	(7)	(27)
Ending balance	\$ 339	\$ 646
Real estate		
Beginning balance	\$ 261	\$ 785
Net realized gains/(losses)	4	5
Net unrealized gains/(losses)	(2)	(5)
Purchases	-	1
Sales	(31)	-
Settlements	(6)	(64)
Ending balance	\$ 226	\$ 722
Other collateralized		
Beginning balance	\$ 136	\$ 140
Net realized gains/(losses)	1	1
Net unrealized gains/(losses)	-	1
Settlements	(2)	(1)
Ending balance	\$ 135	\$ 141
Other		
Beginning balance	\$ 82	\$ 275
Net realized gains/(losses)	2	3
Net unrealized gains/(losses)	(2)	8
Settlements	(16)	(8)
Ending balance	\$ 66	\$ 278

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Level 3 Rollforward Commentary for the Three Months Ended March 2024. The net realized and unrealized losses on level 3 loans of \$2 million (reflecting \$11 million of net realized gains and \$13 million of net unrealized losses) for the three months ended March 2024 included gains/(losses) of \$(9) million reported in other principal transactions and \$7 million reported in interest income.

The drivers of the net unrealized losses on level 3 loans for the three months ended March 2024 were not material.

There were no transfers into or out of level 3 loans during the three months ended March 2024.

Level 3 Rollforward Commentary for the Three Months Ended March 2023. The net realized and unrealized gains on level 3 loans of \$22 million (reflecting \$19 million of net realized gains and \$3 million of net unrealized gains) for the three months ended March 2023 included gains of \$8 million reported in other principal transactions and \$14 million reported in interest income.

The drivers of the net unrealized losses on level 3 loans for the three months ended March 2023 were not material.

There were no transfers into or out of level 3 loans during the three months ended March 2023.

Other Financial Assets and Liabilities

Fair Value by Level. The table below presents, by level within the fair value hierarchy, other financial assets and liabilities at fair value, substantially all of which are accounted for at fair value under the fair value option.

\$ in millions	Level 1	Level 2	Level 3	Total
As of March 2024				
Assets				
Resale agreements	\$ -	\$ 231,655	\$ -	\$ 231,655
Securities borrowed	-	48,624	-	48,624
Customer and other receivables	-	23	-	23
Other assets	-	73	175	248
Total	\$ -	\$ 280,375	\$ 175	\$ 280,550
Liabilities				
Deposits	\$ -	\$ (28,621)	\$ (2,749)	\$ (31,370)
Repurchase agreements	-	(267,479)	-	(267,479)
Securities loaned	-	(10,289)	-	(10,289)
Other secured financings	-	(12,864)	(1,934)	(14,798)
Unsecured borrowings:				
Short-term	-	(43,858)	(6,159)	(50,017)
Long-term	-	(73,606)	(13,536)	(87,142)
Other liabilities	-	(81)	(69)	(150)
Total	\$ -	\$ (436,798)	\$ (24,447)	\$ (461,245)

**As of
December
2023**

Assets

Resale agreements	\$ -	\$ 223,543	\$ -	\$ 223,543
Securities borrowed	-	44,930	-	44,930
Customer and other receivables	-	23	-	23
Other assets	-	179	187	366
Total	\$ -	\$ 268,675	\$ 187	\$ 268,862

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Significant Unobservable Inputs. See below for information about the significant unobservable inputs used to value level 3 other financial assets and liabilities at fair value as of both March 2024 and December 2023.

Other Secured Financings. The ranges and weighted averages of significant unobservable inputs used to value level 3 other secured financings are presented below. These ranges and weighted averages exclude unobservable inputs that are only relevant to a single instrument, and therefore are not meaningful.

As of March 2024:

- Yield: 6.7% to 11.8% (weighted average: 8.6%)
- Duration: 0.3 to 6.1 years (weighted average: 2.2 years)

As of December 2023:

- Yield: 6.7% to 11.3% (weighted average: 8.5%)
- Duration: 0.1 to 4.5 years (weighted average: 0.9 years)

Generally, increases in yield or duration, in isolation, would have resulted in a lower fair value measurement as of period-end. Due to the distinctive nature of each of level 3 other secured financings, the interrelationship of inputs is not necessarily uniform across such financings. See Note 11 for further information about other secured financings.

Deposits, Unsecured Borrowings and Other Assets and Liabilities.

Substantially all of the firm's deposits, unsecured short- and long-term borrowings, and other assets and liabilities that are classified in level 3 are hybrid financial instruments. As the significant unobservable inputs used to value hybrid financial instruments primarily relate to the embedded derivative component of these deposits, unsecured borrowings and other assets and liabilities, these unobservable inputs are incorporated in the firm's derivative disclosures. See Note 12 for further information about other assets, Note 13 for further information about deposits, Note 14 for further information about unsecured borrowings

Level 3 Rollforward. The table below presents a summary of the changes in fair value for level 3 other financial assets and liabilities accounted for at fair value.

\$ in millions	Three Months Ended March	
	2024	2023
Assets		
Beginning balance	\$ 187	\$ 74
Net unrealized gains/(losses)	(2)	30
Sales	(11)	-
Ending balance	\$ 174	\$ 104
Liabilities		
Beginning balance	\$(24,275)	\$(18,826)
Net realized gains/(losses)	(137)	(94)
Net unrealized gains/(losses)	117	(821)
Issuances	(3,443)	(2,251)
Settlements	3,369	2,522
Transfers into level 3	(1,084)	(1,391)
Transfers out of level 3	1,006	623
Ending balance	\$(24,447)	\$(20,238)

In the table above:

- Changes in fair value are presented for all other financial assets and liabilities that are classified in level 3 as of the end of the period.
- Net unrealized gains/(losses) relates to other financial assets and liabilities that were still held at period-end.
- Transfers between levels of the fair value hierarchy are reported at the beginning of the reporting period in which they occur. If a financial instrument was transferred to level 3 during a reporting period, its entire gain or loss for the period is classified in level 3.
- For level 3 other financial assets, increases are shown as positive amounts, while decreases are shown as negative amounts. For level 3 other financial liabilities, increases are shown as negative amounts, while decreases are shown as positive amounts.
- Level 3 other financial assets and liabilities are frequently economically hedged with trading assets and liabilities. Accordingly, gains or losses

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The table below presents information, by the consolidated balance sheet line items, for liabilities included in the summary table above.

\$ in millions	Three Months Ended March	
	2024	2023
Deposits		
Beginning balance	\$ (2,737)	\$ (2,743)
Net realized gains/(losses)	-	1
Net unrealized gains/(losses)	(103)	(8)
Issuances	(121)	(119)
Settlements	175	224
Transfers into level 3	(18)	(6)
Transfers out of level 3	55	14
Ending balance	\$ (2,749)	\$ (2,637)
Other secured financings		
Beginning balance	\$ (2,022)	\$ (1,842)
Net realized gains/(losses)	(2)	(7)
Net unrealized gains/(losses)	33	(32)
Issuances	(347)	(98)
Settlements	405	187
Transfers into level 3	(1)	(121)
Transfers out of level 3	-	77
Ending balance	\$ (1,934)	\$ (1,836)
Unsecured short-term borrowings		
Beginning balance	\$ (5,589)	\$ (4,090)
Net realized gains/(losses)	(49)	(57)
Net unrealized gains/(losses)	(76)	(298)
Issuances	(2,005)	(1,473)
Settlements	1,213	1,216
Transfers into level 3	(173)	(132)
Transfers out of level 3	520	320
Ending balance	\$ (6,159)	\$ (4,514)
Unsecured long-term borrowings		
Beginning balance	\$ (13,848)	\$ (10,066)
Net realized gains/(losses)	(86)	(31)
Net unrealized gains/(losses)	253	(477)
Issuances	(970)	(561)
Settlements	1,576	895
Transfers into level 3	(892)	(1,132)
Transfers out of level 3	431	212
Ending balance	\$ (13,536)	\$ (11,160)
Other liabilities		
Beginning balance	\$ (79)	\$ (85)
Net unrealized gains/(losses)	10	(6)

The net unrealized gains on level 3 other financial liabilities for the three months ended March 2024 primarily reflected gains on certain hybrid financial instruments included in unsecured long-term borrowings (principally due to the impact of changes in foreign exchange rates), partially offset by losses on certain hybrid financial instruments included in bank deposits (principally due to an increase in global equity prices).

Transfers into level 3 other financial liabilities during the three months ended March 2024 primarily reflected transfers of certain hybrid financial instruments included in unsecured long-term borrowings from level 2 (principally due to reduced price transparency of certain credit spread and volatility inputs used to value these instruments) and transfers of certain hybrid financial instruments included in unsecured short-term borrowings from level 2 (principally due to reduced price transparency of certain volatility inputs used to value these instruments).

Transfers out of level 3 other financial liabilities during the three months ended March 2024 primarily reflected transfers of certain hybrid financial instruments in unsecured short- and long-term borrowings to level 2 (principally due to increased price transparency of certain volatility inputs used to value these instruments).

Level 3 Rollforward Commentary for the Three Months Ended March 2023. The net realized and unrealized losses on level 3 other financial liabilities of \$915 million (reflecting \$94 million of net realized losses and \$821 million of net unrealized losses) for the three months ended March 2023 included gains/(losses) of \$ (939) million reported in market making, \$ (15) million reported in other principal transactions and \$(9) million reported in interest expense in the consolidated statements of earnings, and \$48 million reported in debt valuation adjustment in the consolidated statements of comprehensive income.

The net unrealized losses on level 3 other financial liabilities for the three months ended March 2023 primarily reflected losses on certain hybrid financial

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Note 6.

Trading Assets and Liabilities

Trading assets and liabilities include trading cash instruments and derivatives held in connection with the firm's market-making or risk management activities. These assets and liabilities are carried at fair value either under the fair value option or in accordance with other U.S. GAAP, and the related fair value gains and losses are generally recognized in the consolidated statements of earnings.

The table below presents a summary of trading assets and liabilities.

	Trading Assets	Trading Liabilities
\$ in millions		
As of March 2024		
Trading cash instruments	\$462,099	\$142,021
Derivatives	45,619	59,121
Total	\$507,718	\$201,142
As of December 2023		
Trading cash instruments	\$ 426,390	\$ 143,601
Derivatives	51,120	56,754
Total	\$ 477,510	\$ 200,355

See Note 5 for further information about trading cash instruments and Note 7 for further information about derivatives.

Gains and Losses from Market Making

The table below presents market making revenues by major product type.

	Three Months Ended March	
\$ in millions	2024	2023
Interest rates	\$ (1,012)	\$ 2,382
Credit	1,137	347
Currencies	2,774	363
Equities	2,408	1,478
Commodities	685	863
Total	\$ 5,992	\$ 5,433

In the table above:

- Gains/(losses) include both realized and unrealized gains and losses. Gains/(losses) exclude related interest income and interest expense. See Note 23 for further information about interest income and interest expense.
- Gains/(losses) included in market making are primarily related to the firm's trading assets and liabilities, including both derivative and non-derivative financial instruments.
- Gains/(losses) are not representative of the manner in which the firm manages its business activities because many of the firm's market-making and client facilitation strategies utilize financial instruments across various product types. Accordingly, gains or losses in one product type frequently offset gains or losses in other product types. For example, most of the firm's longer-term derivatives across product types are sensitive to changes in interest rates and may be economically hedged with interest rate swaps. Similarly, a significant portion of the firm's trading cash instruments and derivatives across product types has exposure to foreign currencies and may be economically hedged with foreign currency contracts.

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Note 7.

Derivatives and Hedging Activities

Derivative Activities

Derivatives are instruments that derive their value from underlying asset prices, indices, reference rates and other inputs, or a combination of these factors. Derivatives may be traded on an exchange (exchange-traded) or they may be privately negotiated contracts, which are usually referred to as OTC derivatives. Certain of the firm's OTC derivatives are cleared and settled through central clearing counterparties (OTC-cleared), while others are bilateral contracts between two counterparties (bilateral OTC).

Market Making. As a market maker, the firm enters into derivative transactions to provide liquidity to clients and to facilitate the transfer and hedging of their risks. In this role, the firm typically acts as principal and is required to commit capital to provide execution, and maintains market-making positions in response to, or in anticipation of, client demand.

Risk Management. The firm also enters into derivatives to actively manage risk exposures that arise from its market-making and investing and financing activities. The firm's holdings and exposures are hedged, in many cases, on either a portfolio or risk-specific basis, as opposed to an instrument-by-instrument basis. The offsetting impact of this economic hedging is reflected in the same business segment as the related revenues. In addition, the firm may enter into derivatives designated as hedges under U.S. GAAP. These derivatives are used to manage interest rate exposure of certain fixed-rate unsecured borrowings and deposits and certain U.S. and non-U.S. government securities classified as available-for-sale, foreign exchange risk of certain available-for-sale securities and the net investment in certain non-U.S. operations.

The firm enters into various types of derivatives, including:

- **Futures and Forwards.** Contracts that commit counterparties to purchase or sell financial instruments, commodities or currencies in the future.
- **Swaps.** Contracts that require counterparties to exchange cash flows, such as currency or interest payment streams. The amounts exchanged are based on the specific terms of the contract with reference to specified rates, financial instruments, commodities, currencies or indices.
- **Options.** Contracts in which the option purchaser has the right, but not the obligation, to purchase from or sell to the option writer financial instruments, commodities or currencies within a defined time period for a specified price.

Derivatives are reported on a net-by-counterparty basis (i.e., the net payable or receivable for derivative assets and liabilities for a given counterparty) when a legal right of setoff exists under an enforceable netting agreement (counterparty netting). Derivatives are accounted for at fair value, net of cash collateral received or posted under enforceable credit support agreements (cash collateral netting). Derivative assets are included in trading assets and derivative liabilities are included in trading liabilities. Realized and unrealized gains and losses on derivatives not designated as hedges are included in market making (for derivatives included in Fixed Income, Currency and Commodities (FICC) and Equities within Global Banking & Markets), and other principal transactions (for derivatives included in Investment banking fees and Other within Global Banking & Markets, as well as derivatives in Asset & Wealth Management) in the consolidated statements of earnings. For both the three months ended March 2024 and March 2023, substantially all of the firm's derivatives were included in Global

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The tables below present the gross fair value and the notional amounts of derivative contracts by major product type, the amounts of counterparty and cash collateral netting in the consolidated balance sheets, as well as cash and securities collateral posted and received under enforceable credit support agreements that do not meet the criteria for netting under U.S. GAAP.

					Notional Amounts as of	
					March	December
\$ in millions					2024	2023
Not accounted for as hedges						
Exchange-traded					\$ 3,932,033	\$ 3,854,689
OTC-cleared					17,125,644	16,007,915
Bilateral OTC					11,840,949	12,390,595
Total interest rates					32,898,626	32,253,199
Exchange-traded					118	299
OTC-cleared					574,525	498,720
Bilateral OTC					628,230	619,975
Total credit					1,202,873	1,118,994
Exchange-traded					8,604	11,586
OTC-cleared					313,499	268,293
Bilateral OTC					7,080,379	6,363,700
Total currencies					7,402,482	6,643,579
Exchange-traded					355,834	306,787
OTC-cleared					3,193	3,323
Bilateral OTC					196,857	199,270
Total commodities					555,884	509,380
Exchange-traded					1,733,433	1,564,341
OTC-cleared					1,749	1,487
Bilateral OTC					1,276,830	1,204,140
Total equities					3,012,012	2,769,968
Subtotal					45,071,877	43,295,120
Accounted for as hedges						
OTC-cleared					230,554	241,160
Bilateral OTC					2,816	2,914
Total interest rates					233,370	244,074
OTC-cleared					3,952	1,227
Bilateral OTC					6,773	9,130
Total currencies					10,725	10,357
Subtotal					244,095	254,431
Total notional amounts					\$45,315,972	\$43,549,551
Exchange-traded						
OTC-cleared						
Bilateral OTC						
Total equities						
Subtotal						
Accounted for as hedges						
OTC-cleared	-	1	-	-		
Bilateral OTC	234	9	298	9		
Total interest rates	234	10	298	9		

In the tables above:

Gross fair values exclude the effects of both counterparty netting and collateral, and therefore are not representative of the firm's exposure.

Where the firm has received or posted collateral under credit support agreements, but has not yet determined such agreements are enforceable, the related collateral has not been netted

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OTC Derivatives

The table below presents OTC derivative assets and liabilities by tenor and major product type.

\$ in millions	Less than 1 Year	1 - 5 Years	Greater than 5 Years	Total
As of March 2024				
Assets				
Interest rates	\$ 4,886	\$11,995	\$ 49,502	\$ 66,383
Credit	495	3,243	2,438	6,176
Currencies	9,376	7,736	5,162	22,274
Commodities	3,111	2,021	1,427	6,559
Equities	7,548	2,438	1,646	11,632
Counterparty netting in tenors	(2,581)	(2,396)	(3,559)	(8,536)
Subtotal	\$22,835	\$25,037	\$ 56,616	\$104,488
Cross-tenor counterparty netting				(15,118)
Cash collateral netting				(52,509)
Total OTC derivative assets				\$ 36,861
Liabilities				
Interest rates	\$ 7,518	\$15,552	\$ 17,917	\$ 40,987
Credit	1,501	2,603	1,106	5,210
Currencies	8,471	7,383	7,485	23,339
Commodities	3,070	2,876	1,266	7,212
Equities	9,130	12,813	4,932	26,875
Counterparty netting in tenors	(2,581)	(2,396)	(3,559)	(8,536)
Subtotal	\$27,109	\$38,831	\$ 29,147	\$ 95,087
Cross-tenor counterparty netting				(15,118)
Cash collateral netting				(40,732)
Total OTC derivative liabilities				\$ 39,237

As of December 2023

Assets

Interest rates	\$ 9,511	\$ 12,178	\$ 49,045	\$ 70,734
Credit	1,814	3,283	1,961	7,058

In the table above:

- Tenor is based on the remaining contractual maturity for substantially all written credit derivatives.
- Counterparty netting within the same product type and tenor category is included within such product type and tenor category.
- Counterparty netting across product types within the same tenor category is included in counterparty netting in tenors. Where the counterparty netting is across tenor categories, the netting is included in cross-tenor counterparty netting.

See Note 4 for an overview of the firm's fair value measurement policies, valuation techniques and significant inputs used to determine the fair value of derivatives, and Note 5 for information about derivatives within the fair value hierarchy.

Credit Derivatives

The firm enters into a broad array of credit derivatives to facilitate client transactions and to manage the credit risk associated with market-making and investing and financing activities. Credit derivatives are actively managed based on the firm's net risk position. Credit derivatives are generally individually negotiated contracts and can have various settlement and payment conventions. Credit events include failure to pay, bankruptcy, acceleration of indebtedness, restructuring, repudiation and dissolution of the reference entity.

The firm enters into the following types of credit derivatives:

- **Credit Default Swaps.** Single-name credit default swaps protect the buyer against the loss of principal on one or more bonds, loans or mortgages (reference obligations) in the event the issuer of the reference obligations suffers a credit event. The buyer of protection pays an initial or periodic premium to the seller and receives protection for the period of the contract. If there is no credit event, as defined in the contract, the seller of protection makes no payments to the buyer. If a credit event occurs, the seller of

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- **Credit Indices, Baskets and Tranches.**

Credit derivatives may reference a basket of single-name credit default swaps or a broad-based index. If a credit event occurs in one of the underlying reference obligations, the protection seller pays the protection buyer. The payment is typically a pro-rata portion of the transaction's total notional amount based on the underlying defaulted reference obligation. In certain transactions, the credit risk of a basket or index is separated into various portions (tranches), each having different levels of subordination. The most junior tranches cover initial defaults and once losses exceed the notional amount of these junior tranches, any excess loss is covered by the next most senior tranche.

- **Total Return Swaps.** A total return swap transfers the risks relating to economic performance of a reference obligation from the protection buyer to the protection seller. Typically, the protection buyer receives a floating rate of interest and protection against any reduction in fair value of the reference obligation, and the protection seller receives the cash flows associated with the reference obligation, plus any increase in the fair value of the reference obligation.

The firm economically hedges its exposure to written credit derivatives primarily by entering into offsetting purchased credit derivatives with identical underliers. Substantially all of the firm's purchased credit derivative transactions are with financial institutions and are subject to stringent collateral thresholds. In addition, upon the occurrence of a specified trigger event, the firm may take possession of the reference obligations underlying a particular written credit derivative, and consequently may, upon liquidation of the reference obligations, recover amounts on the underlying reference obligations in the event of default.

The table below presents information about credit derivatives.

Credit Spread on Underlier (basis points)					
	Greater				
\$ in	251 -	501 -	1,000	1,000	Total
millions	0 - 250	500	1,000	1,000	Total
As of					
March					
2024					
Maximum Payout/Notional Amount of Written Credit Derivatives by Tenor					
Less than 1 year	\$131,505	\$15,462	\$ 627	\$ 2,961	\$150,555
1 - 5 years	326,348	10,983	4,762	6,280	348,373
Greater than 5 years	66,302	8,465	1,418	780	76,965
Total	\$524,155	\$34,910	\$6,807	\$10,021	\$575,893
Maximum Payout/Notional Amount of Purchased Credit Derivatives					
Offsetting	\$411,502	\$18,542	\$5,663	\$ 8,738	\$444,445
Other	165,727	13,698	1,533	1,577	182,535
Total	\$577,229	\$32,240	\$7,196	\$10,315	\$626,980
Fair Value of Written Credit Derivatives					
Asset	\$ 11,974	\$ 690	\$ 185	\$ 167	\$ 13,016
Liability	2,587	175	100	439	3,301
Net					
asset/	\$ 9,387	\$ 515	\$ 85	\$ (272)	\$ 9,715
(liability)					
As of					
December					
2023					
Maximum Payout/Notional Amount of Written Credit Derivatives by Tenor					
Less than 1 year	\$ 126,667	\$ 12,594	\$ 892	\$ 3,611	\$ 143,764
1 - 5 years	324,577	11,371	5,613	5,802	347,363
Greater than 5 years	30,406	1,316	671	249	32,642
Total	\$ 481,650	\$ 25,281	\$ 7,176	\$ 9,662	\$ 523,769
Maximum Payout/Notional Amount of Purchased Credit Derivatives					
Offsetting	\$ 396,984	\$ 11,857	\$ 6,241	\$ 8,246	\$ 423,328
Other	155,468	12,862	1,948	1,619	171,897
Total	\$ 552,452	\$ 24,719	\$ 8,189	\$ 9,865	\$ 595,225

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Impact of Credit and Funding Spreads on Derivatives

The firm realizes gains or losses on its derivative contracts. These gains or losses include credit valuation adjustments (CVAs) relating to uncollateralized derivative assets and liabilities, which represent the gains or losses (including hedges) attributable to the impact of changes in credit exposure, counterparty credit spreads, liability funding spreads (which include the firm's own credit), probability of default and assumed recovery. These gains or losses also include funding valuation adjustments (FVA) relating to uncollateralized derivative assets, which represent the gains or losses (including hedges) attributable to the impact of changes in expected funding exposures and funding spreads.

The table below presents information about CVA and FVA.

\$ in millions	Three Months Ended March	
	2024	2023
CVA, net of hedges	\$ (59)	\$ (99)
FVA, net of hedges	127	14
Total	\$ 68	\$ (85)

Bifurcated Embedded Derivatives

The table below presents the fair value and the notional amount of derivatives that have been bifurcated from their related borrowings.

\$ in millions	As of	
	March 2024	December 2023
Fair value of assets	\$ 427	\$ 450
Fair value of liabilities	(265)	(307)
Net asset/(liability)	\$ 162	\$ 143
Notional amount	\$ 7,871	\$ 8,082

In the table above, derivatives that have been bifurcated from their related borrowings are recorded at fair value and primarily consist of interest rate, equity and commodity products. These

The table below presents information about net derivative liabilities under bilateral agreements (excluding collateral posted), the fair value of collateral posted and additional collateral or termination payments that could have been called by counterparties in the event of a one- or two-notch downgrade in the firm's credit ratings.

\$ in millions	As of	
	March 2024	December 2023
Net derivative liabilities under bilateral agreements	\$ 30,458	\$ 30,021
Collateral posted	\$ 20,473	\$ 20,758
Additional collateral or termination payments:		
One-notch downgrade	\$ 309	\$ 271
Two-notch downgrade	\$ 1,590	\$ 1,584

Hedge Accounting

The firm applies hedge accounting for (i) interest rate swaps used to manage the interest rate exposure of certain fixed-rate unsecured long- and short-term borrowings, certain fixed-rate certificates of deposit and certain U.S. and non-U.S. government securities classified as available-for-sale, (ii) foreign currency forward contracts used to manage the foreign exchange risk of certain securities classified as available-for-sale and (iii) foreign currency forward contracts and foreign currency-denominated debt used to manage foreign exchange risk on the firm's net investment in certain non-U.S. operations.

To qualify for hedge accounting, the hedging instrument must be highly effective at reducing the risk from the exposure being hedged. Additionally, the firm must formally document the hedging relationship at inception and assess the hedging relationship at least on a quarterly basis to ensure the hedging instrument continues to be highly effective over the life of the hedging relationship.

Fair Value Hedges

The firm designates interest rate swaps as fair value hedges of certain fixed-rate unsecured long- and short-term debt and fixed-rate certificates of deposit and of

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For qualifying interest rate fair value hedges, gains or losses on derivatives are included in interest income/expense. The change in fair value of the hedged items attributable to the risk being hedged is reported as an adjustment to its carrying value (hedging adjustment) and is also included in interest income/expense. When a derivative is no longer designated as a hedge, any remaining difference between the carrying value and par value of the hedged item is amortized in interest income/expense over the remaining life of the hedged item using the effective interest method. See Note 23 for further information about interest income and interest expense.

The table below presents the gains/(losses) from interest rate derivatives accounted for as hedges and the related hedged items.

\$ in millions	Three Months Ended March	
	2024	2023
Investments		
Interest rate hedges	\$ 191	\$ (90)
Hedged investments	(188)	86
Gains/(losses)	\$ 3	\$ (4)
Borrowings and deposits		
Interest rate hedges	\$(1,855)	\$ 2,712
Hedged borrowings and deposits	1,762	(2,847)
Gains/(losses)	\$ (93)	\$ (135)

The table below presents the carrying value of investments, deposits and unsecured borrowings that are designated in an interest rate hedging relationship and the related cumulative hedging adjustment (increase/(decrease)) from current and prior hedging relationships included in such carrying values.

\$ in millions	Cumulative Carrying Hedging Value Adjustment	
As of March 2024		
Assets		
Investments	\$ 20,361	\$ (305)
Liabilities		

In addition, cumulative hedging adjustments for items no longer designated in a hedging relationship were not material as of both March 2024 and December 2023.

The firm designates foreign currency forward contracts as fair value hedges of the foreign exchange risk of non-U.S. government securities classified as available-for-sale. See Note 8 for information about the amortized cost and fair value of such securities. The effectiveness of such hedges is assessed based on changes in spot rates. The gains/(losses) on the hedges (relating to both spot and forward points) and the foreign exchange gains/(losses) on the related available-for-sale securities are included in market making. The gross and net gains/(losses) on hedges and the related hedged available-for-sale securities were not material for both the three months ended March 2024 and March 2023.

Net Investment Hedges

The firm seeks to reduce the impact of fluctuations in foreign exchange rates on its net investments in certain non-U.S. operations through the use of foreign currency forward contracts and foreign currency-denominated debt. For foreign currency forward contracts designated as hedges, the effectiveness of the hedge is assessed based on the overall changes in the fair value of the forward contracts (i.e., based on changes in forward rates). For foreign currency-denominated debt designated as a hedge, the effectiveness of the hedge is assessed based on changes in spot rates. For qualifying net investment hedges, all gains or losses on the hedging instruments are included in currency translation.

The table below presents the gains/(losses) from net investment hedging.

\$ in millions	Three Months Ended March	
	2024	2023
Hedges:		
Foreign currency forward contract	\$ 172	\$ (117)
Foreign currency-denominated debt	\$ 733	\$ (231)

Gains on losses on individual net

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Note 8.**Investments**

Investments includes equity securities and debt instruments that are accounted for at fair value and are generally held by the firm in connection with its long-term investing activities. In addition, investments includes debt securities classified as available-for-sale and held-to-maturity that are generally held in connection with the firm's asset-liability management activities. Investments also consists of equity securities that are accounted for under the equity method.

The table below presents information about investments.

\$ in millions	As of	
	March 2024	December 2023
Equity securities, at fair value	\$ 13,683	\$ 13,747
Debt instruments, at fair value	12,511	12,879
Available-for-sale securities, at fair value	55,583	49,141
Investments, at fair value	81,777	75,767
Held-to-maturity securities	72,338	70,310
Equity-method investments	785	762
Total investments	\$154,900	\$146,839

See Note 4 for an overview of the firm's fair value measurement policies, valuation techniques and significant inputs used to determine the fair value of investments, and Note 5 for information about investments within the fair value hierarchy.

Equity Securities and Debt Instruments, at Fair Value

Equity securities and debt instruments, at fair value are accounted for at fair value either under the fair value option or in accordance with other U.S. GAAP, and the related fair value gains and losses are recognized in the consolidated statements of earnings.

Equity Securities, at Fair Value. Equity securities, at fair value consists of the firm's public and private equity investments in corporate and real estate entities

In the table above:

- Equity securities, at fair value included investments accounted for at fair value under the fair value option where the firm would otherwise apply the equity method of accounting of \$5.30 billion as of March 2024 and \$5.18 billion as of December 2023. Gains/(losses) recognized as a result of changes in the fair value of equity securities for which the fair value option was elected were \$ (63) million for the three months ended March 2024 and \$(105) million for the three months ended March 2023. These gains/(losses) are included in other principal transactions.
- Equity securities, at fair value included \$1.20 billion as of March 2024 and \$1.27 billion as of December 2023 of investments in funds that are measured at NAV.

- Equity securities subject to contractual sale restrictions were not material as of both March 2024 and December 2023.

Debt Instruments, at Fair Value. Debt instruments, at fair value primarily includes mezzanine, senior and distressed debt.

The table below presents information about debt instruments, at fair value.

\$ in millions	As of	
	March 2024	December 2023
Corporate debt securities	\$ 8,657	\$ 8,992
Securities backed by real estate	669	689
Money market instruments	1,165	1,051
Other	2,020	2,147
Total	\$ 12,511	\$ 12,879

In the table above:

- Money market instruments primarily consist of time deposits.
- Other included \$1.70 billion as of March 2024 and \$1.73 billion as of December 2023 of investments in credit funds that are measured at NAV.

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Investments in Funds at Net Asset Value Per Share. Equity securities and debt instruments, at fair value include investments in funds that are measured at NAV of the investment fund. The firm uses NAV to measure the fair value of fund investments when (i) the fund investment does not have a readily determinable fair value and (ii) the NAV of the investment fund is calculated in a manner consistent with the measurement principles of investment company accounting, including measurement of the investments at fair value.

Substantially all of the firm's investments in funds at NAV consist of investments in firm-sponsored private equity, credit, real estate and hedge funds where the firm co-invests with third-party investors.

Private equity funds primarily invest in a broad range of industries worldwide, including leveraged buyouts, recapitalizations, growth investments and distressed investments. Credit funds generally invest in loans and other fixed income instruments and are focused on providing private high-yield capital for leveraged and management buyout transactions, recapitalizations, financings, refinancings, acquisitions and restructurings for private equity firms, private family companies and corporate issuers. Real estate funds invest globally, primarily in real estate companies, loan portfolios, debt recapitalizations and property. Substantially all private equity, credit and real estate funds are closed-end funds in which the firm's investments are generally not eligible for redemption. Distributions will be received from these funds as the underlying assets are liquidated or distributed, the timing of which is uncertain.

The firm also invests in hedge funds, primarily multi-disciplinary hedge funds that employ a fundamental bottom-up investment approach across various asset classes and strategies. The firm's investments in hedge funds primarily include interests where the underlying assets are illiquid in nature, and proceeds from redemptions will not be received until the underlying assets are liquidated or distributed, the timing of which is uncertain.

The table below presents the fair value of investments in funds at NAV and the related unfunded commitments.

\$ in millions	Fair Value of Investments	Unfunded Commitments
As of March 2024		
Private equity funds	\$ 815	\$ 484
Credit funds	1,700	271
Hedge funds	34	-
Real estate funds	350	85
Total	\$ 2,899	\$ 840

As of December 2023

Private equity funds	\$ 875	\$ 484
Credit funds	1,733	248
Hedge funds	46	-
Real estate funds	346	65
Total	\$ 3,000	\$ 797

Available-for-Sale Securities

Available-for-sale securities are accounted for at fair value, and the related unrealized fair value gains and losses are included in accumulated other comprehensive income/(loss) unless designated in a fair value hedging relationship. See Note 7 for information about available-for-sale securities that are designated in a hedging relationship.

The table below presents information about available-for-sale securities by tenor.

\$ in millions	Amortized Cost	Fair Value
As of March 2024		
Less than 1 year	\$ 12,544	\$ 12,365
1 year to 5 years	41,405	40,322
5 years to 10 years	582	538
Total U.S. government obligations	54,531	53,225
Less than 1 year	10	10
1 year to 5 years	1,950	1,680
5 years to 10 years	799	668
Total non-U.S. government obligations	2,759	2,358
Total available-for-sale securities	\$ 57,290	\$ 55,583

As of December 2023

Less than 1 year	\$ 20,027	\$ 19,687
1 year to 5 years	27,592	26,500
5 years to 10 years	586	544

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In the table above:

- The weighted average yield for available-for-sale securities was 2.10% as of March 2024 and 1.21% as of December 2023. The weighted average yield is presented on a pre-tax basis and computed using the effective interest rate of each security at the end of the period, weighted based on the fair value of each security.
- The gross unrealized gains included in accumulated other comprehensive income/(loss) were not material and the gross unrealized losses included in accumulated other comprehensive income/(loss) were \$1.72 billion as of March 2024 and primarily related to U.S. government obligations in a continuous unrealized loss position for more than a year. The gross unrealized gains included in accumulated other comprehensive income/(loss) were not material and the gross unrealized losses included in accumulated other comprehensive income/(loss) were \$1.89 billion as of December 2023 and primarily related to U.S. government obligations in a continuous unrealized loss position for more than a year. Net unrealized gains included in other comprehensive income/(loss) were \$153 million (\$115 million, net of tax) for the three months ended March 2024 and \$566 million (\$427 million, net of tax) for the three months ended March 2023.
- Substantially all available-for-sale securities were classified in level 1 of the fair value hierarchy.
- If the fair value of available-for-sale securities is less than amortized cost, such securities are considered impaired. If the firm has the intent to sell the debt security, or if it is more likely than not that the firm will be required to sell the debt security before recovery of its amortized cost, the difference between the amortized cost (net of allowance, if any) and the fair value of the securities is recognized as an impairment loss in earnings. The firm did not record any such impairment losses during either the three months ended March 2024 or March 2023. Impaired available-for-sale debt securities that the firm has the

The table below presents cash inflows/ (outflows) and realized gains/(losses) related to available-for-sale securities.

\$ in millions	Three Months Ended March	
	2024	2023
Purchases	\$(16,850)	\$ (2,024)
Proceeds from sales	\$ 3,020	\$ 2,452
Proceeds from maturities	\$ 7,479	\$ 880
Gross realized gains	\$ 4	\$ 6
Gross realized losses	(2)	-
Net gains/(losses)	\$ 2	\$ 6

In the table above, the specific identification method is used to determine realized gains on available-for-sale securities.

Held-to-Maturity Securities

Held-to-maturity securities are accounted for at amortized cost.

The table below presents information about held-to-maturity securities by type and tenor.

\$ in millions	Amortized Cost	Fair Value
As of March 2024		
Less than 1 year	\$ 10,742	\$10,653
1 year to 5 years	53,615	52,715
5 years to 10 years	1,053	1,022
Total government obligations	65,410	64,390
Greater than 10 years	6,745	6,754
Total U.S. agency obligations	6,745	6,754
1 year to 5 years	3	2
Greater than 10 years	180	180
Total securities backed by real estate	183	182
Total held-to-maturity securities	\$ 72,338	\$71,326
As of December 2023		
Less than 1 year	\$ 13,475	\$ 13,382
1 year to 5 years	54,789	54,352
5 years to 10 years	1,848	1,861
Total government obligations	70,112	69,595
1 year to 5 years	3	2
Greater than 10 years	195	195
Total securities backed by real estate	198	197
Total held-to-maturity securities	\$ 70,310	\$ 69,792

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- As these securities are not accounted for at fair value, they are not included in the firm's fair value hierarchy in Notes 4 and 5. Had these securities been included in the firm's fair value hierarchy, government obligations would have been classified in level 1, U.S. agency obligations would have been classified in level 2 and securities backed by real estate would have been primarily classified in level 2 of the fair value hierarchy.
- The weighted average yield for held-to-maturity securities was 3.62% as of March 2024 and 3.47% as of December 2023. The weighted average yield is presented on a pre-tax basis and computed using the effective interest rate of each security at the end of the period, weighted based on the amortized cost of each security.
- The gross unrealized gains were \$154 million as of March 2024 and \$383 million as of December 2023. The gross unrealized losses were \$1.16 billion as of March 2024 and \$901 million as of December 2023.
- Held-to-maturity securities are reviewed to determine if an allowance for credit losses should be recorded in the consolidated statements of earnings. The firm considers various factors in such determination, including market conditions, changes in issuer credit ratings, historical credit losses and sovereign guarantees. Provision for credit losses on such securities was not material during either the three months ended March 2024 or March 2023.

The table below presents cash inflows/ (outflows) related to held-to-maturity securities.

	Three Months Ended March	
\$ in millions	2024	2023
Purchases	\$(7,000)	\$(4,917)
Proceeds from paydowns and maturities	\$ 5,283	\$ 3,038

The table below presents information about loans.

\$ in millions	Amortized Cost	Fair Value	Held For Sale	Total
As of March 2024				
Loan Type				
Corporate	\$ 33,483	\$ 758	\$ 1,692	\$ 35,933
Commercial real estate	25,349	497	810	26,656
Residential real estate	20,259	3,853	-	24,112
Securities-based	14,526	-	-	14,526
Other collateralized	65,725	924	153	66,802
Consumer:				
Installment	233	-	141	374
Credit cards	16,937	-	1,861	18,798
Other	1,218	91	326	1,635
Total loans, gross	177,730	6,123	4,983	188,836
Allowance for loan losses	(4,902)	-	-	(4,902)
Total loans	\$172,828	\$6,123	\$4,983	\$183,934

As of December 2023

Loan Type				
Corporate	\$ 33,866	\$ 759	\$ 1,249	\$ 35,874
Commercial real estate	25,025	563	440	26,028
Residential real estate	21,243	4,145	-	25,388
Securities-based	14,621	-	-	14,621
Other collateralized	61,105	911	209	62,225
Consumer:				
Installment	250	-	3,048	3,298
Credit cards	17,432	-	1,929	19,361
Other	1,333	128	152	1,613
Total loans, gross	174,875	6,506	7,027	188,408
Allowance for loan losses	(5,050)	-	-	(5,050)
Total loans	\$ 169,825	\$ 6,506	\$ 7,027	\$ 183,358

In the table above:

- Loans held for investment that are accounted for at amortized cost include net deferred fees and costs, and unamortized premiums and discounts,

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The following is a description of the loan types in the table above:

- **Corporate.** Corporate loans includes term loans, revolving lines of credit, letter of credit facilities and bridge loans, and are principally used for operating and general corporate purposes, or in connection with acquisitions. Corporate loans are secured (typically by a senior lien on the assets of the borrower) or unsecured, depending on the loan purpose, the risk profile of the borrower and other factors.
- **Commercial Real Estate.** Commercial real estate loans includes originated loans that are directly or indirectly secured by hotels, retail stores, multifamily housing complexes and commercial and industrial properties. Commercial real estate loans also includes loans extended to clients who warehouse assets that are directly or indirectly backed by commercial real estate. In addition, commercial real estate includes loans purchased by the firm.
- **Residential Real Estate.** Residential real estate loans primarily includes loans extended to wealth management clients and to clients who warehouse assets that are directly or indirectly secured by residential real estate. In addition, residential real estate includes loans purchased by the firm.
- **Securities-Based.** Securities-based loans includes loans that are secured by stocks, bonds, mutual funds, and exchange-traded funds. These loans are primarily extended to the firm's wealth management clients and used for purposes other than purchasing, carrying or trading margin stocks. Securities-based loans require borrowers to post additional collateral based on changes in the underlying collateral's fair value.
- **Other Collateralized.** Other collateralized loans includes loans that are backed by specific collateral (other than securities and real estate). Such loans are extended to clients who warehouse assets that are directly or indirectly secured by corporate loans, consumer loans and other assets. Other

See Note 4 for an overview of the firm's fair value measurement policies, valuation techniques and significant inputs used to determine the fair value of loans, and Note 5 for information about loans within the fair value hierarchy.

Credit Quality

Risk Assessment. The firm's risk assessment process includes evaluating the credit quality of its loans by the firm's independent risk oversight and control function. For corporate loans and a majority of securities-based, real estate, other collateralized and other loans, the firm performs credit analyses which incorporate initial and ongoing evaluations of the capacity and willingness of a borrower to meet its financial obligations. These credit evaluations are performed on an annual basis or more frequently if deemed necessary as a result of events or changes in circumstances. The firm determines an internal credit rating for the borrower by considering the results of the credit evaluations and assumptions with respect to the nature of and outlook for the borrower's industry and the economic environment. For collateralized loans, the firm also takes into consideration collateral received or other credit support arrangements when determining an internal credit rating. For consumer loans and for loans that are not assigned an internal credit rating, including U.S. residential mortgage loans extended to wealth management clients, the firm reviews certain key metrics, including, but not limited to, the Fair Isaac Corporation (FICO) credit scores, loan to value ratios, delinquency status, collateral value and other risk factors.

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The table below presents gross loans by an internally determined public rating agency equivalent or other credit metrics and the concentration of secured and unsecured loans.

\$ in millions	Investment- Grade	Non- Investment- Grade	Other Metrics/ Unrated	Total
As of March 2024				
Accounting Method				
Amortized cost	\$97,098	\$51,832	\$28,800	\$177,730
Fair value	862	1,209	4,052	6,123
Held for sale	487	2,264	2,232	4,983
Total	\$98,447	\$55,305	\$35,084	\$188,836
Loan Type				
Corporate	\$ 9,964	\$25,846	\$ 123	\$ 35,933
Real estate:				
Commercial	13,229	13,335	92	26,656
Residential	8,966	3,318	11,828	24,112
Securities-based	10,821	583	3,122	14,526
Other collateralized	54,447	11,928	427	66,802
Consumer:				
Installment	-	-	374	374
Credit cards	-	-	18,798	18,798
Other	1,020	295	320	1,635
Total	\$98,447	\$55,305	\$35,084	\$188,836
Secured	91 %	91 %	44 %	82 %
Unsecured	9 %	9 %	56 %	18 %
Total	100 %	100 %	100 %	100 %

As of December 2023

Accounting Method				
Amortized cost	\$ 91,324	\$ 54,200	\$ 29,351	\$ 174,875
Fair value	1,212	1,213	4,081	6,506
Held for sale	255	1,628	5,144	7,027
Total	\$ 92,791	\$ 57,041	\$ 38,576	\$ 188,408
Loan Type				
Corporate	\$ 9,408	\$ 26,328	\$ 138	\$ 35,874
Real estate:				
Commercial	12,097	13,574	357	26,028
Residential	10,771	3,217	11,400	25,388
Securities-based	10,991	561	3,069	14,621

In the table above:

- Substantially all residential real estate loans included in the other metrics/unrated category consists of loans extended to wealth management clients. As of both March 2024 and December 2023, substantially all of such loans had a loan-to-value ratio of less than 80% and were performing in accordance with the contractual terms. Additionally, as of both March 2024 and December 2023, the vast majority of such loans had a FICO credit score of greater than 740.
- Substantially all securities-based loans included in the other metrics/unrated category had a loan-to-value ratio of less than 80% and were performing in accordance with the contractual terms as of both March 2024 and December 2023.
- For installment and credit card loans included in the other metrics/unrated category, the evaluation of credit quality incorporates the borrower's FICO credit score. FICO credit scores are periodically refreshed by the firm to assess the updated creditworthiness of the borrower. See "Vintage" below for information about installment and credit card loans by FICO credit scores.

The firm also assigns a regulatory risk rating to its loans based on the definitions provided by the U.S. federal bank regulatory agencies. Total loans included 92% of loans as of both March 2024 and December 2023 that were rated pass/non-criticized.

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Vintage. The tables below present gross loans accounted for at amortized cost (excluding installment and credit card loans) by an internally determined public rating agency equivalent or other credit metrics and origination year for term loans.

As of March 2024				
	Investment-	Non-	Other	
\$ in millions	Grade	Investment-	Metrics/ Unrated	Total
2024	\$ 640	\$ 366	\$ -	\$ 1,006
2023	2,400	1,835	-	4,235
2022	1,286	2,619	-	3,905
2021	526	3,583	-	4,109
2020	262	1,910	-	2,172
2019 or earlier	410	3,696	-	4,106
Revolving	4,073	9,877	-	13,950
Corporate	9,597	23,886	-	33,483
2024	187	62	2	251
2023	1,053	1,073	16	2,142
2022	1,408	2,606	58	4,072
2021	1,035	2,568	-	3,603
2020	292	1,133	-	1,425
2019 or earlier	1,249	1,302	-	2,551
Revolving	7,531	3,541	3	11,075
Revolving converted to term	230	-	-	230
Commercial real estate	12,985	12,285	79	25,349
2024	89	208	303	600
2023	474	22	1,645	2,141
2022	-	18	2,764	2,782
2021	-	194	2,770	2,964
2020	-	2	93	95
2019 or earlier	-	9	360	369
Revolving	8,396	2,859	53	11,308
Residential real estate	8,959	3,312	7,988	20,259
2023	11	-	-	11
2022	5	-	-	5
2019 or earlier	-	296	-	296
Revolving	10,805	287	3,122	14,214
Securities-based	10,821	583	3,122	14,526
2024	300	159	-	459
2023	5,712	2,194	198	8,104

As of December 2023				
	Investment-	Non-	Other	
\$ in millions	Grade	Investment-	Metrics/ Unrated	Total
2023	\$ 2,475	\$ 1,912	\$ 16	\$ 4,403
2022	1,223	3,284	-	4,507
2021	848	4,045	-	4,893
2020	306	2,098	-	2,404
2019	45	1,909	-	1,954
2018 or earlier	371	2,102	-	2,473
Revolving	3,857	9,355	20	13,232
Corporate	9,125	24,705	36	33,866
2023	553	1,547	38	2,138
2022	1,251	2,838	-	4,089
2021	1,134	2,661	-	3,795
2020	271	1,234	-	1,505
2019	430	631	-	1,061
2018 or earlier	832	744	-	1,576
Revolving	7,129	3,192	309	10,630
Revolving converted to term	231	-	-	231
Commercial real estate	11,831	12,847	347	25,025
2023	619	54	1,627	2,300
2022	108	41	2,687	2,836
2021	22	249	2,724	2,995
2020	3	23	81	107
2019	6	-	89	95
2018 or earlier	-	20	254	274
Revolving	9,813	2,823	-	12,636
Residential real estate	10,571	3,210	7,462	21,243
2023	8	-	-	8
2022	5	-	-	5
2018 or earlier	-	303	-	303
Revolving	10,978	258	3,069	14,305
Securities-based	10,991	561	3,069	14,621
2023	5,412	2,767	245	8,424
2022	1,940	293	69	2,302
2021	1,883	845	102	2,830
2020	1,256	469	32	1,757
2019	177	74	9	260
2018 or earlier	436	66	21	523
Revolving	35,605	8,242	1	43,848
Revolving				

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The table below presents gross installment loans accounted for at amortized cost by refreshed FICO credit scores and origination year and gross credit card loans by refreshed FICO credit scores.

\$ in millions	Greater than or equal to 660		Less than 660	Total
As of March 2024				
2024	\$	-	\$ 18	\$ 18
2023		80	7	87
2022 or earlier		115	13	128
Installment		195	38	233
Credit cards		10,818	6,119	16,937
Total	\$	11,013	\$ 6,157	\$ 17,170
Percentage of total:				
Installment		84 %	16 %	100 %
Credit cards		64 %	36 %	100 %
Total		64 %	36 %	100 %
As of December 2023				
2023	\$	79	\$ 10	\$ 89
2022		132	18	150
2021 or earlier		11	-	11
Installment		222	28	250
Credit cards		11,119	6,313	17,432
Total	\$	11,341	\$ 6,341	\$ 17,682
Percentage of total:				
Installment		89 %	11 %	100 %
Credit cards		64 %	36 %	100 %
Total		64 %	36 %	100 %

In the table above, credit card loans consist of revolving lines of credit.

Credit Concentrations. The table below presents the concentration of gross loans by region.

	Carrying				
\$ in millions	Value	Americas	EMEA	Asia	Total
As of March 2024					
Corporate	\$ 35,933	64 %	28 %	8 %	100 %
Commercial real estate	26,656	83 %	14 %	3 %	100 %
Residential real estate	24,112	95 %	4 %	1 %	100 %

In the table above:

- EMEA represents Europe, Middle East and Africa.
- The top five industry concentrations for corporate loans as of March 2024 were 25% for technology, media & telecommunications, 18% for diversified industrials, 13% for real estate, 10% for healthcare and 9% for consumer & retail.
- The top five industry concentrations for corporate loans as of December 2023 were 25% for technology, media & telecommunications, 17% for diversified industrials, 13% for real estate, 11% for consumer & retail and 9% for healthcare.

Nonaccrual, Past Due and Modified Loans. Loans accounted for at amortized cost (other than credit card loans) are placed on nonaccrual status when it is probable that the firm will not collect all principal and interest due under the contractual terms, regardless of the delinquency status or if a loan is past due for 90 days or more, unless the loan is both well collateralized and in the process of collection. At that time, all accrued but uncollected interest is reversed against interest income and interest subsequently collected is recognized on a cash basis to the extent the loan balance is deemed collectible. Otherwise, all cash received is used to reduce the outstanding loan balance. A loan is considered past due when a principal or interest payment has not been made according to its contractual terms. Credit card loans are not placed on nonaccrual status and accrue interest until the loan is paid in full or is charged off.

The table below presents information about past due loans.

	30-89	90 days	
\$ in millions	days	or more	Total
<u>As of March 2024</u>			
Corporate	\$ -	\$ 43	\$ 43
Commercial real estate	157	451	608
Residential real estate	22	18	40
Securities-based	1	-	1
Other collateralized	-	7	7
Consumer:			
Installment	5	7	12
Credit cards	382	469	851

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The table below presents information about nonaccrual loans.

	As of	
	March	December
\$ in millions	2024	2023
Corporate	\$ 1,908	\$ 1,779
Commercial real estate	1,277	1,466
Residential real estate	131	19
Other collateralized	779	860
Other	17	17
Total	\$ 4,112	\$ 4,141
Total divided by gross loans at amortized cost	2.3 %	2.4 %

In the table above:

- Nonaccrual loans included \$634 million as of March 2024 and \$600 million as of December 2023 of loans that were 30 days or more past due.
- Loans that were 90 days or more past due and still accruing were not material as of both March 2024 and December 2023.
- Allowance for loan losses as a percentage of total nonaccrual loans was 119.2% as of March 2024 and 122.0% as of December 2023.
- Commercial real estate, residential real estate and other collateralized loans are collateral dependent loans and the repayment of such loans is generally expected to be provided by the operation or sale of the underlying collateral. The allowance for credit losses for such nonaccrual loans is determined by considering the fair value of the collateral less estimated cost to sell, if applicable.

The firm may modify the terms of a loan agreement for a borrower experiencing financial difficulty. Such modifications may include, among other things, forbearance of interest or principal, payment extensions or interest rate reductions.

The table below presents the carrying value of loans that were modified during the three months ended March 2024 and March 2023.

	As of March	
	2024	2023
\$ in millions		
Modified loans	\$ 521	\$ 337

In the table above:

- Loans modified during the three months ended March 2024 and March 2023 were in the form of term extensions and substantially all related to corporate loans and commercial real estate loans.
- Modified loans represented less than 1.5% of each type of gross loans at amortized cost.
- Lending commitments related to modified loans were \$130 million as of March 2024 and were not material as of March 2023.
- The impact of these modifications was not material for both the three months ended March 2024 and March 2023.
- Substantially all of the modified loans were performing in accordance with the modified contractual terms as of both March 2024 and March 2023.

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Allowance for Credit Losses

The firm's allowance for credit losses consists of the allowance for losses on loans and lending commitments accounted for at amortized cost. Loans and lending commitments accounted for at fair value or accounted for at the lower of cost or fair value are not subject to an allowance for credit losses.

To determine the allowance for credit losses, the firm classifies its loans and lending commitments accounted for at amortized cost into wholesale and consumer portfolios. These portfolios represent the level at which the firm has developed and documented its methodology to determine the allowance for credit losses. The allowance for credit losses is measured on a collective basis for loans that exhibit similar risk characteristics using a modeled approach and on an asset-specific basis for loans that do not share similar risk characteristics.

The allowance for credit losses takes into account the weighted average of a range of forecasts of future economic conditions over the expected life of the loan and lending commitments. The expected life of each loan or lending commitment is determined based on the contractual term adjusted for extension options or demand features, or is modeled in the case of revolving credit card loans. The forecasts include baseline, favorable and adverse economic scenarios over a three-year period. For loans with expected lives beyond three years, the model reverts to historical loss information based on a non-linear modeled approach. The forecasted economic scenarios consider a number of risk factors relevant to the wholesale and consumer portfolios described below. The firm applies judgment in weighing individual scenarios each quarter based on a variety of factors, including the firm's internally derived economic outlook, market consensus, recent macroeconomic conditions and industry trends.

The allowance for credit losses also includes qualitative components which allow management to reflect the uncertain nature of economic forecasting, capture uncertainty regarding model inputs, and account for model imprecision and

Management's estimate of credit losses entails judgment about the expected life of the loan and loan collectability at the reporting dates, and there are uncertainties inherent in those judgments. The allowance for credit losses is subject to a governance process that involves review and approval by senior management within the firm's independent risk oversight and control functions. Personnel within the firm's independent risk oversight and control functions are responsible for forecasting the economic variables that underlie the economic scenarios that are used in the modeling of expected credit losses. While management uses the best information available to determine this estimate, future adjustments to the allowance may be necessary based on, among other things, changes in the economic environment or variances between actual results and the original assumptions used.

The table below presents gross loans and lending commitments accounted for at amortized cost by portfolio.

	As of			
	March 2024		December 2023	
	Lending		Lending	
\$ in millions	Loan	Commitments	Loan	Commitments
Wholesale				
Corporate	\$ 33,483	\$ 147,410	\$ 33,866	\$ 141,976
Commercial real estate	25,349	3,362	25,025	3,379
Residential real estate	20,259	1,241	21,243	1,431
Securities-based	14,526	708	14,621	691
Other collateralized	65,725	26,071	61,105	23,020
Other	1,218	804	1,333	888
Consumer				
Installment	233	1	250	1
Credit cards	16,937	59,210	17,432	56,479
Total	\$177,730	\$ 238,807	\$174,875	\$ 227,865

In the table above, wholesale loans included \$4.11 billion as of March 2024 and \$4.14 billion as of December 2023 of nonaccrual loans for which the allowance for credit losses was measured on an

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The following is a description of the methodology used to calculate the allowance for credit losses:

Wholesale. The allowance for credit losses for wholesale loans and lending commitments that exhibit similar risk characteristics is measured using a modeled approach. These models determine the probability of default and loss given default based on various risk factors, including internal credit ratings, industry default and loss data, expected life, macroeconomic indicators, the borrower's capacity to meet its financial obligations, the borrower's country of risk and industry, loan seniority and collateral type. For lending commitments, the methodology also considers the probability of drawdowns or funding. In addition, for loans backed by real estate, risk factors include the loan-to-value ratio, debt service ratio and home price index. The most significant inputs to the forecast model for wholesale loans and lending commitments include unemployment rates, GDP, credit spreads, commercial and industrial delinquency rates, short- and long-term interest rates, and oil prices.

The allowance for loan losses for wholesale loans that do not share similar risk characteristics, such as nonaccrual loans, is calculated using the present value of expected future cash flows discounted at the loan's effective rate, the observable market price of the loan, or, in the case of collateral dependent loans, the fair value of the collateral less estimated costs to sell, if applicable. Wholesale loans are charged off against the allowance for loan losses when deemed to be uncollectible.

Consumer. The allowance for credit losses for consumer loans that exhibit similar risk characteristics is calculated using a modeled approach which classifies consumer loans into pools based on borrower-related and exposure-related characteristics that differentiate a pool's risk characteristics from other pools. The factors considered in determining a pool are generally consistent with the risk characteristics used for internal credit risk measurement and management and include key metrics, such as FICO credit scores, delinquency status, loan vintage and macroeconomic indicators. The most

Allowance for Credit Losses Rollforward

The table below presents information about the allowance for credit losses.

\$ in millions Wholesale Consumer Total

Three Months Ended March 2024

Allowance for loan

losses

Beginning balance	\$ 2,576	\$ 2,474	\$ 5,050
Charge-offs	(28)	(386)	(414)
Recoveries	10	24	34
Net (charge-offs)/ recoveries	(18)	(362)	(380)
Provision	13	244	257
Other	(25)	-	(25)
Ending balance	\$ 2,546	\$ 2,356	\$ 4,902

Allowance ratio 1.6 % 13.7 % 2.8 %

Net charge-off ratio - 8.4 % 0.9 %

Allowance for losses on lending commitments

Beginning balance	\$ 620	\$ -	\$ 620
Provision	14	-	14
Other	(1)	-	(1)
Ending balance	\$ 633	\$ -	\$ 633

Three Months Ended
March 2023

Allowance for loan

losses

Beginning balance	\$ 2,562	\$ 2,981	\$ 5,543
Charge-offs	(25)	(271)	(296)
Recoveries	14	24	38
Net (charge-offs)/ recoveries	(11)	(247)	(258)
Provision	8	(257)	(249)
Other	(4)	-	(4)
Ending balance	\$ 2,555	\$ 2,477	\$ 5,032

Allowance ratio 1.7 % 13.1 % 3.0 %

Net charge-off ratio - 4.6 % 0.6 %

Allowance for losses on lending commitments

Beginning balance	\$ 711	\$ 63	\$ 774
Provision	(16)	(9)	(25)
Other	(2)	-	(2)
Ending balance	\$ 693	\$ 54	\$ 747

In the table above:

- The allowance ratio is calculated by dividing the allowance for loan losses by gross loans accounted for at amortized cost.

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Forecast Model Inputs as of March 2024

When modeling expected credit losses, the firm employs a weighted, multi-scenario forecast, which includes baseline, adverse and favorable economic scenarios. As of March 2024, this multi-scenario forecast was weighted towards the baseline and adverse economic scenarios.

The table below presents the forecasted U.S. unemployment and U.S. GDP growth rates used in the baseline economic scenario of the forecast model.

As of March 2024	
U.S. unemployment rate	
Forecast for the quarter ended:	
June 2024	4.1 %
December 2024	4.3 %
June 2025	4.2 %
Growth in U.S. GDP	
Forecast for the year:	
2024	2.3 %
2025	1.7 %
2026	1.8 %

The adverse economic scenario of the forecast model reflects a global recession in the second quarter of 2024 through the second quarter of 2025, resulting in an economic contraction and rising unemployment rates. In this scenario, the U.S. unemployment rate peaks at approximately 7.1% during the second quarter of 2025 and the maximum decline in the quarterly U.S. GDP relative to the first quarter of 2024 is approximately 2.7%, which occurs during the first quarter of 2025.

In the table above:

- U.S. unemployment rate represents the rate forecasted as of the respective quarter-end.
- Growth in U.S. GDP represents the year-over-year growth rate forecasted for the respective years.
- While the U.S. unemployment and U.S. GDP growth rates are significant inputs to the forecast model, the model contemplates a variety of other inputs across a range of scenarios to provide a

Allowance for Credit Losses

Commentary

Three Months Ended March 2024. The allowance for credit losses decreased by \$135 million during the three months ended March 2024, primarily reflecting a reserve reduction in the consumer portfolio.

Charge-offs for the three months ended March 2024 for wholesale loans were not material and charge-offs for consumer loans were primarily related to credit cards.

Three Months Ended March 2023. The allowance for credit losses decreased by \$538 million during the three months ended March 2023, reflecting a reserve reduction of approximately \$440 million associated with the sale of Marcus loans and transfer of the remaining Marcus loans portfolio to held for sale and reserve releases based on actual repayment experience, partially offset by growth in the firm's consumer point-of-sale loans portfolio.

Charge-offs for the three months ended March 2023 for wholesale loans were not material and charge-offs for consumer loans were primarily related to credit cards.

Estimated Fair Value

The table below presents the estimated fair value of loans that are not accounted for at fair value and in what level of the fair value hierarchy they would have been classified if they had been included in the firm's fair value hierarchy.

	Carrying Value	Estimated Fair Value		
		Level 2	Level 3	Total
\$ in millions				
<u>As of March</u>				
<u>2024</u>				
Amortized cost	\$172,828	\$92,071	\$82,414	\$174,485
Held for sale	\$ 4,983	\$ 2,551	\$ 2,439	\$ 4,990
<u>As of</u>				
<u>December</u>				
<u>2023</u>				
Amortized cost	\$ 169,825	\$ 88,485	\$ 83,288	\$ 171,773
Held for sale	\$ 7,027	\$ 3,992	\$ 3,038	\$ 7,030

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Note 10.

Fair Value Option

Other Financial Assets and Liabilities at Fair Value

In addition to trading assets and liabilities, and certain investments and loans, the firm accounts for certain of its other financial assets and liabilities at fair value, substantially all under the fair value option. The primary reasons for electing the fair value option are to:

- Reflect economic events in earnings on a timely basis;
- Mitigate volatility in earnings from using different measurement attributes (e.g., transfers of financial assets accounted for as financings are recorded at fair value, whereas the related secured financing would be recorded on an accrual basis absent electing the fair value option); and
- Address simplification and cost-benefit considerations (e.g., accounting for hybrid financial instruments at fair value in their entirety versus bifurcation of embedded derivatives and hedge accounting for debt hosts).

Hybrid financial instruments are instruments that contain bifurcatable embedded derivatives and do not require settlement by physical delivery of nonfinancial assets (e.g., physical commodities). If the firm elects to bifurcate the embedded derivative from the associated debt, the derivative is accounted for at fair value and the host contract is accounted for at amortized cost, adjusted for the effective portion of any fair value hedges. If the firm does not elect to bifurcate, the entire hybrid financial instrument is accounted for at fair value under the fair value option.

Other financial assets and liabilities accounted for at fair value under the fair value option include:

- Repurchase agreements and substantially all resale agreements;

See Note 4 for an overview of the firm's fair value measurement policies, valuation techniques and significant inputs used to determine the fair value of other financial assets and liabilities, and Note 5 for information about other financial assets and liabilities within the fair value hierarchy.

Gains and Losses on Other Financial Assets and Liabilities Accounted for at Fair Value Under the Fair Value Option

The table below presents the gains and losses recognized in earnings as a result of the election to apply the fair value option to certain financial assets and liabilities.

	Three Months Ended March	
\$ in millions	2024	2023
Unsecured short-term borrowings	\$ (916)	\$(1,761)
Unsecured long-term borrowings	(572)	(2,307)
Other	(143)	(141)
Total	\$(1,631)	\$(4,209)

In the table above:

- Gains/(losses) were substantially all included in market making.
- Gains/(losses) exclude contractual interest, which is included in interest income and interest expense, for all instruments other than hybrid financial instruments. See Note 23 for further information about interest income and interest expense.
- Gains/(losses) included in unsecured short- and long-term borrowings were substantially all related to the embedded derivative component of hybrid financial instruments. These gains and losses would have been recognized under other U.S. GAAP even if the firm had not elected to account for the entire hybrid financial instrument at fair value.
- Gains/(losses) included in other were primarily related to resale and repurchase agreements, deposits and other secured financings.

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Gains/(losses) on trading assets and liabilities accounted for at fair value under the fair value option are included in market making. See Note 6 for further information about gains/(losses) from market making. See Note 8 for information about gains/(losses) on equity securities and Note 9 for information about gains/(losses) on loans which are accounted for at fair value under the fair value option.

Long-Term Debt Instruments

The aggregate contractual principal amount of long-term other secured financings, for which the fair value option was elected, exceeded the related fair value by \$146 million as of March 2024 and \$147 million as of December 2023.

The aggregate contractual principal amount of unsecured long-term borrowings, for which the fair value option was elected, exceeded the related fair value by \$3.33 billion as of March 2024 and \$3.37 billion as of December 2023.

These debt instruments include both principal-protected and non-principal-protected long-term borrowings.

Debt Valuation Adjustment

The firm calculates the fair value of financial liabilities for which the fair value option is elected by discounting future cash flows at a rate which incorporates the firm's credit spreads.

The table below presents information about the net debt valuation adjustment (DVA) gains/(losses) on financial liabilities for which the fair value option was elected.

\$ in millions	Three Months Ended March	
	2024	2023
Pre-tax DVA	\$ (747)	\$ (1)
After-tax DVA	\$ (556)	\$ (1)

In the table above:

- After-tax DVA is included in debt valuation adjustment in the consolidated statements of comprehensive income.
- The gains/(losses) reclassified to market making in the consolidated statements of earnings from accumulated other

Loans and Lending Commitments

The table below presents the difference between the aggregate fair value and the aggregate contractual principal amount for loans (included in trading assets and loans in the consolidated balance sheets) for which the fair value option was elected.

\$ in millions	As of	
	March 2024	December 2023
Performing loans		
Aggregate contractual principal in excess of fair value	\$ 1,647	\$ 1,893
Loans on nonaccrual status and/or more than 90 days past due		
Aggregate contractual principal in excess of fair value	\$ 2,581	\$ 2,305
Aggregate fair value	\$ 1,522	\$ 1,508

In the table above, the aggregate contractual principal amount of loans on nonaccrual status and/or more than 90 days past due (which excludes loans carried at zero fair value and considered uncollectible) exceeds the related fair value primarily because the firm regularly purchases loans, such as distressed loans, at values significantly below the contractual principal amounts.

The fair value of unfunded lending commitments for which the fair value option was elected was a liability of \$14 million as of March 2024 and \$3 million as of December 2023, and the related total contractual amount of these lending commitments was \$784 million as of March 2024 and \$878 million as of December 2023. See Note 18 for further information about lending commitments.

Impact of Credit Spreads on Loans and Lending Commitments

The estimated net gain/(loss) attributable to changes in instrument-specific credit spreads on loans and lending commitments for which the fair value option was elected was not material for both the three months ended March 2024 and March 2023. The firm generally calculates the fair value of loans and lending commitments for which the fair value option is elected by discounting

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Note 11.**Collateralized Agreements and Financings**

Collateralized agreements are resale agreements and securities borrowed. Collateralized financings are repurchase agreements, securities loaned and other secured financings. The firm enters into these transactions in order to, among other things, facilitate client activities, invest excess cash, acquire securities to cover short positions and finance certain firm activities.

Collateralized agreements and financings with the same settlement date are presented on a net-by-counterparty basis when such transactions meet certain settlement criteria and are subject to netting agreements. Interest on collateralized agreements, which is included in interest income, and collateralized financings, which is included in interest expense, is recognized over the life of the transaction. See Note 23 for further information about interest income and interest expense.

Resale and Repurchase Agreements

A resale agreement is a transaction in which the firm purchases financial instruments from a seller, typically in exchange for cash, and simultaneously enters into an agreement to resell the same or substantially the same financial instruments to the seller at a stated price plus accrued interest at a future date.

A repurchase agreement is a transaction in which the firm sells financial instruments to a buyer, typically in exchange for cash, and simultaneously enters into an agreement to repurchase the same or substantially the same financial instruments from the buyer at a stated price plus accrued interest at a future date.

Even though repurchase and resale agreements (including “repos- and reverses-to-maturity”) involve the legal transfer of ownership of financial instruments, they are accounted for as financing arrangements because they require the financial instruments to be repurchased or resold before or at the

Repurchase agreements and substantially all resale agreements are recorded at fair value under the fair value option. See Note 5 for further information about repurchase and resale agreements.

Securities Borrowed and Loaned Transactions

In a securities borrowed transaction, the firm borrows securities from a counterparty in exchange for cash or securities. When the firm returns the securities, the counterparty returns the cash or securities. Interest is generally paid periodically over the life of the transaction.

In a securities loaned transaction, the firm lends securities to a counterparty in exchange for cash or securities. When the counterparty returns the securities, the firm returns the cash or securities posted as collateral. Interest is generally paid periodically over the life of the transaction.

In a transaction where the firm lends securities and receives securities that can be delivered or pledged as collateral, the firm recognizes the securities received within securities borrowed and the obligation to return those securities within securities loaned in the consolidated balance sheets.

The firm receives securities borrowed and makes delivery of securities loaned. To mitigate credit exposure, the firm monitors the market value of these securities on a daily basis, and delivers or obtains additional collateral due to changes in the market value of the securities, as appropriate. For securities borrowed transactions, the firm typically requires collateral with a fair value approximately equal to the carrying value of the securities borrowed transaction.

Securities borrowed and loaned within FICC financing are recorded at fair value under the fair value option. See Note 5 for further information about securities borrowed and loaned accounted for at fair value.

Substantially all of the securities borrowed and loaned within Equities financing are

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Offsetting Arrangements

The table below presents resale and repurchase agreements and securities borrowed and loaned transactions included in the consolidated balance sheets, as well as the amounts not offset in the consolidated balance sheets.

\$ in millions	Assets		Liabilities	
	Resale agreements	Securities borrowed	Repurchase agreements	Securities loaned
As of March 2024				
Included in the consolidated balance sheets				
Gross carrying value	\$319,740	\$215,976	\$355,301	\$67,324
Counterparty netting	(87,822)	(1,063)	(87,822)	(1,063)
Total	231,918	214,913	267,479	66,261
Amounts not offset				
Counterparty netting	(39,680)	(8,828)	(39,680)	(8,828)
Collateral	(188,009)	(197,567)	(223,945)	(56,975)
Total	\$ 4,229	\$ 8,518	\$ 3,854	\$ 458
As of December 2023				
Included in the consolidated balance sheets				
Gross carrying value	\$ 315,112	\$ 199,753	\$ 341,194	\$ 60,816
Counterparty netting	(91,307)	(333)	(91,307)	(333)
Total	223,805	199,420	249,887	60,483
Amounts not offset				
Counterparty netting	(29,136)	(9,373)	(29,136)	(9,373)
Collateral	(189,358)	(182,918)	(217,498)	(50,807)
Total	\$ 5,311	\$ 7,129	\$ 3,253	\$ 303

In the table above:

- Substantially all of the gross carrying values of these arrangements are subject to enforceable netting agreements.
- Where the firm has received or posted collateral under credit support agreements, but has not yet determined

Gross Carrying Value of Repurchase Agreements and Securities Loaned

The table below presents the gross carrying value of repurchase agreements and securities loaned by class of collateral pledged.

\$ in millions	Repurchase agreements	Securities loaned
As of March 2024		
Money market instruments	\$ 1,085	\$ -
U.S. government and agency obligations	211,624	6
Non-U.S. government and agency obligations	107,429	1,385
Securities backed by commercial real estate	134	38
Securities backed by residential real estate	652	227
Corporate debt securities	15,780	324
State and municipal obligations	570	-
Other debt obligations	106	17
Equity securities	17,921	65,327
Total	\$ 355,301	\$ 67,324
As of December 2023		
Money market instruments	\$ 3	\$ -
U.S. government and agency obligations	228,718	216
Non-U.S. government and agency obligations	85,230	376
Securities backed by commercial real estate	135	-
Securities backed by residential real estate	641	-
Corporate debt securities	10,585	230
State and municipal obligations	57	-
Other debt obligations	144	-
Equity securities	15,681	59,994
Total	\$ 341,194	\$ 60,816

The table below presents the gross carrying value of repurchase agreements and securities loaned by maturity.

\$ in millions	As of March 2024	
	Repurchase agreements	Securities loaned
No stated maturity and overnight	\$ 134,619	\$ 42,793
2-29 days	112,822	725

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Other Secured Financings

In addition to repurchase agreements and securities loaned transactions, the firm funds certain assets through the use of other secured financings and pledges financial instruments and other assets as collateral in these transactions. These other secured financings include:

- Liabilities of CIEs and consolidated VIEs;
- Transfers of assets accounted for as financings rather than sales (e.g., pledged commodities, bank loans and mortgage whole loans); and
- Other structured financing arrangements.

Other secured financings included nonrecourse arrangements. Nonrecourse other secured financings were \$5.58 billion as of March 2024 and \$5.57 billion as of December 2023.

The firm has elected to apply the fair value option to substantially all other secured financings because the use of fair value eliminates non-economic volatility in earnings that would arise from using different measurement attributes. See Note 5 for further information about other secured financings that are accounted for at fair value.

Other secured financings that are not recorded at fair value are recorded based on the amount of cash received plus accrued interest, which generally approximates fair value. As these financings are not accounted for at fair value, they are not included in the firm's fair value hierarchy in Notes 4 and 5. Had these financings been included in the firm's fair value hierarchy, substantially all would have been classified in level 3 as of both March 2024 and December 2023.

The table below presents information about other secured financings.

	U.S. Dollar	Non-U.S. Dollar	Total
\$ in millions			
As of March 2024			
Other secured financings (short-term):			
At fair value	\$ 3,295	\$ 4,730	\$ 8,025
At amortized cost	1	-	1
Other secured financings (long-term):			
At fair value	1,469	5,304	6,773
At amortized cost	253	-	253
Total other secured financings	\$ 5,018	\$ 10,034	\$ 15,052
Other secured financings collateralized by:			
Financial instruments	\$ 2,900	\$ 9,123	\$ 12,023
Other assets	\$ 2,118	\$ 911	\$ 3,029
As of December 2023			
Other secured financings (short-term):			
At fair value	\$ 3,385	\$ 3,451	\$ 6,836
At amortized cost	-	368	368
Other secured financings (long-term):			
At fair value	1,872	3,846	5,718
At amortized cost	272	-	272
Total other secured financings	\$ 5,529	\$ 7,665	\$ 13,194
Other secured financings collateralized by:			
Financial instruments	\$ 3,122	\$ 6,755	\$ 9,877
Other assets	\$ 2,407	\$ 910	\$ 3,317

In the table above:

- Short-term other secured financings includes financings maturing within one year of the financial statement date and financings that are redeemable within one year of the financial statement date at the option of the holder.
- Non-U.S. dollar-denominated short-term other secured financings at amortized cost had a weighted average interest rate of 0.47% as of December 2023. This rate includes the effect of hedging activities.
- U.S. dollar-denominated long-term other secured financings at amortized cost had

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- Total other secured financings included \$2.74 billion as of March 2024 and \$2.34 billion as of December 2023 related to transfers of financial assets accounted for as financings rather than sales. Such financings were collateralized by financial assets, primarily included in trading assets, of \$2.74 billion as of March 2024 and \$2.36 billion as of December 2023.
- Other secured financings collateralized by financial instruments included \$9.19 billion as of March 2024 and \$8.38 billion as of December 2023 of other secured financings collateralized by trading assets, investments and loans, and included \$2.84 billion as of March 2024 and \$1.49 billion as of December 2023 of other secured financings collateralized by financial instruments received as collateral and repledged.

The table below presents other secured financings by maturity.

	As of
\$ in millions	March 2024
Other secured financings (short-term)	\$ 8,026
Other secured financings (long-term):	
2025	1,660
2026	2,630
2027	158
2028	1,424
2029	53
2030 - thereafter	1,101
Total other secured financings (long-term)	7,026
Total other secured financings	\$ 15,052

In the table above:

- Long-term other secured financings that are repayable prior to maturity at the option of the firm are reflected at their contractual maturity dates.
- Long-term other secured financings that are redeemable prior to maturity at the option of the holder are reflected at the earliest dates such options become exercisable.

Collateral Received and Pledged

The firm receives cash and securities (e.g.

In many cases, the firm is permitted to deliver or repledge financial instruments received as collateral when entering into repurchase agreements and securities loaned transactions, primarily in connection with secured client financing activities. The firm is also permitted to deliver or repledge these financial instruments in connection with other secured financings, collateralized derivative transactions and firm or customer settlement requirements.

The firm also pledges certain trading assets in connection with repurchase agreements, securities loaned transactions and other secured financings, and other assets (substantially all real estate and cash) in connection with other secured financings to counterparties who may or may not have the right to deliver or repledge them.

The table below presents financial instruments at fair value received as collateral that were available to be delivered or repledged and were delivered or repledged.

	As of	
	March	December
\$ in millions	2024	2023
Collateral available to be delivered or repledged	\$1,053,459	\$1,002,891
Collateral that was delivered or repledged	\$ 912,935	\$ 862,988

The table below presents information about assets pledged.

	As of	
	March	December
\$ in millions	2024	2023
Pledged to counterparties that had the right to deliver or repledge		
Trading assets	\$113,748	\$ 110,567
Pledged to counterparties that did not have the right to deliver or repledge		
Trading assets	\$152,105	\$ 138,404
Investments	\$ 19,685	\$ 22,165
Loans	\$ 9,555	\$ 8,865
Other assets	\$ 3,650	\$ 3,924

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Note 12.**Other Assets**

The table below presents other assets by type.

	As of	
	March	December
\$ in millions	2024	2023
Property, leasehold improvements and equipment	\$ 10,514	\$ 11,244
Goodwill	5,897	5,916
Identifiable intangible assets	1,021	1,177
Operating lease right-of-use assets	2,081	2,171
Income tax-related assets	8,106	8,157
Miscellaneous receivables and other	7,634	7,925
Total	\$ 35,253	\$ 36,590

Property, Leasehold Improvements and Equipment

Property, leasehold improvements and equipment is net of accumulated depreciation and amortization of \$13.89 billion as of March 2024 and \$13.64 billion as of December 2023. Property, leasehold improvements and equipment included \$6.58 billion as of March 2024 and \$6.65 billion as of December 2023 that the firm uses in connection with its operations, and \$126 million as of March 2024 and \$124 million as of December 2023 of foreclosed real estate. The remainder is held by investment entities, including VIEs, consolidated by the firm. Substantially all property and equipment is depreciated on a straight-line basis over the useful life of the asset. Leasehold improvements are amortized on a straight-line basis over the shorter of the useful life of the improvement or the term of the lease. Capitalized costs of software developed or obtained for internal use are amortized on a straight-line basis over three years.

The firm tests property, leasehold improvements and equipment for impairment when events or changes in circumstances suggest that an asset's or asset group's carrying value may not be fully recoverable. To the extent the

The firm had impairments of \$80 million during the three months ended March 2024, related to commercial real estate included in CIEs within Asset & Wealth Management. During the three months ended March 2023, the firm had impairments of approximately \$355 million related to consolidated real estate investments and approximately \$35 million related to capitalized software. Substantially all of these impairments were included within Asset & Wealth Management.

Goodwill

Goodwill is the cost of acquired companies in excess of the fair value of net assets, including identifiable intangible assets, at the acquisition date.

The table below presents the carrying value of goodwill by reporting unit.

	As of	
	March	December
\$ in millions	2024	2023
Global Banking & Markets:		
Investment banking	\$ 267	\$ 267
FICC	269	269
Equities	2,647	2,647
Asset & Wealth Management:		
Asset management	1,391	1,410
Wealth management	1,309	1,309
Platform Solutions:		
Consumer platforms	-	-
Transaction banking and other	14	14
Total	\$ 5,897	\$ 5,916

Goodwill is assessed for impairment annually in the fourth quarter or more frequently if events occur or circumstances change that indicate an impairment may exist. When assessing goodwill for impairment, first, a qualitative assessment can be made to determine whether it is more likely than not that the estimated fair value of a reporting unit is less than its carrying value. If the results of the qualitative assessment are not conclusive, a quantitative goodwill test is performed. Alternatively, a quantitative

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When performing a quantitative goodwill test, the estimated fair value of each reporting unit is based on valuation techniques the firm believes market participants would use to value these reporting units. Estimated fair values are generally derived from utilizing a relative value technique, which applies observable price-to-earnings multiples or price-to-book multiples of comparable competitors to the reporting units' net earnings or net book value, or a discounted cash flow valuation approach, for reporting units with businesses in early stages of development. The carrying value of each reporting unit reflects an allocation of total shareholders' equity and represents the estimated amount of total shareholders' equity required to support the activities of the reporting unit under currently applicable regulatory capital requirements.

In the fourth quarter of 2023, the firm performed its annual assessment of goodwill for impairment, for each of its reporting units with goodwill, by performing a qualitative assessment. Multiple factors, including performance indicators, macroeconomic indicators, firm and industry events, and fair value indicators, were considered with respect to each of these reporting units to determine whether it was more likely than not that the estimated fair value of each of those reporting units was less than its carrying value. The qualitative assessment also considered changes since a quantitative test across all of the firm's reporting units was last performed in 2022. As a result of the qualitative assessment, the firm determined that it was more likely than not that the estimated fair value of each reporting unit with goodwill exceeded its respective carrying value. Therefore, the firm determined that goodwill for each reporting unit was not impaired and that a quantitative goodwill test was not required.

There were no events or changes in circumstances during the three months ended March 2024 that would indicate that it was more likely than not that the estimated fair value of each of the reporting units with goodwill did not

Identifiable Intangible Assets

The table below presents identifiable intangible assets by type.

	As of	
	March	December
\$ in millions	2024	2023
Customer lists		
Gross carrying value	\$ 2,316	\$ 2,339
Accumulated amortization	(1,313)	(1,292)
Net carrying value	1,003	1,047
Other		
Gross carrying value	139	866
Accumulated amortization	(121)	(736)
Net carrying value	18	130
Total gross carrying value	2,455	3,205
Total accumulated amortization	(1,434)	(2,028)
Total net carrying value	\$ 1,021	\$ 1,177

In the table above:

- The decrease in the net carrying value of identifiable intangible assets from December 2023 to March 2024 was primarily attributable to the sale of GreenSky (related identifiable intangible assets were included in other as of December 2023).
- Substantially all of the firm's identifiable intangible assets have finite useful lives and are amortized over their estimated useful lives generally using the straight-line method.

The tables below present information about the amortization of identifiable intangible assets.

	Three Months Ended March	
\$ in millions	2024	2023
Amortization	\$ 26	\$ 52

	As of	
	March	
\$ in millions	2024	
Estimated future amortization		
Remainder of 2024	\$ 74	
2025	\$ 91	
2026	\$ 85	

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The firm tests identifiable intangible assets for impairment when events or changes in circumstances suggest that an asset's or asset group's carrying value may not be fully recoverable. To the extent the carrying value of an asset or asset group exceeds the projected undiscounted cash flows expected to result from the use and eventual disposal of the asset or asset group, the firm determines the asset or asset group is impaired and records an impairment equal to the difference between the estimated fair value and the carrying value of the asset or asset group. In addition, the firm will recognize an impairment prior to the sale of an asset or asset group if the carrying value of the asset or asset group exceeds its estimated fair value. There were no material impairments or write-downs during either the three months ended March 2024 or March 2023.

Operating Lease Right-of-Use Assets

The firm enters into operating leases for real estate, office equipment and other assets, substantially all of which are used in connection with its operations. For leases longer than one year, the firm recognizes a right-of-use asset representing the right to use the underlying asset for the lease term, and a lease liability representing the liability to make payments. The lease term is generally determined based on the contractual maturity of the lease. For leases where the firm has the option to terminate or extend the lease, an assessment of the likelihood of exercising the option is incorporated into the determination of the lease term. Such assessment is initially performed at the inception of the lease and is updated if events occur that impact the original assessment.

An operating lease right-of-use asset is initially determined based on the operating lease liability, adjusted for initial direct costs, lease incentives and amounts paid at or prior to lease commencement. This amount is then amortized over the lease term. Right-of-use assets and operating lease liabilities recognized (in non-cash transactions for leases entered into or assumed) by the firm were not material for both the three months ended March 2024 and March 2023. See Note 15

Miscellaneous Receivables and Other

Miscellaneous receivables and other included:

- Investments in qualified affordable housing projects of \$3.28 billion as of March 2024 and \$3.39 billion as of December 2023. The firm receives tax credits for such investments. See Note 17 for further information about these investments.
- Assets classified as held for sale were \$318 million as of March 2024 and \$518 million as of December 2023. See below for further information.

Assets Held for Sale. As of December 2023, GreenSky (within Platform Solutions) was classified as held for sale. Assets related to GreenSky were approximately \$3.4 billion and consisted of loans of approximately \$3.0 billion (included in loans), segregated cash of approximately \$110 million (included in cash and cash equivalents), identifiable intangible assets of approximately \$110 million (included in identifiable intangible assets within other assets) and other assets of approximately \$190 million (included in miscellaneous receivables and other within other assets). During the first quarter of 2024, the firm completed the sale of GreenSky. See Note 9 for further information about loans classified as held for sale, above for further information about identifiable intangible assets, and Note 15 for information about liabilities classified as held for sale.

Assets held for sale also included \$318 million as of March 2024 and \$327 million as of December 2023 of assets related to certain of the firm's consolidated investments within Asset & Wealth Management. Substantially all of these assets consisted of property and equipment and were included in miscellaneous receivables and other within other assets.

Note 13.

Deposits

The table below presents information about deposits.

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The table below presents maturities of time deposits held in U.S. and non-U.S. offices.

\$ in millions	As of March 2024		
	U.S.	Non-U.S.	Total
Remainder of 2024	\$55,523	\$ 30,900	\$ 86,423
2025	29,438	1,739	31,177
2026	3,198	301	3,499
2027	1,407	200	1,607
2028	814	194	1,008
2029	747	199	946
2030 - thereafter	620	41	661
Total	\$91,747	\$ 33,574	\$125,321

In the table above:

- The aggregate amount of time deposits in denominations that met or exceeded the applicable insurance limits, or were otherwise not covered by insurance, were \$17.69 billion in U.S. deposits and \$32.94 billion in non-U.S. deposits.
- Time deposits included \$31.37 billion as of March 2024 and \$29.46 billion as of December 2023 of deposits accounted for at fair value under the fair value option. See Note 10 for further information about deposits accounted for at fair value.

The firm's savings and demand deposits are recorded based on the amount of cash received plus accrued interest, which approximates fair value. In addition, the firm designates certain derivatives as fair value hedges to convert a portion of its time deposits not accounted for at fair value from fixed-rate obligations into floating-rate obligations. The carrying value of time deposits not accounted for at fair value approximated fair value as of both March 2024 and December 2023. As these savings and demand deposits and time deposits are not accounted for at fair value, they are not included in the firm's fair value hierarchy in Notes 4 and 5. Had these deposits been included in the firm's fair value hierarchy, they would have been classified in level 2 as of both March 2024 and December 2023.

Note 14.

Unsecured Borrowings

The table below presents information about unsecured borrowings.

\$ in millions	As of	
	March 2024	December 2023
Unsecured short-term borrowings	\$ 78,603	\$ 75,945
Unsecured long-term borrowings	233,919	241,877
Total	\$312,522	\$317,822

Unsecured Short-Term Borrowings

Unsecured short-term borrowings includes the portion of unsecured long-term borrowings maturing within one year of the financial statement date and unsecured long-term borrowings that are redeemable within one year of the financial statement date at the option of the holder.

The firm accounts for certain hybrid financial instruments at fair value under the fair value option. See Note 10 for further information about unsecured short-term borrowings that are accounted for at fair value. In addition, the firm designates certain derivatives as fair value hedges to convert a portion of its unsecured short-term borrowings not accounted for at fair value from fixed-rate obligations into floating-rate obligations. The carrying value of unsecured short-term borrowings that are not recorded at fair value generally approximates fair value due to the short-term nature of the obligations. As these unsecured short-term borrowings are not accounted for at fair value, they are not included in the firm's fair value hierarchy in Notes 4 and 5. Had these borrowings been included in the firm's fair value hierarchy, substantially all would have been classified in level 2 as of both March 2024 and December 2023.

The table below presents information about unsecured short-term borrowings.

	As of	
	March	December

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Unsecured Long-Term Borrowings

The table below presents information about unsecured long-term borrowings.

\$ in millions	Non-U.S.		
	U.S. Dollar	Dollar	Total
As of March 2024			
Fixed-rate obligations	\$111,751	\$31,976	\$143,727
Floating-rate obligations	57,277	32,915	90,192
Total	\$169,028	\$64,891	\$233,919
As of December 2023			
Fixed-rate obligations	\$ 114,813	\$ 34,762	\$ 149,575
Floating-rate obligations	57,053	35,249	92,302
Total	\$ 171,866	\$ 70,011	\$ 241,877

In the table above:

- Unsecured long-term borrowings consists principally of senior borrowings, which have maturities extending through 2061.
- Unsecured long-term borrowings included \$87.14 billion as of March 2024 and \$86.41 billion as of December 2023 of borrowings accounted for at fair value under the fair value option. The carrying value of unsecured long-term borrowings for which the firm did not elect the fair value option was \$146.78 billion as of March 2024 and \$155.47 billion as of December 2023. The estimated fair value of such unsecured long-term borrowings was \$150.41 billion as of March 2024 and \$157.75 billion as of December 2023. As these borrowings are not accounted for at fair value, they are not included in the firm's fair value hierarchy in Notes 4 and 5. Had these borrowings been included in the firm's fair value hierarchy, substantially all would have been classified in level 2 as of both March 2024 and December 2023.
- Floating-rate obligations includes equity-linked, credit-linked and indexed instruments. Floating interest rates are generally based on SOFR and Euro Interbank Offered Rate.
- U.S. dollar-denominated debt had interest rates ranging from 0.86% to 6.75% (with a weighted average rate of 3.80%) as of March 2024 and 0.86% to 6.75% (with a weighted average rate of 3.73%) as of December 2023. These rates exclude

The table below presents unsecured long-term borrowings by maturity.

\$ in millions	As of
	March 2024
2025	\$ 33,295
2026	30,266
2027	35,157
2028	28,897
2029	25,855
2030 - thereafter	80,449
Total	\$ 233,919

In the table above:

- Unsecured long-term borrowings maturing within one year of the financial statement date and unsecured long-term borrowings that are redeemable within one year of the financial statement date at the option of the holder are excluded as they are included in unsecured short-term borrowings.
- Unsecured long-term borrowings that are repayable prior to maturity at the option of the firm are reflected at their contractual maturity dates.
- Unsecured long-term borrowings that are redeemable prior to maturity at the option of the holder are reflected at the earliest dates such options become exercisable.
- Unsecured long-term borrowings included \$(12.29) billion of adjustments to the carrying value of certain unsecured long-term borrowings resulting from the application of hedge accounting by year of maturity as follows: \$(460) million in 2025, \$(545) million in 2026, \$(1.25) billion in 2027, \$(1.26) billion in 2028, \$(1.11) billion in 2029 and \$(7.67) billion in 2030 and thereafter.

The firm designates certain derivatives as fair value hedges to convert a portion of fixed-rate unsecured long-term borrowings not accounted for at fair value into floating-rate obligations. See Note 7 for further information about hedging activities.

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The table below presents unsecured long-term borrowings, after giving effect to such hedging activities.

\$ in millions	As of	
	March 2024	December 2023
Fixed-rate obligations	\$ 23,968	\$ 20,372
Floating-rate obligations	209,951	221,505
Total	\$233,919	\$241,877

In the table above, the aggregate amounts of unsecured long-term borrowings had weighted average interest rates of 6.19% (3.59% related to fixed-rate obligations and 6.37% related to floating-rate obligations) as of March 2024 and 6.13% (3.44% related to fixed-rate obligations and 6.27% related to floating-rate obligations) as of December 2023. These rates exclude unsecured long-term borrowings accounted for at fair value under the fair value option.

Subordinated Borrowings

Unsecured long-term borrowings includes subordinated debt and junior subordinated debt. Subordinated debt that matures within one year is included in unsecured short-term borrowings. Junior subordinated debt is junior in right of payment to other subordinated borrowings, which are junior to senior borrowings. Long-term subordinated debt had maturities ranging from 2025 to 2045 as of both March 2024 and December 2023.

The table below presents information about subordinated borrowings.

	Par	Carrying	
\$ in millions	Amount	Value	Rate
As of March 2024			
Subordinated debt	\$12,170	\$11,462	7.89 %
Junior subordinated debt	968	1,021	6.25 %
Total	\$13,138	\$12,483	7.77 %
As of December 2023			
Subordinated debt	\$ 12,215	\$ 11,898	7.79 %
Junior subordinated debt	968	1,053	6.30 %
Total	\$ 13,183	\$ 12,951	7.68 %

In the table above, the rate is the weighted

Junior Subordinated Debt

In 2004, Group Inc. issued \$2.84 billion of junior subordinated debt to Goldman Sachs Capital I, a Delaware statutory trust. Goldman Sachs Capital I issued \$2.75 billion of guaranteed preferred beneficial interests (Trust Preferred securities) to third parties and \$85 million of common beneficial interests to Group Inc. As of both March 2024 and December 2023, the outstanding par amount of junior subordinated debt held by Goldman Sachs Capital I was \$968 million and the outstanding par amount of Trust Preferred securities and common beneficial interests issued by Goldman Sachs Capital I was \$939 million and \$29 million, respectively. Goldman Sachs Capital I is a wholly-owned finance subsidiary of the firm for regulatory and legal purposes but is not consolidated for accounting purposes.

The firm pays interest semi-annually on the junior subordinated debt at an annual rate of 6.345% and the debt matures on February 15, 2034. The coupon rate and the payment dates applicable to the beneficial interests are the same as the interest rate and payment dates for the junior subordinated debt. The firm has the right, from time to time, to defer payment of interest on the junior subordinated debt, and therefore cause payment on Goldman Sachs Capital I's preferred beneficial interests to be deferred, in each case up to ten consecutive semi-annual periods. During any such deferral period, the firm will not be permitted to, among other things, pay dividends on or make certain repurchases of its common stock. Goldman Sachs Capital I is not permitted to pay any distributions on the common beneficial interests held by Group Inc. unless all dividends payable on the preferred beneficial interests have been paid in full.

Note 15.

Other Liabilities

The table below presents other liabilities by type.

\$ in millions	As of	
	March 2024	December 2023

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Operating Lease Liabilities

For leases longer than one year, the firm recognizes a right-of-use asset representing the right to use the underlying asset for the lease term, and a lease liability representing the liability to make payments. See Note 12 for information about operating lease right-of-use assets.

The table below presents information about operating lease liabilities.

\$ in millions	Operating lease liabilities
As of March 2024	
Remainder of 2024	\$ 245
2025	323
2026	288
2027	254
2028	230
2029 - thereafter	1,449
Total undiscounted lease payments	2,789
Imputed interest	(629)
Total operating lease liabilities	\$ 2,160
Weighted average remaining lease term	12 years
Weighted average discount rate	4.18 %
As of December 2023	
2024	\$ 325
2025	325
2026	288
2027	256
2028	231
2029 - thereafter	1,462
Total undiscounted lease payments	2,887
Imputed interest	(655)
Total operating lease liabilities	\$ 2,232
Weighted average remaining lease term	12 years
Weighted average discount rate	4.13 %

In the table above, the weighted average discount rate represents the firm's incremental borrowing rate as of January 2019 for operating leases existing on the date of adoption of ASU No. 2016-02, "Leases (Topic 842)," and at the lease inception date for leases entered into subsequent to the adoption of this ASU.

Operating lease costs were \$123 million

Accrued Expenses and Other

Accrued expenses and other included:

- Liabilities classified as held for sale were not material as of March 2024 and were approximately \$257 million as of December 2023, substantially all of which related to GreenSky within Platform Solutions and consisted primarily of customer and other payables. See Note 12 for further information about assets held for sale.
- Contract liabilities, which represent consideration received by the firm in connection with its contracts with clients prior to providing the service, were \$100 million as of March 2024 and \$76 million as of December 2023.
- Accrued unfunded commitments related to investments in qualified affordable housing projects were \$2.14 billion as of March 2024 and \$2.26 billion as of December 2023. See Note 17 for further information about these investments.

Note 16.

Securitization Activities

The firm securitizes residential and commercial mortgages, corporate bonds, loans and other types of financial assets by selling these assets to securitization vehicles (e.g., trusts, corporate entities and limited liability companies) or through a resecuritization. The firm acts as underwriter of the beneficial interests that are sold to investors. The firm's residential mortgage securitizations are primarily in connection with government agency securitizations.

The firm accounts for a securitization as a sale when it has relinquished control over the transferred financial assets. Prior to securitization, the firm generally accounts for assets pending transfer at fair value and therefore does not typically recognize significant gains or losses upon the transfer of assets. Net revenues from underwriting activities are recognized in connection with the sales of the underlying beneficial interests to investors.

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The firm generally receives cash in exchange for the transferred assets but may also have continuing involvement with the transferred financial assets, including ownership of beneficial interests in securitized financial assets, primarily in the form of debt instruments. The firm may also purchase senior or subordinated securities issued by securitization vehicles (which are typically VIEs) in connection with secondary market-making activities.

The primary risks included in beneficial interests and other interests from the firm's continuing involvement with securitization vehicles are the performance of the underlying collateral, the position of the firm's investment in the capital structure of the securitization vehicle and the market yield for the security. Interests accounted for at fair value are primarily classified in level 2 of the fair value hierarchy. Interests not accounted for at fair value are carried at amounts that approximate fair value. See Note 4 for further information about fair value measurements.

The table below presents the amount of financial assets securitized and the cash flows received on retained interests in securitization entities in which the firm had continuing involvement as of the end of the period.

	Three Months Ended March	
\$ in millions	2024	2023
Residential mortgages	\$6,257	\$ 7,496
Commercial mortgages	158	604
Other financial assets	-	464
Total financial assets securitized	\$6,415	\$ 8,564
Retained interests cash flows	\$ 187	\$ 102

The firm securitized assets of \$37 million during the three months ended March 2024 and \$44 million during the three months ended March 2023, in a non-cash exchange for loans and investments.

The table below presents information about nonconsolidated securitization entities to which the firm sold assets and had continuing involvement as of the end of the period.

In the table above:

- CMOs represents collateralized mortgage obligations.
- The outstanding principal amount is presented for the purpose of providing information about the size of the securitization entities and is not representative of the firm's risk of loss.
- The firm's risk of loss from retained or purchased interests is limited to the carrying value of these interests.
- Purchased interests represent senior and subordinated interests, purchased in connection with secondary market-making activities, in securitization entities in which the firm also holds retained interests.
- Substantially all of the total outstanding principal amount and total retained interests relate to securitizations during 2019 and thereafter.
- The fair value of retained interests was \$4.53 billion as of March 2024 and \$5.26 billion as of December 2023.

In addition to the interests in the table above, the firm had other continuing involvement in the form of derivative transactions and commitments with certain nonconsolidated VIEs. The carrying value of these derivatives and commitments was a net asset of \$219 million as of March 2024 and \$120 million as of December 2023, and the notional amount of these derivatives and commitments was \$2.02 billion as of March 2024 and \$1.95 billion as of December 2023. The notional amounts of these derivatives and commitments are included in maximum exposure to loss in the nonconsolidated VIE table in Note 17. Additionally, the firm provided seller financing of approximately \$1.50 billion in connection with the sale of \$3.69 billion of GreenSky loans during the three months ended March 2024 and of approximately \$830 million in connection with the sale of \$1.0 billion of Marcus loans during the three months ended March 2023. The principal and interest repayments received from these financings were \$381 million for the three months ended March 2024

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The table below presents information about the weighted average key economic assumptions used in measuring the fair value of mortgage-backed retained interests.

	As of	
	March	December
\$ in millions	2024	2023
Fair value of retained interests	\$ 3,943	\$ 4,590
Weighted average life (years)	5.8	5.7
Constant prepayment rate	10.2%	12.2%
Impact of 10% adverse change	\$ (41)	\$ (50)
Impact of 20% adverse change	\$ (77)	\$ (94)
Discount rate	8.4%	7.6%
Impact of 10% adverse change	\$ (115)	\$ (117)
Impact of 20% adverse change	\$ (221)	\$ (226)

In the table above:

- Amounts do not reflect the benefit of other financial instruments that are held to mitigate risks inherent in these retained interests.
- Changes in fair value based on an adverse variation in assumptions generally cannot be extrapolated because the relationship of the change in assumptions to the change in fair value is not usually linear.
- The impact of a change in a particular assumption is calculated independently of changes in any other assumption. In practice, simultaneous changes in assumptions might magnify or counteract the sensitivities disclosed above.
- The constant prepayment rate is included only for positions for which it is a key assumption in the determination of fair value.
- The discount rate for retained interests that relate to U.S. government agency-issued CMOs does not include any credit loss. Expected credit loss assumptions are reflected in the discount rate for the remainder of retained interests.

The firm has other retained interests not reflected in the table above with a fair value of \$588 million and a weighted

Note 17.

Variable Interest Entities

A variable interest in a VIE is an investment (e.g., debt or equity) or other interest (e.g., derivatives or loans and lending commitments) that will absorb portions of the VIE's expected losses and/or receive portions of the VIE's expected residual returns.

The firm's variable interests in VIEs include senior and subordinated debt; loans and lending commitments; limited and general partnership interests; preferred and common equity; derivatives that may include foreign currency, equity and/or credit risk; guarantees; and certain of the fees the firm receives from investment funds. Certain interest rate, foreign currency and credit derivatives the firm enters into with VIEs are not variable interests because they create, rather than absorb, risk.

VIEs generally finance the purchase of assets by issuing debt and equity securities that are either collateralized by or indexed to the assets held by the VIE. The debt and equity securities issued by a VIE may include tranches of varying levels of subordination. The firm's involvement with VIEs includes securitization of financial assets, as described in Note 16, and investments in and loans to other types of VIEs, as described below. See Note 3 for the firm's consolidation policies, including the definition of a VIE.

VIE Consolidation Analysis

The enterprise with a controlling financial interest in a VIE is known as the primary beneficiary and consolidates the VIE. The firm determines whether it is the primary beneficiary of a VIE by performing an analysis that principally considers:

- Which variable interest holder has the power to direct the activities of the VIE that most significantly impact the VIE's economic performance;
- Which variable interest holder has the obligation to absorb losses or the right to receive benefits from the VIE that could

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VIE Activities

The firm is principally involved with VIEs through the following business activities:

Mortgage-Backed VIEs. The firm sells residential and commercial mortgage loans and securities to mortgage-backed VIEs and may retain beneficial interests in the assets sold to these VIEs. The firm purchases and sells beneficial interests issued by mortgage-backed VIEs in connection with market-making activities. In addition, the firm may enter into derivatives with certain of these VIEs, primarily interest rate swaps, which are typically not variable interests. The firm generally enters into derivatives with other counterparties to mitigate its risk.

Real Estate, Credit- and Power-Related, Tax Credit and Other Investing VIEs. The firm purchases equity and debt securities issued by and makes loans to VIEs that hold real estate, performing and nonperforming debt, distressed loans, power-related assets and equity securities. The firm also makes equity investments in VIEs that invest in qualified affordable housing and renewable energy projects designed to generate a return through the realization of tax credits and related tax benefits. The firm generally does not sell assets to, or enter into derivatives with, these VIEs.

Corporate Debt and Other Asset-Backed VIEs. The firm structures VIEs that issue notes to clients, purchases and sells beneficial interests issued by corporate debt and other asset-backed VIEs in connection with market-making activities, and makes loans to VIEs that warehouse corporate debt. Certain of these VIEs synthetically create the exposure for the beneficial interests they issue by entering into credit derivatives with the firm, rather than purchasing the underlying assets. In addition, the firm may enter into derivatives, such as total return swaps, with certain corporate debt and other asset-backed VIEs, under which the firm pays the VIE a return due to the beneficial interest holders and receives the return on the collateral owned by the VIE. The collateral owned by these VIEs is primarily other asset-backed loans and securities. The firm may be removed as the total return swap counterparty and may enter

Principal-Protected Note VIEs. The firm structures VIEs that issue principal-protected notes to clients. These VIEs own portfolios of assets, principally with exposure to hedge funds. Substantially all of the principal protection on the notes issued by these VIEs is provided by the asset portfolio rebalancing that is required under the terms of the notes. The firm enters into total return swaps with these VIEs under which the firm pays the VIE the return due to the principal-protected note holders and receives the return on the assets owned by the VIE. The firm may enter into derivatives with other counterparties to mitigate its risk. The firm also obtains funding through these VIEs.

Investments in Funds. The firm makes equity investments in certain investment fund VIEs it manages and is entitled to receive fees from these VIEs. The firm has generally not sold assets to, or entered into derivatives with, these VIEs.

Nonconsolidated VIEs

The table below presents a summary of the nonconsolidated VIEs in which the firm holds variable interests.

	As of	
	March	December
\$ in millions	2024	2023
Total nonconsolidated VIEs		
Assets in VIEs	\$194,161	\$193,934
Carrying value of variable interests — assets	\$ 16,154	\$ 15,478
Carrying value of variable interests — liabilities	\$ 2,646	\$ 2,750
Maximum exposure to loss:		
Retained interests	\$ 4,619	\$ 5,299
Purchased interests	1,007	902
Commitments and guarantees	4,481	4,159
Derivatives	8,648	8,636
Debt and equity	7,889	6,927
Total	\$ 26,644	\$ 25,923

In the table above:

- The nature of the firm's variable interests is described in the rows under maximum exposure to loss.

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The table below presents information, by principal business activity, for nonconsolidated VIEs included in the summary table above.

	As of	
	March	December
\$ in millions	2024	2023
Mortgage-backed		
Assets in VIEs	\$ 120,691	\$ 123,108
Carrying value of variable interests — assets	\$ 4,336	\$ 4,867
Maximum exposure to loss:		
Retained interests	\$ 4,005	\$ 4,614
Purchased interests	331	253
Commitments and guarantees	33	35
Derivatives	2	2
Total	\$ 4,371	\$ 4,904
Real estate, credit- and power-related, tax credit and other investing		
Assets in VIEs	\$ 44,891	\$ 43,035
Carrying value of variable interests — assets	\$ 6,712	\$ 6,625
Carrying value of variable interests — liabilities	\$ 2,148	\$ 2,220
Maximum exposure to loss:		
Commitments and guarantees	\$ 3,823	\$ 3,891
Debt and equity	4,572	4,733
Total	\$ 8,395	\$ 8,624
Corporate debt and other asset-backed		
Assets in VIEs	\$ 24,075	\$ 23,188
Carrying value of variable interests — assets	\$ 5,016	\$ 3,895
Carrying value of variable interests — liabilities	\$ 498	\$ 530
Maximum exposure to loss:		
Retained interests	\$ 614	\$ 685
Purchased interests	676	649
Commitments and guarantees	623	231
Derivatives	8,646	8,634
Debt and equity	3,227	2,103
Total	\$ 13,786	\$ 12,302
Investments in funds		
Assets in VIEs	\$ 4,504	\$ 4,603
Carrying value of variable interests — assets	\$ 90	\$ 91
Maximum exposure to loss:		
Commitments and guarantees	\$ 2	\$ 2

Tax Credit VIEs

The firm makes equity investments in nonconsolidated tax credit VIEs that invest in qualified affordable housing and renewable energy projects. These VIEs are generally organized as limited partnerships or similar entities and a third-party is typically the general partner or the managing member. The firm invests in the entity as a limited partner and receives income tax credits and other income tax benefits for such investments. In connection with the adoption of ASU No. 2023-02, as of January 1, 2024, the firm elected the proportional amortization method for qualified affordable housing and renewable energy projects that receive production tax credits. The investments that meet the criteria for the proportional amortization method of accounting are amortized in proportion to the income tax credits and other income tax benefits received on such investments. The amortization of investments and the related income tax credits and other income tax benefits are recorded as a component of the provision for taxes, and are included in other operating activities in the consolidated statements of cash flows.

Investments in qualified affordable housing projects that met the criteria of the proportional amortization method of accounting were \$3.28 billion as of March 2024 and \$3.39 billion as of December 2023. Such investments were included in miscellaneous receivables and other within other assets in the consolidated balance sheets. These investments included \$2.14 billion as of March 2024 and \$2.26 billion as of December 2023 of accrued unfunded commitments. As of March 2024, a majority of such accrued unfunded commitments were expected to be funded by year-end 2026. During the three months ended March 2024, the firm recognized amortization of \$124 million and income tax credits and other income tax benefits of \$151 million, and during the three months ended March 2023, the firm recognized amortization of \$63 million and income tax credits and other income tax benefits of \$66 million. Investments in qualified affordable housing projects that did not meet the criteria for the proportional amortization

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Consolidated VIEs

The table below presents a summary of the carrying value and balance sheet classification of assets and liabilities in consolidated VIEs.

\$ in millions	As of	
	March	December
	2024	2023
Total consolidated VIEs		
Assets		
Cash and cash equivalents	\$ 685	\$ 439
Customer and other receivables	339	347
Trading assets	110	95
Investments	80	80
Loans	172	267
Other assets	151	248
Total	\$ 1,537	\$ 1,476
Liabilities		
Other secured financings	\$ 708	\$ 850
Customer and other payables	2	2
Unsecured short-term borrowings	14	14
Unsecured long-term borrowings	16	17
Other liabilities	76	91
Total	\$ 816	\$ 974

In the table above:

- Assets and liabilities are presented net of intercompany eliminations and exclude the benefit of offsetting financial instruments that are held to mitigate the risks associated with the firm's variable interests.
- VIEs in which the firm holds a majority voting interest are excluded if (i) the VIE meets the definition of a business and (ii) the VIE's assets can be used for purposes other than the settlement of its obligations.
- Substantially all assets can only be used to settle obligations of the VIE.

The table below presents information, by principal business activity, for consolidated VIEs included in the summary table above.

\$ in millions	As of	
	March	December
	2024	2023
Real estate, credit-related and other investing		
Assets		
Cash and cash equivalents	\$ 508	\$ 417
Trading assets	29	28
Investments	80	80
Loans	172	267
Other assets	151	248
Total	\$ 940	\$ 1,040
Liabilities		
Other secured financings	\$ 67	\$ 143
Customer and other payables	2	2
Other liabilities	76	91
Total	\$ 145	\$ 236
Corporate debt and other asset-backed		
Assets		
Cash and cash equivalents	\$ 177	\$ 22
Total	\$ 177	\$ 22
Liabilities		
Other secured financings	\$ 316	\$ 374
Total	\$ 316	\$ 374
Principal-protected notes		
Assets		
Customer and other receivables	\$ 339	\$ 347
Trading assets	81	67
Total	\$ 420	\$ 414
Liabilities		
Other secured financings	\$ 325	\$ 333
Unsecured short-term borrowings	14	14
Unsecured long-term borrowings	16	17
Total	\$ 355	\$ 364

In the table above, creditors and beneficial interest holders of real estate, credit-related and other investing VIEs do not have recourse to the general credit of the firm.

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Note 18.**Commitments, Contingencies and Guarantees****Commitments**

The table below presents commitments by type.

\$ in millions	As of	
	March	December
	2024	2023
Commitment Type		
Commercial lending:		
Investment-grade	\$114,565	\$111,202
Non-investment-grade	56,338	54,298
Warehouse financing	11,717	9,184
Consumer	73,622	73,074
Total lending	256,242	247,758
Risk participations	7,637	8,167
Collateralized agreement	95,031	100,503
Collateralized financing	66,715	84,276
Investment	4,730	4,592
Other	11,742	8,258
Total commitments	\$442,097	\$453,554

The table below presents commitments by expiration.

\$ in millions	As of March 2024			
	Remainder of 2024	2025 - 2026	2027 - 2028	2029 - Thereafter
Commitment Type				
Commercial lending:				
Investment-grade	\$ 14,011	\$39,259	\$51,191	\$ 10,104
Non-investment-grade	2,966	22,356	22,447	8,569
Warehouse financing	1,328	6,227	3,292	870
Consumer	73,622	-	-	-
Total lending	91,927	67,842	76,930	19,543
Risk participations	1,552	3,172	2,828	85
Collateralized agreement	92,860	2,171	-	-

The table below presents information about lending commitments.

\$ in millions	As of	
	March	December
	2024	2023
Held for investment	\$238,807	\$227,865
Held for sale	16,499	19,129
At fair value	936	764
Total	\$256,242	\$247,758

In the table above:

- Held for investment lending commitments are accounted for at amortized cost. The carrying value of lending commitments was a liability of \$845 million (including allowance for credit losses of \$633 million) as of March 2024 and \$845 million (including allowance for credit losses of \$620 million) as of December 2023. The estimated fair value of such lending commitments was a liability of \$4.97 billion as of March 2024 and \$5.29 billion as of December 2023. Had these lending commitments been carried at fair value and included in the fair value hierarchy, \$2.88 billion as of March 2024 and \$3.10 billion as of December 2023 would have been classified in level 2, and \$2.09 billion as of March 2024 and \$2.19 billion as of December 2023 would have been classified in level 3.
- Held for sale lending commitments are accounted for at the lower of cost or fair value. The carrying value of lending commitments held for sale was a liability of \$43 million as of March 2024 and \$70 million as of December 2023. The estimated fair value of such lending commitments approximates the carrying value. Had these lending commitments been included in the fair value hierarchy, they would have been primarily classified in level 3 as of both March 2024 and December 2023.
- Gains or losses related to lending commitments at fair value, if any, are

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Commercial Lending. The firm's commercial lending commitments were primarily extended to investment-grade corporate borrowers. Such commitments primarily included \$140.19 billion as of March 2024 and \$137.11 billion as of December 2023, related to relationship lending activities (principally used for operating and general corporate purposes), and \$6.72 billion as of March 2024 and \$4.21 billion as of December 2023, related to other investment banking activities (generally extended for contingent acquisition financing and are often intended to be short-term in nature, as borrowers often seek to replace them with other funding sources). The firm also extends lending commitments in connection with other types of corporate lending, commercial real estate financing and other collateralized lending. See Note 9 for further information about funded loans.

To mitigate the credit risk associated with the firm's commercial lending activities, the firm obtains credit protection on certain loans and lending commitments through credit default swaps, both single-name and index-based contracts, and through the issuance of credit-linked notes.

Warehouse Financing. The firm provides financing to clients who warehouse financial assets. These arrangements are collateralized by the warehoused assets, primarily consisting of residential real estate, consumer and corporate loans.

Consumer. The firm's consumer lending commitments includes:

- Credit card lines issued by the firm to consumers were \$73.62 billion as of March 2024 and \$70.82 billion as of December 2023. Such credit card lines included \$14.41 billion as of March 2024 and \$14.35 billion as of December 2023 of commitments classified as held for sale in connection with the planned sale of the GM co-branded credit card portfolio. These credit card lines are cancellable by the firm.
- Commitments to provide unsecured installment loans to consumers were \$2.25 billion as of December 2023 and such commitments were classified as

Risk Participations

The firm also risk participates certain of its commercial lending commitments to other financial institutions. In the event of a risk participant's default, the firm will be responsible to fund the borrower.

Collateralized Agreement Commitments/ Collateralized Financing Commitments

Collateralized agreement commitments includes forward starting resale and securities borrowing agreements, and collateralized financing commitments includes forward starting repurchase and secured lending agreements that settle at a future date, generally within three business days. Collateralized agreement commitments also includes transactions where the firm has entered into commitments to provide contingent financing to its clients and counterparties through resale agreements. The firm's funding of these commitments depends on the satisfaction of all contractual conditions to the resale agreement and these commitments can expire unused.

Investment Commitments

Investment commitments includes commitments to invest in private equity, real estate and other assets directly and through funds that the firm raises and manages. Investment commitments included \$1.01 billion as of March 2024 and \$963 million as of December 2023, related to commitments to invest in funds managed by the firm. If these commitments are called, they would be funded at market value on the date of investment.

Contingencies

Legal Proceedings. See Note 27 for information about legal proceedings.

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Guarantees

The table below presents derivatives that meet the definition of a guarantee, securities lending and clearing guarantees and certain other financial guarantees.

		Securities lending and clearing	Other financial guarantees
\$ in millions	Derivatives		
As of March 2024			
Carrying Value of Net Liability	\$ 4,931	\$ -	\$ 462
Maximum Payout/Notional Amount by Period of Expiration			
Remainder of 2024	\$143,831	\$ 25,636	\$ 2,003
2025 - 2026	126,278	-	2,889
2027 - 2028	23,474	-	2,303
2029 - thereafter	35,243	-	344
Total	\$328,826	\$ 25,636	\$ 7,539
As of December 2023			
Carrying Value of Net Liability	\$ 5,240	\$ -	\$ 430
Maximum Payout/Notional Amount by Period of Expiration			
2024	\$ 177,895	\$ 28,787	\$ 2,325
2025 - 2026	98,843	-	3,108
2027 - 2028	19,282	-	2,109
2029 - thereafter	29,030	-	231
Total	\$ 325,050	\$ 28,787	\$ 7,773

In the table above:

- The maximum payout is based on the notional amount of the contract and does not represent anticipated losses.
- Amounts exclude certain commitments to issue standby letters of credit that are included in lending commitments. See the tables in "Commitments" above for a summary of the firm's commitments.
- The carrying value for derivatives included derivative assets of \$408 million as of March 2024 and \$359 million as of December 2023, and derivative liabilities of \$5.34 billion as of March 2024 and \$5.60 billion as of December 2023.

Derivative Guarantees. The firm enters into various derivatives that meet the definition of a guarantee under U.S. GAAP, including written equity and commodity put options, written currency contracts and interest rate caps, floors and swaptions. These derivatives are risk managed together with derivatives that do not meet the definition of a guarantee, and therefore the amounts in the table above do not reflect the firm's overall risk related to derivative activities. Disclosures about derivatives are not required if they may be cash settled and the firm has no basis to conclude it is probable that the counterparties held the underlying instruments at the inception of the contract. The firm has concluded that these conditions have been met for certain large, internationally active commercial and investment bank counterparties, central clearing counterparties, hedge funds and certain other counterparties. Accordingly, the firm has not included such contracts in the table above. See Note 7 for information about credit derivatives that meet the definition of a guarantee, which are not included in the table above.

Derivatives are accounted for at fair value and therefore the carrying value is considered the best indication of payment/performance risk for individual contracts. However, the carrying values in the table above exclude the effect of counterparty and cash collateral netting.

Securities Lending and Clearing Guarantees. Securities lending and clearing guarantees include the indemnifications and guarantees that the firm provides in its capacity as an agency lender and in its capacity as a sponsoring member of the Fixed Income Clearing Corporation.

As an agency lender, the firm indemnifies most of its securities lending customers against losses incurred in the event that borrowers do not return securities and the collateral held is insufficient to cover the market value of the securities borrowed. The maximum payout of such indemnifications was \$13.40 billion as of March 2024 and \$14.19 billion as of December 2023. Collateral held by the lenders in connection with securities

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As a sponsoring member of the Government Securities Division of the Fixed Income Clearing Corporation, the firm guarantees the performance of its sponsored member clients to the Fixed Income Clearing Corporation in connection with certain resale and repurchase agreements. To minimize potential losses on such guarantees, the firm obtains a security interest in the collateral that the sponsored client placed with the Fixed Income Clearing Corporation. Therefore, the risk of loss on such guarantees is minimal. The maximum payout on this guarantee was \$12.24 billion as of March 2024 and \$14.60 billion as of December 2023. The related collateral held was \$12.17 billion as of March 2024 and \$14.69 billion as of December 2023.

Other Financial Guarantees. In the ordinary course of business, the firm provides other financial guarantees of the obligations of third parties (e.g., standby letters of credit and other guarantees to enable clients to complete transactions and fund-related guarantees). These guarantees represent obligations to make payments to beneficiaries if the guaranteed party fails to fulfill its obligation under a contractual arrangement with that beneficiary. Other financial guarantees also include a guarantee that the firm has provided to the Government of Malaysia that it will receive, by August 2025, at least \$1.4 billion in assets and proceeds from assets seized by governmental authorities around the world related to 1Malaysia Development Berhad, a sovereign wealth fund in Malaysia (1MDB). In connection with this guarantee, the firm agreed to make a one-time interim payment of \$250 million towards the \$1.4 billion if the Government of Malaysia did not receive at least \$500 million in assets and proceeds by August 2022. The firm does not believe that any interim payment is required. Any amounts paid by the firm would, in any event, be subject to reimbursement in the event the assets and proceeds received by the Government of Malaysia through August 18, 2028 exceed \$1.4 billion.

On October 11, 2023, the firm filed a demand for arbitration alleging that the Government of Malaysia had, as of August

Guarantees of Securities Issued by Trusts. The firm has established trusts, including Goldman Sachs Capital I, Goldman Sachs Capital II and Goldman Sachs Capital III (the Trusts), and other entities, for the limited purpose of issuing securities to third parties, lending the proceeds to the firm and entering into contractual arrangements with the firm and third parties related to this purpose. The firm does not consolidate these entities. See Notes 14 and 19 for further information about the transactions involving the Trusts.

The firm effectively provides for the full and unconditional guarantee of the securities issued by these entities. Timely payment by the firm of amounts due to these entities under the guarantee, borrowing, preferred stock and related contractual arrangements will be sufficient to cover payments due on the securities issued by these entities. No subsidiary of Group Inc. guarantees the securities of the Trusts.

Management believes that it is unlikely that any circumstances will occur, such as nonperformance on the part of paying agents or other service providers, that would make it necessary for the firm to make payments related to these entities other than those required under the terms of the guarantee, borrowing, preferred stock and related contractual arrangements and in connection with certain expenses incurred by these entities.

Indemnities and Guarantees of Service Providers. In the ordinary course of business, the firm indemnifies and guarantees certain service providers, such as clearing and custody agents, trustees and administrators, against specified potential losses in connection with their acting as an agent of, or providing services to, the firm or its affiliates.

The firm may also be liable to some clients or other parties for losses arising from its custodial role or caused by acts or omissions of third-party service providers, including sub-custodians and third-party brokers. In certain cases, the firm has the right to seek indemnification from these third-party service providers for certain relevant losses incurred by the firm. In

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The firm is unable to develop an estimate of the maximum payout under these guarantees and indemnifications as this depends upon the occurrence of future events, including an assessment of claims that have not yet occurred. However, management believes that it is unlikely the firm will have to make any material payments under these arrangements, and no material liabilities related to these guarantees and indemnifications have been recognized in the consolidated balance sheets as of both March 2024 and December 2023.

Other Representations, Warranties and Indemnifications. The firm provides representations and warranties to counterparties in connection with a variety of commercial transactions and occasionally indemnifies them against potential losses caused by the breach of those representations and warranties. The firm may also provide indemnifications protecting against changes in or adverse application of certain U.S. tax laws in connection with ordinary-course transactions, such as securities issuances, borrowings or derivatives.

In addition, the firm may provide indemnifications to some counterparties to protect them in the event additional taxes are owed or payments are withheld, due either to a change in or an adverse application of certain non-U.S. tax laws. These indemnifications, as well as indemnifications provided by the firm on other contractual or other obligations, generally are standard contractual terms and are entered into in the ordinary course of business. Generally, there are no stated or notional amounts included in these indemnifications, and the contingencies triggering the obligation to indemnify are not expected to occur. Future changes in tax laws and how such laws would apply to these indemnifications cannot be determined. Therefore, the firm is unable to develop an estimate of the maximum payout under these guarantees and indemnifications. However, management believes that it is unlikely the firm will have to make any material payments under these arrangements, and no material liabilities related to these arrangements have been recognized in the consolidated

Note 19.

Shareholders' Equity

Common Equity

As of both March 2024 and December 2023, the firm had 4.00 billion authorized shares of common stock and 200 million authorized shares of nonvoting common stock, each with a par value of \$0.01 per share.

The firm's share repurchase program is intended to help maintain the appropriate level of common equity. The share repurchase program is effected primarily through regular open-market purchases (which may include repurchase plans designed to comply with Rule 10b5-1 and accelerated share repurchases), the amounts and timing of which are determined primarily by the firm's current and projected capital position, and capital deployment opportunities, but which may also be influenced by general market conditions and the prevailing price and trading volumes of the firm's common stock.

The table below presents information about common stock repurchases.

	Three Months Ended March	
in millions, except per share amounts	2024	2023
Common share repurchases	3.9	7.1
Average cost per share	\$384.55	\$359.77
Total cost of common share repurchases	\$ 1,500	\$ 2,546

Pursuant to the terms of certain share-based compensation plans, employees may remit shares to the firm or the firm may cancel share-based awards to satisfy statutory employee tax withholding requirements. Under these plans, during the three months ended March 2024, 1,024 shares were remitted with a total value of \$0.4 million and the firm cancelled 3.2 million share-based awards with a total value of \$1.25 billion.

The table below presents common stock dividends declared.

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Preferred Equity

The tables below present information about the perpetual preferred stock issued and outstanding as of March 2024.

Series	Depository			
	Shares Authorized	Shares Issued	Shares Outstanding	Shares Per Share
A	50,000	30,000	29,999	1,000
C	25,000	8,000	8,000	1,000
D	60,000	54,000	53,999	1,000
E	17,500	7,667	7,667	N.A.
F	5,000	1,615	1,615	N.A.
K	32,200	28,000	28,000	1,000
O	26,000	26,000	26,000	25
P	66,000	60,000	60,000	25
Q	20,000	20,000	20,000	25
R	24,000	24,000	24,000	25
S	14,000	14,000	14,000	25
T	27,000	27,000	27,000	25
U	30,000	30,000	30,000	25
V	30,000	30,000	30,000	25
W	60,000	60,000	60,000	25
Total	486,700	420,282	420,280	

Series	Redemption		
	Earliest Liquidation Date	Preference	Value (\$ in millions)
A	Currently redeemable	\$ 25,000	\$ 750
C	Currently redeemable	\$ 25,000	200
D	Currently redeemable	\$ 25,000	1,350
E	Currently redeemable	\$ 100,000	767
F	Currently redeemable	\$ 100,000	161
K	May 10, 2024	\$ 25,000	700
O	November 10, 2026	\$ 25,000	650
P	Currently redeemable	\$ 25,000	1,500
Q	August 10, 2024	\$ 25,000	500
R	February 10, 2025	\$ 25,000	600
S	February 10, 2025	\$ 25,000	350
T	May 10, 2026	\$ 25,000	675
U	August 10, 2026	\$ 25,000	750
	November 10,		

- The redemption price per share for Series A through F and Series Q through W Preferred Stock is the liquidation preference plus declared and unpaid dividends. The redemption price per share for Series K through P Preferred Stock is the liquidation preference plus accrued and unpaid dividends.
- All series of preferred stock are pari passu and have a preference over the firm's common stock on liquidation.
- The firm's ability to declare or pay dividends on, or purchase, redeem or otherwise acquire, its common stock is subject to certain restrictions in the event that the firm fails to pay or set aside full dividends on the preferred stock for the latest completed dividend period.
- Series E and Series F Preferred Stock are held by Goldman Sachs Capital II and Goldman Sachs Capital III, respectively. These trusts are Delaware statutory trusts sponsored by the firm and wholly-owned finance subsidiaries of the firm for regulatory and legal purposes but are not consolidated for accounting purposes.

In April 2024, the firm issued 90,000 shares of Series X 7.50% Fixed-Rate Reset Non-Cumulative Preferred Stock (Series X Preferred Stock). Each share of Series X Preferred Stock issued and outstanding has a liquidation preference of \$25,000 per share, is represented by 25 depository shares and is redeemable at the firm's option beginning May 10, 2029 at a redemption price equal to \$25,000 per share plus declared and unpaid dividends. Dividends on Series X Preferred Stock, if declared, are payable semi-annually at (i) 7.50% per annum from the issuance date to, but excluding May 10, 2029 and, thereafter, (ii) 2.809% per annum plus the five-year treasury rate.

The firm has announced that in May 2024 it will redeem all outstanding shares of its Series K 6.375% Fixed-to-Floating Rate Non-Cumulative Preferred Stock (Series K Preferred Stock) with a redemption value of \$700 million (\$25,000 per share), plus accrued and unpaid dividends.

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The table below presents the dividend rates of perpetual preferred stock as of March 2024.

Series	Per Annum Dividend Rate
A	3 month term SOFR + 1.01161%, with floor of 3.75%, payable quarterly
C	3 month term SOFR + 1.01161%, with floor of 4.00%, payable quarterly
D	3 month term SOFR + 0.93161%, with floor of 4.00%, payable quarterly
E	3 month term SOFR + 1.02911%, with floor of 4.00%, payable quarterly
F	3 month term SOFR + 1.03161%, with floor of 4.00%, payable quarterly
K	6.375% to, but excluding, May 10, 2024; 3 month term SOFR + 3.81161% thereafter, payable quarterly
O	5.30%, payable semi-annually, from issuance date to, but excluding, November 10, 2026; 3 month term SOFR + 4.09561%, payable quarterly, thereafter
P	3 month term SOFR + 3.13561%, payable quarterly
Q	5.50%, payable semi-annually, from issuance date to, but excluding, August 10, 2024; 5 year treasury rate + 3.623%, payable semi-annually, thereafter
R	4.95%, payable semi-annually, from issuance date to, but excluding, February 10, 2025; 5 year treasury rate + 3.224%, payable semi-annually, thereafter
S	4.40%, payable semi-annually, from issuance date to, but excluding, February 10, 2025; 5 year treasury rate + 2.85%, payable semi-annually thereafter
T	3.80%, payable semi-annually, from issuance date to, but excluding, May 10, 2026; 5 year treasury rate + 2.969%, payable semi-annually, thereafter
U	3.65%, payable semi-annually, from issuance date to, but excluding, August 10, 2026; 5 year treasury rate + 2.915%, payable semi-annually, thereafter
V	4.125%, payable semi-annually, from issuance date to, but excluding, November 10, 2026; 5 year treasury rate + 2.949%, payable semi-annually, thereafter
W	7.50%, payable semi-annually, from issuance date to, but excluding, February 10, 2029; 5 year treasury rate + 3.156%, payable semi-annually, thereafter

In the table above, dividends on each

On April 8, 2024, Group Inc. declared dividends of \$385.79 per share of Series A Preferred Stock, \$385.79 per share of Series C Preferred Stock, \$380.90 per share of Series D Preferred Stock, \$398.44 per share of Series K Preferred Stock, \$662.50 per share of Series O Preferred Stock, \$515.59 per share of Series P Preferred Stock, \$475.00 per share of Series T Preferred Stock and \$515.63 per share of Series V Preferred Stock that will be paid on May 10, 2024 to preferred shareholders of record on April 25, 2024. In addition, the firm declared dividends of \$1,663.37 per share of Series E Preferred Stock and \$1,664.02 per share of Series F Preferred Stock to be paid on June 3, 2024 to preferred shareholders of record on May 19, 2024.

Accumulated Other Comprehensive Income/(Loss)

The table below presents changes in accumulated other comprehensive income/(loss), net of tax, by type.

	Other comprehensive income/(loss)		
	Beginning balance	adjustments, net of tax	Ending balance
\$ in millions			
Three Months Ended March 2024			
Currency translation	\$ (847)	\$ 26	\$ (821)
Debt valuation adjustment	(123)	(556)	(679)
Pension and postretirement liabilities	(575)	16	(559)
Available-for-sale securities	(1,373)	115	(1,258)
Total	\$(2,918)	\$(399)	\$(3,317)
Three Months Ended March 2023			
Currency translation	\$ (785)	\$(31)	\$(816)
Debt valuation adjustment	892	(1)	891
Pension and postretirement liabilities	(499)	14	(485)
Available-for-sale securities	(2,618)	427	(2,191)
Total	\$ (3,010)	409	\$ (2,601)

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Note 20.

Regulation and Capital Adequacy

The FRB is the primary regulator of Group Inc., a bank holding company under the U.S. Bank Holding Company Act of 1956 and a financial holding company under amendments to this Act. The firm is subject to consolidated regulatory capital requirements which are calculated in accordance with the regulations of the FRB (Capital Framework).

The capital requirements are expressed as risk-based capital and leverage ratios that compare measures of regulatory capital to risk-weighted assets (RWAs), average assets and off-balance sheet exposures. Failure to comply with these capital requirements would result in restrictions being imposed by the firm's regulators and could limit the firm's ability to repurchase shares, pay dividends and make certain discretionary compensation payments. The firm's capital levels are also subject to qualitative judgments by the regulators about components of capital, risk weightings and other factors. Furthermore, certain of the firm's subsidiaries are subject to separate regulations and capital requirements.

Capital Framework

The regulations under the Capital Framework are largely based on the Basel Committee on Banking Supervision's (Basel Committee) capital framework for strengthening international capital standards (Basel III) and also implement certain provisions of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act. Under the Capital Framework, the firm is an "Advanced approaches" banking organization and has been designated as a global systemically important bank (G-SIB).

The Capital Framework includes the minimum risk-based capital and the capital conservation buffer requirements. The buffer must consist entirely of capital that qualifies as Common Equity Tier 1 (CET1) capital.

The firm calculates its CET1 capital, Tier 1

Consolidated Regulatory Capital Requirements

Risk-Based Capital Ratios. The table below presents the risk-based capital requirements.

	Standardized	Advanced
As of March 2024		
CET1 capital ratio	13.0 %	10.0 %
Tier 1 capital ratio	14.5 %	11.5 %
Total capital ratio	16.5 %	13.5 %
As of December 2023		
CET1 capital ratio	13.0 %	10.0 %
Tier 1 capital ratio	14.5 %	11.5 %
Total capital ratio	16.5 %	13.5 %

In the table above:

- Under both the Standardized and Advanced Capital Rules, the CET1 capital ratio requirement includes a minimum of 4.5%, the Tier 1 capital ratio requirement includes a minimum of 6.0% and the Total capital ratio requirement includes a minimum of 8.0%. These requirements also include the capital conservation buffer requirements, consisting of the G-SIB surcharge (Method 2) of 3.0% and the countercyclical capital buffer, which the FRB has set to zero percent. In addition, the capital conservation buffer requirements include the stress capital buffer of 5.5% under the Standardized Capital Rules and a buffer of 2.5% under the Advanced Capital Rules.
- The G-SIB surcharge is updated annually based on financial data from the prior year and is generally applicable for the following year. The G-SIB surcharge is calculated using two methodologies, the higher of which is reflected in the firm's risk-based capital requirements. The first calculation (Method 1) is based on the Basel Committee's methodology which, among other factors, relies upon measures of the size, activity and complexity of each G-SIB. The second calculation (Method 2) uses similar inputs but includes a measure of reliance on short-term wholesale funding.

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The table below presents information about risk-based capital ratios.

\$ in millions	Standardized	Advanced
As of March 2024		
CET1 capital	\$ 101,650	\$101,650
Tier 1 capital	\$ 112,462	\$112,462
Tier 2 capital	\$ 14,829	\$ 10,847
Total capital	\$ 127,291	\$123,309
RWAs	\$ 695,174	\$639,811
CET1 capital ratio	14.6 %	15.9 %
Tier 1 capital ratio	16.2 %	17.6 %
Total capital ratio	18.3 %	19.3 %
As of December 2023		
CET1 capital	\$ 99,442	\$ 99,442
Tier 1 capital	\$ 110,288	\$ 110,288
Tier 2 capital	\$ 14,874	\$ 10,684
Total capital	\$ 125,162	\$ 120,972
RWAs	\$ 692,737	\$ 665,348
CET1 capital ratio	14.4 %	14.9 %
Tier 1 capital ratio	15.9 %	16.6 %
Total capital ratio	18.1 %	18.2 %

Leverage Ratios. The table below presents the leverage requirements.

	As of	
	March	December
	2024	2023
Tier 1 leverage ratio	4.0 %	4.0 %
SLR	5.0 %	5.0 %

In the table above, the SLR requirement of 5% includes a minimum of 3% and a 2% buffer applicable to G-SIBs.

The table below presents information about leverage ratios.

	For the Three Months	
	Ended or as of	
	March	December
	2024	2023
Tier 1 capital	\$ 112,462	\$ 110,288
Average total assets	\$1,643,169	\$1,579,237
Deductions from Tier 1 capital	(6,964)	(7,167)
Average adjusted total assets	1,636,205	1,572,070
Off-balance sheet and other exposures	433,498	423,686

- SLR is calculated as Tier 1 capital divided by total leverage exposure.

Risk-Based Capital. The table below presents information about risk-based capital.

	As of	
	March	December
	2024	2023
\$ in millions		
Common shareholders' equity	\$107,343	\$ 105,702
Impact of CECL transition	276	553
Deduction for goodwill	(5,205)	(5,224)
Deduction for identifiable intangible assets	(797)	(950)
Other adjustments	33	(639)
CET1 capital	101,650	99,442
Preferred stock	11,203	11,203
Deduction for investments in covered funds	(388)	(354)
Other adjustments	(3)	(3)
Tier 1 capital	\$112,462	\$ 110,288

Standardized Tier 2 and Total capital

Tier 1 capital	\$112,462	\$ 110,288
Qualifying subordinated debt	9,626	9,886
Allowance for credit losses	5,206	5,012
Other adjustments	(3)	(24)
Standardized Tier 2 capital	14,829	14,874
Standardized Total capital	\$127,291	\$ 125,162

Advanced Tier 2 and Total capital

Tier 1 capital	\$112,462	\$ 110,288
Standardized Tier 2 capital	14,829	14,874
Allowance for credit losses	(5,206)	(5,012)
Other adjustments	1,224	822
Advanced Tier 2 capital	10,847	10,684
Advanced Total capital	\$123,309	\$ 120,972

In the table above:

- Beginning in January 2022, the firm started to phase in the estimated reduction to regulatory capital as a result of adopting the CECL model. The total amount of reduction to be phased in from January 1, 2022 through January 1, 2025 (at 25% per year) was \$1.11 billion, of which \$829 million had been phased in as of March 2024. The total amount to

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- Other adjustments within CET1 capital and Tier 1 capital primarily include CVAs on derivative liabilities, the overfunded portion of the firm's defined benefit pension plan obligation net of associated deferred tax liabilities, disallowed deferred tax assets, debt valuation adjustments and other required credit risk-based deductions. Other adjustments within Advanced Tier 2 capital include eligible credit reserves.
- Qualifying subordinated debt is subordinated debt issued by Group Inc. with an original maturity of five years or greater. The outstanding amount of subordinated debt qualifying for Tier 2 capital is reduced upon reaching a remaining maturity of five years. See Note 14 for further information about the firm's subordinated debt.

The table below presents changes in CET1 capital, Tier 1 capital and Tier 2 capital.

\$ in millions	Standardized	Advanced
Three Months Ended March 2024		
CET1 capital		
Beginning balance	\$ 99,442	\$ 99,442
Change in:		
Common shareholders' equity	1,641	1,641
Impact of CECL transition	(277)	(277)
Deduction for goodwill	19	19
Deduction for identifiable intangible assets	153	153
Other adjustments	672	672
Ending balance	\$ 101,650	\$ 101,650
Tier 1 capital		
Beginning balance	\$ 110,288	\$ 110,288
Change in:		
CET1 capital	2,208	2,208
Deduction for investments in covered funds	(34)	(34)
Ending balance	112,462	112,462
Tier 2 capital		
Beginning balance	14,874	10,684
Change in:		
Qualifying subordinated debt	(260)	(260)
Allowance for credit losses	194	-
Other adjustments	21	423

RWAs. RWAs are calculated in accordance with both the Standardized and Advanced Capital Rules.

Credit Risk

Credit RWAs are calculated based on measures of exposure, which are then risk weighted under the Standardized and Advanced Capital Rules:

- The Standardized Capital Rules apply prescribed risk-weights, which depend largely on the type of counterparty. The exposure measures for derivatives and securities financing transactions are based on specific formulas which take certain factors into consideration.
- Under the Advanced Capital Rules, the firm computes risk-weights for wholesale and retail credit exposures in accordance with the Advanced Internal Ratings-Based approach. The exposure measures for derivatives and securities financing transactions are computed utilizing internal models.
- For both Standardized and Advanced credit RWAs, the risk-weights for securitizations and equities are based on specific required formulaic approaches.

Market Risk

RWAs for market risk in accordance with the Standardized and Advanced Capital Rules are generally consistent. Market RWAs are calculated based on measures of exposure which include the following:

- Value-at-Risk (VaR) is the potential loss in value of trading assets and liabilities, as well as certain investments, loans, and other financial assets and liabilities accounted for at fair value, due to adverse market movements over a defined time horizon with a specified confidence level.

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For both risk management purposes and regulatory capital calculations, the firm uses a single VaR model which captures risks, including those related to interest rates, equity prices, currency rates and commodity prices. However, VaR used for risk management purposes differs from VaR used for regulatory capital requirements (regulatory VaR) due to differences in time horizons, confidence levels and the scope of positions on which VaR is calculated. For risk management purposes, a 95% one-day VaR is used, whereas for regulatory capital requirements, a 99% 10-day VaR is used to determine Market RWAs and a 99% one-day VaR is used to determine regulatory VaR exceptions. In addition, the daily net revenues used to determine risk management VaR exceptions (i.e., comparing the daily net revenues to the VaR measure calculated as of the end of the prior business day) include intraday activity, whereas the Capital Framework requires that intraday activity be excluded from daily net revenues when calculating regulatory VaR exceptions. Intraday activity includes bid/offer net revenues, which are more likely than not to be positive by their nature. As a result, there may be differences in the number of VaR exceptions and the amount of daily net revenues calculated for regulatory VaR compared to the amounts calculated for risk management VaR.

The firm's positional losses observed on a single day did not exceed its 99% one-day regulatory VaR during the three months ended March 2024 and exceeded its 99% one-day regulatory VaR on one occasion during 2023. There was no change in the firm's VaR multiplier used to calculate Market RWAs;

- Stressed VaR is the potential loss in value of trading assets and liabilities, as well as certain investments, loans, and other financial assets and liabilities accounted for at fair value, during a period of significant market stress;
- Incremental risk is the potential loss in value of non-securitized positions due to the default or credit migration of issuers of financial instruments over a one-year time horizon;
- Comprehensive risk is the potential loss

Operational Risk

Operational RWAs are only required to be included under the Advanced Capital Rules. The firm utilizes an internal risk-based model to quantify Operational RWAs.

The table below presents information about RWAs.

\$ in millions	Standardized	Advanced
As of March 2024		
Credit RWAs		
Derivatives	\$ 151,505	\$ 90,832
Commitments, guarantees and loans	239,057	184,162
Securities financing transactions	111,851	21,741
Equity investments	34,206	36,134
Other	72,239	93,926
Total Credit RWAs	608,858	426,795
Market RWAs		
Regulatory VaR	15,511	15,511
Stressed VaR	44,586	44,586
Incremental risk	6,088	6,088
Comprehensive risk	1,609	1,609
Specific risk	18,522	18,522
Total Market RWAs	86,316	86,316
Total Operational RWAs	-	126,700
Total RWAs	\$ 695,174	\$639,811

As of December 2023

Credit RWAs		
Derivatives	\$ 146,357	\$ 96,322
Commitments, guarantees and loans	243,094	194,236
Securities financing transactions	103,704	23,637
Equity investments	34,223	36,920
Other	76,481	96,755
Total Credit RWAs	603,859	447,870
Market RWAs		
Regulatory VaR	16,457	16,457
Stressed VaR	48,496	48,496
Incremental risk	5,032	5,032
Comprehensive risk	2,718	2,718
Specific risk	16,175	16,175
Total Market RWAs	88,878	88,878
Total Operational RWAs	-	128,600
Total RWAs	\$ 692,737	\$ 665,348

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The table below presents changes in RWAs.

\$ in millions	Standardized	Advanced
Three Months Ended March 2024		
RWAs		
Beginning balance	\$ 692,737	\$ 665,348
Credit RWAs		
Change in:		
Derivatives	5,148	(5,490)
Commitments, guarantees and loans	(4,037)	(10,074)
Securities financing transactions	8,147	(1,896)
Equity investments	(17)	(786)
Other	(4,242)	(2,829)
Change in Credit RWAs	4,999	(21,075)
Market RWAs		
Change in:		
Regulatory VaR	(946)	(946)
Stressed VaR	(3,910)	(3,910)
Incremental risk	1,056	1,056
Comprehensive risk	(1,109)	(1,109)
Specific risk	2,347	2,347
Change in Market RWAs	(2,562)	(2,562)
Change in Operational RWAs	-	(1,900)
Ending balance	\$ 695,174	\$ 639,811

RWAs Rollforward Commentary

Three Months Ended March 2024.

Standardized Credit RWAs as of March 2024 increased by \$5.00 billion compared with December 2023, primarily reflecting an increase in securities financing transactions (principally due to increased funding exposures) and an increase in derivatives (principally due to increased exposures). These increases were partially offset by a decrease in other credit RWAs (principally due to reduced customer and other receivables exposures) and a decrease in commitments, guarantees and loans (principally due to reduced lending exposures). Standardized Market RWAs as of March 2024 decreased by \$2.56 billion compared with December 2023, reflecting a decrease in stressed VaR (principally due to lower levels of market volatility).

Advanced Credit RWAs as of March 2024 decreased by \$21.08 billion compared with December 2023, primarily reflecting a

The Capital Framework includes the minimum risk-based capital and the capital conservation buffer requirements (consisting of a 2.5% buffer and the countercyclical capital buffer). The buffer must consist entirely of capital that qualifies as CET1 capital. In addition, the Capital Framework includes the leverage ratio requirement.

GS Bank USA is required to calculate the CET1 capital, Tier 1 capital and Total capital ratios in accordance with both the Standardized and Advanced Capital Rules. The lower of each risk-based capital ratio under the Standardized and Advanced Capital Rules is the ratio against which GS Bank USA's compliance with its risk-based capital requirements is assessed. In addition, under the regulatory framework for prompt corrective action applicable to GS Bank USA, in order to meet the quantitative requirements for a "well-capitalized" depository institution, GS Bank USA must also meet the "well-capitalized" requirements in the table below. GS Bank USA's capital levels and prompt corrective action classification are also subject to qualitative judgments by the regulators about components of capital, risk weightings and other factors. Failure to comply with the capital requirements, including a breach of the buffers described below, would result in restrictions being imposed by the regulators.

The table below presents GS Bank USA's risk-based capital, leverage and "well-capitalized" requirements.

	Requirements	"Well-capitalized" Requirements
Risk-based capital requirements		
CET1 capital ratio	7.0 %	6.5 %
Tier 1 capital ratio	8.5 %	8.0 %
Total capital ratio	10.5 %	10.0 %
Leverage requirements		
Tier 1 leverage ratio	4.0 %	5.0 %
SLR	3.0 %	6.0 %

In the table above:

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The table below presents information about GS Bank USA's risk-based capital ratios.

\$ in millions	Standardized	Advanced
As of March 2024		
CET1 capital	\$ 56,176	\$ 56,176
Tier 1 capital	\$ 56,176	\$ 56,176
Tier 2 capital	\$ 6,265	\$ 3,065
Total capital	\$ 62,441	\$ 59,241
RWAs	\$ 372,640	\$ 275,945
CET1 capital ratio	15.1 %	20.4 %
Tier 1 capital ratio	15.1 %	20.4 %
Total capital ratio	16.8 %	21.5 %
As of December 2023		
CET1 capital	\$ 53,781	\$ 53,781
Tier 1 capital	\$ 53,781	\$ 53,781
Tier 2 capital	\$ 6,314	\$ 2,951
Total capital	\$ 60,095	\$ 56,732
RWAs	\$ 380,774	\$ 288,938
CET1 capital ratio	14.1 %	18.6 %
Tier 1 capital ratio	14.1 %	18.6 %
Total capital ratio	15.8 %	19.6 %

In the table above:

- The lower of the Standardized or Advanced ratio is the ratio against which GS Bank USA's compliance with the capital requirements is assessed under the risk-based Capital Rules, and therefore, the Standardized ratios applied to GS Bank USA as of both March 2024 and December 2023.
- Beginning in January 2022, GS Bank USA started to phase in the estimated reduction to regulatory capital as a result of adopting the CECL model at 25% per year through January 2025. The total amount to be phased in includes the impact of adopting CECL as of January 1, 2020, as well as 25% of the increase in the allowance for credit losses from January 1, 2020 through December 31, 2021.
- The Standardized and Advanced risk-based capital ratios increased from December 2023 to March 2024, reflecting an increase in capital, principally due to net earnings, and a decrease in both Market and Credit

In the table above:

- Average adjusted total assets represents the average daily assets for the quarter adjusted for deductions from Tier 1 capital and the impact of CECL transition.
- Tier 1 leverage ratio is calculated as Tier 1 capital divided by average adjusted total assets.
- SLR is calculated as Tier 1 capital divided by total leverage exposure.

The FRB requires that GS Bank USA maintain cash reserves with the Federal Reserve. As of both March 2024 and December 2023, the reserve requirement ratio was zero percent. See Note 26 for further information about cash deposits held by the firm at the Federal Reserve.

GS Bank USA is a registered swap dealer with the CFTC and a registered security-based swap dealer with the SEC. As of both March 2024 and December 2023, GS Bank USA was subject to and in compliance with applicable capital requirements for swap dealers and security-based swap dealers.

Restrictions on Payments

Group Inc. may be limited in its ability to access capital held at certain subsidiaries as a result of regulatory, tax or other constraints. These limitations include provisions of applicable law and regulations and other regulatory restrictions that limit the ability of those subsidiaries to declare and pay dividends without prior regulatory approval. For example, the amount of dividends that may be paid by GS Bank USA are limited to the lesser of the amounts calculated under a recent earnings test and an undivided profits test.

In addition, subsidiaries not subject to separate regulatory capital requirements may hold capital to satisfy local tax and legal guidelines, rating agency requirements (for entities with assigned credit ratings) or internal policies, including policies concerning the minimum amount of capital a subsidiary should hold based on its underlying level of risk.

Group Inc.'s equity investment in subsidiaries was \$136.89 billion as of

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Note 21.**Earnings Per Common Share**

Basic earnings per common share (EPS) is calculated by dividing net earnings to common by the weighted average number of common shares outstanding and RSUs for which the delivery of the underlying common stock is not subject to satisfaction of future service, performance or market conditions (collectively, basic shares). Diluted EPS includes the determinants of basic EPS and, in addition, reflects the dilutive effect of the common stock deliverable for RSUs for which the delivery of the underlying common stock is subject to satisfaction of future service, performance or market conditions.

The table below presents information about basic and diluted EPS.

	Three Months Ended March	
in millions, except per share amounts	2024	2023
Net earnings to common	\$3,931	\$ 3,087
Weighted average basic shares	335.6	346.6
Effect of dilutive RSUs	3.9	4.7
Weighted average diluted shares	339.5	351.3
Basic EPS	\$11.67	\$ 8.87
Diluted EPS	\$11.58	\$ 8.79

In the table above:

- Net earnings to common represents net earnings applicable to common shareholders, which is calculated as net earnings less preferred stock dividends.
- Unvested share-based awards that have non-forfeitable rights to dividends or dividend equivalents are treated as a separate class of securities under the two-class method. Distributed earnings allocated to these securities reduce net earnings to common to calculate EPS under this method. The impact of applying this methodology was a reduction in basic EPS of \$0.04 for both the three months ended March 2024 and March 2023.
- Diluted EPS does not include antidilutive

Note 22.**Transactions with Affiliated Funds**

The firm has formed nonconsolidated investment funds with third-party investors. As the firm generally acts as the investment manager for these funds, it is entitled to receive management fees and, in certain cases, advisory fees or incentive fees from these funds. Additionally, the firm invests alongside the third-party investors in certain funds.

The tables below present information about affiliated funds.

	Three Months Ended March	
\$ in millions	2024	2023
Fees earned from funds	\$ 1,244	\$ 1,165

	As of	
	March	December
\$ in millions	2024	2023
Fees receivable from funds	\$ 1,674	\$ 1,536
Aggregate carrying value of interests in funds	\$ 4,097	\$ 4,042

The firm has waived, and may waive in the future, certain management fees on select funds. Management fees waived were not material for both the three months ended March 2024 and March 2023.

In accordance with the Volcker Rule, the firm does not provide financial support to covered funds. However, in the ordinary course of business, the firm may choose to provide voluntary financial support to funds that are not subject to the Volcker Rule, although any such support is not expected to be material to the results of operations of the firm. Except for the fee waivers noted above, the firm did not provide any additional financial support to its affiliated funds during either the three months ended March 2024 or March 2023.

In addition, in the ordinary course of business, the firm may also engage in other activities with its affiliated funds, including, among others, securities

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Note 23.**Interest Income and Interest Expense**

Interest is recorded over the life of the instrument on an accrual basis based on contractual interest rates.

The table below presents sources of interest income and interest expense.

	Three Months Ended March	
\$ in millions	2024	2023
Deposits with banks	\$ 2,787	\$ 2,470
Collateralized agreements	4,789	3,389
Trading assets	2,913	1,824
Investments	1,193	817
Loans	3,941	3,458
Other interest	3,932	2,980
Total interest income	19,555	14,938
Deposits	5,147	3,495
Collateralized financings	4,206	2,360
Trading liabilities	688	598
Short-term borrowings	456	216
Long-term borrowings	2,777	2,650
Other interest	4,673	3,838
Total interest expense	17,947	13,157
Net interest income	\$ 1,608	\$ 1,781

In the table above:

- Collateralized agreements includes rebates paid and interest income on securities borrowed.
- Loans excludes interest on loans held for sale that are accounted for at the lower of cost or fair value. Such interest is included within other interest.
- Other interest income includes interest income on customer debit balances, other interest-earning assets and loans held for sale that are accounted for at the lower of cost or fair value.
- Collateralized financings consists of repurchase agreements and securities loaned.

Note 24.**Income Taxes****Provision for Income Taxes**

Income taxes are provided for using the asset and liability method under which deferred tax assets and liabilities are recognized for temporary differences between the financial reporting and tax bases of assets and liabilities. The firm reports interest expense related to income tax matters in provision for taxes and income tax penalties in other expenses.

Deferred Income Taxes

Deferred income taxes reflect the net tax effects of temporary differences between the financial reporting and tax bases of assets and liabilities. These temporary differences result in taxable or deductible amounts in future years and are measured using the tax rates and laws that will be in effect when such differences are expected to reverse. Valuation allowances are established to reduce deferred tax assets to the amount that more likely than not will be realized and primarily relate to the ability to utilize losses and tax credits in various tax jurisdictions. Tax assets are included in other assets and tax liabilities are included in other liabilities.

Unrecognized Tax Benefits

The firm recognizes tax positions in the consolidated financial statements only when it is more likely than not that the position will be sustained on examination by the relevant taxing authority based on the technical merits of the position. A position that meets this standard is measured at the largest amount of benefit that will more likely than not be realized on settlement. A liability is established for differences between positions taken in a tax return and amounts recognized in the consolidated financial statements.

Regulatory Tax Examinations

The firm is subject to examination by the U.S. Internal Revenue Service (IRS) and other taxing authorities in jurisdictions where the firm has significant business operations, such as the United Kingdom, Japan, Hong Kong and various states, such as New York. The tax years under examination vary by jurisdiction. The firm does not expect completion of these audits

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The table below presents the earliest tax years that remain subject to examination by major jurisdiction.

Jurisdiction	As of March 2024
U.S. Federal	2011
New York State and City	2015
United Kingdom	2017
Japan	2017
Hong Kong	2017

The firm has been accepted into the Compliance Assurance Process program by the IRS for each of the tax years from 2013 through 2024. This program allows the firm to work with the IRS to identify and resolve potential U.S. Federal tax issues before the filing of tax returns. All issues for the 2011 through 2018 tax years have been resolved and completion is pending final review by the Joint Committee on Taxation. All issues for the 2019 through 2021 tax years have been resolved and will be effectively settled pending administrative completion by the IRS. Final completion of tax years 2011 through 2021 will not have a material impact on the effective tax rate. The 2022 tax year remains subject to post-filing review. New York State and City examinations of tax years 2015 through 2018 commenced during 2021.

All years, including and subsequent to the years in the table above, remain open to examination by the taxing authorities. The firm believes that the liability for unrecognized tax benefits it has established is adequate in relation to the potential for additional assessments.

Note 25.

Business Segments

The firm manages and reports its activities in three business segments: Global Banking & Markets, Asset & Wealth Management and Platform Solutions. See Note 1 for information about the firm's business segments.

Compensation and benefits expenses in the firm's segments reflect, among other factors, the overall performance of the firm, as well as the performance of individual businesses. Consequently, pre-tax margins in one segment of the firm's business may be significantly affected by the performance of the firm's other business segments.

The firm allocates assets (including allocations of global core liquid assets and cash, secured client financing and other assets), revenues and expenses among the three business segments. Due to the integrated nature of these segments, estimates and judgments are made in allocating certain assets, revenues and expenses. The allocation process is based on the manner in which management currently views the performance of the segments.

The allocation of common shareholders' equity and preferred stock dividends to each segment is based on the estimated amount of equity required to support the activities of the segment under relevant regulatory capital requirements.

Net earnings for each segment is calculated by applying the firmwide tax rate to each segment's pre-tax earnings.

Management believes that this allocation provides a reasonable representation of each segment's contribution to consolidated net earnings to common, return on average common equity and total assets. Transactions between segments are based on specific criteria or approximate third-party rates.

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Segment Results

The table below presents a summary of the firm's segment results.

\$ in millions	Three Months Ended March	
	2024	2023
Global Banking & Markets		
Non-interest revenues	\$ 9,483	\$ 8,097
Net interest income	243	347
Total net revenues	9,726	8,444
Provision for credit losses	96	129
Operating expenses	5,153	4,629
Pre-tax earnings	\$ 4,477	\$ 3,686
Net earnings	\$ 3,532	\$ 2,986
Net earnings to common	\$ 3,377	\$ 2,876
Average common equity	\$ 75,000	\$ 69,497
Return on average common equity	18.0 %	16.6 %
Asset & Wealth Management		
Non-interest revenues	\$ 3,098	\$ 2,330
Net interest income	691	886
Total net revenues	3,789	3,216
Provision for credit losses	(22)	(565)
Operating expenses	2,934	3,168
Pre-tax earnings	\$ 877	\$ 613
Net earnings	\$ 692	\$ 496
Net earnings to common	\$ 653	\$ 464
Average common equity	\$ 26,456	\$ 32,684
Return on average common equity	9.9 %	5.7 %
Platform Solutions		
Non-interest revenues	\$ 24	\$ 16
Net interest income	674	548
Total net revenues	698	564
Provision for credit losses	244	265
Operating expenses	571	605
Pre-tax earnings/(loss)	\$ (117)	\$ (306)
Net earnings/(loss)	\$ (92)	\$ (248)
Net earnings/(loss) to common	\$ (99)	\$ (253)
Average common equity	\$ 4,734	\$ 3,935
Return on average common equity	(8.4)%	(25.7)%
Total		
Non-interest revenues	\$ 12,605	\$ 10,443
Net interest income	1,608	1,781
Total net revenues	14,213	12,224
Provision for credit losses	318	(171)
Operating expenses	8,658	8,402

The table below presents depreciation and amortization expense by segment.

\$ in millions	Three Months Ended March	
	2024	2023
Global Banking & Markets	\$ 295	\$ 277
Asset & Wealth Management	289	618
Platform Solutions	43	75
Total	\$ 627	\$ 970

In the table above, the decrease in Asset & Wealth Management was due to significantly lower impairments related to commercial real estate included within CIEs.

Segment Assets

The table below presents assets by segment.

\$ in millions	As of	
	March 2024	December 2023
Global Banking & Markets	\$1,449,017	\$1,381,247
Asset & Wealth Management	190,451	191,863
Platform Solutions	58,972	68,484
Total	\$1,698,440	\$1,641,594

Geographic Information

Due to the highly integrated nature of international financial markets, the firm manages its businesses based on the profitability of the enterprise as a whole. The methodology for allocating profitability to geographic regions is dependent on estimates and management judgment because a significant portion of the firm's activities require cross-border coordination in order to facilitate the needs of the firm's clients. Geographic results are generally allocated as follows:

- Global Banking & Markets: Investment banking fees and Other: location of the client and investment banking team; FICC intermediation and Equities intermediation: location of the market-making desk; FICC financing and Equities financing: location of the desk.
- Asset & Wealth Management (excluding direct-to-consumer business, Equity investments and Debt investments): location of the sales team: Direct-to-

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The table below presents total net revenues and pre-tax earnings by geographic region.

\$ in millions	2024		2023	
Three Months Ended				
March				
Americas	\$ 9,181	65 %	\$ 7,194	59 %
EMEA	3,470	24 %	3,584	29 %
Asia	1,562	11 %	1,446	12 %
Total net revenues	\$14,213	100 %	\$12,224	100 %
Americas	\$ 3,276	62 %	\$ 2,019	51 %
EMEA	1,503	29 %	1,560	39 %
Asia	458	9 %	414	10 %
Total pre-tax earnings	\$ 5,237	100 %	\$ 3,993	100 %

In the table above:

- Substantially all of the amounts in Americas were attributable to the U.S.
- Asia includes Australia and New Zealand.

Note 26.

Credit Concentrations

The firm's concentrations of credit risk arise from its market-making, client facilitation, investing, underwriting, lending and collateralized transactions, and cash management activities, and may be impacted by changes in economic, industry or political factors. These activities expose the firm to many different industries and counterparties, and may also subject the firm to a concentration of credit risk to a particular central bank, counterparty, borrower or issuer, including sovereign issuers, or to a particular clearinghouse or exchange. The firm seeks to mitigate credit risk by actively monitoring exposures and obtaining collateral from counterparties as deemed appropriate.

The firm measures and monitors its credit exposure based on amounts owed to the firm after taking into account risk mitigants that the firm considers when determining credit risk. Such risk mitigants include netting and collateral

In addition, the firm had \$177.56 billion as of March 2024 and \$206.07 billion as of December 2023 of cash deposits held at central banks (included in cash and cash equivalents), of which \$91.11 billion as of March 2024 and \$105.66 billion as of December 2023 was held at the Federal Reserve.

As of both March 2024 and December 2023, the firm did not have credit exposure to any other counterparty that exceeded 2% of total assets.

Collateral obtained by the firm related to derivative assets is principally cash and is held by the firm or a third-party custodian. Collateral obtained by the firm related to resale agreements and securities borrowed transactions is primarily U.S. government and agency obligations, and non-U.S. government and agency obligations. See Note 11 for further information about collateralized agreements and financings.

The table below presents U.S. government and agency obligations, and non-U.S. government and agency obligations that collateralize resale agreements and securities borrowed transactions.

\$ in millions	As of	
	March	December
	2024	2023
U.S. government and agency obligations	\$172,932	\$154,056
Non-U.S. government and agency obligations	\$ 83,609	\$ 92,833

In the table above:

- Non-U.S. government and agency obligations primarily consists of securities issued by the governments of the U.K., Japan, Germany, France and Italy.
- Given that the firm's primary credit exposure on such transactions is to the counterparty to the transaction, the firm would be exposed to the collateral issuer only in the event of counterparty default.

Note 27.

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With respect to matters described below for which management has been able to estimate a range of reasonably possible loss where (i) actual or potential plaintiffs have claimed an amount of money damages, (ii) the firm is being, or threatened to be, sued by purchasers in a securities offering and is not being indemnified by a party that the firm believes will pay the full amount of any judgment, or (iii) the purchasers are demanding that the firm repurchase securities, management has estimated the upper end of the range of reasonably possible loss based on (a) in the case of (i), the amount of money damages claimed, (b) in the case of (ii), the difference between the initial sales price of the securities that the firm sold in such offering and the estimated lowest subsequent price of such securities prior to the action being commenced and (c) in the case of (iii), the price that purchasers paid for the securities less the estimated value, if any, as of March 2024 of the relevant securities, in each of cases (i), (ii) and (iii), taking into account any other factors believed to be relevant to the particular matter or matters of that type. As of the date hereof, the firm has estimated the upper end of the range of reasonably possible aggregate loss for such matters and for any other matters described below where management has been able to estimate a range of reasonably possible aggregate loss to be approximately \$2.1 billion in excess of the aggregate reserves for such matters.

Management is generally unable to estimate a range of reasonably possible loss for matters other than those included in the estimate above, including where (i) actual or potential plaintiffs have not claimed an amount of money damages, except in those instances where management can otherwise determine an appropriate amount, (ii) matters are in early stages, (iii) matters relate to regulatory investigations or reviews, except in those instances where management can otherwise determine an appropriate amount, (iv) there is uncertainty as to the likelihood of a class being certified or the ultimate size of the class, (v) there is uncertainty as to the

1MDB-Related Matters

Between 2012 and 2013, subsidiaries of the firm acted as arrangers or purchasers of approximately \$6.5 billion of debt securities of 1MDB.

On November 1, 2018, the U.S. Department of Justice (DOJ) unsealed a criminal information and guilty plea by Tim Leissner, a former participating managing director of the firm, and an indictment against Ng Chong Hwa, a former managing director of the firm. On August 28, 2018, Leissner was adjudicated guilty by the U.S. District Court for the Eastern District of New York of conspiring to launder money and to violate the U.S. Foreign Corrupt Practices Act's (FCPA) anti-bribery and internal accounting controls provisions. Ng was charged with conspiring to launder money and to violate the FCPA's anti-bribery and internal accounting controls provisions, and on April 8, 2022, Ng was found guilty on all counts following a trial.

On August 18, 2020, the firm announced that it entered into a settlement agreement with the Government of Malaysia to resolve the criminal and regulatory proceedings in Malaysia involving the firm, which includes a guarantee that the Government of Malaysia receives at least \$1.4 billion in assets and proceeds from assets seized by governmental authorities around the world related to 1MDB. See Note 18 for further information about this guarantee, including related arbitration proceedings.

On October 22, 2020, the firm announced that it reached settlements of governmental and regulatory investigations relating to 1MDB with the DOJ, the SEC, the FRB, the NYDFS, the Financial Conduct Authority, the Prudential Regulation Authority, the Singapore Attorney General's Chambers, the Singapore Commercial Affairs Department, the Monetary Authority of Singapore and the Hong Kong Securities and Futures Commission. Group Inc. entered into a three-year deferred prosecution agreement with the DOJ, in which a charge against the firm, one count of conspiracy to violate the FCPA, was filed and was later moved to be dismissed in April 2024 in accordance with the

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On December 20, 2018, a putative securities class action lawsuit was filed in the U.S. District Court for the Southern District of New York against Group Inc. and certain former officers of the firm alleging violations of the anti-fraud provisions of the Exchange Act with respect to Group Inc.'s disclosures and public statements concerning 1MDB and seeking unspecified damages. The plaintiff filed the second amended complaint on October 28, 2019. On June 28, 2021, the court dismissed the claims against one of the individual defendants but denied the defendants' motion to dismiss with respect to the firm and the remaining individual defendants. On August 4, 2023, the plaintiff filed a third amended complaint. On September 29, 2023, the plaintiff moved for class certification. On April 5, 2024, the Magistrate Judge recommended that the plaintiff's motion for class certification be granted in part and denied in part.

Mortgage-Related Matters

Complaints were filed in the U.S. District Court for the Southern District of New York on July 25, 2019 and May 29, 2020 against Goldman Sachs Mortgage Company and GS Mortgage Securities Corp. by U.S. Bank National Association, as trustee for two residential mortgage-backed securitization trusts that issued \$1.7 billion of securities. The complaints generally allege that mortgage loans in the trusts failed to conform to applicable representations and warranties and seek specific performance or, alternatively, compensatory damages and other relief. On November 23, 2020, the court granted in part and denied in part defendants' motion to dismiss the complaint in the first action and denied defendants' motion to dismiss the complaint in the second action. On January 14, 2021, amended complaints were filed in both actions.

Currencies-Related Litigation

GS&Co. is among the defendants named in a putative class action filed in the U.S. District Court for the Southern District of New York on August 4, 2021. The amended complaint, filed on January 6, 2022, generally asserts claims under federal antitrust law and state common law in connection with an alleged conspiracy

Banco Espirito Santo S.A. and Oak Finance

In December 2014, September 2015 and December 2015, the Bank of Portugal (BoP) rendered decisions to reverse an earlier transfer to Novo Banco of an \$835 million facility agreement (the Facility), structured by GSI, between Oak Finance Luxembourg S.A. (Oak Finance), a special purpose vehicle formed in connection with the Facility, and Banco Espirito Santo S.A. (BES) prior to the failure of BES. In response, GSI and, with respect to the BoP's December 2015 decision, GSIB commenced actions beginning in February 2015 against Novo Banco S.A. (Novo Banco) in the English Commercial Court and the BoP in the Portuguese Administrative Court. In July 2018, the English Supreme Court found that the English courts will not have jurisdiction over GSI's action unless and until the Portuguese Administrative Court finds against BoP in GSI's parallel action. In July 2018, the Liquidation Committee for BES issued a decision seeking to claw back from GSI \$54 million paid to GSI and \$50 million allegedly paid to Oak Finance in connection with the Facility, alleging that GSI acted in bad faith in extending the Facility, including because GSI allegedly knew that BES was at risk of imminent failure. In October 2018, GSI commenced an action in the Lisbon Commercial Court challenging the Liquidation Committee's decision and has since also issued a claim against the Portuguese State seeking compensation for losses of approximately \$222 million related to the failure of BES, together with a contingent claim for the \$104 million sought by the Liquidation Committee. On April 11, 2023, GSI commenced administrative proceedings against the BoP, seeking the nullification of the BoP's September 2015 and December 2015 decisions on new grounds.

Financial Advisory Services

Group Inc. and certain of its affiliates are from time to time parties to various civil litigation and arbitration proceedings and other disputes with clients and third parties relating to the firm's financial advisory activities. These claims generally seek, among other things, compensatory damages and, in some cases, punitive damages, and in certain cases allege that

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Archegos-Related Matters

GS&Co. is among the underwriters named as defendants in a putative securities class action filed on August 13, 2021 in New York Supreme Court, County of New York, relating to ViacomCBS Inc.'s (ViacomCBS) March 2021 public offerings of \$1.7 billion of common stock and \$1.0 billion of preferred stock. In addition to the underwriters, the defendants include ViacomCBS and certain of its officers and directors. GS&Co. underwrote 646,154 shares of common stock representing an aggregate offering price of approximately \$55 million and 323,077 shares of preferred stock representing an aggregate offering price of approximately \$32 million. The complaint asserts claims under the federal securities laws and alleges that the offering documents contained material misstatements and omissions, including, among other things, that the offering documents failed to disclose that Archegos Capital Management, LP (Archegos) had substantial exposure to ViacomCBS, including through total return swaps to which certain of the underwriters (the trading underwriters), including GS&Co., were allegedly counterparties, and that such underwriters failed to disclose their exposure to Archegos. On December 21, 2021, the plaintiffs filed a corrected amended complaint. The complaint seeks rescission and compensatory damages in unspecified amounts. On February 6, 2023, the trial court dismissed the claims against ViacomCBS and the individual defendants, but denied the defendants' motions to dismiss with respect to GS&Co. and the other underwriter defendants. On January 4, 2024, the trial court granted the plaintiffs' motion for class certification, and on February 14, 2024, the underwriter defendants appealed. On April 4, 2024, the Appellate Division for the First Department affirmed the trial court's dismissal of the claims against ViacomCBS and the individual defendants, reversed the trial court's failure to dismiss the claims against the non-trading underwriter defendants, and affirmed the trial court's denial of the motion to dismiss claims against the trading underwriter defendants, including GS&Co.

Group Inc. is also a defendant in putative

On January 24, 2022, the firm received a demand from an alleged shareholder under Section 220 of the Delaware General Corporation Law for books and records relating to, among other things, the firm's involvement with Archegos and the firm's controls with respect to insider trading.

Silicon Valley Bank Matters

GS&Co. is among the underwriters named as defendants in a putative securities class action filed on April 7, 2023 and consolidated in the U.S. District Court for the Northern District of California and an individual action filed on January 25, 2024 in the same court relating to SVB Financial Group's (SVBFG) January 2021 public offerings of \$500 million principal amount of senior notes and \$750 million of depositary shares representing interests in preferred stock, March 2021 public offering of approximately \$1.2 billion of common stock, May 2021 public offerings of \$1.0 billion of depositary shares representing interests in preferred stock and \$500 million principal amount of senior notes, August 2021 public offering of approximately \$1.3 billion of common stock, and April 2022 public offering of \$800 million aggregate principal amount of senior notes, among other public offerings of securities. In addition to the underwriters, the defendants include certain of SVBFG's officers and directors and its auditor. GS&Co. underwrote an aggregate of 831,250 depositary shares representing an aggregate offering price of approximately \$831 million, an aggregate of 3,266,108 shares of common stock representing an aggregate offering price of approximately \$1.8 billion and senior notes representing an aggregate price to the public of approximately \$727 million. The complaints generally assert claims under the federal securities laws and allege that the offering documents contained material misstatements and omissions. The complaints seek compensatory damages in unspecified amounts. On March 17, 2023, SVBFG filed for Chapter 11 bankruptcy in the U.S. Bankruptcy Court for the Southern District of New York. On January 16, 2024, the plaintiffs filed a consolidated amended complaint in the putative class

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Underwriting Litigation

Firm affiliates are among the defendants in a number of proceedings in connection with securities offerings. In these proceedings, including those described below, the plaintiffs assert class action or individual claims under federal and state securities laws and in some cases other applicable laws, allege that the offering documents for the securities that they purchased contained material misstatements and omissions, and generally seek compensatory and rescissory damages in unspecified amounts, as well as rescission. Certain of these proceedings involve additional allegations.

Uber Technologies, Inc. GS&Co. is among the underwriters named as defendants in several putative securities class actions filed beginning in September 2019 in California Superior Court, County of San Francisco and the U.S. District Court for the Northern District of California, relating to Uber Technologies, Inc.'s (Uber) \$8.1 billion May 2019 initial public offering. In addition to the underwriters, the defendants include Uber and certain of its officers and directors. GS&Co. underwrote 35,864,408 shares of common stock representing an aggregate offering price of approximately \$1.6 billion. On November 16, 2020, the court in the state court action granted defendants' motion to dismiss the consolidated amended complaint filed on February 11, 2020, and on December 16, 2020, plaintiffs appealed. On August 7, 2020, defendants' motion to dismiss the district court action was denied. On September 25, 2020, the plaintiffs in the district court action moved for class certification. On December 5, 2020, the plaintiffs in the state court action filed a complaint in the district court, which was consolidated with the existing district court action on January 25, 2021. On May 14, 2021, the plaintiffs filed a second amended complaint in the district court, purporting to add the plaintiffs from the state court action as additional class representatives. On October 1, 2021, defendants' motion to dismiss the additional class representatives from the second amended complaint was denied, and on July 26, 2022, the district court granted both

GoHealth, Inc. GS&Co. is among the underwriters named as defendants in putative securities class actions filed beginning on September 21, 2020 and consolidated in the U.S. District Court for the Northern District of Illinois relating to GoHealth, Inc.'s (GoHealth) \$914 million July 2020 initial public offering. In addition to the underwriters, the defendants include GoHealth, certain of its officers and directors and certain of its shareholders. GS&Co. underwrote 11,540,550 shares of common stock representing an aggregate offering price of approximately \$242 million. On February 25, 2021, the plaintiffs filed a consolidated complaint. On April 5, 2022, the defendants' motion to dismiss the consolidated complaint was denied. On September 23, 2022, the plaintiffs moved for class certification. On February 21, 2024, the court preliminarily approved a settlement. Under the terms of the settlement, GS&Co. will not be required to contribute to the settlement.

Array Technologies, Inc. GS&Co. is among the underwriters named as defendants in a putative securities class action filed on May 14, 2021 in the U.S. District Court for the Southern District of New York relating to Array Technologies, Inc.'s (Array) \$1.2 billion October 2020 initial public offering of common stock, \$1.3 billion December 2020 offering of common stock and \$993 million March 2021 offering of common stock. In addition to the underwriters, the defendants include Array and certain of its officers and directors. GS&Co. underwrote an aggregate of 31,912,213 shares of common stock in the three offerings representing an aggregate offering price of approximately \$877 million. On December 7, 2021, the plaintiffs filed an amended consolidated complaint, and on May 19, 2023, the court granted the defendants' motion to dismiss the amended consolidated complaint. On July 5, 2023, the court denied the plaintiffs' request for leave to amend the amended consolidated complaint and dismissed the case with prejudice. On August 4, 2023, plaintiffs appealed to the U.S. Court of Appeals for the Second Circuit.

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ContextLogic Inc. GS&Co. is among the underwriters named as defendants in putative securities class actions filed beginning on May 17, 2021 and consolidated in the U.S. District Court for the Northern District of California, relating to ContextLogic Inc.'s (ContextLogic) \$1.1 billion December 2020 initial public offering of common stock. In addition to the underwriters, the defendants include ContextLogic and certain of its officers and directors. GS&Co. underwrote 16,169,000 shares of common stock representing an aggregate offering price of approximately \$388 million. On July 15, 2022, the plaintiffs filed a consolidated amended complaint, and on March 10, 2023, the court granted the defendants' motion to dismiss the consolidated amended complaint with leave to amend. On April 10, 2023, the plaintiffs filed a second consolidated amended complaint, and on December 22, 2023, the court granted in part and denied in part the defendants' motion to dismiss the second consolidated amended complaint with leave to amend. On February 15, 2024, the plaintiffs filed a third consolidated amended complaint, and on April 5, 2024, the defendants moved to dismiss the third consolidated amended complaint.

DiDi Global Inc. Goldman Sachs (Asia) L.L.C. (GS Asia) is among the underwriters named as defendants in putative securities class actions filed beginning on July 6, 2021 in the U.S. District Courts for the Southern District of New York and the Central District of California and New York Supreme Court, County of New York, relating to DiDi Global Inc.'s (DiDi) \$4.4 billion June 2021 initial public offering of American Depositary Shares (ADS). In addition to the underwriters, the defendants include DiDi and certain of its officers and directors. GS Asia underwrote 104,554,000 ADS representing an aggregate offering price of approximately \$1.5 billion. On September 22, 2021, plaintiffs in the California action voluntarily dismissed their claims without prejudice. On May 5, 2022, plaintiffs in the consolidated federal action filed a second consolidated amended complaint, which includes allegations of violations of Sections 10(b) and 20A of the Exchange

Vroom Inc. GS&Co. is among the underwriters named as defendants in an amended complaint for a putative securities class action filed on October 4, 2021 in the U.S. District Court for the Southern District of New York relating to Vroom Inc.'s (Vroom) approximately \$589 million September 2020 public offering of common stock. In addition to the underwriters, the defendants include Vroom and certain of its officers and directors. GS&Co. underwrote 3,886,819 shares of common stock representing an aggregate offering price of approximately \$212 million. On December 20, 2021, the defendants served a motion to dismiss the consolidated complaint.

Zymergen Inc. GS&Co. is among the underwriters named as defendants in a putative securities class action filed on August 4, 2021 in the U.S. District Court for the Northern District of California relating to Zymergen Inc.'s (Zymergen) \$575 million April 2021 initial public offering of common stock. In addition to the underwriters, the defendants include Zymergen, certain of its officers and directors and certain of its shareholders. GS&Co. underwrote 5,750,345 shares of common stock representing an aggregate offering price of approximately \$178 million. On February 24, 2022, the plaintiffs filed an amended complaint, and on November 29, 2022, the court granted in part and denied in part the defendants' motion to dismiss the amended complaint, denying dismissal of the claims for violations of Section 11 of the Securities Act. On August 11, 2023, the court granted the plaintiffs' motion for class certification. On October 3, 2023, Zymergen and three affiliates filed Chapter 11 bankruptcy petitions in the U.S. Bankruptcy Court for the District of Delaware. On March 4, 2024, the plaintiffs filed a second amended complaint.

Waterdrop Inc. GS Asia is among the underwriters named as defendants in a putative securities class action filed on September 14, 2021 in the U.S. District Court for the Southern District of New York relating to Waterdrop Inc.'s (Waterdrop) \$360 million May 2021 initial public offering of ADS. In addition to the underwriters, the defendants include

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Sea Limited. GS Asia is among the underwriters named as defendants in putative securities class actions filed on February 11, 2022 and June 17, 2022, respectively, in New York Supreme Court, County of New York, relating to Sea Limited's approximately \$4.0 billion September 2021 public offering of ADS and approximately \$2.9 billion September 2021 public offering of convertible senior notes, respectively. In addition to the underwriters, the defendants include Sea Limited, certain of its officers and directors and certain of its shareholders. GS Asia underwrote 8,222,500 ADS representing an aggregate offering price of approximately \$2.6 billion and convertible senior notes representing an aggregate offering price of approximately \$1.9 billion. On August 3, 2022, the actions were consolidated, and on August 9, 2022, the plaintiffs filed a consolidated amended complaint. The defendants had previously moved to dismiss the action on July 15, 2022, with the parties stipulating that the motion would apply to the consolidated amended complaint. On May 15, 2023, the court granted the defendants' motion to dismiss the consolidated amended complaint with prejudice, and on June 15, 2023, the plaintiffs moved for a rehearing or for leave to amend the consolidated amended complaint and also appealed. On November 20, 2023, the court denied the plaintiffs' motion for a rehearing or for leave to amend.

Rivian Automotive Inc. GS&Co. is among the underwriters named as defendants in putative securities class actions filed on March 7, 2022 and February 28, 2023 in the U.S. District Court for the Central District of California and in the Superior Court of the State of California, County of Orange, respectively, relating to Rivian Automotive Inc.'s (Rivian) approximately \$13.7 billion November 2021 initial public offering. In addition to the underwriters, the defendants include Rivian and certain of its officers and directors. GS&Co. underwrote 44,733,050 shares of common stock representing an aggregate offering price of approximately \$3.5 billion. On March 2, 2023, the plaintiffs in the federal court action filed an amended consolidated complaint, and on July 3, 2023, the court

Natera Inc. GS&Co. is among the underwriters named as defendants in putative securities class actions in New York Supreme Court, County of New York and the U.S. District Court for the Western District of Texas filed on March 10, 2022 and October 7, 2022, respectively, relating to Natera Inc.'s (Natera) approximately \$585 million July 2021 public offering of common stock. In addition to the underwriters, the defendants include Natera and certain of its officers and directors. GS&Co. underwrote 1,449,000 shares of common stock representing an aggregate offering price of approximately \$164 million. On July 15, 2022, the parties in the state court action filed a stipulation and proposed order approving the discontinuance of the action without prejudice. On September 11, 2023, the federal court granted in part and denied in part the defendants' motion to dismiss.

Robinhood Markets, Inc. GS&Co. is among the underwriters named as defendants in a putative securities class action filed on December 17, 2021 in the U.S. District Court for the Northern District of California relating to Robinhood Markets, Inc.'s (Robinhood) approximately \$2.2 billion July 2021 initial public offering. In addition to the underwriters, the defendants include Robinhood and certain of its officers and directors. GS&Co. underwrote 18,039,706 shares of common stock representing an aggregate offering price of approximately \$686 million. On February 10, 2023, the court granted the defendants' motion to dismiss the complaint with leave to amend, and on March 13, 2023, the plaintiffs filed a second amended complaint. On January 24, 2024, the court granted the defendants' motion to dismiss the second amended complaint without leave to amend. On February 21, 2024, the plaintiffs appealed to the U.S. Court of Appeals for the Ninth Circuit.

ON24, Inc. GS&Co. is among the underwriters named as defendants in a putative securities class action filed on November 3, 2021 in the U.S. District Court for the Northern District of California relating to ON24, Inc.'s (ON24) approximately \$492 million February 2021 initial public offering of common stock. In addition to the underwriters, the defendants include

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Oscar Health, Inc. GS&Co. is among the underwriters named as defendants in a putative securities class action filed on May 12, 2022 in the U.S. District Court for the Southern District of New York relating to Oscar Health, Inc.'s (Oscar Health) approximately \$1.4 billion March 2021 initial public offering. In addition to the underwriters, the defendants include Oscar Health and certain of its officers and directors. GS&Co. underwrote 12,760,633 shares of common stock representing an aggregate offering price of approximately \$498 million. On December 5, 2022, the plaintiffs filed an amended complaint. On April 4, 2023, the defendants moved to dismiss the amended complaint.

Oak Street Health, Inc. GS&Co. is among the underwriters named as defendants in an amended complaint for a putative securities class action filed on May 25, 2022 in the U.S. District Court for the Northern District of Illinois relating to Oak Street Health, Inc.'s (Oak Street) \$377 million August 2020 initial public offering, \$298 million December 2020 secondary equity offering, \$691 million February 2021 secondary equity offering and \$747 million May 2021 secondary equity offering. In addition to the underwriters, the defendants include Oak Street, certain of its officers and directors and certain of its shareholders. GS&Co. underwrote 4,157,103 shares of common stock in the August 2020 initial public offering representing an aggregate offering price of approximately \$87 million, 1,503,944 shares of common stock in the December 2020 secondary equity offering representing an aggregate offering price of approximately \$69 million, 3,083,098 shares of common stock in the February 2021 secondary equity offering representing an aggregate offering price of approximately \$173 million and 3,013,065 shares of common stock in the May 2021 secondary equity offering representing an aggregate offering price of approximately \$187 million. On February 10, 2023, the court granted in part and denied in part the defendants' motion to dismiss, dismissing the claim alleging a violation of Section 12(a)(2) of the Securities Act and, with respect to the May 2021 secondary equity offering only, the claim alleging a

Reata Pharmaceuticals, Inc. GS&Co. is among the underwriters named as defendants in a consolidated amended complaint for a putative securities class action filed on June 21, 2022 in the U.S. District Court for the Eastern District of Texas relating to Reata Pharmaceuticals, Inc.'s (Reata) approximately \$282 million December 2020 public offering of common stock. In addition to the underwriters, the defendants include Reata and certain of its officers and directors. GS&Co. underwrote 1,000,000 shares of common stock representing an aggregate offering price of approximately \$141 million. On September 7, 2022, the defendants moved to dismiss the consolidated amended complaint. On March 29, 2024, the court approved a settlement, which does not require a contribution from GS&Co.

Bright Health Group, Inc. GS&Co. is among the underwriters named as defendants in an amended complaint for a putative securities class action filed on June 24, 2022 in the U.S. District Court for the Eastern District of New York relating to Bright Health Group, Inc.'s (Bright Health) approximately \$924 million June 2021 initial public offering of common stock. In addition to the underwriters, the defendants include Bright Health and certain of its officers and directors. GS&Co. underwrote 11,297,000 shares of common stock representing an aggregate offering price of approximately \$203 million. On October 12, 2022, the defendants moved to dismiss the amended complaint.

MINISO Group Holding Limited. GS Asia is among the underwriters named as defendants in a putative securities class action filed on August 17, 2022 in the U.S. District Court for the Central District of California and transferred to the U.S. District Court for the Southern District of New York on November 18, 2022 relating to MINISO Group Holding Limited's (MINISO) approximately \$656 million October 2020 initial public offering of ADS. In addition to the underwriters, the defendants include MINISO and certain of its officers and directors. GS Asia underwrote 16,408,093 ADS representing an aggregate offering price of approximately \$328 million. On April 24, 2023, the plaintiff filed an amended

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Coupang, Inc. GS&Co. is among the underwriters named as defendants in a putative securities class action filed on August 26, 2022 in the U.S. District Court for the Southern District of New York relating to Coupang, Inc.'s (Coupang) approximately \$4.6 billion March 2021 initial public offering of common stock. In addition to the underwriters, the defendants include Coupang and certain of its officers and directors. GS&Co. underwrote 42,900,000 shares of common stock representing an aggregate offering price of approximately \$1.5 billion. On May 24, 2023, the plaintiffs filed an amended complaint, and on July 28, 2023, the defendants moved to dismiss the amended complaint.

Yatsen Holding Limited. GS Asia is among the underwriters named as defendants in a putative securities class action filed on September 23, 2022 in the U.S. District Court for the Southern District of New York relating to Yatsen Holding Limited's (Yatsen) approximately \$617 million November 2020 initial public offering of ADS. In addition to the underwriters, the defendants include Yatsen and certain of its officers and directors. GS Asia underwrote 22,912,500 ADS representing an aggregate offering price of approximately \$241 million. On October 4, 2023, the plaintiffs filed an amended complaint, and on December 4, 2023, the defendants moved to dismiss the amended complaint.

Rent the Runway, Inc. GS&Co. is among the underwriters named as defendants in a putative securities class action filed on November 14, 2022 in the U.S. District Court for the Eastern District of New York relating to Rent the Runway, Inc.'s (Rent the Runway) \$357 million October 2021 initial public offering of common stock. In addition to the underwriters, the defendants include Rent the Runway and certain of its officers and directors. GS&Co. underwrote 5,254,304 shares of common stock representing an aggregate offering price of approximately \$110 million. On September 5, 2023, the plaintiffs filed an amended complaint, and on October 20, 2023, the defendants served a motion to dismiss the amended complaint.

FIGS, Inc. GS&Co. is among the underwriters named as defendants in a putative securities class action filed on December 8, 2022 in the U.S. District Court for the Central District of California relating to FIGS, Inc.'s (FIGS) approximately \$668 million May 2021 initial public offering and approximately \$413 million September 2021 secondary equity offering. In addition to the underwriters, the defendants include FIGS, certain of its officers and directors and certain of its shareholders. GS&Co. underwrote 9,545,073 shares of common stock in the May 2021 initial public offering representing an aggregate offering price of approximately \$210 million and 3,179,047 shares of common stock in the September 2021 secondary equity offering representing an aggregate offering price of approximately \$128 million. On April 10, 2023, the plaintiffs filed a consolidated complaint, and on January 17, 2024, the court granted the defendants' motions to dismiss the consolidated complaint with leave to amend. On March 19, 2024, the plaintiffs filed a first amended complaint.

Silvergate Capital Corporation. GS&Co. is among the underwriters and sales agents named as defendants in a putative securities class action filed on January 19, 2023 in the U.S. District Court for the Southern District of California, as amended on May 11, 2023, relating to Silvergate Capital Corporation's (Silvergate) approximately \$288 million January 2021 public offering of common stock, approximately \$300 million "at-the-market" offering of common stock conducted from March through May 2021, approximately \$200 million July 2021 public offering of depositary shares representing interests in preferred stock, and approximately \$552 million December 2021 public offering of common stock. In addition to the underwriters and sales agents, the defendants include Silvergate and certain of its officers and directors. GS&Co. underwrote 1,711,313 shares of common stock in the January 2021 public offering of common stock representing an aggregate offering price of approximately \$108 million, acted as a sales agent with respect to up to a \$300 million aggregate offering price of shares of common stock

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

**Notes to Consolidated Financial Statements
(Unaudited)**

Centessa Pharmaceuticals plc. GS&Co. is among the underwriters named as defendants in an amended complaint for a putative securities class action filed on February 10, 2023 in the U.S. District Court for the Southern District of New York relating to Centessa Pharmaceuticals plc's (Centessa) approximately \$380 million May 2021 initial public offering of ADS. In addition to the underwriters, the defendants include Centessa and certain of its officers and directors. GS&Co. underwrote 6,072,000 ADS representing an aggregate offering price of approximately \$121 million. On June 7, 2023, the defendants moved to dismiss the amended complaint.

iQIYI, Inc. GS Asia is among the underwriters named as defendants in a putative securities class action filed on June 1, 2021 in the U.S. District Court for the Eastern District of New York relating to iQIYI's approximately \$2.4 billion March 2018 initial public offering of ADS. In addition to the underwriters, the defendants include iQIYI, certain of its officers and directors and its controlling shareholder. GS Asia underwrote 69,751,212 ADS representing an aggregate offering price of approximately \$1.3 billion. On November 30, 2022, the defendants served a motion to dismiss the amended complaint. On March 11, 2024, the plaintiffs filed a second amended complaint.

F45 Training Holdings Inc. GS&Co. is among the underwriters named as defendants in an amended complaint for a putative securities class action filed on May 19, 2023 in the U.S. District Court for the Western District of Texas relating to F45 Training Holdings Inc.'s (F45) approximately \$350 million July 2021 initial public offering of common stock. In addition to the underwriters, the defendants include F45, certain of its officers and directors and certain of its shareholders. GS&Co. acted as a qualified independent underwriter for the offering and underwrote 8,303,744 shares of common stock representing an aggregate offering price of approximately \$133 million. On August 7, 2023, the defendants filed a motion to dismiss the amended complaint. On January 25, 2024, the plaintiffs filed a second amended

Olaplex Holdings, Inc. GS&Co. is among the underwriters named as defendants in a putative securities class action filed on April 28, 2023 in the U.S. District Court for the Central District of California relating to Olaplex Holdings, Inc.'s (Olaplex) approximately \$1.8 billion September 2021 initial public offering of common stock. In addition to the underwriters, the defendants include Olaplex, certain of its officers and directors and selling shareholders. GS&Co. underwrote 19,419,420 shares of common stock representing an aggregate offering price of approximately \$408 million. On June 22, 2023, the plaintiffs filed a revised consolidated complaint. On July 19, 2023, the defendants moved to dismiss the revised consolidated complaint.

agilon health, inc. GS&Co. is among the underwriters named as defendants in putative securities class actions filed on March 19, 2024 and April 2, 2024 in the U.S. District Court for the Western District of Texas and the U.S. District Court for the Southern District of New York, respectively, relating to agilon health, inc.'s (agilon) approximately \$1.2 billion April 2021 initial public offering and approximately \$1.8 billion May 2023 secondary equity offering. In addition to the underwriters, the defendants include agilon, certain of its officers and directors and certain of its shareholders. GS&Co. underwrote 10,631,949 shares of common stock in the April 2021 initial public offering representing an aggregate offering price of approximately \$245 million and 26,879,772 shares of common stock in the May 2023 secondary equity offering, of which 2,731,638 shares were purchased by agilon, representing an aggregate offering price of approximately \$519 million sold to third parties.

Investment Management Services

Group Inc. and certain of its affiliates are parties to various civil litigation and arbitration proceedings and other disputes with clients relating to losses allegedly sustained as a result of the firm's investment management services. These claims generally seek, among other things, restitution or other compensatory damages and, in some cases, punitive damages.

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

**Notes to Consolidated Financial Statements
(Unaudited)**

Securities Lending Antitrust Litigation

Group Inc. and GS&Co. were among the defendants named in a putative antitrust class action and three individual actions relating to securities lending practices filed in the U.S. District Court for the Southern District of New York beginning in August 2017. The complaints generally assert claims under federal and state antitrust law and state common law in connection with an alleged conspiracy among the defendants to preclude the development of electronic platforms for securities lending transactions. The individual complaints also assert claims for tortious interference with business relations and under state trade practices law and, in the second and third individual actions, unjust enrichment under state common law. The complaints seek declaratory and injunctive relief, as well as unspecified amounts of compensatory, treble, punitive and other damages. Group Inc. was voluntarily dismissed from the putative class action on January 26, 2018. Defendants' motion to dismiss the class action complaint was denied on September 27, 2018. Defendants' motion to dismiss the first individual action was granted on August 7, 2019. On September 30, 2021, the defendants' motion to dismiss the second and third individual actions, which were consolidated in June 2019, was granted, and on March 24, 2023, the U.S. Court of Appeals for the Second Circuit affirmed the dismissal. On June 30, 2022, the Magistrate Judge recommended that the plaintiffs' motion for class certification in the putative class action be granted in part and denied in part. On August 15, 2022, the plaintiffs and defendants filed objections to the Magistrate Judge's report and recommendation with the district court. On September 1, 2023, the court preliminarily approved a settlement among the plaintiffs and certain defendants, including the firm, to resolve this action. The firm had reserved the full amount of its proposed contribution to the settlement.

Variable Rate Demand Obligations Antitrust Litigation

Group Inc. and GS&Co. were among the defendants named in a putative class action relating to variable rate demand obligations (VRDOs), filed beginning in February 2019 under separate complaints and consolidated in the U.S. District Court for the Southern District of New York. The consolidated amended complaint, filed on May 31, 2019, generally asserts claims under federal antitrust law and state common law in connection with an alleged conspiracy among the defendants to manipulate the market for VRDOs. The complaint seeks declaratory and injunctive relief, as well as unspecified amounts of compensatory, treble and other damages. Group Inc. was voluntarily dismissed from the putative class action on June 3, 2019. On November 2, 2020, the court granted in part and denied in part the defendants' motion to dismiss, dismissing the state common law claims against GS&Co., but denying dismissal of the federal antitrust law claims.

GS&Co. is also among the defendants named in a related putative class action filed on June 2, 2021 in the U.S. District Court for the Southern District of New York. The complaint alleges the same conspiracy in the market for VRDOs as that alleged in the consolidated amended complaint filed on May 31, 2019, and asserts federal antitrust law, state law and state common law claims against the defendants. The complaint seeks declaratory and injunctive relief, as well as unspecified amounts of compensatory, treble and other damages. On August 6, 2021, plaintiffs in the May 31, 2019 action filed an amended complaint consolidating the June 2, 2021 action with the May 31, 2019 action. On September 14, 2021, defendants filed a joint partial motion to dismiss the August 6, 2021 amended consolidated complaint. On June 28, 2022, the court granted in part and denied in part the defendants' motion to dismiss, dismissing the state breach of fiduciary duty claim against GS&Co., but declining to dismiss any portion of the federal antitrust law claims. On September 21, 2023, the court granted the plaintiffs' motion for class certification. On February 5, 2024, the U.S. Court of Appeals for the

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

**Notes to Consolidated Financial Statements
(Unaudited)**

Interest Rate Swap Antitrust Litigation

Group Inc., GS&Co., GSI, GS Bank USA and Goldman Sachs Financial Markets, L.P. are among the defendants named in a putative antitrust class action relating to the trading of interest rate swaps, filed in November 2015 and consolidated in the U.S. District Court for the Southern District of New York. The same Goldman Sachs entities are also among the defendants named in two antitrust actions relating to the trading of interest rate swaps, commenced in April 2016 and June 2018, respectively, in the U.S. District Court for the Southern District of New York by three operators of swap execution facilities and certain of their affiliates. These actions have been consolidated for pretrial proceedings. The complaints generally assert claims under federal antitrust law and state common law in connection with an alleged conspiracy among the defendants to preclude exchange trading of interest rate swaps. The complaints in the individual actions also assert claims under state antitrust law. The complaints seek declaratory and injunctive relief, as well as treble damages in an unspecified amount. Defendants moved to dismiss the class and the first individual action and the district court dismissed the state common law claims asserted by the plaintiffs in the first individual action and otherwise limited the state common law claim in the putative class action and the antitrust claims in both actions to the period from 2013 to 2016. On November 20, 2018, the court granted in part and denied in part the defendants' motion to dismiss the second individual action, dismissing the state common law claims for unjust enrichment and tortious interference, but denying dismissal of the federal and state antitrust claims. On March 13, 2019, the court denied the plaintiffs' motion in the putative class action to amend their complaint to add allegations related to conduct from 2008 to 2012, but granted the motion to add limited allegations from 2013 to 2016, which the plaintiffs added in a fourth consolidated amended complaint filed on March 22, 2019. On December 15, 2023, the court denied the plaintiffs' motion for class certification, and on December 28, 2023, the plaintiffs filed a

Commodities-Related Litigation

GSI is among the defendants named in putative class actions relating to trading in platinum and palladium, filed beginning on November 25, 2014 and most recently amended on May 15, 2017, in the U.S. District Court for the Southern District of New York. The amended complaint generally alleges that the defendants violated federal antitrust laws and the Commodity Exchange Act in connection with an alleged conspiracy to manipulate a benchmark for physical platinum and palladium prices and seek declaratory and injunctive relief, as well as treble damages in an unspecified amount. On March 29, 2020, the court granted the defendants' motions to dismiss and for reconsideration, resulting in the dismissal of all claims, and on February 27, 2023, the U.S. Court of Appeals for the Second Circuit reversed the district court's dismissal of certain plaintiffs' antitrust claims and vacated the district court's dismissal of the plaintiffs' Commodity Exchange Act claim. On April 12, 2023, the defendants' petition for rehearing or rehearing en banc with the U.S. Court of Appeals for the Second Circuit was denied. On July 21, 2023, the defendants filed a motion for judgment on the pleadings. On April 19, 2024, the parties reached a settlement in principle, subject to final documentation and court approval, to resolve the class action. The firm has reserved the full amount of its proposed contribution to the settlement.

Corporate Bonds Antitrust Litigation

Group Inc. and GS&Co. are among the dealers named as defendants in a putative class action relating to the secondary market for odd-lot corporate bonds, filed on April 21, 2020 in the U.S. District Court for the Southern District of New York. The amended consolidated complaint, filed on October 29, 2020, asserts claims under federal antitrust law in connection with alleged anti-competitive conduct by the defendants in the secondary market for odd-lots of corporate bonds, and seeks declaratory and injunctive relief, as well as unspecified monetary damages, including treble and punitive damages and restitution. On October 25, 2021, the court granted defendants' motion to dismiss with prejudice. On November 23, 2021,

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

**Notes to Consolidated Financial Statements
(Unaudited)**

Credit Default Swap Antitrust Litigation

Group Inc., GS&Co. and GSI were among the defendants named in a putative antitrust class action relating to the settlement of credit default swaps, filed on June 30, 2021 in the U.S. District Court for the District of New Mexico. The complaint generally asserts claims under federal antitrust law and the Commodity Exchange Act in connection with an alleged conspiracy among the defendants to manipulate the benchmark price used to value credit default swaps for settlement. The complaint also asserts a claim for unjust enrichment under state common law. The complaint seeks declaratory and injunctive relief, as well as unspecified amounts of treble and other damages. On November 15, 2021, the defendants filed a motion to dismiss the complaint. On February 4, 2022, the plaintiffs filed an amended complaint and voluntarily dismissed Group Inc. from the action. On June 5, 2023, the court dismissed the claims against certain foreign defendants for lack of personal jurisdiction but denied the defendants' motion to dismiss with respect to GS&Co., GSI and the remaining defendants. On January 24, 2024, the court granted the defendants' motion to stay the proceedings pending the resolution of the motion filed by the defendants on November 3, 2023 in the U.S. District Court for the Southern District of New York to enforce a 2015 settlement and release among the parties. On January 26, 2024, the U.S. District Court for the Southern District of New York granted the defendants' motion to enforce the settlement and release and enjoined the plaintiffs from pursuing any claims against the defendants in the New Mexico action for any alleged violation of law based on conduct before June 30, 2014, and on February 23, 2024, the plaintiffs appealed to the U.S. Court of Appeals for the Second Circuit.

Consumer Investigation and Review

The firm is cooperating with the CFPB and other governmental bodies relating to investigations and/or inquiries concerning GS Bank USA's credit card account management practices and is providing information regarding the application of refunds, crediting of nonconforming payments, billing error resolution,

- Conflicts of interest;
- Research practices, including research independence and interactions between research analysts and other firm personnel, including investment banking personnel, as well as third parties;
- Transactions involving government-related financings and other matters, municipal securities, including wall-cross procedures and conflict of interest disclosure with respect to state and municipal clients, the trading and structuring of municipal derivative instruments in connection with municipal offerings, political contribution rules, municipal advisory services and the possible impact of credit default swap transactions on municipal issuers;
- Consumer lending, as well as residential mortgage lending, servicing and securitization, and compliance with related consumer laws;
- The offering, auction, sales, trading and clearance of corporate and government securities, currencies, commodities and other financial products and related sales and other communications and activities, as well as the firm's supervision and controls relating to such activities, including compliance with applicable short sale rules, algorithmic, high-frequency and quantitative trading, the firm's U.S. alternative trading system (dark pool), futures trading, options trading, when-issued trading, transaction and regulatory reporting, technology systems and controls, communications recordkeeping and recording, securities lending practices, prime brokerage activities, trading and clearance of credit derivative instruments and interest rate swaps, commodities activities and metals storage, private placement practices, allocations of and trading in securities, and trading activities and communications in connection with the establishment of benchmark rates, such as currency rates;
- Compliance with the FCPA;
- The firm's hiring and compensation practices;
- The firm's system of risk management and controls; and

Report of Independent Registered Public Accounting Firm

To the Board of Directors and
Shareholders of The Goldman Sachs
Group, Inc.

Results of Review of Interim Financial Statements

We have reviewed the accompanying consolidated balance sheet of The Goldman Sachs Group, Inc. and its subsidiaries (the Company) as of March 31, 2024, and the related consolidated statements of earnings, comprehensive income, changes in shareholders' equity, and cash flows for the three month periods ended March 31, 2024 and 2023, including the related notes (collectively referred to as the "interim financial statements"). Based on our reviews, we are not aware of any material modifications that should be made to the accompanying interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Company as of December 31, 2023, and the related consolidated statements of earnings, comprehensive income, changes in shareholders' equity and cash flows for the year then ended (not presented herein), and in our report dated February 22, 2024, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet as of December 31, 2023, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Basis for Review Results

These interim financial statements are the responsibility of the Company's management. We are a public accounting firm registered with the 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 review in accordance with the standards of the PCAOB. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ PricewaterhouseCoopers LLP

New York, New York

May 2, 2024

Statistical Disclosures

Distribution of Assets, Liabilities and Shareholders' Equity

The tables below present information about average balances, interest and average interest rates.

	Average Balance for the Three Months Ended March	
\$ in millions	2024	2023
Assets		
U.S.	\$ 122,411	\$ 138,678
Non-U.S.	124,040	125,846
Deposits with banks	246,451	264,524
U.S.	249,514	197,735
Non-U.S.	134,339	164,904
Collateralized agreements	383,853	362,639
U.S.	259,181	183,436
Non-U.S.	177,245	124,071
Trading assets	436,426	307,507
U.S.	133,946	115,308
Non-U.S.	14,120	15,215
Investments	148,066	130,523
U.S.	163,413	155,555
Non-U.S.	16,801	20,138
Loans	180,214	175,693
U.S.	81,619	85,962
Non-U.S.	57,240	60,066
Other interest-earning assets	138,859	146,028
Interest-earning assets	1,533,869	1,386,914
Cash and due from banks	6,378	6,582
Other non-interest-earning assets	102,646	116,570
Assets	\$1,642,893	\$ 1,510,066
Liabilities		
U.S.	\$ 334,016	\$ 301,304
Non-U.S.	95,178	74,805
Interest-bearing deposits	429,194	376,109
U.S.	193,773	128,316
Non-U.S.	115,325	79,103
Collateralized financings	309,098	207,419
U.S.	57,847	66,002
Non-U.S.	74,287	72,211
Trading liabilities	132,134	138,213

	Interest for the Three Months Ended March	
\$ in millions	2024	2023
Assets		
U.S.	\$ 1,748	\$ 1,767
Non-U.S.	1,039	703
Deposits with banks	2,787	2,470
U.S.	3,412	2,352
Non-U.S.	1,377	1,037
Collateralized agreements	4,789	3,389
U.S.	2,058	1,208
Non-U.S.	855	616
Trading assets	2,913	1,824
U.S.	1,013	629
Non-U.S.	180	188
Investments	1,193	817
U.S.	3,584	3,104
Non-U.S.	357	354
Loans	3,941	3,458
U.S.	2,313	1,761
Non-U.S.	1,619	1,219
Other interest-earning assets	3,932	2,980
Interest-earning assets	\$19,555	\$14,938
Liabilities		
U.S.	\$ 4,020	\$ 2,966
Non-U.S.	1,127	529
Interest-bearing deposits	5,147	3,495
U.S.	2,881	1,681
Non-U.S.	1,325	679
Collateralized financings	4,206	2,360
U.S.	322	260
Non-U.S.	366	338
Trading liabilities	688	598
U.S.	390	187
Non-U.S.	66	29
Short-term borrowings	456	216
U.S.	2,709	2,584
Non-U.S.	68	66
Long-term borrowings	2,777	2,650
U.S.	3,102	2,411
Non-U.S.	1,571	1,427
Other interest-bearing liabilities	4,673	3,838
Interest-bearing liabilities	\$17,947	\$13,157
Net interest income		

Statistical Disclosures

	Annualized Average Rate for the Three Months Ended March	
	2024	2023
Assets		
U.S.	5.77 %	5.10 %
Non-U.S.	3.39 %	2.23 %
Deposits with banks	4.57 %	3.74 %
U.S.	5.53 %	4.76 %
Non-U.S.	4.15 %	2.52 %
Collateralized agreements	5.05 %	3.74 %
U.S.	3.21 %	2.63 %
Non-U.S.	1.95 %	1.99 %
Trading assets	2.70 %	2.37 %
U.S.	3.06 %	2.18 %
Non-U.S.	5.16 %	4.94 %
Investments	3.26 %	2.50 %
U.S.	8.87 %	7.98 %
Non-U.S.	8.59 %	7.03 %
Loans	8.84 %	7.87 %
U.S.	11.46 %	8.19 %
Non-U.S.	11.44 %	8.12 %
Other interest-earning assets	11.45 %	8.16 %
Interest-earning assets	5.16 %	4.31 %
Liabilities		
U.S.	4.87 %	3.94 %
Non-U.S.	4.79 %	2.83 %
Interest-bearing deposits	4.85 %	3.72 %
U.S.	6.01 %	5.24 %
Non-U.S.	4.65 %	3.43 %
Collateralized financings	5.50 %	4.55 %
U.S.	2.25 %	1.58 %
Non-U.S.	1.99 %	1.87 %
Trading liabilities	2.11 %	1.73 %
U.S.	3.20 %	1.85 %
Non-U.S.	0.78 %	0.45 %
Short-term borrowings	2.20 %	1.30 %
U.S.	5.77 %	4.90 %
Non-U.S.	0.53 %	0.59 %
Long-term borrowings	4.65 %	4.15 %
U.S.	8.84 %	6.18 %
Non-U.S.	7.25 %	5.95 %
Other interest-bearing liabilities	8.23 %	6.09 %
Interest-bearing liabilities	5.09 %	4.06 %

In the tables above:

- Assets, liabilities and interest are classified as U.S. and non-U.S. based on the location of the legal entity in which the assets and liabilities are held.
- Derivative instruments and commodities are included in other non-interest-earning assets and other non-interest-bearing liabilities.
- Average collateralized agreements included \$183.53 billion of resale agreements and \$200.32 billion of securities borrowed for the three months ended March 2024, and \$167.64 billion of resale agreements and \$195.00 billion of securities borrowed for the three months ended March 2023.
- Other interest-earning assets primarily consists of certain receivables from customers and counterparties.
- Collateralized financings included \$245.73 billion of repurchase agreements and \$63.37 billion of securities loaned for the three months ended March 2024, and \$168.02 billion of repurchase agreements and \$39.40 billion of securities loaned for the three months ended March 2023.
- Substantially all other interest-bearing liabilities consists of certain payables to customers and counterparties.
- Interest rates for borrowings include the effects of interest rate swaps accounted for as hedges.
- Loans exclude loans held for sale that are accounted for at the lower of cost or fair value. Such loans are included within other interest-earning assets.
- Short- and long-term borrowings include both secured and unsecured borrowings.

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

Management’s Discussion and Analysis

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Introduction

The Goldman Sachs Group, Inc. (Group Inc. or parent company), a Delaware corporation, together with its consolidated subsidiaries, is a leading global financial institution that delivers a broad range of financial services to a large and diversified client base that includes corporations, financial institutions, governments and individuals. Founded in 1869, we are headquartered in New York and maintain offices in all major financial centers around the world. We manage and report our activities in three business segments: Global Banking & Markets, Asset & Wealth Management and Platform Solutions. See "Results of Operations" for further information about our business segments.

When we use the terms "we," "us" and "our," we mean Group Inc. and its consolidated subsidiaries. When we use the term "our subsidiaries," we mean the consolidated subsidiaries of Group Inc.

Group Inc. is a bank holding company and a financial holding company regulated by the Board of Governors of the Federal Reserve System (FRB).

This Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2023. References to "the 2023 Form 10-K" are to our Annual Report on Form 10-K for the year ended December 31, 2023. References to "this Form 10-Q" are to our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2024. All references to "the consolidated financial statements" or "Statistical Disclosures" are to Part I, Item 1 of this Form 10-Q. The consolidated financial statements are unaudited. All references to March 2024 and March 2023 refer to our periods ended, or the dates, as the context requires, March 31, 2024 and March 31, 2023, respectively. All references to December 2023 refer to the date December 31, 2023. Any reference to

Executive Overview

We generated net earnings of \$4.13 billion for the first quarter of 2024, compared with \$3.23 billion for the first quarter of 2023. Diluted earnings per common share (EPS) was \$11.58 for the first quarter of 2024, compared with \$8.79 for the first quarter of 2023. Annualized return on average common shareholders' equity (ROE) was 14.8% for the first quarter of 2024, compared with 11.6% for the first quarter of 2023. Book value per common share was \$321.10 as of March 2024, 2.4% higher compared with December 2023.

Net revenues were \$14.21 billion for the first quarter of 2024, 16% higher than the first quarter of 2023, reflecting higher net revenues across all segments. The increase in net revenues in Global Banking & Markets reflected significantly higher net revenues in Investment banking fees and higher net revenues in Fixed Income, Currency and Commodities (FICC) and Equities. The increase in net revenues in Asset & Wealth Management primarily reflected significantly higher net revenues in both Private banking and lending (the first quarter of 2023 included net revenues of approximately \$(470) million related to a partial sale of the Marcus by Goldman Sachs (Marcus) loans portfolio and the transfer of the remainder of the portfolio to held for sale) and Equity investments, and higher Management and other fees. The increase in net revenues in Platform Solutions reflected significantly higher net revenues in Consumer platforms.

Provision for credit losses was \$318 million for the first quarter of 2024, compared with a net benefit of \$171 million for the first quarter of 2023. Provisions for the first quarter of 2024 reflected net provisions related to both the credit card portfolio (driven by net charge-offs) and wholesale loans (driven by impairments). The net benefit for the first quarter of 2023 reflected a reserve reduction of approximately \$440 million related to a partial sale of the Marcus loans portfolio and the transfer of the remainder of the portfolio to held for sale.

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

Management’s Discussion and Analysis

During the first quarter of 2024, we returned a total of \$2.43 billion of capital to common shareholders, including \$1.50 billion of common share repurchases and \$929 million of common stock dividends. As of March 2024, our Common Equity Tier 1 (CET1) capital ratio was 14.6% under the Standardized Capital Rules and 15.9% under the Advanced Capital Rules. See Note 20 to the consolidated financial statements for further information about our capital ratios.

Business Environment

During the first quarter of 2024, the global economy grew, but economic activity continued to be impacted by concerns about inflation and ongoing geopolitical stresses, including tensions with China and the conflicts in Ukraine and the Middle East. Additionally, markets were focused on the potential timing and amount of policy interest rate cuts by central banks globally, as well as persistent concerns about commercial real estate. However, the U.S. economy has proven to be resilient, supported by a number of factors, including government spending, as well as labor force growth driven by above-trend levels of immigration.

There remains uncertainty and concerns about geopolitical risks, central bank policy, inflation, the commercial real estate sector and potential increases in regulatory capital requirements. See “Results of Operations — Segment Assets and Operating Results — Segment Operating Results” for further information about the operating environment for each of our business segments.

Critical Accounting Policies

Fair Value

Fair Value Hierarchy. Trading assets and liabilities, certain investments and loans, and certain other financial assets and liabilities, are included in our consolidated balance sheets at fair value (i.e., marked-to-market), with related gains or losses generally recognized in our consolidated statements of earnings. The use of fair value to measure financial instruments is fundamental to our risk management

The fair value of a financial instrument is the amount 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. We measure certain financial assets and liabilities as a portfolio (i.e., based on its net exposure to market and/or credit risks). In determining fair value, the hierarchy under U.S. generally accepted accounting principles (U.S. GAAP) gives (i) the highest priority to unadjusted quoted prices in active markets for identical, unrestricted assets or liabilities (level 1 inputs), (ii) the next priority to inputs other than level 1 inputs that are observable, either directly or indirectly (level 2 inputs), and (iii) the lowest priority to inputs that cannot be observed in market activity (level 3 inputs). In evaluating the significance of a valuation input, we consider, among other factors, a portfolio’s net risk exposure to that input. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to their fair value measurement.

The fair values for substantially all of our financial assets and liabilities are based on observable prices and inputs and are classified in levels 1 and 2 of the fair value hierarchy. Certain level 2 and level 3 financial assets and liabilities may require appropriate valuation adjustments that a market participant would require to arrive at fair value for factors, such as counterparty and our credit quality, funding risk, transfer restrictions, liquidity and bid/offer spreads.

Instruments classified in level 3 of the fair value hierarchy are those which require one or more significant inputs that are not observable. Level 3 financial assets represented 1.4% as of March 2024 and 1.5% as of December 2023 of our total assets. See Notes 4 and 5 to the consolidated financial statements for further information about level 3 financial assets, including changes in level 3 financial assets and related fair value measurements. Absent evidence to the contrary, instruments classified in level 3 of the fair value hierarchy are initially valued at transaction price, which is considered to be the best initial estimate

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Controls Over Valuation of Financial Instruments.

Market makers and investment professionals in our revenue-producing units are responsible for pricing our financial instruments. Our control infrastructure is independent of the revenue-producing units and is fundamental to ensuring that all of our financial instruments are appropriately valued at market-clearing levels. In the event that there is a difference of opinion in situations where estimating the fair value of financial instruments requires judgment (e.g., calibration to market comparables or trade comparison, as described below), the final valuation decision is made by senior managers in independent risk oversight and control functions. This independent price verification is critical to ensuring that our financial instruments are properly valued.

Price Verification. All financial instruments at fair value classified in levels 1, 2 and 3 of the fair value hierarchy are subject to our independent price verification process. The objective of price verification is to have an informed and independent opinion with regard to the valuation of financial instruments under review. Instruments that have one or more significant inputs which cannot be corroborated by external market data are classified in level 3 of the fair value hierarchy. Price verification strategies utilized by our independent risk oversight and control functions include:

- **Trade Comparison.** Analysis of trade data (both internal and external, where available) is used to determine the most relevant pricing inputs and valuations.
- **External Price Comparison.** Valuations and prices are compared to pricing data obtained from third parties (e.g., brokers or dealers, S&P Global Services, Bloomberg, ICE Data Services, Pricing Direct, TRACE). Data obtained from various sources is compared to ensure consistency and validity. When broker or dealer quotations or third-party pricing vendors are used for valuation or price verification, greater priority is generally given to executable quotations.
- **Calibration to Market Comparables.** Market-based transactions are used to corroborate the valuation of positions

See Note 4 to the consolidated financial statements for further information about fair value measurements.

Review of Net Revenues. Independent risk oversight and control functions ensure adherence to our pricing policy through a combination of daily procedures, including the explanation and attribution of net revenues based on the underlying factors. Through this process, we independently validate net revenues, identify and resolve potential fair value or trade booking issues on a timely basis and seek to ensure that risks are being properly categorized and quantified.

Review of Valuation Models. Our independent model risk management group (Model Risk), consisting of quantitative professionals who are separate from model developers, performs an independent model review and validation process of our valuation models. New or changed models are reviewed and approved prior to implementation. Models are reviewed annually to assess the impact of any changes in the product or market and any market developments in pricing theories. See “Risk Management — Model Risk Management” for further information about the review and validation of our valuation models.

Allowance for Credit Losses

We estimate and record an allowance for credit losses related to our loans held for investment that are accounted for at amortized cost. To determine the allowance for credit losses, we classify our loans accounted for at amortized cost into wholesale and consumer portfolios. These portfolios represent the level at which we have developed and documented our methodology to determine the allowance for credit losses. The allowance for credit losses is measured on a collective basis for loans that exhibit similar risk characteristics using a modeled approach and on an asset-specific basis for loans that do not share similar risk characteristics.

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The allowance for credit losses takes into account the weighted average of a range of forecasts of future economic conditions over the expected life of the loans and lending commitments. The expected life of each loan or lending commitment is determined based on the contractual term adjusted for extension options or demand features, or is modeled in the case of revolving credit card loans. The forecasts include baseline, favorable and adverse economic scenarios over a three-year period. For loans with expected lives beyond three years, the model reverts to historical loss information based on a non-linear modeled approach. We apply judgment in weighting individual scenarios each quarter based on a variety of factors, including our internally derived economic outlook, market consensus, recent macroeconomic conditions and industry trends. The forecasted economic scenarios consider a number of risk factors relevant to the wholesale and consumer portfolios. Risk factors for wholesale loans include internal credit ratings, industry default and loss data, expected life, macroeconomic indicators (e.g., unemployment rates and GDP), the borrower's capacity to meet its financial obligations, the borrower's country of risk and industry, loan seniority and collateral type. In addition, for loans backed by real estate, risk factors include the loan-to-value ratio, debt service ratio and home price index. The allowance for loan losses for wholesale loans that do not share similar risk characteristics, such as nonaccrual loans, is calculated using the present value of expected future cash flows discounted at the loan's effective rate, the observable market price of the loan, or, in the case of collateral dependent loans, the fair value of the collateral less estimated costs to sell, if applicable. Risk factors for installment and credit card loans include Fair Isaac Corporation (FICO) credit scores, delinquency status, loan vintage and macroeconomic indicators.

The allowance for credit losses also includes qualitative components which allow management to reflect the uncertain nature of economic forecasting, capture uncertainty regarding model inputs, and

We also record an allowance for credit losses on lending commitments which are held for investment that are accounted for at amortized cost. Such allowance is determined using the same methodology as the allowance for loan losses, while also taking into consideration the probability of drawdowns or funding, and whether such commitments are cancellable by us.

To estimate the potential impact of an adverse macroeconomic environment on our allowance for credit losses, we, among other things, compared the expected credit losses under the weighted average forecast used in the calculation of allowance for credit losses as of March 2024 (which was weighted towards the baseline and adverse economic scenarios) to the expected credit losses under a 100% weighted adverse economic scenario. The adverse economic scenario of the forecast model reflects a global recession in the second quarter of 2024 through the second quarter of 2025, resulting in an economic contraction and rising unemployment rates. A 100% weighting to the adverse economic scenario would have resulted in an approximate \$0.7 billion increase in our allowance for credit losses as of March 2024. This hypothetical increase does not take into consideration any potential adjustments to qualitative reserves. The forecasts of macroeconomic conditions are inherently uncertain and do not take into account any other offsetting or correlated effects. The actual credit loss in an adverse macroeconomic environment may differ significantly from this estimate. See Note 9 to the consolidated financial statements for further information about the allowance for credit losses.

Use of Estimates

U.S. GAAP requires us to make certain estimates and assumptions. In addition to the estimates we make in connection with fair value measurements and the allowance for credit losses on loans and lending commitments held for investment and accounted for at amortized cost, the use of estimates and assumptions is also important in determining discretionary compensation accruals, the accounting for goodwill and identifiable intangible assets,

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A substantial portion of our compensation and benefits represents discretionary compensation, which is finalized at year-end. We believe the most appropriate way to allocate estimated year-end discretionary compensation among interim periods is in proportion to the net revenues net of provision for credit losses earned in such periods. In addition to the level of net revenues net of provision for credit losses, our overall compensation expense in any given year is also influenced by, among other factors, overall financial performance, prevailing labor markets, business mix, the structure of our share-based compensation programs and the external environment.

Goodwill is assessed for impairment annually in the fourth quarter or more frequently if events occur or circumstances change that indicate an impairment may exist. When assessing goodwill for impairment, first, a qualitative assessment can be made to determine whether it is more likely than not that the estimated fair value of a reporting unit is less than its carrying value. If the results of the qualitative assessment are not conclusive, a quantitative goodwill test is performed. Alternatively, a quantitative goodwill test can be performed without performing a qualitative assessment. Estimating the fair value of our reporting units requires judgment. Critical inputs to the fair value estimates include projected earnings, allocated equity, price-to-earnings multiples and price-to-book multiples. There is inherent uncertainty in the projected earnings. The carrying value of each reporting unit reflects an allocation of total shareholders' equity and represents the estimated amount of total shareholders' equity required to support the activities of the reporting unit under currently applicable regulatory capital requirements. See Note 12 to the consolidated financial statements for further information about our annual assessment of goodwill for impairment. If we experience a prolonged or severe period of weakness in the business environment, financial markets, the performance of one or more of our reporting units or our common stock price, or additional increases in capital

We also estimate and provide for potential losses that may arise out of litigation and regulatory proceedings to the extent that such losses are probable and can be reasonably estimated. In addition, we estimate the upper end of the range of reasonably possible aggregate loss in excess of the related reserves for litigation and regulatory proceedings where we believe the risk of loss is more than slight. See Notes 18 and 27 to the consolidated financial statements for information about certain judicial, litigation and regulatory proceedings. Significant judgment is required in making these estimates and our final liabilities may ultimately be materially different. Our total estimated liability in respect of litigation and regulatory proceedings is determined on a case-by-case basis and represents an estimate of probable losses after considering, among other factors, the progress of each case, proceeding or investigation, our experience and the experience of others in similar cases, proceedings or investigations, and the opinions and views of legal counsel.

In accounting for income taxes, we recognize tax positions in the financial statements only when it is more likely than not that the position will be sustained on examination by the relevant taxing authority based on the technical merits of the position. We use estimates to recognize current and deferred income taxes in the U.S. federal, state and local and non-U.S. jurisdictions in which we operate. The income tax laws in these jurisdictions are complex and can be subject to different interpretations between taxpayers and taxing authorities. Disputes may arise over these interpretations and can be settled by audit, administrative appeals or judicial proceedings. Our interpretations are reevaluated quarterly based on guidance currently available, tax examination experience and the opinions of legal counsel, among other factors. We recognize deferred taxes based on the amount that will more likely than not be realized in the future based on enacted income tax laws. Our estimate for deferred taxes includes estimates for future taxable earnings, including the level and character of those earnings, and various tax planning

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Results of Operations

The composition of our net revenues has varied over time as financial markets and the scope of our operations have changed. The composition of net revenues can also vary over the shorter term due to fluctuations in U.S. and global economic and market conditions. See “Risk Factors” in Part I, Item 1A of the 2023 Form 10-K for further information about the impact of economic and market conditions on our results of operations.

Financial Overview

The table below presents an overview of our financial results and selected financial ratios.

	Three Months Ended March	
\$ in millions, except per share amounts	2024	2023
Net revenues	\$14,213	\$12,224
Pre-tax earnings	\$ 5,237	\$ 3,993
Net earnings	\$ 4,132	\$ 3,234
Net earnings to common	\$ 3,931	\$ 3,087
Diluted EPS	\$ 11.58	\$ 8.79
ROE	14.8 %	11.6 %
ROTE	15.9 %	12.6 %
Net earnings to average assets	1.0 %	0.9 %
Return on shareholders’ equity	14.1 %	11.1 %
Average equity to average assets	7.1 %	7.7 %
Dividend payout ratio	23.7 %	28.4 %

Our target (through-the-cycle) is to achieve ROE within a range of 14% to 16% and return on average tangible common shareholders’ equity (ROTE) within a range of 15% to 17%.

In the table above:

- Net earnings to common represents net earnings applicable to common shareholders, which is calculated as net earnings less preferred stock dividends.
- ROE, ROTE, net earnings to average total assets and return on average shareholders’ equity are annualized amounts.
- ROE is calculated by dividing annualized net earnings to common by average monthly common shareholders’ equity.
- ROTE is calculated by dividing

The table below presents our average equity and the reconciliation of average common shareholders’ equity to average tangible common shareholders’ equity.

	Average for the Three Months Ended March	
\$ in millions	2024	2023
Total shareholders’ equity	\$117,393	\$116,819
Preferred stock	(11,203)	(10,703)
Common shareholders’ equity	106,190	106,116
Goodwill	(5,903)	(6,392)
Identifiable intangible assets	(1,124)	(1,985)
Tangible common shareholders’ equity	\$ 99,163	\$ 97,739

- Net earnings to average assets is calculated by dividing annualized net earnings by average total assets.
- Return on shareholders’ equity is calculated by dividing annualized net earnings by average monthly shareholders’ equity.
- Average equity to average assets is calculated by dividing average total shareholders’ equity by average total assets.
- Dividend payout ratio is calculated by dividing dividends declared per common share by diluted EPS.

Net Revenues

The table below presents our net revenues by line item.

	Three Months Ended March	
\$ in millions	2024	2023
Investment banking	\$ 2,085	\$ 1,578
Investment management	2,491	2,289
Commissions and fees	1,077	1,088
Market making	5,992	5,433
Other principal transactions	960	55
Total non-interest revenues	12,605	10,443
Interest income	19,555	14,938
Interest expense	17,947	13,157
Net interest income	1,608	1,781
Total net revenues	\$14,213	\$12,224

In the table above:

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- Market making consists of revenues (excluding net interest) from client execution activities related to making markets in interest rate products, credit products, mortgages, currencies, commodities and equity products. These activities are included in Global Banking & Markets.
- Other principal transactions consists of revenues (excluding net interest) from our equity investing activities, including revenues related to our consolidated investments (included in Asset & Wealth Management), and debt investing and lending activities (included across our three segments).

Operating Environment. During the first quarter of 2024, the operating environment was generally characterized by continued broad macroeconomic concerns, including concerns and uncertainty about inflation, ongoing geopolitical tensions and central bank policy. Industry-wide investment banking activity levels experienced a decline in completed mergers and acquisitions transactions compared with the fourth quarter of 2023, while underwriting volumes increased, particularly for debt offerings. Market-making activity levels were relatively steady compared with the prior quarter. Improvements in the outlook for economic conditions contributed to generally higher global equity prices compared with the end of 2023, and concerns about the commercial real estate market persisted. In the U.S., the rate of unemployment remained low and the pace of growth in consumer spending declined compared with the fourth quarter of 2023.

If uncertainty and concerns about geopolitical tensions and the economic outlook remain elevated or grow, including those about central bank policy, inflation, the commercial real estate sector, and potential increases in regulatory capital requirements, it may lead to a decline in asset prices, a decline in market-making activity levels, or a decline in investment banking activity levels, and net revenues and provision for credit losses would likely be negatively impacted. See “Segment Assets and Operating Results — Segment Operating Results” for information about the operating environment and material

Investment management revenues in the consolidated statements of earnings were \$2.49 billion for the first quarter of 2024, 9% higher than the first quarter of 2023, due to higher management and other fees, primarily reflecting the impact of higher average assets under supervision (AUS).

Commissions and fees in the consolidated statements of earnings were \$1.08 billion for the first quarter of 2024, essentially unchanged compared with the first quarter of 2023.

Market making revenues in the consolidated statements of earnings were \$5.99 billion for the first quarter of 2024, 10% higher than the first quarter of 2023, reflecting higher revenues in financing and intermediation. The increase from financing activities reflected significantly higher revenues from equity financing, partially offset by significantly lower revenues from FICC financing. The increase from intermediation activities primarily reflected significantly higher revenues in mortgages and currencies, partially offset by significantly lower revenues in commodities.

Other principal transactions revenues in the consolidated statements of earnings were \$960 million for the first quarter of 2024, compared with \$55 million for the first quarter of 2023, with the increase primarily reflecting the impact of the sale of the Marcus loans portfolio in 2023 (including the significant mark-down of the portfolio in the first quarter of 2023 of approximately \$470 million), higher net gains from derivatives related to our borrowings and lower net losses on hedges related to relationship lending.

Net Interest Income. Net interest income in the consolidated statements of earnings was \$1.61 billion for the first quarter of 2024, 10% lower than the first quarter of 2023, reflecting a significant increase in interest expense, partially offset by a significant increase in interest income. The increase in interest expense primarily related to collateralized financings, reflecting the impact of higher average balances, and deposits and other interest-bearing liabilities, both reflecting the impact of higher average interest rates. The increase in interest income primarily related to collateralized agreements, other

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Provision for Credit Losses

Provision for credit losses consists of provision for credit losses on financial assets and commitments accounted for at amortized cost, including loans and lending commitments held for investment. See Note 9 to the consolidated financial statements for further information about the provision for credit losses on loans and lending commitments.

The table below presents our provision for credit losses.

\$ in millions	Three Months Ended March	
	2024	2023
Provision for credit losses	\$ 318	\$ (171)

Three Months Ended March 2024 versus March 2023.

Provision for credit losses in the consolidated statements of earnings was \$318 million for the first quarter of 2024, compared with a net benefit of \$171 million for the first quarter of 2023. Provisions for the first quarter of 2024 reflected net provisions related to both the credit card portfolio (driven by net charge-offs) and wholesale loans (driven by impairments). The net benefit for the first quarter of 2023 reflected a reserve reduction of approximately \$440 million related to a partial sale of the Marcus loans portfolio and the transfer of the remainder of the portfolio to held for sale, partially offset by net provisions related to the credit card and point-of-sale loan portfolios (driven by net charge-offs and growth) and a provision related to a term deposit with First Republic.

Operating Expenses

Our operating expenses are primarily influenced by compensation, headcount and levels of business activity. Compensation and benefits includes salaries, estimated year-end discretionary compensation, amortization of equity awards and other items such as benefits. Discretionary compensation is significantly impacted by, among other factors, the level of net revenues, net of provision for credit losses, overall financial performance, prevailing labor markets, business mix, the structure of our share-based compensation programs and the external environment.

Three Months Ended March 2024 versus March 2023.

Operating expenses in the consolidated statements of earnings were \$8.66 billion for the first quarter of 2024, 3% higher than the first quarter of 2023. Our efficiency ratio was 60.9% for the first quarter of 2024, compared with 68.7% for the first quarter of 2023.

The increase in operating expenses compared with the first quarter of 2023 primarily reflected higher compensation and benefits expenses (reflecting improved operating performance), higher transaction based expenses and an incremental expense for the FDIC special assessment fee (in other expenses), partially offset by significantly lower impairments related to commercial real estate included in CIEs (in depreciation and amortization). The incremental expense for the FDIC special assessment fee was \$78 million (pre-tax) and was recognized in the first quarter of 2024 when the FDIC notified banks subject to the special assessment fee that the estimated cost to the Deposit Insurance Fund resulting from the closures in 2023 of Silicon Valley Bank and Signature Bank had increased. Net provisions for litigation and regulatory proceedings were \$23 million for the first quarter of 2024 compared with \$72 million for the first quarter of 2023.

As of March 2024, headcount decreased 2% compared with December 2023, primarily reflecting the impact of the sale of GreenSky Holdings, LLC (GreenSky).

Provision for Taxes

The effective income tax rate for the first quarter of 2024 was 21.1%, up from the full year income tax rate of 20.7% for 2023, primarily due to a decrease in permanent tax benefits, partially offset by changes in the geographic mix of earnings.

The Organisation for Economic Co-operation and Development (OECD) Global Anti-Base Erosion Model Rules (Pillar II) aim to ensure that multinationals with revenues in excess of EUR 750 million pay a minimum effective corporate tax rate of 15% (minimum tax) in each jurisdiction in which they operate. The U.K. and other jurisdictions in which we operate have adopted certain portions of the OECD directive (Pillar II legislation), effective

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Segment Assets and Operating Results

Segment Assets. The table below presents assets by segment.

	As of	
	March	December
\$ in millions	2024	2023
Global Banking & Markets	\$1,449,017	\$1,381,247
Asset & Wealth Management	190,451	191,863
Platform Solutions	58,972	68,484
Total	\$1,698,440	\$1,641,594

The allocation process for segment assets is based on the activities of these segments. The allocation of assets includes allocation of global core liquid assets (GCLA) (which consists of unencumbered, highly liquid securities and cash), which is generally included within cash and cash equivalents, collateralized agreements and trading assets on our balance sheet. Due to the integrated nature of these segments, estimates and judgments are made in allocating these assets. See “Risk Management — Liquidity Risk Management” for further information about our GCLA.

Segment Operating Results. The table below presents our segment operating results.

	Three Months Ended March	
	2024	2023
\$ in millions		
Global Banking & Markets		
Net revenues	\$ 9,726	\$ 8,444
Provision for credit losses	96	129
Operating expenses	5,153	4,629
Pre-tax earnings	\$ 4,477	\$ 3,686
Net earnings to common	\$ 3,377	\$ 2,876
Average common equity	\$ 75,000	\$ 69,497
Return on average common equity	18.0 %	16.6 %
Asset & Wealth Management		
Net revenues	\$ 3,789	\$ 3,216
Provision for credit losses	(22)	(565)
Operating expenses	2,934	3,168
Pre-tax earnings	\$ 877	\$ 613
Net earnings to common	\$ 653	\$ 464
Average common equity	\$ 26,456	\$ 32,684
Return on average common equity	9.9 %	5.7 %
Platform Solutions		
Net revenues	\$ 698	\$ 564
Provision for credit losses	244	265
Operating expenses	571	605
Pre-tax earnings/(loss)	\$ (117)	\$ (306)
Net earnings/(loss) to common	\$ (99)	\$ (253)
Average common equity	\$ 4,734	\$ 3,935
Return on average common equity	(8.4)%	(25.7)%
Total		
Net revenues	\$ 14,213	\$ 12,224
Provision for credit losses	318	(171)
Operating expenses	8,658	8,402
Pre-tax earnings	\$ 5,237	\$ 3,993
Net earnings to common	\$ 3,931	\$ 3,087
Average common equity	\$106,190	\$106,116
Return on average common equity	14.8 %	11.6 %

Net revenues in our segments include allocations of interest income and expense to specific positions in relation to the cash generated by, or funding requirements of, such positions. See Note 25 to the consolidated financial statements for further information about our business segments.

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Global Banking & Markets

Global Banking & Markets generates revenues from the following:

Investment banking fees. We provide advisory and underwriting services and help companies raise capital to strengthen and grow their businesses. Investment banking fees includes the following:

- **Advisory.** Includes strategic advisory assignments with respect to mergers and acquisitions, divestitures, corporate defense activities, restructurings and spin-offs.
- **Underwriting.** Includes public offerings and private placements in both local and cross-border transactions of a wide range of securities and other financial instruments, including acquisition financing.

FICC. FICC generates revenues from intermediation and financing activities.

- **FICC intermediation.** Includes client execution activities related to making markets in both cash and derivative instruments, as detailed below.

Interest Rate Products. Government bonds (including inflation-linked securities) across maturities, other government-backed securities, and interest rate swaps, options and other derivatives.

Credit Products. Investment-grade and high-yield corporate securities, credit derivatives, exchange-traded funds (ETFs), bank and bridge loans, municipal securities, distressed debt and trade claims.

Mortgages. Commercial mortgage-related securities, loans and derivatives, residential mortgage-related securities, loans and derivatives (including U.S. government agency-issued collateralized mortgage obligations and other securities and loans), and other asset-backed securities, loans and derivatives.

Currencies. Currency options, spot/forwards and other derivatives on G-10 currencies and emerging-market products.

Commodities. Commodity derivatives and, to a lesser extent, physical commodities involving crude oil and

Equities. Equities generates revenues from intermediation and financing activities.

- **Equities intermediation.** We make markets in equity securities and equity-related products, including ETFs, convertible securities, options, futures and OTC derivative instruments. We also structure and make markets in derivatives on indices, industry sectors, financial measures and individual company stocks. Our exchange-based market-making activities include making markets in stocks and ETFs, futures and options on major exchanges worldwide. In addition, we generate commissions and fees from executing and clearing institutional client transactions on major stock, options and futures exchanges worldwide, as well as OTC transactions.

- **Equities financing.** Includes prime financing, which provides financing to our clients for their securities trading activities through margin loans that are collateralized by securities, cash or other collateral. Prime financing also includes services which involve lending securities to cover institutional clients' short sales and borrowing securities to cover our short sales and to make deliveries into the market. We are also an active participant in broker-to-broker securities lending and third-party agency lending activities. In addition, we execute swap transactions to provide our clients with exposure to securities and indices. Financing activities also include portfolio financing, which clients can utilize to manage their investment portfolios, and other equity financing activities, including securities-based loans to individuals.

Market-Making Activities

As a market maker, we facilitate transactions in both liquid and less liquid markets, primarily for institutional clients, such as corporations, financial institutions, investment funds and governments, to assist clients in meeting their investment objectives and in managing their risks. In this role, we seek to earn the difference between the price at which a market participant is willing to sell an instrument to us and the price at which another

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Our results are influenced by a combination of interconnected drivers, including (i) client activity levels and transactional bid/offer spreads (collectively, client activity), and (ii) changes in the fair value of our inventory and interest income and interest expense related to the holding, hedging and funding of our inventory (collectively, market-making inventory changes). Due to the integrated nature of our market-making activities, disaggregation of net revenues into client activity and market-making inventory changes is judgmental and has inherent complexities and limitations.

The amount and composition of our net revenues vary over time as these drivers are impacted by multiple interrelated factors affecting economic and market conditions, including volatility and liquidity in the market, changes in interest rates, currency exchange rates, credit spreads, equity prices and commodity prices, investor confidence, and other macroeconomic concerns and uncertainties.

In general, assuming all other market-making conditions remain constant, increases in client activity levels or bid/offer spreads tend to result in increases in net revenues, and decreases tend to have the opposite effect. However, changes in market-making conditions can materially impact client activity levels and bid/offer spreads, as well as the fair value of our inventory. For example, a decrease in liquidity in the market could have the impact of (i) increasing our bid/offer spread, (ii) decreasing investor confidence and thereby decreasing client activity levels, and (iii) widening of credit spreads on our inventory positions.

Other. We lend to corporate clients, including through relationship lending and acquisition financing. The hedges related to this lending and financing activity are also reported as part of Other. Other also includes equity and debt investing activities related to our Global Banking & Markets activities.

The table below presents our Global Banking & Markets assets.

The table below presents details about our Global Banking & Markets loans.

	As of	
	March	December
\$ in millions	2024	2023
Corporate	\$ 24,812	\$ 24,159
Real estate	34,091	34,813
Securities-based	3,782	3,758
Other collateralized	60,626	55,527
Installment	141	173
Other	451	475
Loans, gross	123,903	118,905
Allowance for loan losses	(1,462)	(1,441)
Total loans	\$ 122,441	\$ 117,464

Our average Global Banking & Markets gross loans were \$121.55 billion for the first quarter of 2024 and \$109.53 billion for the first quarter of 2023.

The table below presents our Global Banking & Markets operating results.

	Three Months Ended March	
	2024	2023
\$ in millions		
Advisory	\$ 1,011	\$ 818
Equity underwriting	370	255
Debt underwriting	699	506
Investment banking fees	2,080	1,579
FICC intermediation	3,471	3,280
FICC financing	852	651
FICC	4,323	3,931
Equities intermediation	1,989	1,741
Equities financing	1,322	1,274
Equities	3,311	3,015
Other	12	(81)
Net revenues	9,726	8,444
Provision for credit losses	96	129
Operating expenses	5,153	4,629
Pre-tax earnings	4,477	3,686
Provision for taxes	945	700
Net earnings	3,532	2,986
Preferred stock dividends	155	110
Net earnings to common	\$ 3,377	\$ 2,876
Average common equity	\$75,000	\$69,497
Return on average common equity	18.0 %	16.6 %

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The table below presents our FICC and Equities net revenues by line item in the consolidated statements of earnings.

\$ in millions	FICC	Equities
Three Months Ended March 2024		
Market making	\$3,592	\$2,400
Commissions and fees	-	1,044
Other principal transactions	243	20
Net interest income	488	(153)
Total	\$4,323	\$3,311
Three Months Ended March 2023		
Market making	\$ 3,573	\$ 1,860
Commissions and fees	-	1,036
Other principal transactions	72	23
Net interest income	286	96
Total	\$ 3,931	\$ 3,015

In the table above:

- See “Net Revenues” for information about market making revenues, commissions and fees, other principal transactions revenues and net interest income. See Note 25 to the consolidated financial statements for net interest income by segment.
- The primary driver of net revenues for FICC intermediation for all periods was client activity.

The table below presents our financial advisory and underwriting transaction volumes.

\$ in billions	Three Months Ended March	
	2024	2023
Announced mergers and acquisitions	\$ 240	\$ 116
Completed mergers and acquisitions	\$ 204	\$ 217
Equity and equity-related offerings	\$ 14	\$ 11
Debt offerings	\$ 79	\$ 74

In the table above:

- Volumes are per Dealogic.
- Announced and completed mergers and acquisitions volumes are based on full credit to each of the advisors in a transaction. Equity and equity-related and debt offerings are based on full credit for single book managers and equal credit for joint book managers. Transaction volumes may not be

Operating Environment. During the first quarter of 2024, Global Banking & Markets operated in an environment generally characterized by continued broad macroeconomic concerns, including concerns and uncertainty about inflation, ongoing geopolitical stresses and central bank policy.

In investment banking, industry-wide completed mergers and acquisitions transactions declined compared with the fourth quarter of 2023, while industry-wide equity underwriting volumes improved but still remained below historical averages. Industry-wide debt underwriting volumes were significantly higher compared with the fourth quarter of 2023, as investment-grade offerings were strong to start the year.

In interest rates, the yields on 10-year U.S. and U.K. government bonds increased during the quarter. In equities, the S&P 500 Index increased by 10% and the MSCI World Index increased by 8% compared with the end of 2023.

In the future, if market and economic conditions deteriorate, and market-making activity levels decline or investment banking activity levels decline, or credit spreads related to hedges on our relationship lending portfolio tighten, net revenues in Global Banking & Markets would likely be negatively impacted. In addition, if economic conditions deteriorate or if the creditworthiness of borrowers deteriorates, provision for credit losses would likely be negatively impacted.

Three Months Ended March 2024 versus March 2023. Net revenues in Global Banking & Markets were \$9.73 billion for the first quarter of 2024, 15% higher than the first quarter of 2023.

Investment banking fees were \$2.08 billion, 32% higher than the first quarter of 2023, reflecting significantly higher net revenues in Debt underwriting, primarily driven by leveraged finance activity, in Advisory, reflecting an increase in completed mergers and acquisitions transactions, and in Equity underwriting, primarily from initial public and secondary offerings.

As of March 2024, our Investment banking

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Our backlog represents an estimate of our net revenues from future transactions where we believe that future revenue realization is more likely than not. We believe changes in our backlog may be a useful indicator of client activity levels which, over the long term, impact our net revenues. However, the time frame for completion and corresponding revenue recognition of transactions in our backlog varies based on the nature of the assignment, as certain transactions may remain in our backlog for longer periods of time. In addition, our backlog is subject to certain limitations, such as assumptions about the likelihood that individual client transactions will occur in the future. Transactions may be cancelled or modified, and transactions not included in the estimate may also occur.

Net revenues in FICC were \$4.32 billion, 10% higher than the first quarter of 2023, primarily reflecting significantly higher net revenues in FICC financing, driven by mortgages and structured lending. The increase also reflected higher net revenues in FICC intermediation due to significantly higher net revenues in mortgages and higher net revenues in currencies and credit products, partially offset by lower net revenues in commodities and slightly lower net revenues in interest rate products.

The increase in FICC intermediation net revenues reflected improved market-making conditions on our inventory, partially offset by significantly lower client activity. The following provides information about our FICC intermediation net revenues by business, compared with results for the first quarter of 2023:

- Net revenues in mortgages, currencies and credit products reflected improved market-making conditions on our inventory.
- Net revenues in commodities reflected lower client activity. Net revenues in interest rate products also reflected lower client activity, largely offset by improved market-making conditions on our inventory.

Net revenues in Equities were \$3.31 billion, 10% higher than the first quarter of 2023, due to higher net revenues in

Operating expenses were \$5.15 billion for the first quarter of 2024, 11% higher than the first quarter of 2023, primarily due to higher compensation and benefits expenses (reflecting improved operating performance). Pre-tax earnings were \$4.48 billion for the first quarter of 2024, 21% higher than the first quarter of 2023.

Asset & Wealth Management

Asset & Wealth Management provides investment services to help clients preserve and grow their financial assets and achieve their financial goals. We provide these services to our clients, both institutional and individuals, including investors who primarily access our products through a network of third-party distributors around the world.

We manage client assets across a broad range of investment strategies and asset classes, including equity, fixed income and alternative investments. We provide investment solutions, including those managed on a fiduciary basis by our portfolio managers, as well as those managed by third-party managers. We offer our investment solutions in a variety of structures, including separately managed accounts, mutual funds, private partnerships and other commingled vehicles.

We also provide tailored wealth advisory services to clients across the wealth spectrum. We operate globally, serving individuals, families, family offices, and foundations and endowments. Our relationships are established directly or introduced through companies that sponsor financial wellness or financial planning programs for their employees, as well as through corporate referrals.

We offer personalized financial planning to individuals and also provide customized investment advisory solutions, and offer structuring and execution capabilities in securities and derivative products across all major global markets. In addition, we offer clients a full range of private banking services, including a variety of deposit alternatives and loans that our clients use to finance investments in both financial and nonfinancial assets, bridge cash flow timing gaps or provide liquidity and flexibility for other needs. We also accept deposits through Marcus.

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Asset & Wealth Management generates revenues from the following:

- **Management and other fees.** We receive fees related to managing assets for institutional and individual clients, providing investing and wealth advisory solutions, providing financial planning and counseling services, and executing brokerage transactions for wealth management clients. The vast majority of revenues in management and other fees consists of asset-based fees on client assets that we manage. For further information about assets under supervision, see “Assets Under Supervision” below. The fees that we charge vary by asset class, client channel and the types of services provided, and are affected by investment performance, as well as asset inflows and redemptions.

- **Incentive fees.** In certain circumstances, we also receive incentive fees based on a percentage of a fund’s or a separately managed account’s return, or when the return exceeds a specified benchmark or other performance targets. Such fees include overrides, which consist of the increased share of the income and gains derived primarily from our private equity and credit funds when the return on a fund’s investments over the life of the fund exceeds certain threshold returns.

- **Private banking and lending.** Our private banking and lending activities include issuing loans to our wealth management clients. We also accept deposits from wealth management clients, including through Marcus. Private banking and lending revenues include net interest income allocated to deposits and net interest income earned on loans to individual clients.

- **Equity investments.** Includes investing activities related to our asset management activities primarily related to public and private equity investments in corporate, real estate and infrastructure assets. We also make investments through CIEs, substantially all of which are engaged in real estate investment activities. In addition, we make investments in connection with our activities to satisfy requirements under the Community Reinvestment Act.

The table below presents our Asset & Wealth Management assets.

	As of	
	March	December
\$ in millions	2024	2023
Cash and cash equivalents	\$ 43,813	\$ 48,677
Collateralized agreements	13,974	14,020
Customer and other receivables	15,809	14,859
Trading assets	32,075	27,324
Investments	24,220	24,487
Loans	44,794	45,866
Other assets	15,766	16,630
Total	\$190,451	\$191,863

The table below presents details about our Asset & Wealth Management loans.

	As of	
	March	December
\$ in millions	2024	2023
Corporate	\$ 11,121	\$ 11,715
Real estate	16,677	16,603
Securities-based	10,744	10,863
Other collateralized	6,176	6,698
Other	1,160	1,121
Loans, gross	45,878	47,000
Allowance for loan losses	(1,084)	(1,134)
Total loans	\$ 44,794	\$ 45,866

The average Asset & Wealth Management gross loans were \$46.58 billion for the first quarter of 2024 and \$56.79 billion for the first quarter of 2023.

The table below presents our Asset & Wealth Management operating results.

	Three Months Ended March	
	2024	2023
\$ in millions		
Management and other fees	\$ 2,452	\$ 2,282
Incentive fees	88	53
Private banking and lending	682	354
Equity investments	222	119
Debt investments	345	408
Net revenues	3,789	3,216
Provision for credit losses	(22)	(565)
Operating expenses	2,934	3,168
Pre-tax earnings	877	613
Provision for taxes	185	117

Management’s Discussion and Analysis

The table below presents our Asset management and Wealth management net revenues by line item in Asset & Wealth Management.

\$ in millions	Asset management	Wealth management	Asset & Wealth Management
Three Months Ended March 2024			
Management and other fees	\$ 1,113	\$ 1,339	\$ 2,452
Incentive fees	88	-	88
Private banking and lending	-	682	682
Equity investments	222	-	222
Debt investments	345	-	345
Total	\$ 1,768	\$ 2,021	\$ 3,789
Three Months Ended March 2023			
Management and other fees	\$ 1,033	\$ 1,249	\$ 2,282
Incentive fees	53	-	53
Private banking and lending	-	354	354
Equity investments	119	-	119
Debt investments	408	-	408
Total	\$ 1,613	\$ 1,603	\$ 3,216

The table below presents our Equity investments net revenues by equity type and asset class.

\$ in millions	Three Months Ended March	
	2024	2023
Equity Type		
Private equity	\$ 330	\$ 34
Public equity	(108)	85
Total	\$ 222	\$ 119
Asset Class		
Real estate	\$ 105	\$ 10
Corporate	117	109
Total	\$ 222	\$ 119

The table below presents details about our Debt investments net revenues.

\$ in millions	Three Months Ended March	
	2024	2023

In the future, if market and economic conditions deteriorate, it may lead to a decline in asset prices, or investors transitioning to asset classes that typically generate lower fees or continuing to withdraw their assets, and net revenues in Asset & Wealth Management would likely be negatively impacted.

Three Months Ended March 2024 versus March 2023. Net revenues in Asset & Wealth Management were \$3.79 billion for the first quarter of 2024, 18% higher than the first quarter of 2023, primarily reflecting significantly higher net revenues in both Private banking and lending (the first quarter of 2023 included net revenues of approximately \$(470) million related to a partial sale of the Marcus loans portfolio and the transfer of the remainder of the portfolio to held for sale) and Equity investments, and higher Management and other fees.

The increase in Private banking and lending net revenues reflected the impact of the sale of the Marcus loans portfolio in 2023 (including the significant mark-down of the portfolio in the first quarter of 2023), partially offset by the impact of lower deposit spreads. The increase in Equity investments net revenues reflected significantly higher net gains from investments in private equities, partially offset by mark-to-market net losses from investments in public equities compared with net gains in the prior year period. The increase in Management and other fees primarily reflected the impact of higher average assets under supervision. Debt investments net revenues were lower, reflecting lower net interest income due to a reduction in the debt investments balance sheet.

Provision for credit losses was a net benefit of \$22 million for the first quarter of 2024, compared with a net benefit of \$565 million for the first quarter of 2023. The net benefit for the first quarter of 2023 primarily reflected a reserve reduction of approximately \$440 million related to a partial sale of the Marcus loans portfolio and the transfer of the remainder of the portfolio to held for sale.

Operating expenses were \$2.93 billion for the first quarter of 2024, 7% lower than the first quarter of 2023, due to

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Assets Under Supervision. AUS includes our institutional clients' assets, assets sourced through third-party distributors and high-net-worth clients' assets where we earn a fee for managing assets on a discretionary basis. This includes net assets in our mutual funds, hedge funds, credit funds, private equity funds, real estate funds, and separately managed accounts for institutional and individual investors. AUS also includes client assets invested with third-party managers, private bank deposits and advisory relationships where we earn a fee for advisory and other services, but do not have investment discretion. AUS does not include the self-directed brokerage assets of our clients.

The table below presents information about our firmwide period-end AUS by asset class, client channel, region and vehicle.

	As of March	
\$ in billions	2024	2023
Asset Class		
Alternative investments	\$ 296	\$ 268
Equity	713	597
Fixed income	1,141	1,047
Total long-term AUS	2,150	1,912
Liquidity products	698	760
Total AUS	\$2,848	\$ 2,672
Client Channel		
Institutional	\$1,048	\$ 939
Wealth management	845	745
Third-party distributed	955	988
Total AUS	\$2,848	\$ 2,672
Region		
Americas	\$1,989	\$ 1,900
EMEA	650	582
Asia	209	190
Total AUS	\$2,848	\$ 2,672
Vehicle		
Separate accounts	\$1,608	\$ 1,437
Public funds	877	912
Private funds and other	363	323
Total AUS	\$2,848	\$ 2,672

In the table above:

The table below presents changes in our AUS.

	Three Months Ended March	
\$ in billions	2024	2023
Beginning balance	\$2,812	\$ 2,547
Net inflows/(outflows):		
Alternative investments	-	1
Equity	1	(2)
Fixed income	23	9
Total long-term AUS net inflows/(outflows)	24	8
Liquidity products	(39)	49
Total AUS net inflows/(outflows)	(15)	57
Net market appreciation/(depreciation)	51	68
Ending balance	\$2,848	\$ 2,672

In the table above, total AUS net outflows of \$15 billion for the first quarter of 2024 included net outflows of \$44 billion in the third-party distributed client channel, and net inflows of \$17 billion in the wealth management client channel and \$12 billion in the institutional client channel.

The table below presents information about our average monthly firmwide AUS by asset class.

	Average for the Three Months Ended March	
\$ in billions	2024	2023
Asset Class		
Alternative investments	\$ 295	\$ 265
Equity	682	586
Fixed income	1,129	1,034
Total long-term AUS	2,106	1,885
Liquidity products	723	719
Total AUS	\$2,829	\$ 2,604

In addition to our AUS, we have discretion over alternative investments where we currently do not earn management fees (non-fee-earning alternative assets).

We earn management fees on client assets that we manage and also receive incentive fees based on a percentage of a fund's or a separately managed account's return, or when the return exceeds a specified benchmark or other performance targets. These incentive fees are recognized when

Management’s Discussion and Analysis

The table below presents our average effective management fee (which excludes non-asset-based fees) earned on our firmwide AUS by asset class.

Effective fees (bps)	Three Months Ended March	
	2024	2023
Alternative investments	63	66
Equity	55	58
Fixed income	17	18
Liquidity products	15	15
Total average effective fee	31	32

The table below presents details about our monthly average AUS for alternative investments and the average effective management fee we earned on such assets.

\$ in billions	Direct strategies	Fund of funds	Total
Three Months Ended March 2024			
Average AUS			
Corporate equity	\$ 31	\$ 78	\$ 109
Credit	46	10	56
Real estate	13	11	24
Hedge funds and other	42	22	64
Funds and discretionary accounts	\$ 132	\$ 121	\$ 253
Advisory accounts			42
Total average AUS for alternative investments			\$ 295
Effective Fees (bps)			
Corporate equity	121	59	78
Credit	82	16	72
Real estate	82	34	60
Hedge funds and other	66	52	62
Funds and discretionary accounts	86	52	71
Advisory accounts			17
Total average effective fee			63

Three Months Ended March 2023

Average AUS			
Corporate equity	\$ 28	\$ 68	\$ 96
Credit	42	2	44
Real estate	11	8	19
Hedge funds and other	42	23	65

The table below presents information about our period-end AUS for alternative investments, non-fee-earning alternative investments and total alternative investments.

\$ in billions	AUS	Non-fee-earning alternative assets	Total alternative assets
As of March 2024			
Corporate equity	\$109	\$ 77	\$ 186
Credit	56	83	139
Real estate	23	29	52
Hedge funds and other	67	4	71
Funds and discretionary accounts	255	193	448
Advisory accounts	41	3	44
Total alternative investments	\$296	\$ 196	\$ 492
As of March 2023			
Corporate equity	\$ 97	\$ 74	\$ 171
Credit	46	76	122
Real estate	18	35	53
Hedge funds and other	66	2	68
Funds and discretionary accounts	227	187	414
Advisory accounts	41	1	42
Total alternative investments	\$ 268	\$ 188	\$ 456

In the table above:

- Corporate equity primarily includes private equity.
- Total alternative assets included uncalled capital that is available for future investing of \$65 billion as of March 2024 and \$56 billion as of March 2023.
- Non-fee-earning alternative assets primarily includes investments that we hold on our balance sheet, our unfunded commitments, unfunded commitments of our clients (where we do not charge fees on commitments), credit facilities collateralized by fund assets and employee funds. Our calculation of non-fee-earning alternative assets may not be comparable to similar calculations used by other companies.
- Non-fee-earning alternative assets primarily includes our direct investing strategies, including private equity

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The table below presents information about third-party commitments raised in our alternatives business from the beginning of 2020 through the first quarter of 2024.

	As of	
	March	2024
\$ in billions		
Included in AUS	\$	184
Included in non-fee-earning alternative assets		81
Third-party commitments raised	\$	265

In the table above, commitments included in non-fee-earning alternative assets included approximately \$62 billion, which will begin to earn fees (and become AUS) if and when the commitments are drawn and assets are invested. In the first quarter of 2024, we raised \$14 billion in third-party commitments in our alternatives business and expect to raise between \$40 billion and \$50 billion during 2024.

The table below presents information about alternative investments in Asset & Wealth Management that we hold on our balance sheet by asset type.

	As of	
	March	December
\$ in billions	2024	2023
Loans	\$ 12.1	\$ 12.9
Debt securities	10.4	10.8
Equity securities	13.1	13.2
CIE investments and other	8.4	9.3
Total	\$ 44.0	\$ 46.2

The table below presents further information about our alternative investments in Asset & Wealth Management that we hold on our balance sheet.

	As of	
	March	December
\$ in billions	2024	2023
Client co-invest	\$ 20.5	\$ 21.3
Firmwide initiatives	8.7	8.6
Historical principal investments:		
Loans	3.1	3.5
Debt securities	2.5	2.6

- Historical principal investments includes our remaining balance sheet alternative investments portfolio that we plan to reduce. Our target to reduce this portfolio to less than \$15 billion by the end of 2024 was achieved in the first quarter of 2024. We reduced our historical principal investments by \$1.5 billion in the first quarter of 2024 and expect reductions at approximately this pace for the remainder of 2024 and expect to sell down the vast majority of this portfolio by the end of 2026.

The table below presents the rollforward of our alternative investments categorized as historical principal investments for the first quarter of 2024.

	Historical
	principal
\$ in billions	investments
Beginning balance	\$ 16.3
Additions	0.2
Dispositions	(1.6)
Net markdowns	(0.1)
Ending balance	\$ 14.8

The table below presents the commercial real estate investments in Asset & Wealth Management that we hold on our balance sheet.

	As of
	March
\$ in billions	2024
Loans	\$ 1.6
Debt securities	0.5
Equity securities	3.8
CIE investments, net of financings	2.0
Total	\$ 7.9

In the table above:

- Office-related investments included in loans were \$0.2 billion, in debt securities were \$0.1 billion, in equity securities were \$0.3 billion, and in CIE investments, net of financings, were \$0.6 billion.
- Commercial real estate investments consisted of approximately 36% of historical principal investments, which we intend to exit over the medium term (three to five year time horizon from

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Loans and Debt Securities. The table below presents the concentration of loans and debt securities within our alternative investments by accounting classification, region and industry.

\$ in billions	As of	
	March	December
	2024	2023
Loans	\$12.1	\$12.9
Debt securities	10.4	10.8
Total	\$22.5	\$23.7
Accounting Classification		
Debt securities at fair value	46 %	45 %
Loans at amortized cost	47 %	49 %
Loans at fair value	3 %	3 %
Loans held for sale	4 %	3 %
Total	100 %	100 %
Region		
Americas	53 %	52 %
EMEA	36 %	37 %
Asia	11 %	11 %
Total	100 %	100 %
Industry		
Consumer & Retail	11 %	11 %
Financial Institutions	6 %	6 %
Healthcare	16 %	15 %
Industrials	17 %	18 %
Natural Resources & Utilities	2 %	2 %
Real Estate	10 %	11 %
Technology, Media & Telecommunications	29 %	28 %
Other	9 %	9 %
Total	100 %	100 %

Equity Securities. The table below presents the concentration of equity securities within our alternative investments by region and industry.

\$ in billions	As of	
	March	December
	2024	2023
Equity securities	\$13.1	\$13.2
Region		
Americas	71 %	70 %
EMEA	15 %	15 %
Asia	14 %	15 %

• The concentrations for real estate equity securities as of March 2024 were 13% for multifamily (13% as of December 2023), 2% for office (2% as of December 2023), 7% for mixed use (8% as of December 2023) and 7% for other real estate equity securities (7% as of December 2023).

The table below presents the concentration of equity securities within our alternative investments by vintage.

	Vintage
As of March 2024	
2017 or earlier	30 %
2018 - 2020	31 %
2021 - thereafter	39 %
Total	100 %
As of December 2023	
2016 or earlier	25 %
2017 - 2019	26 %
2020 - thereafter	49 %
Total	100 %

CIE Investments and Other. CIE investments and other included assets held by CIEs of \$5.1 billion as of March 2024 and \$5.9 billion as of December 2023, which were funded with liabilities of approximately \$3.0 billion as of March 2024 and \$3.5 billion as of December 2023. Substantially all such liabilities were nonrecourse, thereby reducing our equity at risk.

The table below presents the concentration of CIE assets, net of financings, within our alternative investments by region and asset class.

\$ in billions	As of	
	March	December
	2024	2023
CIE assets, net of financings	\$2.1	\$2.4
Region		
Americas	59 %	61 %
EMEA	27 %	25 %
Asia	14 %	14 %
Total	100 %	100 %
Asset Class		
Hospitality	5 %	6 %
Industrials	19 %	16 %

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The table below presents the concentration of CIE assets, net of financings, within our alternative investments by vintage.

	Vintage
As of March 2024	
2017 or earlier	31 %
2018 - 2020	42 %
2021 - thereafter	27 %
Total	100 %
As of December 2023	
2016 or earlier	12 %
2017 - 2019	57 %
2020 - thereafter	31 %
Total	100 %

Platform Solutions

Platform Solutions includes our consumer platforms, such as partnerships offering credit cards, and transaction banking and other platform businesses.

Platform Solutions generates revenues from the following:

Consumer platforms. Our Consumer platforms business issues credit cards and accepts deposits from Apple Card customers. Consumer platforms revenues primarily includes net interest income earned on credit card lending activities. During the first quarter of 2024, we completed the sale of GreenSky. We have also entered into an agreement with General Motors (GM) regarding a process to transition the GM credit card program to another issuer to be selected by GM.

Transaction banking and other. We provide transaction banking and other services, including cash management services, such as deposit-taking and payment solutions for corporate and institutional clients. Transaction banking revenues include net interest income attributed to transaction banking deposits.

The table below presents our Platform Solutions assets.

	As of
	March December
\$ in millions	2024 2023
Cash and cash equivalents	\$ 19,029 \$ 24,043

The table below presents details about our Platform Solutions loans.

	As of
	March December
\$ in millions	2024 2023
Installment	\$ 233 \$ 3,125
Credit cards	18,798 19,361
Other	24 17
Loans, gross	19,055 22,503
Allowance for loan losses	(2,356) (2,475)
Total loans	\$16,699 \$ 20,028

The average Platform Solutions gross loans were \$21.62 billion for the first quarter of 2024 and \$18.15 billion for the first quarter of 2023.

The table below presents our Platform Solutions operating results.

	Three Months Ended March
\$ in millions	2024 2023
Consumer platforms	\$ 618 \$ 490
Transaction banking and other	80 74
Net revenues	698 564
Provision for credit losses	244 265
Operating expenses	571 605
Pre-tax earnings/(loss)	(117) (306)
Provision/(benefit) for taxes	(25) (58)
Net earnings/(loss)	(92) (248)
Preferred stock dividends	7 5
Net earnings/(loss) to common	\$ (99) \$ (253)
Average common equity	\$4,734 \$3,935
Return on average common equity	(8.4)% (25.7)%

Our target is to achieve pre-tax profitability by the end of 2025 for Platform Solutions.

Operating Environment. The operating environment for Platform Solutions is mainly impacted by the economic environment in the U.S., which, during the first quarter of 2024, was generally characterized by concerns about inflation, a continued low rate of unemployment and a decline in the pace of growth in consumer spending compared with the fourth quarter of 2023.

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Three Months Ended March 2024 versus March 2023. Net revenues in Platform Solutions were \$698 million for the first quarter of 2024, 24% higher than the first quarter of 2023, reflecting significantly higher net revenues in Consumer platforms.

The increase in Consumer platforms net revenues primarily reflected higher average credit card balances and higher average deposit balances. Transaction banking and other net revenues were slightly higher, reflecting higher deposit spreads.

Provision for credit losses was \$244 million for the first quarter of 2024, compared with \$265 million for the first quarter of 2023. Provisions for the first quarter of 2024 reflected net charge-offs related to the credit card portfolio. Provisions for the first quarter of 2023 reflected net charge-offs related to the credit card portfolio and growth in the point-of-sale loans portfolio, partially offset by reserve releases based on actual repayment experience.

Operating expenses were \$571 million for the first quarter of 2024, 6% lower than the first quarter of 2023, due to lower compensation and benefits expenses. Pre-tax loss was \$117 million for the first quarter of 2024 compared with a pre-tax loss of \$306 million for the first quarter of 2023.

Geographic Data

See Note 25 to the consolidated financial statements for a summary of our total net revenues and pre-tax earnings by geographic region.

Balance Sheet and Funding Sources

Balance Sheet Management

One of our risk management disciplines is our ability to manage the size and composition of our balance sheet. While our asset base changes due to client activity, market fluctuations and business opportunities, the size and composition of our balance sheet also reflects factors, including (i) our overall risk tolerance, (ii) the amount of capital we hold and (iii) our funding profile, among other factors. See

Balance Sheet Planning. We prepare a balance sheet plan that combines our projected total assets and composition of assets with our expected funding sources over a three-year time horizon. This plan is reviewed quarterly and may be adjusted in response to changing business needs or market conditions. The objectives of this planning process are:

- To develop our balance sheet projections, taking into account the general state of the financial markets and expected business activity levels, as well as regulatory requirements;
- To allow Treasury and our independent risk oversight and control functions to objectively evaluate balance sheet limit requests from our revenue-producing units in the context of our overall balance sheet constraints, including our liability profile and capital levels, and key metrics; and
- To inform the target amount, tenor and type of funding to raise, based on our projected assets and contractual maturities.

Treasury and our independent risk oversight and control functions, along with our revenue-producing units, review current and prior period information and expectations for the year to prepare our balance sheet plan. The specific information reviewed includes asset and liability size and composition, limit utilization, risk and performance measures, and capital usage.

Our consolidated balance sheet plan, including our balance sheets by business, funding projections and projected key metrics, is reviewed and approved by the Firmwide Asset Liability Committee and the Firmwide Risk Appetite Committee. See “Risk Management — Overview and Structure of Risk Management” for an overview of our risk management structure.

Balance Sheet Limits. The Firmwide Asset Liability Committee and the Firmwide Risk Appetite Committee have the responsibility to review and approve balance sheet limits. These limits are set at levels which are close to actual operating levels, rather than at levels which reflect our maximum risk appetite.

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Scenario Analyses. We conduct various scenario analyses, including as part of the Comprehensive Capital Analysis and Review (CCAR) and U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act Stress Tests (DFAST), as well as our resolution and recovery planning. See “Capital Management and Regulatory Capital — Capital Management” for further information about these scenario analyses. These scenarios cover short- and long-term time horizons using various macroeconomic and firm-specific assumptions, based on a range of economic scenarios. We use these analyses to assist us in developing our longer-term balance sheet management strategy, including the level and composition of assets, funding and capital. Additionally, these analyses help us develop approaches for maintaining appropriate funding, liquidity and capital across a variety of situations, including a severely stressed environment.

Balance Sheet Analysis and Metrics

As of March 2024, total assets in our consolidated balance sheets were \$1.70 trillion, an increase of \$56.85 billion from December 2023, reflecting increases in trading assets of \$30.21 billion (primarily due to increases in government obligations, reflecting the impact of our and our clients’ activities), customer and other receivables of \$27.92 billion (primarily reflecting our clients’ activities) and collateralized agreements of \$23.61 billion (reflecting the impact of our and our clients’ activities), partially offset by a decrease in cash and cash equivalents of \$32.19 billion. See “Liquidity Risk Management — Cash Flows” for further information about cash and cash equivalents.

As of March 2024, total liabilities in our consolidated balance sheets were \$1.58 trillion, an increase of \$55.21 billion from December 2023, reflecting increases in customer and other payables of \$25.93 billion (primarily reflecting our clients’ activities), collateralized financings of \$25.23 billion (reflecting the impact of our and our clients’ activities), and deposits of \$12.25 billion (due to increases in consumer deposits and private bank deposits, partially offset by decreases in institutional deposits and deposits of

The table below presents information about our balance sheet and leverage ratios.

	As of	
	March	December
\$ in millions	2024	2023
Total assets	\$1,698,440	\$1,641,594
Unsecured long-term borrowings	\$ 233,919	\$ 241,877
Total shareholders’ equity	\$ 118,546	\$ 116,905
Leverage ratio	14.3x	14.0x
Debt-to-equity ratio	2.0x	2.1x

In the table above:

- The leverage ratio equals total assets divided by total shareholders’ equity and measures the proportion of equity and debt we use to finance assets. This ratio is different from the leverage ratios included in Note 20 to the consolidated financial statements.
- The debt-to-equity ratio equals unsecured long-term borrowings divided by total shareholders’ equity.

The table below presents information about our shareholders’ equity and book value per common share, including the reconciliation of common shareholders’ equity to tangible common shareholders’ equity.

	As of	
	March	December
\$ in millions, except per share amounts	2024	2023
Total shareholders’ equity	\$118,546	\$ 116,905
Preferred stock	(11,203)	(11,203)
Common shareholders’ equity	107,343	105,702
Goodwill	(5,897)	(5,916)
Identifiable intangible assets	(1,021)	(1,177)
Tangible common shareholders’ equity	\$100,425	\$ 98,609
Book value per common share	\$ 321.10	\$ 313.56
Tangible book value per common share	\$ 300.40	\$ 292.52

In the table above:

- Tangible common shareholders’ equity is calculated as total shareholders’ equity less preferred stock, goodwill and identifiable intangible assets. We believe

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Management’s Discussion and Analysis

Funding Sources

Our primary sources of funding are deposits, collateralized financings, unsecured short- and long-term borrowings, and shareholders' equity. We seek to maintain broad and diversified funding sources globally across products, programs, markets, currencies and creditors to avoid funding concentrations.

The table below presents information about our funding sources.

\$ in millions	As of			
	March 2024		December 2023	
Deposits	\$ 440,662	36 %	\$ 428,417	36 %
Collateralized financings	348,792	29 %	323,564	27 %
Unsecured short-term borrowings	78,603	6 %	75,945	6 %
Unsecured long-term borrowings	233,919	19 %	241,877	21 %
Total				
shareholders' equity	118,546	10 %	116,905	10 %
Total	\$1,220,522	100 %	\$1,186,708	100 %

Our funding is primarily raised in U.S. dollar, Euro, British pound and Japanese yen. We generally distribute our funding products through our own sales force and third-party distributors to a large, diverse creditor base in a variety of markets in the Americas, Europe and Asia. We believe that our relationships with our creditors are critical to our liquidity. Our creditors include banks, governments, securities lenders, corporations, pension funds, insurance companies, mutual funds and individuals. We have imposed various internal guidelines to monitor creditor concentration across our funding programs.

Deposits. Our deposits provide us with a diversified source of funding and reduce our reliance on wholesale funding. We raise deposits, including savings, demand and time deposits, from private bank clients, consumers, transaction banking clients, other institutional clients, and through internal and third-party broker-dealers. Substantially all of our deposits are raised through Goldman Sachs Bank USA (GS Bank USA), Goldman Sachs International Bank (GSIB) and Goldman

The table below presents the types and sources of deposits.

	Savings and		
\$ in millions	Demand	Time	Total
As of March 2024			
Consumer	\$128,572	\$ 44,953	\$173,525
Private bank	93,737	7,524	101,261
Brokered certificates of deposit	-	41,844	41,844
Deposit sweep programs	31,049	-	31,049
Transaction banking	60,354	3,591	63,945
Other	1,629	27,409	29,038
Total	\$315,341	\$125,321	\$440,662
As of December 2023			
Consumer	\$ 120,211	\$ 36,903	\$ 157,114
Private bank	86,457	6,855	93,312
Brokered certificates of deposit	-	46,860	46,860
Deposit sweep programs	31,916	-	31,916
Transaction banking	68,177	3,643	71,820
Other	1,568	25,827	27,395
Total	\$ 308,329	\$ 120,088	\$ 428,417

In the table above:

- Savings and demand accounts consist of money market deposit accounts, negotiable order of withdrawal accounts and demand deposit accounts that have no stated maturity or expiration date.
- Time deposits had a weighted average maturity of approximately 0.7 years as of March 2024 and 0.6 years as of December 2023.
- Consumer deposits consist of deposits from both Marcus and Apple Card customers.
- Deposit sweep programs include contractual agreements with U.S. broker-dealers who sweep client cash to FDIC-insured deposits.
- Transaction banking deposits consist of deposits that we raised through our cash management services business for corporate and other institutional clients.
- Other deposits are substantially all from institutional clients.

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Secured Funding. We fund a significant amount of inventory and a portion of investments on a secured basis. Secured funding includes collateralized financings in the consolidated balance sheets. See Note 11 to the consolidated financial statements for further information about our collateralized financings, including its maturity profile. We may also pledge our inventory and investments as collateral for securities borrowed under a securities lending agreement. We also use our own inventory and investments to cover transactions in which we or our clients have sold securities that have not yet been purchased. Secured funding is less sensitive to changes in our credit quality than unsecured funding, due to our posting of collateral to our lenders. Nonetheless, we analyze the refinancing risk of our secured funding activities, taking into account trade tenors, maturity profiles, counterparty concentrations, collateral eligibility and counterparty rollover probabilities. We seek to mitigate our refinancing risk by executing term trades with staggered maturities, diversifying counterparties, raising excess secured funding and pre-funding residual risk through our GCLA.

We seek to raise secured funding with a term appropriate for the liquidity of the assets that are being financed, and we seek longer maturities for secured funding collateralized by asset classes that may be harder to fund on a secured basis, especially during times of market stress. Our secured funding, excluding funding collateralized by liquid government and agency obligations, is primarily executed for tenors of one month or greater and is primarily executed through term repurchase agreements and securities loaned contracts.

Assets that may be harder to fund on a secured basis during times of market stress include certain financial instruments in the following categories: mortgage- and other asset-backed loans and securities, non-investment-grade corporate debt securities, equity securities and emerging market securities.

We also raise financing through other types of collateralized financings, such as secured loans and notes. GS Bank USA has

Unsecured Long-Term Borrowings. Unsecured long-term borrowings, including structured notes, are raised through syndicated U.S. registered offerings, U.S. registered and Rule 144A medium-term note programs, offshore medium-term note offerings and other debt offerings. We issue in different tenors, currencies and products to maximize the diversification of our investor base.

The table below presents our quarterly unsecured long-term borrowings maturity profile.

\$ in millions	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
As of March 2024					
2025	\$ -	\$15,149	\$7,396	\$10,750	\$ 33,295
2026	\$ 7,945	\$ 5,335	\$7,580	\$ 9,406	30,266
2027	\$12,783	\$ 3,263	\$6,875	\$12,236	35,157
2028	\$11,377	\$ 6,244	\$4,704	\$ 6,572	28,897
2029	\$ 4,498	\$ 8,175	\$3,067	\$10,115	25,855
2030 - thereafter					80,449
Total					\$233,919

The weighted average maturity of our unsecured long-term borrowings as of March 2024 was approximately six years. To mitigate refinancing risk, we seek to limit the principal amount of debt maturing over the course of any monthly, quarterly, semi-annual or annual time horizon. We enter into interest rate swaps to convert a portion of our unsecured long-term borrowings into floating-rate obligations to manage our exposure to interest rates. See Note 14 to the consolidated financial statements for further information about our unsecured long-term borrowings.

Shareholders' Equity. Shareholders' equity is a stable and perpetual source of funding. See Note 19 to the consolidated financial statements for further information about our shareholders' equity.

Capital Management and Regulatory Capital

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Management’s Discussion and Analysis

We manage our capital requirements and the levels of our capital usage principally by setting limits on the balance sheet and/or limits on risk, in each case at both the firmwide and business levels.

We principally manage the level and composition of our capital through issuances and repurchases of our common stock.

We may issue, redeem or repurchase our preferred stock and subordinated debt or other forms of capital as business conditions warrant. Prior to such redemptions or repurchases, we must receive approval from the FRB. See Notes 14 and 19 to the consolidated financial statements for further information about our subordinated debt and preferred stock.

Capital Planning and Stress Testing Process. As part of capital planning, we project sources and uses of capital given a range of business environments, including stressed conditions. Our stress testing process is designed to identify and measure material risks associated with our business activities, including market risk, credit risk, operational risk and liquidity risk, as well as our ability to generate revenues.

Our capital planning process incorporates an internal capital adequacy assessment with the objective of ensuring that we are appropriately capitalized relative to the risks in our businesses. We incorporate stress scenarios into our capital planning process with a goal of holding sufficient capital to ensure we remain adequately capitalized after experiencing a severe stress event. Our assessment of capital adequacy is viewed in tandem with our assessment of liquidity adequacy and is integrated into our overall risk management structure, governance and policy framework.

Our stress tests incorporate our internally designed stress scenarios, including our internally developed severely adverse scenario, and those required by the FRB, and are designed to capture our specific vulnerabilities and risks. We provide further information about our stress test processes and a summary of the results on our website as described in “Available

The FRB evaluates us based, in part, on whether we have the capital necessary to continue operating under the baseline and severely adverse scenarios provided by the FRB and those developed internally. This evaluation also takes into account our process for identifying risk, our controls and governance for capital planning, and our guidelines for making capital planning decisions. In addition, the FRB evaluates our plan to make capital distributions (i.e., dividend payments and repurchases or redemptions of stock, subordinated debt or other capital securities) and issue capital, across the range of macroeconomic scenarios and firm-specific assumptions. The FRB determines the stress capital buffer (SCB) applicable to us based on its own annual stress test. The SCB under the Standardized approach is calculated as (i) the difference between our starting and minimum projected CET1 capital ratios under the supervisory severely adverse scenario and (ii) our planned common stock dividends for each of the fourth through seventh quarters of the planning horizon, expressed as a percentage of risk-weighted assets (RWAs).

Based on our 2023 CCAR submission, the FRB reduced our SCB from 6.3% to 5.5%, resulting in a Standardized CET1 capital ratio requirement of 13.0% for the period from October 1, 2023 through September 30, 2024. See “Share Repurchase Program” for further information about common stock repurchases and dividends and “Consolidated Regulatory Capital” for further information about the global systemically important bank (G-SIB) surcharge. We submitted our 2024 CCAR capital plan to the FRB in April 2024 and expect to publish a summary of our annual DFAST results in June 2024. See “Available Information.”

GS Bank USA is required to conduct stress tests on an annual basis and publish a summary of certain results. GS Bank USA submitted its 2024 DFAST capital plan to the FRB in April 2024 and expects to publish a summary of its annual DFAST results in June 2024. See “Available Information.”

Goldman Sachs International (GSI), GSIB and GSBE also have their own capital planning and stress testing processes,

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Capital Attribution. We assess the capital usage of each of our businesses based on our attributed equity framework. This framework considers many factors, including our internal assessment of risks as well as the regulatory capital requirements related to our business activities.

We review and make any necessary adjustments to our attributed equity in January each year, to reflect, among other things, our most recent stress test results and changes to our regulatory capital requirements. On January 1, 2024, our allocation of attributed equity changed (relative to the allocation as of December 2023) as follows: attributed equity increased by approximately \$1.6 billion for Platform Solutions, while attributed equity decreased by approximately \$1.2 billion for Asset & Wealth Management and approximately \$0.4 billion for Global Banking & Markets. See “Results of Operations — Segment Assets and Operating Results — Segment Operating Results” for information about our average quarterly attributed equity by segment.

Share Repurchase Program. We use our share repurchase program to help maintain the appropriate level of common equity. On an annual basis, we submit a Board of Directors of Group Inc. (Board) approved capital plan to the Federal Reserve, which includes planned share repurchases for each quarter. The share repurchases are effected primarily through regular open-market purchases (which may include repurchase plans designed to comply with Rule 10b5-1 and accelerated share repurchases), the amounts and timing of which are determined primarily by our current and projected capital position, and capital deployment opportunities, but which may also be influenced by general market conditions and the prevailing price and trading volumes of our common stock.

In February 2023, the Board approved a share repurchase program authorizing repurchases of up to \$30 billion of our common stock. The program has no set expiration or termination date. See “Unregistered Sales of Equity Securities and Use of Proceeds” in Part II, Item 2 of this Form 10-Q and Note 19 to the

We are subject to a one percent non-deductible federal excise tax (buyback tax) that is applicable to the fair market value of certain corporate share repurchases. The fair market value of share repurchases subject to the tax is reduced by the fair market value of any applicable stock issued during the calendar year, including stock issued to employees. The buyback tax did not have a material impact on our financial condition, results of operations or cash flows for the three months ended March 2024.

Resolution Capital Models. In connection with our resolution planning efforts, we have established a Resolution Capital Adequacy and Positioning framework, which is designed to ensure that our major subsidiaries (GS Bank USA, Goldman Sachs & Co. LLC (GS&Co.), GSI, GSIB, GSBE, Goldman Sachs Japan Co., Ltd. (GSJCL), Goldman Sachs Asset Management, L.P. and Goldman Sachs Asset Management International) have access to sufficient loss-absorbing capacity (in the form of equity, subordinated debt and unsecured senior debt) so that they are able to wind down following a Group Inc. bankruptcy filing in accordance with our preferred resolution strategy.

In addition, we have established a triggers and alerts framework, which is designed to provide the Board with information needed to make an informed decision on whether and when to commence bankruptcy proceedings for Group Inc.

Rating Agency Guidelines

The credit rating agencies assign credit ratings to the obligations of Group Inc., which directly issues or guarantees substantially all of our senior unsecured debt obligations. GS&Co. and GSI have been assigned long- and short-term issuer ratings by certain credit rating agencies. GS Bank USA, GSIB and GSBE have also been assigned long- and short-term issuer ratings, as well as ratings on their long- and short-term bank deposits. In addition, credit rating agencies have assigned ratings to debt obligations of certain other subsidiaries of Group Inc.

The level and composition of our capital are among the many factors considered in determining our credit ratings. Each agency has its own definition of eligible

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

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Consolidated Regulatory Capital

We are subject to consolidated regulatory capital requirements which are calculated in accordance with the regulations of the FRB (Capital Framework). Under the Capital Framework, we are an “Advanced approaches” banking organization and have been designated as a G-SIB. In managing our capital, we consider a number of different capital requirements, the most binding of which can vary over time. As of March 2024, our most binding capital constraint was the supplementary leverage ratio requirement.

The capital requirements calculated under the Capital Framework include the capital conservation buffer requirements, which are comprised of a 2.5% buffer (under the Advanced Capital Rules), the SCB (under the Standardized Capital Rules), a countercyclical capital buffer (under both Capital Rules) and the G-SIB surcharge (under both Capital Rules). Our G-SIB surcharge is 3.0% for both 2024 and 2025. Based on financial data for 2023, we are in the 3.5% G-SIB surcharge threshold range. The earliest this surcharge could be effective is January 2026. The G-SIB surcharge and countercyclical capital buffer in the future may differ due to additional guidance from our regulators and/or positional changes, and our SCB is likely to change from year to year based on the results of the annual supervisory stress tests. Our target is to maintain capital ratios equal to the regulatory requirements plus a buffer of 50 to 100 basis points.

See Note 20 to the consolidated financial statements for further information about our risk-based capital ratios and leverage ratios, and the Capital Framework.

Total Loss-Absorbing Capacity (TLAC)

We are also subject to the FRB’s TLAC and related requirements. Failure to comply with the TLAC and related requirements would result in restrictions being imposed by the FRB and could limit our ability to repurchase shares, pay dividends and make certain discretionary compensation payments.

The table below presents TLAC and external long-term debt requirements.

- The external long-term debt to RWAs requirement includes (i) the 6% minimum and (ii) the 3.0% G-SIB surcharge (Method 2).
- The external long-term debt to total leverage exposure is the 4.5% minimum.

The table below presents information about our TLAC and external long-term debt ratios.

	For the Three Months Ended or as of	
	March	December
	2024	2023
\$ in millions		
TLAC	\$ 271,236	\$ 278,188
External long-term debt	\$ 147,000	\$ 154,300
RWAs	\$ 695,174	\$ 692,737
Leverage exposure	\$2,069,703	\$1,995,756
TLAC to RWAs	39.0 %	40.2 %
TLAC to leverage exposure	13.1 %	13.9 %
External long-term debt to RWAs	21.1 %	22.3 %
External long-term debt to leverage exposure	7.1 %	7.7 %

In the table above:

- TLAC includes common and preferred stock, and eligible long-term debt issued by Group Inc. Eligible long-term debt represents unsecured debt, which has a remaining maturity of at least one year and satisfies additional requirements.
- External long-term debt consists of eligible long-term debt subject to a haircut if it is due to be paid between one and two years.
- In accordance with the TLAC rules, the higher of Standardized or Advanced RWAs are used in the calculation of TLAC and external long-term debt ratios and applicable requirements. RWAs represent Standardized RWAs as of both March 2024 and December 2023.
- Leverage exposure consists of average adjusted total assets and certain off-balance sheet exposures.

See “Business — Regulation” in Part I, Item 1 of the 2023 Form 10-K for further information about TLAC.

Subsidiary Capital Requirements

Management’s Discussion and Analysis

Bank Subsidiaries. GS Bank USA is our primary U.S. banking subsidiary and GSIB and GSBE are our primary non-U.S. banking subsidiaries. These entities are subject to regulatory capital requirements. See Note 20 to the consolidated financial statements for further information about the regulatory capital requirements for GS Bank USA.

- **GSIB.** GSIB is our U.K. bank subsidiary regulated by the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA). GSIB is subject to the U.K. capital framework, which is largely based on the Basel Committee on Banking Supervision's (Basel Committee) capital framework for strengthening international capital standards (Basel III). The eligible retail deposits of GSIB are covered by the U.K. Financial Services Compensation Scheme to the extent provided by law.

The table below presents GSIB's risk-based capital requirements.

	As of	
	March	December
	2024	2023
Risk-based capital requirements		
CET1 capital ratio	10.1 %	10.1 %
Tier 1 capital ratio	12.4 %	12.4 %
Total capital ratio	15.4 %	15.4 %

The table below presents information about GSIB's risk-based capital ratios.

	As of	
	March	December
	2024	2023
\$ in millions		
Risk-based capital and risk-weighted assets		
CET1 capital	\$ 4,033	\$ 3,936
Tier 1 capital	\$ 4,033	\$ 3,936
Tier 2 capital	\$ 826	\$ 826
Total capital	\$ 4,859	\$ 4,762
RWAs	\$17,330	\$16,546
Risk-based capital ratios		
CET1 capital ratio	23.3 %	23.8 %
Tier 1 capital ratio	23.3 %	23.8 %
Total capital ratio	28.0 %	28.8 %

In the table above, the leverage ratio as of March 2024 reflected profits that are still subject to annual audit by GSIB's external auditors and approval by GSIB's Board of Directors for inclusion in risk-based capital. These profits contributed 18 basis points to the leverage ratio as of March 2024.

GSIB is subject to minimum reserve requirements at central banks in certain of the jurisdictions in which it operates. As of both March 2024 and December 2023, GSIB was in compliance with these requirements.

- **GSBE.** GSBE is our German bank subsidiary supervised by the European Central Bank, BaFin and Deutsche Bundesbank. GSBE is a non-U.S. banking subsidiary of GS Bank USA and is also subject to standalone regulatory capital requirements noted below. GSBE is subject to the capital requirements prescribed in the amended E.U. Capital Requirements Directive (CRD) and E.U. Capital Requirements Regulation (CRR), which are largely based on Basel III. The deposits of GSBE are covered by the German statutory deposit protection program to the extent provided by law. In addition, GSBE has elected to participate in the German voluntary deposit protection program which provides further insurance for certain eligible deposits beyond the coverage of the German statutory deposit program.

The table below presents GSBE's risk-based capital requirements.

	As of	
	March	December
	2024	2023
Risk-based capital requirements		
CET1 capital ratio	10.2 %	10.0 %
Tier 1 capital ratio	12.2 %	12.1 %
Total capital ratio	14.9 %	14.8 %

The table below presents information about GSBE's risk-based capital ratios.

	As of	
	March	December
	2024	2023
\$ in millions		
Risk-based capital and risk-weighted assets		

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The table below presents GSBE's leverage ratio requirement and leverage ratio.

	As of	
	March	December
	2024	2023
Leverage ratio requirement	3.0 %	3.0 %
Leverage ratio	9.4 %	11.3 %

In the table above, the leverage ratio as of March 2024 reflected profits that are still subject to annual audit by GSBE's external auditors and approval by GSBE's shareholder (GS Bank USA) for inclusion in risk-based capital. These profits contributed 69 basis points to the leverage ratio as of March 2024.

GSBE is subject to minimum reserve requirements at central banks in certain of the jurisdictions in which it operates. As of both March 2024 and December 2023, GSBE was in compliance with these requirements.

GSBE is a registered swap dealer with the CFTC and a registered security-based swap dealer with the SEC. As of both March 2024 and December 2023, GSBE was subject to and in compliance with applicable capital requirements for swap dealers and security-based swap dealers.

U.S. Regulated Broker-Dealer Subsidiaries.

GS&Co., our primary U.S. regulated broker-dealer subsidiary, is also a registered futures commission merchant and a registered swap dealer with the CFTC, and a registered security-based swap dealer with the SEC, and therefore is subject to regulatory capital requirements imposed by the SEC, the Financial Industry Regulatory Authority, Inc., the CFTC, the Chicago Mercantile Exchange and the National Futures Association. Rule 15c3-1 of the SEC and Rules 1.17 and Part 23 Subpart E of the CFTC specify uniform minimum net capital requirements, as defined, for their registrants, and also effectively require that a significant part of the registrants' assets be kept in relatively liquid form. GS&Co. has elected to calculate its SEC minimum capital requirements in accordance with the "Alternative Net Capital Requirement" as

Non-U.S. Regulated Broker-Dealer Subsidiaries. Our principal non-U.S. regulated broker-dealer subsidiaries include GSI and GSJCL.

GSI, our U.K. broker-dealer, is regulated by the PRA and the FCA. GSI is subject to the U.K. capital framework, which is largely based on Basel III.

The table below presents GSI's risk-based capital requirements.

	As of	
	March	December
	2024	2023
Risk-based capital requirements		
CET1 capital ratio	9.1 %	9.1 %
Tier 1 capital ratio	11.1 %	11.0 %
Total capital ratio	13.7 %	13.7 %

The table below presents information about GSI's risk-based capital ratios.

	As of	
	March	December
	2024	2023
\$ in millions		
Risk-based capital and risk-weighted assets		
CET1 capital	\$ 32,374	\$ 32,403
Tier 1 capital	\$ 37,874	\$ 37,903
Tier 2 capital	\$ 6,877	\$ 6,877
Total capital	\$ 44,751	\$ 44,780
RWAs	\$273,151	\$ 257,956
Risk-based capital ratios		
CET1 capital ratio	11.9 %	12.6%
Tier 1 capital ratio	13.9 %	14.7%
Total capital ratio	16.4 %	17.4%

In the table above, the risk-based capital ratios as of March 2024 excluded GSI's profits for the first quarter of 2024, all of which are expected to be distributed as dividends in the future, subject to approval by GSI's Board of Directors after verification by GSI's external auditors.

The table below presents GSI's leverage ratio requirement and leverage ratio.

	As of	
	March	December
	2024	2023
Leverage ratio requirement	3.6 %	3.5 %

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GSJCL, our Japanese broker-dealer, is regulated by Japan's Financial Services Agency. GSJCL and certain other non-U.S. subsidiaries are also subject to capital requirements promulgated by authorities of the countries in which they operate. As of both March 2024 and December 2023, these subsidiaries were in compliance with their local capital requirements.

Regulatory and Other Matters

Our businesses are subject to extensive regulation and supervision worldwide. Regulations have been adopted or are being considered by regulators and policy makers worldwide. Given that many of the new and proposed rules are highly complex, the full impact of regulatory reform will not be known until the rules are implemented and market practices develop under the final regulations.

See "Business — Regulation" in Part I, Item 1 of the 2023 Form 10-K for further information about the laws, rules and regulations and proposed laws, rules and regulations that apply to us and our operations.

Other Matters

The Enhancement and Standardization of Climate-Related Disclosures for Investors. In March 2024, the SEC adopted final rules requiring registrants to provide certain climate-related disclosures, including Scope 1 and Scope 2 greenhouse gas emissions to the extent they are material. These rules require certain disclosures related to severe weather events and other natural conditions in the notes to audited financial statements. These disclosures are required to be phased-in over multiple years beginning with fiscal year 2025 for large accelerated filers like us. However, the SEC has stayed the implementation of these rules, pending the outcome of litigation challenging the rules.

Off-Balance Sheet Arrangements

In the ordinary course of business, we enter into various types of off-balance sheet arrangements. Our involvement in these arrangements can take many different forms, including:

- Purchasing or retaining residual and other interests in special purpose entities, such as mortgage-backed and other asset-backed securitization vehicles;
- Holding senior and subordinated debt, interests in limited and general partnerships, and preferred and common stock in other nonconsolidated vehicles;
- Entering into interest rate, foreign currency, equity, commodity and credit derivatives, including total return swaps; and
- Providing guarantees, indemnifications, commitments, letters of credit and representations and warranties.

We enter into these arrangements for a variety of business purposes, including securitizations. The securitization vehicles that purchase mortgages, corporate bonds and other types of financial assets are critical to the functioning of several significant investor markets, including the mortgage-backed and other asset-backed securities markets, since they offer investors access to specific cash flows and risks created through the securitization process.

We also enter into these arrangements to underwrite client securitization transactions; provide secondary market liquidity; make investments in performing and nonperforming debt, distressed loans, power-related assets, equity securities, real estate and other assets; and provide investors with credit-linked and asset-repackaged notes.

The table below presents where information about our various off-balance sheet arrangements may be found in this Form 10-Q. In addition, see Note 3 to the consolidated financial statements for information about our consolidation policies.

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Risk Management

Risks are inherent in our businesses and include liquidity, market, credit, operational, cybersecurity, model, legal, compliance, conduct, regulatory and reputational risks. For further information about our risk management processes, see “Overview and Structure of Risk Management,” and for information about our areas of risk, see “Liquidity Risk Management,” “Market Risk Management,” “Credit Risk Management,” “Operational Risk Management,” “Cybersecurity Risk Management,” “Model Risk Management” and “Other Risk Management,” as well as “Risk Factors” in Part I, Item 1A of the 2023 Form 10-K.

Overview and Structure of Risk Management

Overview

We believe that effective risk management is critical to our success. Accordingly, we have established an enterprise risk management framework that employs a comprehensive, integrated approach to risk management and is designed to enable comprehensive risk management processes through which we identify, assess, monitor and manage the risks we assume in conducting our activities. Our risk management structure is built around three core components: governance, processes and people.

Governance. Risk management governance starts with the Board, which both directly and through its committees, including its Risk Committee, oversees our risk management policies and practices implemented through the enterprise risk management framework. The Board is also responsible for the annual review and approval of our risk appetite statement. The risk appetite statement describes the levels and types of risk we are willing to accept or to avoid in order to achieve our objectives included in our strategic business plan, while remaining in compliance with regulatory requirements. The Board reviews our strategic business plan and is ultimately responsible for overseeing and providing direction about our strategy and risk appetite.

The Board, including through its committees, receives regular briefings on firmwide risks, including liquidity risk, market risk, credit risk, operational risk, cybersecurity risk, model risk and climate risk, from our independent risk oversight and control functions, including our chief risk officer, on cybersecurity threats and risks from our chief information security officer (CISO), on compliance risk and conduct risk from our chief compliance officer, on legal and regulatory enforcement matters from our chief legal officer, and on other matters impacting our reputation from the chair and/or vice-chairs of our Firmwide Reputational Risk Committee. The chief risk officer reports to our chief executive officer and to the Risk Committee of the Board. As part of the review of the firmwide risk portfolio, the chief risk officer regularly advises the Risk Committee of the Board of relevant risk metrics and material exposures, including risk limits and thresholds established in our risk appetite statement.

The implementation of our risk governance structure and core risk management processes is overseen by Enterprise Risk, which reports to our chief risk officer, and is responsible for ensuring that our enterprise risk management framework provides the Board, our risk committees and senior management with a consistent and integrated approach to managing our various risks in a manner consistent with our risk appetite.

Our revenue-producing units, as well as Treasury, Engineering, Human Capital Management, Corporate and Workplace Solutions, and Corporate Planning & Management, are considered our first line of defense. They are accountable for the outcomes of our risk-generating activities, as well as for assessing and managing those risks within our risk appetite.

Our independent risk oversight and control functions are considered our second line of defense and provide independent assessment, oversight and challenge of the risks taken by our first line of defense, as well as lead and participate in risk committees. Independent risk oversight and control functions include Compliance, Conflicts Resolution, Controllers, Legal, Risk and

Management’s Discussion and Analysis

Processes. We maintain various processes that are critical components of our risk management framework, including (i) risk identification and control assessment, (ii) risk appetite, limits, thresholds and alerts setting, (iii) risk metrics, reporting and monitoring, and (iv) risk decision-making.

• **Risk Identification and Control Assessment.** We believe the identification of our risks and related control assessment is a critical step in providing our Board and senior management transparency and insight into the range and materiality of our risks. We have a comprehensive data collection process, including firmwide policies and procedures that require all employees to report and escalate risk events. Our approach for risk identification and control assessment is comprehensive across all risk types, is dynamic and forward-looking to reflect and adapt to our changing risk profile and business environment, leverages subject matter expertise, and allows for prioritization of our most critical risks. This approach also encompasses our control assessment, led by our second line of defense, to review and challenge the control environment to help ensure it supports our strategic business plan.

To effectively assess our risks, we maintain a daily discipline of marking substantially all of our inventory to current market levels. We carry our inventory at fair value, with changes in valuation reflected immediately in our risk management systems and in net revenues. We do so because we believe this discipline is one of the most effective tools for assessing and managing risk and that it provides transparent and realistic insight into our inventory exposures.

An important part of our risk management process is firmwide stress testing. It allows us to quantify our exposure to tail risks, highlight potential loss concentrations, undertake risk/reward analysis, and assess and mitigate our risk positions. Firmwide stress tests are performed on a regular basis and are designed to ensure a comprehensive analysis of our vulnerabilities and idiosyncratic risks combining financial

• **Risk Appetite, Limits, Thresholds and Alerts Setting.** We apply a framework of limits and thresholds to control and monitor risk across transactions, products, businesses and markets. The Board, directly or indirectly through its Risk Committee, approves limits, thresholds and alerts included in our risk appetite statement at firmwide, business and product levels. In addition, the Firmwide Risk Appetite Committee, through delegated authority from the Firmwide Enterprise Risk Committee, is responsible for approving our risk limits, thresholds and alerts policy, subject to the overall limits approved by the Risk Committee of the Board, and monitoring these limits.

The Firmwide Risk Appetite Committee is responsible for approving limits at firmwide, business and product levels. Certain limits may be set at levels that will require periodic adjustment, rather than at levels that reflect our maximum risk appetite. This fosters an ongoing dialogue about risk among our first and second lines of defense, committees and senior management, as well as rapid escalation of risk-related matters. Additionally, through delegated authority from the Firmwide Risk Appetite Committee, Market Risk sets limits at certain product and desk levels, and Credit Risk sets limits for individual counterparties and their subsidiaries, industries and countries. Limits are reviewed regularly and amended on a permanent or temporary basis to reflect changes to our strategic business plan, as well as changing market conditions, business conditions or risk tolerance.

• **Risk Metrics, Reporting and Monitoring.** Effective risk reporting and risk decision-making depends on our ability to get the right information to the right people at the right time. As such, we focus on the rigor and effectiveness of our risk systems, with the objective of ensuring that our risk management technology systems provide us with complete, accurate and timely information. Our risk metrics, reporting and monitoring processes are designed to take into account information about both existing and emerging risks,

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- **Risk Decision-Making.** Our governance structure provides the protocol and responsibility for decision-making on risk management issues and is designed to ensure implementation of those decisions. We make extensive use of risk committees that meet regularly and serve as an important means to facilitate and foster ongoing discussions to manage and mitigate risks.

We maintain strong and proactive communication about risk and we have a culture of collaboration in decision-making among our first and second lines of defense, committees and senior management. While our first line of defense is responsible for management of their risk, we dedicate extensive resources to our second line of defense in order to ensure a strong oversight structure and an appropriate segregation of duties. We regularly reinforce our strong culture of escalation and accountability across all functions.

People. Even the best technology serves only as a tool for helping to make informed decisions in real time about the risks we are taking. Ultimately, effective risk management requires our people to interpret our risk data on an ongoing and timely basis and adjust risk positions accordingly. The experience of our professionals, and their understanding of the nuances and limitations of each risk measure, guides us in assessing exposures and maintaining them within prudent levels.

We reinforce a culture of effective risk management, consistent with our risk appetite, in our training and development programs, as well as in the way we evaluate performance, and recognize and reward our people. Our training and development programs, including certain sessions led by our most senior leaders, are focused on the importance of risk management, client relationships and reputational excellence. As part of our performance review process, we assess reputational excellence, including how an employee exercises good risk management and reputational judgment, and adheres to our code of conduct and compliance policies. Our review and reward processes are designed to communicate and

Structure

Ultimate oversight of risk is the responsibility of our Board. The Board oversees risk both directly and through its committees, including its Risk Committee. We also have a series of committees that generally consist of senior managers from both our first and second lines of defense, with specific risk management mandates that have oversight or decision-making responsibilities for risk management activities. We have established procedures for these committees so that appropriate information barriers are in place. Our primary risk committees, most of which also have additional sub-committees, councils or working groups, are described below. In addition to these committees, we have other risk committees that provide oversight for different businesses, activities, products, regions and entities. All of our committees have responsibility for considering the impact on our reputation of the transactions and activities that they oversee.

Membership of our risk committees is reviewed regularly and updated to reflect changes in the responsibilities of the committee members. Accordingly, the length of time that members serve on the respective committees varies as determined by the committee chairs and based on the responsibilities of the members.

The chart below presents an overview of our risk management governance structure.

Governance Chart.jpg

Management Committee. The Management Committee oversees our global activities. It provides this oversight directly and through authority delegated to committees it has established. This committee consists of our most senior leaders, and is chaired by our chief executive officer. Most members of the Management Committee are also members of other committees. The following are the committees that are principally involved in firmwide risk management.

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Firmwide Enterprise Risk Committee.

The Firmwide Enterprise Risk Committee is responsible for overseeing all of our financial and nonfinancial risks. As part of such oversight, the committee is responsible for the ongoing review, approval and monitoring of our enterprise risk management framework, as well as our risk limits, and thresholds and alerts policy, through delegated authority to the Firmwide Risk Appetite Committee. The Firmwide Enterprise Risk Committee also reviews new significant strategic business initiatives to determine whether they are consistent with our risk appetite and risk management capabilities. Additionally, the Firmwide Enterprise Risk Committee performs enhanced reviews of significant risk events, the top residual and emerging risks, and the overall risk and control environment in each of our business units in order to propose uplifts, identify elements that are common to all business units and analyze the consolidated residual risks that we face. This committee, which reports to the Management Committee, is co-chaired by our president and chief operating officer and our chief risk officer, who are appointed as chairs by our chief executive officer, and the vice-chair is our chief financial officer, who is appointed as vice-chair by the chairs of the Firmwide Enterprise Risk Committee. The Firmwide Enterprise Risk Committee also periodically provides updates to, and receives guidance from, the Risk Committee of the Board. The following are the primary committees or councils that report to the Firmwide Enterprise Risk Committee (unless otherwise noted):

- **Firmwide Risk Council.** The Firmwide Risk Council is responsible for the ongoing monitoring of relevant financial risks at the firmwide, business and product levels. This council is co-chaired by our chief financial officer and our chief risk officer.

- **Firmwide New Activity Committee.** The Firmwide New Activity Committee is responsible for reviewing new activities and for establishing a process to identify and review previously approved activities that are significant and that have changed in complexity and/or structure or present different reputational and

- **Firmwide Operational Risk and Resilience Committee.** The Firmwide Operational Risk and Resilience Committee is responsible for overseeing operational risk, and seeks to ensure our business and operational resilience. To assist the Firmwide Operational Risk and Resilience Committee in carrying out its mandate, other risk committees with dedicated oversight for technology-related risks, including cybersecurity matters and artificial intelligence (AI), report into the Firmwide Operational Risk and Resilience Committee. This committee is co-chaired by our chief administrative officer for EMEA and our head of Operational Risk, who are appointed as chairs by the chairs of the Firmwide Enterprise Risk Committee.

- **Firmwide Conduct Committee.** The Firmwide Conduct Committee is responsible for the ongoing approval and monitoring of the frameworks and policies which govern our conduct risks. Conduct risk is the risk that our people fail to act in a manner consistent with our Business Principles and related core values, policies or codes, or applicable laws or regulations, thereby falling short in fulfilling their responsibilities to us, our clients, colleagues, other market participants or the broader community. This committee is chaired by our chief legal officer, who is appointed as chair by the chairs of the Firmwide Enterprise Risk Committee.

- **Firmwide Risk Appetite Committee.** The Firmwide Risk Appetite Committee (through delegated authority from the Firmwide Enterprise Risk Committee) is responsible for the ongoing approval and monitoring of risk frameworks, policies and parameters related to our core risk management processes, as well as limits, thresholds and alerts, at firmwide, business and product levels. In addition, this committee is responsible for overseeing our financial risks and reviews the results of stress tests and scenario analyses. To assist the Firmwide Risk Appetite Committee in carrying out its mandate, a number of other risk committees with dedicated oversight for stress testing, model risks, Volcker Rule compliance, as well as our investments

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Firmwide Commitments Committee.

The Firmwide Commitments Committee reviews our underwriting and distribution activities with respect to equity and equity-related product offerings, and sets and maintains policies and procedures designed to ensure that legal, reputational, regulatory and business standards are maintained on a global basis. In addition to reviewing specific transactions, this committee periodically conducts general strategic reviews of sectors and products and establishes policies in connection with transaction practices. This committee is co-chaired by our chief equity underwriting officer for the Americas, a co-chairman of our Global Financial Institutions Group, and a co-head of our Global Investment Grade Capital Markets and Risk Management Group in Global Banking & Markets, who are appointed as chairs by the chair of the Firmwide Risk Appetite Committee.

- **Firmwide Reputational Risk Committee.** The Firmwide Reputational Risk Committee is responsible for assessing reputational risks arising from opportunities that have been identified as having potential heightened reputational risk, including transactions identified pursuant to the criteria established by the Firmwide Reputational Risk Committee and as determined by committee leadership. This committee is also responsible for overseeing client-related business standards and addressing client-related reputational risk. This committee is chaired by our president and chief operating officer, who is appointed as chair by our chief executive officer, and the vice-chairs are our chief legal officer and the head of Conflicts Resolution, who are appointed as vice-chairs by the chair of the Firmwide Reputational Risk Committee. This committee periodically provides updates to, and receives guidance from, the Public Responsibilities Committee of the Board. The Firmwide Suitability Committee reports to the Firmwide Reputational Risk Committee.

Firmwide Suitability Committee. The Firmwide Suitability Committee is

Firmwide Asset Liability Committee.

The Firmwide Asset Liability Committee reviews and approves the strategic direction for our financial resources, including capital, liquidity, funding and balance sheet. This committee has oversight responsibility for asset liability management, including interest rate and currency risk, funds transfer pricing, capital allocation and incentives, and credit ratings. This committee makes recommendations as to any adjustments to asset liability management and financial resource allocation in light of current events, risks, exposures, and regulatory requirements and approves related policies. This committee is co-chaired by our chief financial officer and our global treasurer, who are appointed as chairs by our chief executive officer, and reports to the Management Committee.

Liquidity Risk Management

Overview

Liquidity risk is the risk that we will be unable to fund ourselves or meet our liquidity needs in the event of firm-specific, broader industry or market liquidity stress events. We have in place a comprehensive and conservative set of liquidity and funding policies. Our principal objective is to be able to fund ourselves and to enable our core businesses to continue to serve clients and generate revenues, even under adverse circumstances.

Treasury, which reports to our chief financial officer, has primary responsibility for developing, managing and executing our liquidity and funding strategy within our risk appetite.

Liquidity Risk, which is independent of our revenue-producing units and Treasury, and reports to our chief risk officer, has primary responsibility for identifying, monitoring and managing our liquidity risk through firmwide oversight across our global businesses and the establishment of stress testing and limits frameworks.

Liquidity Risk Management Principles

We manage liquidity risk according to three principles: (i) hold sufficient excess liquidity in the form of GCLA to cover outflows during a stressed period, (ii)

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GCLA. GCLA is liquidity that we maintain to meet a broad range of potential cash outflows and collateral needs in a stressed environment. A primary liquidity principle is to pre-fund our estimated potential cash and collateral needs during a liquidity crisis and hold this liquidity in the form of unencumbered, highly liquid securities and cash. We believe that the securities held in our GCLA would be readily convertible to cash in a matter of days, through liquidation, by entering into repurchase agreements or from maturities of resale agreements, and that this cash would allow us to meet immediate obligations without needing to sell other assets or depend on additional funding from credit-sensitive markets.

Our GCLA reflects the following principles:

- The first days or weeks of a liquidity crisis are the most critical to a company's survival;
- Focus must be maintained on all potential cash and collateral outflows, not just disruptions to financing flows. Our businesses are diverse, and our liquidity needs are determined by many factors, including market movements, collateral requirements and client commitments, all of which can change dramatically in a difficult funding environment;
- During a liquidity crisis, credit-sensitive funding, including unsecured debt, certain deposits and some types of secured financing agreements, may be unavailable, and the terms (e.g., interest rates, collateral provisions and tenor) or availability of other types of secured financing may change and certain deposits may be withdrawn; and
- As a result of our policy to pre-fund liquidity that we estimate may be needed in a crisis, we hold more unencumbered securities and have larger funding balances than our businesses would otherwise require. We believe that our liquidity is stronger with greater balances of highly liquid unencumbered securities, even though it increases our total assets and our funding costs.

We maintain our GCLA across Group Inc., Goldman Sachs Funding LLC (Funding IHC) and Group Inc.'s major broker-dealer and bank subsidiaries, asset types and

Asset-Liability Management. Our liquidity risk management policies are designed to ensure we have a sufficient amount of financing, even when funding markets experience persistent stress. We manage the maturities and diversity of our funding across markets, products and counterparties, and seek to maintain a diversified funding profile with an appropriate tenor, taking into consideration the characteristics and liquidity profile of our assets.

Our approach to asset-liability management includes:

- Conservatively managing the overall characteristics of our funding book, with a focus on maintaining long-term, diversified sources of funding in excess of our current requirements. See "Balance Sheet and Funding Sources — Funding Sources" for further information;
- Actively managing and monitoring our asset base, with particular focus on the liquidity, holding period and ability to fund assets on a secured basis. We assess our funding requirements and our ability to liquidate assets in a stressed environment while appropriately managing risk. This enables us to determine the most appropriate funding products and tenors. See "Balance Sheet and Funding Sources — Balance Sheet Management" for further information about our balance sheet management process and "— Funding Sources — Secured Funding" for further information about asset classes that may be harder to fund on a secured basis; and
- Raising secured and unsecured financing that has a long tenor relative to the liquidity profile of our assets. This reduces the risk that our liabilities will come due in advance of our ability to generate liquidity from the sale of our assets. Because we maintain a highly liquid balance sheet, the holding period of certain of our assets may be materially shorter than their contractual maturity dates.

Our goal is to ensure that we maintain sufficient liquidity to fund our assets and meet our contractual and contingent

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Subsidiary Funding Policies

The majority of our unsecured borrowings is raised by Group Inc., which provides the necessary funds to Funding IHC and other subsidiaries, some of which are regulated, to meet their asset financing, liquidity and capital requirements. In addition, Group Inc. provides its regulated subsidiaries with the necessary capital to meet their regulatory requirements. The benefits of this approach to subsidiary funding are enhanced control and greater flexibility to meet the funding requirements of our subsidiaries. Funding is also raised at the subsidiary level through a variety of products, including deposits, secured funding and unsecured borrowings.

Our intercompany funding policies assume that a subsidiary's funds or securities are not freely available to its parent, Funding IHC or other subsidiaries unless (i) legally provided for and (ii) there are no additional regulatory, tax or other restrictions. In particular, many of our subsidiaries are subject to laws that authorize regulatory bodies to block or reduce the flow of funds from those subsidiaries to Group Inc. or Funding IHC. Regulatory action of that kind could impede access to funds that Group Inc. needs to make payments on its obligations. Accordingly, we assume that the capital provided to our regulated subsidiaries is not available to Group Inc. or other subsidiaries and any other financing provided to our regulated subsidiaries is not available to Group Inc. or Funding IHC until the maturity of such financing.

Group Inc. has provided substantial amounts of equity and subordinated indebtedness, directly or indirectly, to its regulated subsidiaries. For example, as of March 2024, Group Inc. had \$36.77 billion of equity and subordinated indebtedness invested in GS&Co., its principal U.S. registered broker-dealer; \$48.22 billion invested in GSI, a regulated U.K. broker-dealer; \$2.32 billion invested in GSJCL, a regulated Japanese broker-dealer; \$59.27 billion invested in GS Bank USA, a regulated New York State-chartered bank; and \$4.94 billion invested in GSIB, a regulated U.K. bank. Group Inc. also provides financing, directly or indirectly, in the form of: \$134.67 billion of

Contingency Funding Plan. We maintain a contingency funding plan to provide a framework for analyzing and responding to a liquidity crisis situation or periods of market stress. Our contingency funding plan outlines a list of potential risk factors, key reports and metrics that are reviewed on an ongoing basis to assist in assessing the severity of, and managing through, a liquidity crisis and/or market dislocation. The contingency funding plan also describes in detail our potential responses if our assessments indicate that we have entered a liquidity crisis, which include pre-funding for what we estimate will be our potential cash and collateral needs, as well as utilizing secondary sources of liquidity. Mitigants and action items to address specific risks which may arise are also described and assigned to individuals responsible for execution.

The contingency funding plan identifies key groups of individuals and their responsibilities, which include fostering effective coordination, control and distribution of information, implementing liquidity maintenance activities and managing internal and external communication, all of which are critical in the management of a crisis or period of market stress.

Stress Tests

In order to determine the appropriate size of our GCLA, we model liquidity outflows over a range of scenarios and time horizons. One of our primary internal liquidity risk models, referred to as the Modeled Liquidity Outflow, quantifies our liquidity risks over a 30-day stress scenario. We also consider other factors, including, but not limited to, an assessment of our potential intraday liquidity needs through an additional internal liquidity risk model, referred to as the Intraday Liquidity Model, the results of our long-term stress testing models, our resolution liquidity models and other applicable regulatory requirements and a qualitative assessment of our condition, as well as the financial markets. The results of the Modeled Liquidity Outflow, the Intraday Liquidity Model, the long-term stress testing models and the resolution liquidity models are reported to senior management on a regular basis. We also

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Modeled Liquidity Outflow. Our Modeled Liquidity Outflow is based on conducting multiple scenarios that include combinations of market-wide and firm-specific stress. These scenarios are characterized by the following qualitative elements:

- Severely challenged market environments, which include low consumer and corporate confidence, financial and political instability, and adverse changes in market values, including potential declines in equity markets and widening of credit spreads; and
- A firm-specific crisis potentially triggered by material losses, reputational damage (including, as a result of, the dissemination of negative information through social media), litigation and/or a ratings downgrade.

The following are key modeling elements of our Modeled Liquidity Outflow:

- Liquidity needs over a 30-day scenario;
- A two-notch downgrade of our long-term senior unsecured credit ratings;
- Changing conditions in funding markets, which limit our access to unsecured and secured funding;
- No support from additional government funding facilities. Although we have access to various central bank funding programs, we do not assume reliance on additional sources of funding in a liquidity crisis; and
- A combination of contractual outflows and contingent outflows arising from both our on- and off-balance sheet arrangements. Contractual outflows include, among other things, upcoming maturities of unsecured debt, term deposits and secured funding. Contingent outflows include, among other things, the withdrawal of customer credit balances in our prime brokerage business, increase in variation margin requirements due to adverse changes in the value of our exchange-traded and OTC-cleared derivatives, draws on unfunded commitments and withdrawals of deposits that have no contractual maturity. See notes to the consolidated financial statements for further

Long-Term Stress Testing. We utilize longer-term stress tests to take a forward view on our liquidity position through prolonged stress periods in which we experience a severe liquidity stress and recover in an environment that continues to be challenging. We are focused on ensuring conservative asset-liability management to prepare for a prolonged period of potential stress, seeking to maintain a diversified funding profile with an appropriate tenor, taking into consideration the characteristics and liquidity profile of our assets.

Resolution Liquidity Models. In connection with our resolution planning efforts, we have established our Resolution Liquidity Adequacy and Positioning framework, which estimates liquidity needs of our major subsidiaries in a stressed environment. The liquidity needs are measured using our Modeled Liquidity Outflow assumptions and include certain additional inter-affiliate exposures. We have also established our Resolution Liquidity Execution Need framework, which measures the liquidity needs of our major subsidiaries to stabilize and wind down following a Group Inc. bankruptcy filing in accordance with our preferred resolution strategy.

In addition, we have established a triggers and alerts framework, which is designed to provide the Board with information needed to make an informed decision on whether and when to commence bankruptcy proceedings for Group Inc.

Limits

We use liquidity risk limits at various levels and across liquidity risk types to manage the size of our liquidity exposures. Limits are measured relative to acceptable levels of risk given our liquidity risk tolerance. See “Overview and Structure of Risk Management” for information about the limit approval process.

Limits are monitored by Treasury and Liquidity Risk. Liquidity Risk is responsible for identifying and escalating to senior management and/or the appropriate risk committee, on a timely basis, instances where limits have been exceeded.

GCLA and Unencumbered Metrics

GCLA. Based on the results of our internal

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The table below presents information about our GCLA.

	Average for the Three Months Ended	
	March	December
\$ in millions	2024	2023
Denomination		
U.S. dollar	\$288,340	\$282,414
Non-U.S. dollar	134,872	131,176
Total	\$423,212	\$413,590
Asset Class		
Overnight cash deposits	\$222,895	\$204,929
U.S. government obligations	146,556	150,806
U.S. agency obligations	18,931	22,895
Non-U.S. government obligations	34,830	34,960
Total	\$423,212	\$413,590
Entity Type		
Group Inc. and Funding IHC	\$ 61,616	\$ 65,952
Major broker-dealer subsidiaries	119,186	117,818
Major bank subsidiaries	242,410	229,820
Total	\$423,212	\$413,590

In the table above:

- The U.S. dollar-denominated GCLA consists of (i) unencumbered U.S. government and agency obligations (including highly liquid U.S. agency mortgage-backed obligations), all of which are eligible as collateral in Federal Reserve open market operations and (ii) certain overnight U.S. dollar cash deposits.
- The non-U.S. dollar-denominated GCLA consists of non-U.S. government obligations (only unencumbered German, French, Japanese and U.K. government obligations) and certain overnight cash deposits in highly liquid currencies.

We maintain our GCLA to enable us to meet current and potential liquidity requirements of our parent company, Group Inc., and its subsidiaries. Our Modeled Liquidity Outflow and Intraday Liquidity Model incorporate a requirement for Group Inc., as well as a standalone requirement for each of our major broker-dealer and bank subsidiaries. Funding IHC is required to provide the necessary liquidity to Group Inc. during the ordinary course of business, and is also obligated to

Other Unencumbered Assets. In addition to our GCLA, we have a significant amount of other unencumbered cash and financial instruments, including other government obligations, high-grade money market securities, corporate obligations, marginable equities, loans and cash deposits not included in our GCLA. The fair value of our unencumbered assets averaged \$292.45 billion for the three months ended March 2024 and \$286.51 billion for the three months ended December 2023. We do not consider these assets liquid enough to be eligible for our GCLA.

Liquidity Regulatory Framework

We are subject to a minimum Liquidity Coverage Ratio (LCR) under the LCR rule approved by the U.S. federal bank regulatory agencies. The LCR rule requires organizations to maintain an adequate ratio of eligible high-quality liquid assets (HQLA) to expected net cash outflows under an acute, short-term liquidity stress scenario. Eligible HQLA excludes HQLA held by subsidiaries that is in excess of their minimum requirement and is subject to transfer restrictions. We are required to maintain a minimum LCR of 100%. We expect that fluctuations in client activity, business mix and the market environment will impact our LCR.

The table below presents information about our average daily LCR.

	Average for the Three Months Ended	
	March	December
\$ in millions	2024	2023
Total HQLA	\$412,745	\$ 401,721
Eligible HQLA	\$330,175	\$ 326,181
Net cash outflows	\$259,198	\$ 255,106
LCR	127 %	128 %

In the table above, our average quarterly LCR represents the average of our daily LCRs during the quarter.

We are also subject to a minimum Net Stable Funding Ratio (NSFR) under the NSFR rule approved by the U.S. federal bank regulatory agencies. The NSFR rule requires large U.S. banking organizations to maintain available stable funding (ASF) above their required stable funding (RSF)

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The following provides information about our subsidiary liquidity regulatory requirements:

- **GS Bank USA.** GS Bank USA is subject to a minimum LCR of 100% under the LCR rule approved by the U.S. federal bank regulatory agencies. As of March 2024, GS Bank USA's LCR exceeded the minimum requirement. The NSFR requirement described above also applies to GS Bank USA. As of March 2024, GS Bank USA's NSFR exceeded the minimum requirement.
- **GSI and GSIB.** GSI and GSIB are subject to a minimum LCR of 100% under the LCR rule approved by the U.K. regulatory authorities. GSI's and GSIB's average monthly LCR for the trailing twelve-month period ended March 2024 exceeded the minimum requirement. GSI and GSIB are subject to the applicable NSFR requirement in the U.K. As of March 2024, both GSI's and GSIB's NSFR exceeded the minimum requirement.
- **GSBE.** GSBE is subject to a minimum LCR of 100% under the LCR rule approved by the European Parliament and Council. GSBE's average monthly LCR for the trailing twelve-month period ended March 2024 exceeded the minimum requirement. GSBE is subject to the applicable NSFR requirement in the E.U. As of March 2024, GSBE's NSFR exceeded the minimum requirement.
- **Other Subsidiaries.** We monitor local regulatory liquidity requirements of our subsidiaries to ensure compliance. For many of our subsidiaries, these requirements either have changed or are likely to change in the future due to the implementation of the Basel Committee's framework for liquidity risk measurement, standards and monitoring, as well as other regulatory developments.

The implementation of these rules and any amendments adopted by the regulatory authorities could impact our liquidity and funding requirements and practices in the future.

Credit Ratings

We rely on the short- and long-term debt

The table below presents the unsecured credit ratings and outlook of Group Inc.

	As of March 2024				
	DBRS	Fitch	Moody's	R&I	S&P
Short-term debt	R-1 (middle)	F1	P-1	a-1	A-2
Long-term debt	A (high)	A	A2	A	BBB+
Subordinated debt	A	BBB+	Baa2	A-	BBB
Trust preferred	A	BBB-	Baa3	N/A	BB+
Preferred stock	BBB (high)	BBB-	Ba1	N/A	BB+
Ratings outlook	Stable	Stable	Stable	Stable	Stable

In the table above:

- The ratings and outlook are by DBRS, Inc. (DBRS), Fitch, Inc. (Fitch), Moody's Investors Service (Moody's), Rating and Investment Information, Inc. (R&I), and Standard & Poor's Ratings Services (S&P).
- The ratings for trust preferred relate to the guaranteed preferred beneficial interests issued by Goldman Sachs Capital I.
- The DBRS, Fitch, Moody's and S&P ratings for preferred stock include the APEX issued by Goldman Sachs Capital II and Goldman Sachs Capital III.

The table below presents the unsecured credit ratings and outlook of GS Bank USA, GSIB, GSBE, GS&Co. and GSI.

	As of March 2024		
	Fitch	Moody's	S&P
GS Bank USA			
Short-term debt	F1	P-1	A-1
Long-term debt	A+	A1	A+
Short-term bank deposits	F1+	P-1	N/A
Long-term bank deposits	AA-	A1	N/A
Ratings outlook	Stable	Stable	Stable
GSIB			
Short-term debt	F1	P-1	A-1
Long-term debt	A+	A1	A+
Short-term bank deposits	F1	P-1	N/A
Long-term bank deposits	A+	A1	N/A
Ratings outlook	Stable	Stable	Stable

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We believe our credit ratings are primarily based on the credit rating agencies' assessment of:

- Our liquidity, market, credit and operational risk management practices;
- Our level and variability of earnings;
- Our capital base;
- Our franchise, reputation and management;
- Our corporate governance; and
- The external operating and economic environment, including, in some cases, the assumed level of government support or other systemic considerations, such as potential resolution.

Certain of our derivatives have been transacted under bilateral agreements with counterparties who may require us to post collateral or terminate the transactions based on changes in our credit ratings. We manage our GCLA to ensure we would, among other potential requirements, be able to make the additional collateral or termination payments that may be required in the event of a two-notch reduction in our long-term credit ratings, as well as collateral that has not been called by counterparties, but is available to them. See Note 7 to the consolidated financial statements for further information about derivatives with credit-related contingent features and the additional collateral or termination payments related to our net derivative liabilities under bilateral agreements that could have been called by counterparties in the event of a one- or two-notch downgrade in our credit ratings.

Cash Flows

As a global financial institution, our cash flows are complex and bear little relation to our net earnings and net assets. Consequently, we believe that traditional cash flow analysis is less meaningful in evaluating our liquidity position than the liquidity and asset-liability management policies described above. Cash flow analysis may, however, be helpful in highlighting certain macro trends and strategic initiatives in our businesses.

Three Months Ended March 2024. Our cash and cash equivalents decreased by \$32.19 billion to \$209.39 billion at the end of the first quarter of 2024, due to net cash used for operating and investing activities and the effect of exchange rate changes on cash and cash equivalents, partially offset by net cash provided by financing activities. The net cash used for operating activities primarily reflected cash outflows from trading assets. The net cash used for investing activities primarily reflected net purchases of investments (primarily U.S. government and agency obligations accounted for as available-for-sale and held-to-maturity securities). The net cash provided by financing activities primarily reflected cash inflows from deposits (reflecting increases in consumer deposits and private bank deposits, partially offset by decreases in transaction banking deposits and brokered certificates of deposit) and cash inflows from unsecured short-term borrowings, net, partially offset by net repayments of unsecured long-term borrowings. The decrease in cash and cash equivalents as a result of changes in foreign exchange rates was due to the U.S. dollar strengthening during the quarter.

Three Months Ended March 2023. Our cash and cash equivalents decreased by \$12.50 billion to \$229.33 billion at the end of the first quarter of 2023, primarily due to net cash used for financing activities, partially offset by net cash provided by operating activities. The net cash used for financing activities primarily reflected cash outflows from net repayments of unsecured long-term borrowings and deposits (reflecting decreases in private bank and consumer deposits, deposit sweep program balances and brokered

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Market Risk Management

Overview

Market risk is the risk of an adverse impact to our earnings due to changes in market conditions. Our assets and liabilities that give rise to market risk primarily include positions held for market making for our clients and for our investing and financing activities, and these positions change based on client demands and our investment opportunities. We employ a variety of risk measures, each described in the respective sections below, to monitor market risk. Categories of market risk include the following:

- Interest rate risk: results from exposures to changes in the level, slope and curvature of yield curves, the volatilities of interest rates, prepayment speeds and credit spreads;
- Equity price risk: results from exposures to changes in prices and volatilities of individual equities, baskets of equities and equity indices;
- Currency rate risk: results from exposures to changes in spot prices, forward prices and volatilities of currency rates; and
- Commodity price risk: results from exposures to changes in spot prices, forward prices and volatilities of commodities, such as crude oil, petroleum products, natural gas, electricity, and precious and base metals.

Market Risk, which is independent of our revenue-producing units and reports to our chief risk officer, has primary responsibility for assessing, monitoring and managing our market risk through firmwide oversight across our global businesses.

Managers in revenue-producing units, Treasury and Market Risk discuss market information, positions and estimated loss scenarios on an ongoing basis. Managers in revenue-producing units and Treasury are accountable for managing risk within prescribed limits. These managers have in-depth knowledge of their positions, markets and the instruments available to hedge their exposures.

Market Risk Management Process

Our process for managing market risk includes the critical components of our risk management framework described in the “Overview and Structure of Risk Management,” as well as the following:

- Monitoring compliance with established market risk limits and reporting our exposures;
- Diversifying exposures;
- Controlling position sizes; and
- Evaluating mitigants, such as economic hedges in related securities or derivatives.

Our market risk management systems enable us to perform an independent calculation of Value-at-Risk (VaR), Earnings-at-Risk (EaR) and other stress measures, capture risk measures at individual position levels, attribute risk measures to individual risk factors of each position, report many different views of the risk measures (e.g., by desk, business, product type or entity) and produce ad hoc analyses in a timely manner.

Risk Measures

We produce risk measures and monitor them against established market risk limits. These measures reflect an extensive range of scenarios and the results are aggregated at product, business and firmwide levels.

We use a variety of risk measures to estimate the size of potential losses for both moderate and more extreme market moves over both short- and long-term time horizons. Our primary risk measures are VaR, EaR and other stress tests.

Our risk reports detail key risks, drivers and changes for each desk and business, and are distributed daily to senior management of both our revenue-producing units and our independent risk oversight and control functions.

Value-at-Risk. VaR is the potential loss in value due to adverse market movements over a defined time horizon with a specified confidence level. For assets and liabilities included in VaR, see “Financial Statement Linkages to Market Risk Measures.” We typically employ a one-day

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We are aware of the inherent limitations to VaR and therefore use a variety of risk measures in our market risk management process. Inherent limitations to VaR include:

- VaR does not estimate potential losses over longer time horizons where moves may be extreme;
- VaR does not take account of the relative liquidity of different risk positions; and
- Previous moves in market risk factors may not produce accurate predictions of all future market moves.

To comprehensively capture our exposures and relevant risks in our VaR calculation, we use historical simulations with full valuation of market factors at the position level by simultaneously shocking the relevant market factors for that position. These market factors include spot prices, credit spreads, funding spreads, yield curves, volatility and correlation, and are updated periodically based on changes in the composition of positions, as well as variations in market conditions. We sample from five years of historical data to generate the scenarios for our VaR calculation. The historical data is weighted so that the relative importance of the data reduces over time. This gives greater importance to more recent observations and reflects current asset volatilities, which improves the accuracy of our estimates of potential loss. As a result, even if our positions included in VaR were unchanged, our VaR would increase with increasing market volatility and vice versa.

Given its reliance on historical data, VaR is most effective in estimating risk exposures in markets in which there are no sudden fundamental changes or shifts in market conditions.

Our VaR measure does not include:

- Positions that are not accounted for at fair value, such as held-to-maturity securities and loans, deposits and unsecured borrowings that are accounted for at amortized cost;
- Available-for-sale securities for which the related unrealized fair value gains and losses are included in accumulated other comprehensive income/(loss);

Earnings-at-Risk. We manage our interest rate risk using the EaR metric. EaR measures the estimated impact of changes in interest rates to our net revenues and preferred stock dividends over a defined time horizon. EaR complements the VaR metric, which measures the impact of interest rate changes that have an immediate impact on the fair values of our assets and liabilities (i.e., mark-to-market changes). Our exposure to interest rate risk occurs due to a variety of factors, including, but not limited to:

- Differences in maturity or repricing dates of assets, liabilities, preferred stock and certain off-balance sheet instruments.
- Differences in the amounts of assets, liabilities, preferred stock and certain off-balance sheet instruments with the same maturity or repricing dates.
- Certain interest rate sensitive fees.

Treasury manages the aggregated interest rate risk from all businesses using our investment securities portfolio and interest rate derivatives. We measure EaR over a one-year time horizon following a 100- and 200-basis point instantaneous parallel shock in both short- and long-term interest rates. This sensitivity is calculated relative to a baseline market scenario, which takes into consideration, among other things, the market's expectation of forward rates, as well as our expectation of future business activity. These scenarios include contractual elements of assets, liabilities, preferred stock, and certain off-balance sheet instruments, such as rates of interest, principal repayment schedules, maturity and reset dates, and any interest rate ceilings or floors, as well as assumptions with respect to our balance sheet size and composition, prepayment behavior and deposit repricing. Deposit repricing is captured by evaluating the change in deposit rate paid relative to the change in market rates (deposit beta) and we calibrate the deposit betas used in our models by using a number of factors, including observed historical behavior, future expectations, funding needs and the competitive landscape. We continuously monitor the performance of our key assumptions against observed behavior and regularly review their sensitivity on our risk metrics.

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Risk, which is independent of our revenue-producing units, and Treasury, have primary responsibility for assessing and monitoring EaR and EVE sensitivity through firmwide oversight, including oversight of interest rate risk stress testing and assumptions, and the establishment of our risk appetite.

Stress Testing. Stress testing is a method of determining the effect of various hypothetical stress scenarios. We use stress tests to examine risks of specific portfolios, as well as the potential impact of our significant risk exposures. We use a variety of stress testing techniques to calculate the potential loss from a wide range of market moves on our portfolios, including firmwide stress tests, sensitivity analysis and scenario analysis. The results of our various stress tests are analyzed together for risk management purposes. See “Overview and Structure of Risk Management” for information about firmwide stress tests.

Sensitivity analysis is used to quantify the impact of a market move in a single risk factor across all positions (e.g., equity prices or credit spreads) using a variety of defined market shocks, ranging from those that could be expected over a one-day time horizon up to those that could take many months to occur. We also use sensitivity analysis to quantify the impact of the default of any single entity, which captures the risk of large or concentrated exposures.

Scenario analysis is used to quantify the impact of a specified event, including how the event impacts multiple risk factors simultaneously. For example, for sovereign stress testing we calculate potential direct exposure associated with our sovereign positions, as well as the corresponding debt, equity and currency exposures associated with our non-sovereign positions that may be impacted by the sovereign distress. When conducting scenario analysis, we often consider a number of possible outcomes for each scenario, ranging from moderate to severely adverse market impacts. In addition, these stress tests are constructed using both historical events and forward-looking hypothetical scenarios.

Limits

We use market risk limits at various levels to manage the size of our market exposures. These limits are set based on VaR, EaR and on a range of stress tests relevant to our exposures. See “Overview and Structure of Risk Management” for information about the limit approval process.

Limits are monitored by Treasury and Risk. Risk is responsible for identifying and escalating to senior management and/or the appropriate risk committee, on a timely basis, instances where limits have been exceeded (e.g., due to positional changes or changes in market conditions, such as increased volatilities or changes in correlations). Such instances are remediated by a reduction in the positions we hold and/or a temporary or permanent increase to the limit, if warranted.

Metrics

We analyze VaR at the firmwide level and a variety of more detailed levels, including by risk category, business and region. Diversification effect in the tables below represents the difference between total VaR and the sum of the VaRs for the four risk categories. This effect arises because the four market risk categories are not perfectly correlated. Substantially all positions in VaR are included within Global Banking & Markets.

The table below presents our average daily VaR.

	Three Months Ended		
	March	December	March
\$ in millions	2024	2023	2023
Categories			
Interest rates	\$ 86	\$ 87	\$ 92
Equity prices	29	29	28
Currency rates	18	18	32
Commodity prices	17	19	22
Diversification effect	(63)	(62)	(73)
Total	\$ 87	\$ 91	\$ 101

Our average daily VaR decreased to \$87 million for the three months ended March 2024 from \$91 million for the three months ended December 2023, due to lower levels of volatility, partially offset by increased exposures. The total decrease

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Our average daily VaR decreased to \$87 million for the three months ended March 2024 from \$101 million for the three months ended March 2023, due to lower levels of volatility, partially offset by increased exposures. The total decrease was primarily driven by decreases in the currency rates, interest rates and commodity prices categories, partially offset by a decrease in the diversification effect.

The table below presents our period-end VaR.

\$ in millions	As of		
	March 2024	December 2023	March 2023
Categories			
Interest rates	\$ 90	\$ 93	\$ 123
Equity prices	32	25	32
Currency rates	25	15	28
Commodity prices	18	14	19
Diversification effect	(72)	(54)	(85)
Total	\$ 93	\$ 93	\$ 117

Our period-end VaR of \$93 million as of March 2024 remained unchanged compared with December 2023. Increases in the currency rates, equity prices and commodity prices categories were offset by an increase in the diversification effect and a decrease in the interest rates category.

Our period-end VaR decreased to \$93 million as of March 2024 from \$117 million as of March 2023, due to lower levels of volatility, partially offset by increased exposures. The total decrease was primarily driven by a decrease in the interest rates category, partially offset by a decrease in the diversification effect.

During the three months ended March 2024, the firmwide VaR risk limit was not exceeded, raised or reduced, and there were no permanent or temporary changes to the firmwide VaR risk limit. During 2023, the firmwide VaR risk limit was not exceeded and there were no permanent changes to the firmwide VaR risk limit. However, the firmwide VaR risk limit was temporarily changed on four occasions as a result of changes in the market environment in the first half of 2023.

The chart below presents our daily VaR for the three months ended March 2024.

Daily VaR Chart 1Q24.jpg

The table below presents, by number of business days, the frequency distribution of our daily net revenues for positions included in VaR.

\$ in millions	Three Months Ended March	
	2024	2023
>\$100	23	22
\$75 - \$100	7	8
\$50 - \$75	17	14
\$25 - \$50	9	6
\$0 - \$25	3	4
\$(25) - \$0	1	5
\$(50) - \$(25)	1	1
\$(75) - \$(50)	-	1
\$(100) - \$(75)	-	-
<\$(100)	-	1
Total	61	62

Daily net revenues for positions included in VaR are compared with VaR calculated as of the end of the prior business day. Net losses incurred on a single day for such positions did not exceed our 95% one-day VaR (i.e., a VaR exception) during the three months ended March 2024 and exceeded our 95% one-day VaR on one occasion during the three months ended March 2023.

During periods in which we have significantly more positive net revenue days than net revenue loss days, we expect to have fewer VaR exceptions because, under normal conditions, our business model generally produces positive net revenues. In periods in which our franchise revenues are adversely affected, we generally have more loss days, resulting in more VaR exceptions. The daily net revenues for positions included in VaR used to determine VaR exceptions reflect the impact of any intraday activity, including bid/offer net revenues, which are more likely than not to be positive by their nature.

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Sensitivity Measures

Certain portfolios and individual positions are not included in VaR because VaR is not the most appropriate risk measure. Other sensitivity measures we use to analyze market risk are described below.

10% Sensitivity Measures. The table below presents our market risk by asset category for positions accounted for at fair value or accounted for at the lower of cost or fair value, that are not included in VaR.

	As of		
	March 2024	December 2023	March 2023
\$ in millions			
Equity	\$ 1,528	\$ 1,562	\$ 1,570
Debt	2,120	2,446	2,775
Total	\$ 3,648	\$ 4,008	\$ 4,345

In the table above:

- The market risk of these positions is determined by estimating the potential reduction in net revenues of a 10% decline in the value of the underlying positions.
- Equity positions relate to private and public equity securities, which primarily include investments in corporate, real estate and infrastructure assets. Substantially all such equity positions are included within Asset & Wealth Management.
- Debt positions include mezzanine and senior debt, and corporate and real estate loans, substantially all of which are included within Asset & Wealth Management. Debt positions as of March 2024 decreased compared with both December 2023 and March 2023, primarily due to the sales of GreenSky and Marcus loans.
- Funded equity and debt positions are included in our consolidated balance sheets in investments and loans, and the related hedges are included in our consolidated balance sheets in derivatives. See Note 8 to the consolidated financial statements for further information about investments, Note 9 to the consolidated financial statements for further information about loans and Note 7 to the consolidated financial statements for further

Credit and Funding Spread Sensitivity on Derivatives and Financial Liabilities.

VaR excludes the impact of changes in counterparty credit spreads, our own credit spreads and unsecured funding spreads on derivatives, as well as changes in our own credit spreads (debt valuation adjustment) on financial liabilities for which the fair value option was elected. The estimated sensitivity to a one basis point increase in credit spreads (counterparty and our own) and unsecured funding spreads on derivatives (including hedges) was a loss of \$2 million as of both March 2024 and December 2023. In addition, the estimated sensitivity to a one basis point increase in our own credit spreads on financial liabilities for which the fair value option was elected was a gain of \$42 million as of both March 2024 and December 2023. However, the actual net impact of a change in our own credit spreads is also affected by the liquidity, duration and convexity (as the sensitivity is not linear to changes in yields) of those financial liabilities for which the fair value option was elected, as well as the relative performance of any hedges undertaken.

Earnings-at-Risk. The table below presents the impact of a parallel shift in rates on our net revenues and preferred stock dividends over the next 12 months relative to the baseline scenario.

	As of	
	March 2024	December 2023
\$ in millions		
+100 basis points parallel shift in rates	\$ 151	\$ 225
-100 basis points parallel shift in rates	\$ (162)	\$ (232)
+200 basis points parallel shift in rates	\$ 295	\$ 445
-200 basis points parallel shift in rates	\$ (325)	\$ (475)

In the table above, the EaR metric utilized various assumptions, including, among other things, balance sheet size and composition, prepayment behavior and deposit repricing, all of which have inherent uncertainties. The EaR metric does not represent a forecast of our net revenues and preferred stock dividends. We expect our EaR to be more sensitive to short-term interest rates than long-term rates.

Other Market Risk Considerations

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Financial Statement Linkages to Market Risk Measures

We employ a variety of risk measures, each described in the respective sections above, to monitor market risk across the consolidated balance sheets and consolidated statements of earnings. The related gains and losses on these positions are included in market making, other principal transactions, interest income and interest expense in the consolidated statements of earnings, and debt valuation adjustment and unrealized gains/(losses) on available-for-sale securities in the consolidated statements of comprehensive income.

The table below presents certain assets and liabilities accounted for at fair value or accounted for at the lower of cost or fair value in our consolidated balance sheets and the market risk measures used to assess those assets and liabilities.

Assets or Liabilities	Market Measures	Risk
Collateralized agreements and financings	VaR	
Customer and other receivables	10% Measures	Sensitivity
Trading assets and liabilities	VaR Credit Sensitivity 10% Measures	Spread Sensitivity
Investments	VaR 10% Measures	Sensitivity
Loans	VaR 10% Measures	Sensitivity
Other assets and liabilities	VaR	
Deposits	VaR Credit Sensitivity	Spread
Unsecured borrowings	VaR Credit Sensitivity	Spread

In addition to the above, we measure the interest rate risk for all positions within our consolidated balance sheets using the EaR metric.

Credit Risk, which is independent of our revenue-producing units and reports to our chief risk officer, has primary responsibility for assessing, monitoring and managing our credit risk through firmwide oversight across our global businesses. In addition, we hold other positions that give rise to credit risk (e.g., bonds and secondary bank loans). These credit risks are captured as a component of market risk measures, which are monitored and managed by Market Risk. We also enter into derivatives to manage market risk exposures. Such derivatives also give rise to credit risk, which is monitored and managed by Credit Risk.

Credit Risk Management Process

Our process for managing credit risk includes the critical components of our risk management framework described in the "Overview and Structure of Risk Management," as well as the following:

- Monitoring compliance with established credit risk limits and reporting our credit exposures and credit concentrations;
- Establishing or approving underwriting standards;
- Assessing the likelihood that a counterparty will default on its payment obligations;
- Measuring our current and potential credit exposure and losses resulting from a counterparty default;
- Using credit risk mitigants, including collateral and hedging; and
- Maximizing recovery through active workout and restructuring of claims.

We also perform credit analyses, which incorporate initial and ongoing evaluations of the capacity and willingness of a counterparty to meet its financial obligations. For substantially all of our credit exposures, the core of our process is an annual counterparty credit evaluation or more frequently if deemed necessary as a result of events or changes in circumstances. We determine an internal credit rating for the counterparty by considering the results of the credit evaluations and assumptions with respect to the nature of and outlook for the counterparty's industry and the economic environment. For collateralized loans, we

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Our credit risk management systems capture credit exposure to individual counterparties and on an aggregate basis to counterparties and their subsidiaries. These systems also provide management with comprehensive information about our aggregate credit risk by product, internal credit rating, industry, country and region.

Risk Measures

We measure our credit risk based on the potential loss in the event of non-payment by a counterparty using current and potential exposure. For derivatives and securities financing transactions, current exposure represents the amount presently owed to us after taking into account applicable netting and collateral arrangements, while potential exposure represents our estimate of the future exposure that could arise over the life of a transaction based on market movements within a specified confidence level. Potential exposure also takes into account netting and collateral arrangements. For loans and lending commitments, the primary measure is a function of the notional amount of the position.

Stress Tests

We conduct regular stress tests to calculate the credit exposures, including potential concentrations that would result from applying shocks to counterparty credit ratings or credit risk factors (e.g., currency rates, interest rates, equity prices). These shocks cover a wide range of moderate and more extreme market movements, including shocks to multiple risk factors, consistent with the occurrence of a severe market or economic event. In the case of sovereign default, we estimate the direct impact of the default on our sovereign credit exposures, changes to our credit exposures arising from potential market moves in response to the default, and the impact of credit market deterioration on corporate borrowers and counterparties that may result from the sovereign default. Unlike potential exposure, which is calculated within a specified confidence level, stress testing does not generally assume a probability of these events occurring. We also perform firmwide stress tests. See “Overview and Structure of Risk Management” for information

Limits

We use credit risk limits at various levels, as well as underwriting standards to manage the size and nature of our credit exposures. Limits for industries and countries are based on our risk appetite and are designed to allow for regular monitoring, review, escalation and management of credit risk concentrations. See “Overview and Structure of Risk Management” for information about the limit approval process.

Credit Risk is responsible for monitoring these limits, and identifying and escalating to senior management and/or the appropriate risk committee, on a timely basis, instances where limits have been exceeded.

Risk Mitigants

To reduce our credit exposures on derivatives and securities financing transactions, we may enter into netting agreements with counterparties that permit us to offset receivables and payables with such counterparties. We may also reduce credit risk with counterparties by entering into agreements that enable us to obtain collateral from them on an upfront or contingent basis and/or to terminate transactions if the counterparty’s credit rating falls below a specified level. We monitor the fair value of the collateral to ensure that our credit exposures are appropriately collateralized. We seek to minimize exposures where there is a significant positive correlation between the creditworthiness of our counterparties and the market value of collateral we receive.

For loans and lending commitments, depending on the credit quality of the borrower and other characteristics of the transaction, we employ a variety of potential risk mitigants. Risk mitigants include collateral provisions, guarantees, covenants, structural seniority of the bank loan claims and, for certain lending commitments, provisions in the legal documentation that allow us to adjust loan amounts, pricing, structure and other terms as market conditions change. The type and structure of risk mitigants employed can significantly influence the degree of credit risk involved in a loan or

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Credit Exposures

As of March 2024, our aggregate credit exposure decreased slightly compared with December 2023, primarily reflecting a decrease in cash deposits with central banks. The percentage of our credit exposures arising from non-investment-grade counterparties (based on our internally determined public rating agency equivalents) increased slightly compared with December 2023, primarily reflecting a decrease in investment-grade credit exposure related to cash deposits with central banks. Our credit exposures are described further below.

Cash and Cash Equivalents. Our credit exposure on cash and cash equivalents arises from our unrestricted cash, and includes both interest-bearing and non-interest-bearing deposits. We seek to mitigate the risk of credit loss, by placing substantially all of our deposits with highly rated banks and central banks.

The table below presents our credit exposure from unrestricted cash and cash equivalents, and the concentration by industry, region and internally determined public rating agency equivalents.

	As of	
	March	December
\$ in millions	2024	2023
Cash and Cash Equivalents	\$194,630	\$224,493
Industry		
Financial Institutions	10 %	9 %
Sovereign	90 %	91 %
Total	100 %	100 %
Region		
Americas	50 %	50 %
EMEA	38 %	34 %
Asia	12 %	16 %
Total	100 %	100 %
Credit Quality (Credit Rating Equivalent)		
AAA	68 %	65 %
AA	15 %	15 %
A	17 %	20 %
Total	100 %	100 %

The table above excludes cash segregated

We generally enter into OTC derivatives transactions under bilateral collateral arrangements that require the daily exchange of collateral. As credit risk is an essential component of fair value, we include a credit valuation adjustment (CVA) in the fair value of derivatives to reflect counterparty credit risk, as described in Note 7 to the consolidated financial statements. CVA is a function of the present value of expected exposure, the probability of counterparty default and the assumed recovery upon default.

The table below presents our net credit exposure from OTC derivatives and the concentration by industry and region.

	As of	
	March	December
\$ in millions	2024	2023
OTC derivative assets	\$36,861	\$42,950
Collateral (not netted under U.S. GAAP)	(14,750)	(14,420)
Net credit exposure	\$22,111	\$28,530
Industry		
Consumer & Retail	3 %	3 %
Diversified Industrials	12 %	11 %
Financial Institutions	19 %	21 %
Funds	16 %	20 %
Healthcare	2 %	2 %
Municipalities & Nonprofit	3 %	4 %
Natural Resources & Utilities	24 %	17 %
Sovereign	12 %	14 %
Technology, Media & Telecommunications	7 %	6 %
Other (including Special Purpose Vehicles)	2 %	2 %
Total	100 %	100 %
Region		
Americas	42 %	48 %
EMEA	51 %	45 %
Asia	7 %	7 %
Total	100 %	100 %

Our credit exposure (before any potential recoveries) to OTC derivative counterparties that defaulted during the three months ended March 2024 remained low, representing less than 2% of our total credit exposure from OTC derivatives.

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The table below presents the distribution of our net credit exposure from OTC derivatives by tenor.

\$ in millions	Investment-Grade	Non-Investment-Grade / Unrated	Total
As of March 2024			
Less than 1 year	\$ 17,876	\$ 4,959	\$ 22,835
1 – 5 years	19,806	5,231	25,037
Greater than 5 years	52,840	3,776	56,616
Total	90,522	13,966	104,488
Netting	(75,951)	(6,426)	(82,377)
Net credit exposure	\$ 14,571	\$ 7,540	\$ 22,111
As of December 2023			
Less than 1 year	\$ 19,314	\$ 7,700	\$ 27,014
1 – 5 years	19,673	6,331	26,004
Greater than 5 years	51,944	3,999	55,943
Total	90,931	18,030	108,961
Netting	(72,412)	(8,019)	(80,431)
Net credit exposure	\$ 18,519	\$ 10,011	\$ 28,530

In the table above:

- Tenor is based on remaining contractual maturity.
- Netting includes counterparty netting across tenor categories and collateral that we consider when determining credit risk (including collateral that is not eligible for netting under U.S. GAAP). Counterparty netting within the same tenor category is included within such tenor category.

The tables below present the distribution of our net credit exposure from OTC derivatives by tenor and internally determined public rating agency equivalents.

\$ in millions	Investment-Grade				Total
	AAA	AA	A	BBB	
As of March 2024					
Less than 1 year	\$ 790	\$ 2,719	\$ 8,954	\$ 5,413	\$17,876
1 – 5 years	1,464	4,797	7,282	6,263	19,806
Greater than 5 years	5,788	12,580	16,948	17,524	52,840
Total	8,042	20,096	33,184	29,200	90,522
Netting	(5,251)	(18,826)	(29,176)	(22,698)	(75,951)
Net credit					

Lending Activities. We manage our lending activities using the credit risk process, measures, limits and risk mitigants described above. Other lending positions, including secondary trading positions, are risk-managed as a component of market risk.

The table below presents our loans and lending commitments.

\$ in millions	Lending		Total
	Loans	Commitments	
As of March 2024			
Corporate	\$ 35,933	\$ 149,537	\$185,470
Commercial real estate	26,656	3,385	30,041
Residential real estate	24,112	1,291	25,403
Securities-based	14,526	708	15,234
Other collateralized	66,802	26,895	93,697
Consumer:			
Installment	374	1	375
Credit cards	18,798	73,621	92,419
Other	1,635	804	2,439
Total	\$188,836	\$ 256,242	\$445,078
Allowance for loan losses			
	\$ (4,902)	\$ (633)	\$ (5,535)

As of December 2023			
Corporate	\$ 35,874	\$ 144,463	\$ 180,337
Commercial real estate	26,028	3,440	29,468
Residential real estate	25,388	1,471	26,859
Securities-based	14,621	691	15,312
Other collateralized	62,225	23,731	85,956
Consumer:			
Installment	3,298	2,250	5,548
Credit cards	19,361	70,824	90,185
Other	1,613	888	2,501
Total	\$ 188,408	\$ 247,758	\$ 436,166
Allowance for loan losses			
	\$ (5,050)	\$ (620)	\$ (5,670)

In the table above, lending commitments excluded \$5.73 billion as of March 2024 and \$5.81 billion as of December 2023 related to issued letters of credit which are classified as guarantees in our consolidated financial statements. See Note 18 to the consolidated financial

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Corporate. Corporate loans and lending commitments include term loans, revolving lines of credit, letter of credit facilities and bridge loans, and are principally used for operating and general corporate purposes, or in connection with acquisitions. Corporate loans are secured (typically by a senior lien on the assets of the borrower) or unsecured, depending on the loan purpose, the risk profile of the borrower and other factors.

The table below presents our credit exposure from corporate loans and lending commitments, and the concentration by industry, region, internally determined public rating agency equivalents and other credit metrics.

\$ in millions	Loans	Lending Commitments	Total
As of March 2024			
Corporate	\$35,933	\$149,537	\$185,470
Industry			
Consumer & Retail	9 %	12 %	12 %
Diversified	18 %	20 %	19 %
Industrials			
Financial	7 %	9 %	9 %
Institutions			
Funds	4 %	4 %	3 %
Healthcare	10 %	11 %	11 %
Natural Resources	9 %	17 %	15 %
& Utilities			
Real Estate	13 %	5 %	7 %
Technology, Media			
&	25 %	21 %	22 %
Telecommunications			
Other (including			
Special Purpose	5 %	1 %	2 %
Vehicles)			
Total	100 %	100 %	100 %
Region			
Americas	64 %	77 %	74 %
EMEA	28 %	22 %	23 %
Asia	8 %	1 %	3 %
Total	100 %	100 %	100 %
Credit Quality (Credit Rating Equivalent)			
AAA	-	1 %	1 %
AA	1 %	5 %	4 %
A	5 %	20 %	17 %

Commercial Real Estate. Commercial real estate includes originated loans and lending commitments that are directly or indirectly secured by hotels, retail stores, multifamily housing complexes and commercial and industrial properties. Commercial real estate also includes loans and lending commitments extended to clients who warehouse assets that are directly or indirectly backed by commercial real estate. In addition, commercial real estate includes loans purchased by us.

The table below presents our credit exposure from commercial real estate loans and lending commitments, and the concentration by region, internally determined public rating agency equivalents and other credit metrics.

\$ in millions	Loans	Lending Commitments	Total
As of March 2024			
Commercial Real Estate	\$26,656	\$3,385	\$30,041
Region			
Americas	83 %	79 %	83 %
EMEA	14 %	21 %	15 %
Asia	3 %	-	2 %
Total	100 %	100 %	100 %
Credit Quality (Credit Rating Equivalent)			
Investment-grade	50 %	49 %	50 %
Non-investment-grade	50 %	51 %	50 %
Total	100 %	100 %	100 %
As of December 2023			
Commercial Real Estate	\$26,028	\$3,440	\$29,468
Region			
Americas	80 %	74 %	79 %
EMEA	17 %	25 %	18 %
Asia	3 %	1 %	3 %
Total	100 %	100 %	100 %
Credit Quality (Credit Rating Equivalent)			

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In addition, we also have credit exposure to commercial real estate loans held for securitization of \$91 million as of March 2024 and \$119 million as of December 2023. Such loans are included in trading assets in our consolidated balance sheets.

Residential Real Estate. Residential real estate loans and lending commitments are primarily extended to wealth management clients and to clients who warehouse assets that are directly or indirectly secured by residential real estate. In addition, residential real estate includes loans purchased by us.

The table below presents our credit exposure from residential real estate loans and lending commitments, and the concentration by region, internally determined public rating agency equivalents and other credit metrics.

\$ in millions	Loans	Lending Commitments	Total
As of March 2024			
Residential Real Estate	\$24,112	\$1,291	\$25,403
Region			
Americas	95 %	97 %	95 %
EMEA	4 %	3 %	4 %
Asia	1 %	-	1 %
Total	100 %	100 %	100 %

Credit Quality (Credit Rating Equivalent)			
Investment-grade	37 %	47 %	38 %
Non-investment-grade	14 %	30 %	14 %
Other metrics	49 %	23 %	48 %
Total	100 %	100 %	100 %

As of December 2023

Residential Real Estate	\$25,388	\$1,471	\$26,859
Region			
Americas	95 %	93 %	95 %
EMEA	4 %	7 %	4 %
Asia	1 %	-	1 %
Total	100 %	100 %	100 %

In the table above:

- Credit exposure included loans and lending commitments of \$12.97 billion as of March 2024 and \$14.45 billion as of December 2023 which are extended to clients who warehouse assets that are directly or indirectly secured by residential real estate.
- Substantially all residential real estate loans included in the other metrics category consists of loans extended to wealth management clients. As of both March 2024 and December 2023, substantially all of such loans had a loan-to-value ratio of less than 80% and were performing in accordance with the contractual terms. Additionally, as of both March 2024 and December 2023, the vast majority of such loans had a FICO credit score of greater than 740.

In addition, we also have credit exposure to residential real estate loans held for securitization of \$7.91 billion as of March 2024 and \$7.65 billion as of December 2023. Such loans are included in trading assets in our consolidated balance sheets.

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Securities-Based. Securities-based includes loans and lending commitments that are secured by stocks, bonds, mutual funds, and exchange-traded funds. These loans and commitments are primarily extended to our wealth management clients and used for purposes other than purchasing, carrying or trading margin stocks. Securities-based loans require borrowers to post additional collateral based on changes in the underlying collateral's fair value.

The table below presents our credit exposure from securities-based loans and lending commitments, and the concentration by region, internally determined public rating agency equivalents and other credit metrics.

	Lending		
\$ in millions	Loans	Commitments	Total
As of March 2024			
Securities-based	\$14,526	\$708	\$15,234
Region			
Americas	79 %	99 %	80 %
EMEA	20 %	1 %	19 %
Asia	1 %	-	1 %
Total	100 %	100 %	100 %
Credit Quality (Credit Rating Equivalent)			
Investment-grade	75 %	24 %	72 %
Non-investment-grade	4 %	2 %	4 %
Other metrics	21 %	74 %	24 %
Total	100 %	100 %	100 %
As of December 2023			
Securities-based	\$14,621	\$691	\$15,312
Region			
Americas	79 %	98 %	80 %
EMEA	20 %	2 %	19 %
Asia	1 %	-	1 %
Total	100 %	100 %	100 %
Credit Quality (Credit Rating Equivalent)			
Investment-grade	75 %	25 %	73 %
Non-investment-			

Other Collateralized. Other collateralized includes loans and lending commitments that are backed by specific collateral (other than securities and real estate). Such loans and lending commitments are extended to clients who warehouse assets that are directly or indirectly secured by corporate loans, consumer loans and other assets. Other collateralized also includes loans and lending commitments to investment funds (managed by third parties) that are collateralized by capital commitments of the funds' investors or assets held by the fund, as well as other secured loans and lending commitments extended to our wealth management clients.

The table below presents our credit exposure from other collateralized loans and lending commitments, and the concentration by region, internally determined public rating agency equivalents and other credit metrics.

\$ in millions	Lending		
	Loans	Commitments	Total
As of March 2024			
Other Collateralized	\$66,802	\$26,895	\$93,697
Region			
Americas	88 %	92 %	89 %
EMEA	11 %	8 %	10 %
Asia	1 %	-	1 %
Total	100 %	100 %	100 %
Credit Quality (Credit Rating Equivalent)			
Investment-grade	82 %	87 %	83 %
Non-investment-grade	18 %	11 %	16 %
Unrated	-	2 %	1 %
Total	100 %	100 %	100 %
As of December 2023			
Other Collateralized	\$62,225	\$23,731	\$85,956
Region			
Americas	89 %	94 %	90 %
EMEA	10 %	5 %	9 %

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Installment and Credit Cards. We originate unsecured installment loans and credit card loans (pursuant to revolving lines of credit) to consumers in the Americas. The credit card lines are cancellable by us and therefore do not result in credit exposure.

The tables below present our credit exposure from originated installment and credit card funded loans, and the concentration by the five most concentrated U.S. states.

\$ in millions	Installment
As of March 2024	
Loans, gross	\$374
New Jersey	21 %
California	14 %
New York	12 %
Florida	9 %
Minnesota	8 %
Other	36 %
Total	100 %
As of December 2023	
Loans, gross	\$3,298
California	8 %
Texas	8 %
Florida	7 %
New York	5 %
New Jersey	5 %
Other	67 %
Total	100 %

\$ in millions	Credit Cards
As of March 2024	
Loans, gross	\$18,798
California	17 %
Texas	9 %
Florida	9 %
New York	8 %
Illinois	4 %
Other	53 %
Total	100 %
As of December 2023	
Loans, gross	\$19,361
California	17 %

Other. Other includes unsecured loans extended to wealth management clients and unsecured consumer and credit card loans purchased by us.

The table below presents our credit exposure from other loans and lending commitments, and the concentration by region, internally determined public rating agency equivalents and other credit metrics.

\$ in millions	Loans	Lending Commitments	Total
As of March 2024			
Other	\$1,635	\$804	\$2,439
Region			
Americas	97 %	100 %	98 %
EMEA	3 %	-	2 %
Total	100 %	100 %	100 %
Credit Quality (Credit Rating Equivalent)			
Investment-grade	63 %	77 %	67 %
Non-investment-grade	18 %	23 %	20 %
Other metrics	19 %	-	13 %
Total	100 %	100 %	100 %
As of December 2023			
Other	\$1,613	\$888	\$2,501
Region			
Americas	97 %	100 %	98 %
EMEA	3 %	-	2 %
Total	100 %	100 %	100 %
Credit Quality (Credit Rating Equivalent)			
Investment-grade	61 %	87 %	70 %
Non-investment-grade	9 %	13 %	11 %
Other metrics	30 %	-	19 %
Total	100 %	100 %	100 %

In the table above, other metrics primarily includes consumer and credit card loans purchased by us. Our risk assessment process for such loans includes reviewing certain key metrics, such as expected cash flows, delinquency status and other risk factors.

In addition, we also have credit exposure to other loans held for securitization of \$1.14 billion as of March 2024 and \$1.22 billion as of December 2023.

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Securities Financing Transactions. We enter into securities financing transactions in order to, among other things, facilitate client activities, invest excess cash, acquire securities to cover short positions and finance certain activities. We bear credit risk related to resale agreements and securities borrowed only to the extent that cash advanced or the value of securities pledged or delivered to the counterparty exceeds the value of the collateral received. We also have credit exposure on repurchase agreements and securities loaned to the extent that the value of securities pledged or delivered to the counterparty for these transactions exceeds the amount of cash or collateral received. Securities collateral for these transactions primarily includes U.S. and non-U.S. government and agency obligations.

The table below presents our credit exposure from securities financing transactions and the concentration by industry, region and internally determined public rating agency equivalents.

	As of	
	March	December
\$ in millions	2024	2023
Securities Financing Transactions	\$40,386	\$40,201
Industry		
Financial Institutions	29 %	30 %
Funds	26 %	33 %
Municipalities & Nonprofit	7 %	7 %
Sovereign	37 %	29 %
Other (including Special Purpose Vehicles)	1 %	1 %
Total	100 %	100 %
Region		
Americas	44 %	45 %
EMEA	32 %	38 %
Asia	24 %	17 %
Total	100 %	100 %
Credit Quality (Credit Rating Equivalent)		
AAA	23 %	14 %
AA	26 %	31 %
A	35 %	38 %

Other Credit Exposures. We are exposed to credit risk from our receivables from brokers, dealers and clearing organizations and customers and counterparties. Receivables from brokers, dealers and clearing organizations primarily consist of initial margin placed with clearing organizations and receivables related to sales of securities which have traded, but not yet settled. These receivables generally have minimal credit risk due to the low probability of clearing organization default and the short-term nature of receivables related to securities settlements. Receivables from customers and counterparties generally consist of collateralized receivables related to customer securities transactions and generally have minimal credit risk due to both the value of the collateral received and the short-term nature of these receivables.

The table below presents our other credit exposures and the concentration by industry, region and internally determined public rating agency equivalents.

	As of	
	March	December
\$ in millions	2024	2023
Other Credit Exposures	\$45,568	\$50,820
Industry		
Financial Institutions	78 %	80 %
Funds	15 %	13 %
Other (including Special Purpose Vehicles)	7 %	7 %
Total	100 %	100 %
Region		
Americas	42 %	35 %
EMEA	46 %	54 %
Asia	12 %	11 %
Total	100 %	100 %
Credit Quality (Credit Rating Equivalent)		
AAA	2 %	2 %
AA	47 %	57 %
A	27 %	26 %
BBB	8 %	6 %
BB or lower	15 %	8 %
Unrated	1 %	1 %

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Selected Exposures

We have credit and market exposures, as described below, that have had heightened focus given recent events and broad market concerns. Credit exposure represents the potential for loss due to the default or deterioration in credit quality of a counterparty or borrower. Market exposure represents the potential for loss in value of our long and short positions due to changes in market prices.

Country Exposures. The Russian invasion of Ukraine has negatively affected the global economy and increased macroeconomic uncertainty. Our total credit exposure to Ukrainian counterparties or borrowers was not material as of March 2024. Our total market exposure to Ukrainian issuers as of March 2024 was \$139 million, primarily to sovereign issuers. Such exposure consisted of \$150 million related to debt and \$(11) million related to credit derivatives. Our credit exposure to Russian counterparties or borrowers and our market exposure to Russian issuers was not material as of March 2024.

Economic challenges persist for the Argentine government given uncertainty relating to its fiscal and economic policies. As of March 2024, our total credit exposure to Argentinian counterparties or borrowers was not material. Our total market exposure to Argentinian issuers as of March 2024 was \$159 million, primarily to sovereign issuers. Such exposure consisted of \$74 million related to debt, \$15 million related to credit derivatives and \$70 million related to equities.

In addition, economic and/or political uncertainties in Ethiopia, Lebanon, Pakistan, Sri Lanka and Venezuela have led to concerns about their financial stability. Our credit exposure to counterparties or borrowers and our market exposure to issuers relating to each of these countries was not material as of March 2024.

We have a comprehensive framework to monitor, measure and assess our country exposures and to determine our risk appetite. We determine the country of risk by the location of the counterparty, issuer's assets, where they generate

Operational Risk Management

Overview

Operational risk is the risk of an adverse outcome resulting from inadequate or failed internal processes, people, systems or from external events. Our exposure to operational risk arises from routine processing errors, as well as extraordinary incidents, such as major systems failures or legal and regulatory matters.

Potential types of loss events related to internal and external operational risk include:

- Execution, delivery and process management;
- Business disruption and system failures;
- Employment practices and workplace safety;
- Clients, products and business practices;
- Damage to physical assets;
- Internal fraud; and
- External fraud.

Operational Risk, which is independent of our revenue-producing units and reports to our chief risk officer, has primary responsibility for developing and implementing a formalized framework for assessing, monitoring and managing operational risk with the goal of maintaining our exposure to operational risk at levels that are within our risk appetite.

Operational Risk Management Process

Our process for managing operational risk includes the critical components of our risk management framework described in the "Overview and Structure of Risk Management," including a comprehensive data collection process, as well as firmwide policies and procedures, for operational risk events.

We combine top-down and bottom-up approaches to manage and measure operational risk. From a top-down perspective, our senior management assesses firmwide and business-level operational risk profiles. From a bottom-up perspective, our first and second lines of defense are responsible for risk identification and risk management on a

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We seek to maintain a comprehensive control framework designed to provide a well-controlled environment to minimize operational risks. The Firmwide Operational Risk and Resilience Committee is responsible for overseeing operational risk and the operational resilience of our business.

Our operational risk management framework is designed to comply with the operational risk measurement rules under the Capital Framework and has evolved based on the changing needs of our businesses and regulatory guidance.

We have established policies that require all employees and consultants to report and escalate operational risk events. When operational risk events are identified, our policies require that the events be documented and analyzed to determine whether changes are required in our systems and/or processes to further mitigate the risk of future events.

We use operational risk management applications to capture, analyze, aggregate and report operational risk event data and key metrics. One of our key risk identification and control assessment tools is an operational risk and control self-assessment process, which is performed by our managers. This process consists of the identification and rating of operational risks, on a forward-looking basis, and the related controls. The results from this process are analyzed to evaluate operational risk exposures and identify businesses, activities or products with heightened levels of operational risk.

Risk Measurement

We measure our operational risk exposure using both statistical modeling and scenario analyses, which involve qualitative and quantitative assessments of internal and external operational risk event data and internal control factors for each of our businesses. Operational risk measurement also incorporates an assessment of business environment factors, including:

- Evaluations of the complexity of our business activities;
- The degree of automation in our processes;

Types of Operational Risks

Increased reliance on technology and third-party relationships has resulted in increased operational risks, such as third-party risk, business resilience risk and cybersecurity risk. See “Cybersecurity Risk Management” for information about our cybersecurity risk management process. We manage third-party and business resilience risks as follows:

Third-Party Risk. Third-party risk, including vendor risk, is the risk of an adverse impact due to reliance on third parties performing services or activities on our behalf. These risks may include legal, regulatory, information security, cybersecurity, reputational, operational or other risks inherent in engaging a third party. We identify, manage and report key third-party risks and conduct due diligence across multiple risk domains, including information security and cybersecurity, resilience and additional supply chain dependencies. We evaluate whether vendors design, implement, and maintain information security controls consistent with our security policies and standards. Vendors that access and process our information on their infrastructure external to our network are required to undergo an initial risk assessment, resulting in the assignment of a vendor inherent risk rating that is determined based on a number of factors, including the type of data stored and processed by a particular vendor. Subsequently, we conduct re-certifications at a depth and frequency that is commensurate with each vendor’s inherent risk rating as a component of our risk-based approach to vendor oversight. Vendors are required to agree to standard contractual provisions before receiving sensitive information from us. These provisions have specific information security control requirements, which apply to vendors that store, access, transmit or otherwise process sensitive information on our behalf. The Third-Party Risk Program monitors, reviews and reassesses third-party risks on an ongoing basis. See “Risk Factors” in Part I, Item 1A of the 2023 Form 10-K for further information about third-party risk.

Business Resilience Risk. Business resilience risk is the risk of disruption to

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Cybersecurity Risk Management

Overview

Cybersecurity risk is the risk of compromising the confidentiality, integrity or availability of our data and systems, leading to an adverse impact to us, our reputation, our clients and/or the broader financial system. We seek to minimize the occurrence and impact of unauthorized access, disruption or use of information and/or information systems. We deploy and operate preventive and detective controls and processes to mitigate emerging and evolving information security and cybersecurity threats, including monitoring our network for known vulnerabilities and signs of unauthorized attempts to access our data and systems. There is increased information risk through diversification of our data across external service providers, including use of a variety of cloud-provided or -hosted services and applications. In addition, new AI technologies may increase the frequency and severity of cybersecurity attacks. See “Risk Factors” in Part I, Item 1A of the 2023 Form 10-K for further information about information and cybersecurity risk.

Cybersecurity Risk Management Process

Our cybersecurity risk management processes are integrated into our overall risk management processes described in the “Overview and Structure of Risk Management.” We have established an Information Security and Cybersecurity Program (the Cybersecurity Program), administered by Technology Risk within Engineering, and overseen by our CISO. This program is designed to identify, assess, document and mitigate threats, establish and evaluate compliance with information security mandates, adopt and apply our security control framework, and prevent, detect and respond to security incidents. The Cybersecurity Program is periodically reviewed and modified to respond to changing threats and conditions. A dedicated Operational Risk team, which reports to the chief risk officer, provides oversight and challenge of the Cybersecurity Program, independent of Technology Risk, and assesses the

Our process for managing cybersecurity risk includes the critical components of our risk management framework described in the “Overview and Structure of Risk Management,” as well as the following:

- Training and education, to enable our people to recognize information and cybersecurity concerns and respond accordingly;
- Identity and access management, including entitlement management and production access;
- Application and software security, including software change management, open source software, and backup and restoration;
- Infrastructure security, including monitoring our network for known vulnerabilities and signs of unauthorized attempts to access our data and systems;
- Mobile security, including mobile applications;
- Data security, including cryptography and encryption, database security, data erasure and media disposal;
- Cloud computing, including governance and security of cloud applications, and software-as-a-service data onboarding;
- Technology operations, including change management, incident management, capacity and resilience; and
- Third-party risk management, including vendor management and governance, and cybersecurity and business resiliency on vendor assessments.

In conjunction with third-party vendors and consultants, we perform risk assessments to gauge the performance of the Cybersecurity Program, to estimate our risk profile and to assess compliance with relevant regulatory requirements. We perform periodic assessments of control efficacy through our internal risk and control self-assessment process, as well as a variety of external technical assessments, including external penetration tests and “red team” engagements where third parties test our defenses. The results of these risk assessments, together with control

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During the three months ended March 2024, we did not identify any cybersecurity threats that have materially affected or are reasonably likely to materially affect our business strategy, results of operations or financial condition. Technology Risk monitors cybersecurity threats and risks from information security and cybersecurity matters on an ongoing basis, and allocates resources and directs operations in a manner designed to mitigate those risks. For example, in response to the proliferation of ransomware attacks reported globally over the past year, we have emphasized phishing training for our employees and allocated additional resources for business continuity. However, despite these efforts, we cannot eliminate all cybersecurity risks or provide assurances that we have not had occurrences of undetected cybersecurity incidents.

Governance

The Board, both directly and through its committees, including its Risk and Audit Committees, oversees our risk management policies and practices, including cybersecurity risks, and information security and cybersecurity matters. Our chief risk officer, chief information officer and chief technology officer, among others, periodically brief the Board on operational and technology risks, including cybersecurity risks, that we face. The Board also receives regular briefings from our CISO on a range of cybersecurity-related topics, including the status of our Cybersecurity Program, emerging cybersecurity threats, mitigation strategies and related regulatory engagements. In addition, these are topics on which various directors maintain an ongoing dialogue with our CISO, chief information officer and chief technology officer.

Our CISO is responsible for managing and implementing the Cybersecurity Program and reports directly to our chief information officer. Our CISO oversees our Technology Risk team, which assesses and manages material risks from cybersecurity threats, sets firmwide control requirements, assesses adherence to controls, and oversees incident detection and response.

The following are the primary committees and steering groups that oversee our Cybersecurity Program:

- The Firmwide Operational Risk and Resilience Committee. See “Overview and Structure of Risk Management” for further information about this committee.
- The Firmwide Technology Risk Committee reviews matters related to the design, development, deployment and use of technology. This committee oversees cybersecurity matters, as well as technology risk management frameworks and methodologies, and monitors their effectiveness. This committee is chaired by our chief technology officer and reports to the Firmwide Operational Risk and Resilience Committee.
- The Engineering Risk Steering Group oversees Engineering risk decisions, monitors control performance and reviews approaches to comply with current and emerging regulation applicable to Engineering. This committee is chaired by our CISO (who also serves on the Firmwide Technology Risk Committee) and reports to the Firmwide Technology Risk Committee.

Our CISO, senior management within Technology Risk and Operational Risk, as well as management personnel overseeing the Cybersecurity Program, all have substantial relevant expertise in the areas of information security and cybersecurity risk management.

Model Risk Management

Overview

Model risk is the potential for adverse consequences from decisions made based on model outputs that may be incorrect or used inappropriately. We rely on quantitative models across our business activities primarily to value certain financial assets and liabilities, to monitor and manage our risk, and to measure and monitor our regulatory capital.

Model Risk, which is independent of our revenue-producing units, model developers, model owners and model users, and reports to our chief risk officer,

Management’s Discussion and Analysis

Model Review and Validation Process

Model Risk consists of quantitative professionals who perform an independent review, validation and approval of our models. This review includes an analysis of the model documentation, independent testing, an assessment of the appropriateness of the methodology used, and verification of compliance with model development and implementation standards.

We regularly refine and enhance our models to reflect changes in market or economic conditions and our business mix. All models are reviewed on an annual basis, and new models or significant changes to existing models and their assumptions are approved prior to implementation.

The model validation process incorporates a review of models and trade and risk parameters across a broad range of scenarios (including extreme conditions) in order to critically evaluate and verify:

- The model's conceptual soundness, including the reasonableness of model assumptions, and suitability for intended use;
- The testing strategy utilized by the model developers to ensure that the models function as intended;
- The suitability of the calculation techniques incorporated in the model;
- The model's accuracy in reflecting the characteristics of the related product and its significant risks;
- The model's consistency with models for similar products; and
- The model's sensitivity to input parameters and assumptions.

See "Critical Accounting Policies — Fair Value — Review of Valuation Models," "Liquidity Risk Management," "Market Risk Management," "Credit Risk Management" and "Operational Risk Management" for further information about our use of models within these areas.

Other Risk Management

In addition to the areas of risks discussed

Capital Risk Management

Capital risk is the risk that our capital is insufficient to support our business activities under normal and stressed market conditions or we face capital reductions or RWA increases, including from new or revised rules or changes in interpretations of existing rules, and are therefore unable to meet our internal capital targets or external regulatory capital requirements. Capital adequacy is of critical importance to us. Accordingly, we have in place a comprehensive capital management policy that provides a framework, defines objectives and establishes guidelines to maintain an appropriate level and composition of capital in both business-as-usual and stressed conditions. Our capital management framework is designed to provide us with the information needed to identify and comprehensively manage risk, and develop and apply projected stress scenarios that capture idiosyncratic vulnerabilities with a goal of holding sufficient capital to remain adequately capitalized even after experiencing a severe stress event. See "Capital Management and Regulatory Capital" for further information about our capital management process.

We have established a comprehensive governance structure to manage and oversee our day-to-day capital management activities and to ensure compliance with capital rules and related policies. Our capital management activities are overseen by the Board and its committees. The Board is responsible for approving our annual capital plan and the Risk Committee of the Board approves our capital management policy, which details the risk committees and members of senior management who are responsible for the ongoing monitoring of our capital adequacy and evaluation of current and future regulatory capital requirements, the review of the results of our capital planning and stress tests processes, and the results of our capital models. In addition, our risk committees and senior management are responsible for the review of our contingency capital plan, key capital adequacy metrics, including regulatory capital ratios, and capital plan metrics, such as the payout ratio, as well

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Climate-Related and Environmental Risk Management

We categorize climate-related and environmental risks into physical risk and transition risk. Physical risk is the risk that asset values may decline or operations may be disrupted as a result of changes in the climate, while transition risk is the risk that asset values may decline because of changes in climate policies or changes in the underlying economy due to decarbonization.

As a global financial institution, climate-related and environmental risks manifest in different ways across our businesses. We have continued to make significant enhancements to our climate risk management framework, including steps to further integrate climate risk into our broader risk management processes. We have integrated oversight of climate-related risks into our risk management governance structure, from senior management to our Board and its committees, including the Risk and Public Responsibilities Committees. The Risk Committee of the Board oversees firmwide financial and nonfinancial risks, which include climate risk, and, as part of its oversight, receives updates on our risk management approach to climate risk, including our approaches towards scenario analysis and integration into existing risk management processes. The Public Responsibilities Committee of the Board assists the Board in its oversight of our firmwide sustainability strategy and sustainability issues affecting us, including with respect to climate change. As part of its oversight, the Public Responsibilities Committee receives periodic updates on our sustainability strategy, and also periodically reviews our governance and related policies and processes for sustainability and climate change-related matters. Senior management within Risk, in coordination with senior management in both our revenue-producing units and our other independent risk oversight and control functions, is responsible for the development of the climate-related and environmental risk program. The objective of this program is to integrate climate-related and environmental risks into existing risk disciplines and business

Compliance Risk Management

Compliance risk is the risk of legal or regulatory sanctions, material financial loss or damage to our reputation arising from our failure to comply with the requirements of applicable laws, rules and regulations, and our internal policies and procedures. Compliance risk is inherent in all activities through which we conduct our businesses. Our Compliance Risk Management Program, administered by Compliance, assesses our compliance, regulatory and reputational risk; monitors for compliance with new or amended laws, rules and regulations; designs and implements controls, policies, procedures and training; conducts independent testing; investigates, surveils and monitors for compliance risks and breaches; and leads our responses to regulatory examinations, audits and inquiries. We monitor and review business practices to assess whether they meet or exceed minimum regulatory and legal standards in all markets and jurisdictions in which we conduct business.

Conflicts Management

Conflicts of interest and our approach to dealing with them are fundamental to our client relationships, our reputation and our long-term success. The term “conflict of interest” does not have a universally accepted meaning, and conflicts can arise in many forms within a business or between businesses. The responsibility for identifying potential conflicts, as well as complying with our policies and procedures, is shared by all of our employees.

We have a multilayered approach to resolving conflicts and addressing reputational risk. Our senior management oversees policies related to conflicts resolution and, in conjunction with Conflicts Resolution, Legal and Compliance, and internal committees, formulates policies, standards and principles, and assists in making judgments regarding the appropriate resolution of particular conflicts. Resolving potential conflicts necessarily depends on the facts and circumstances of a particular situation and the application of experienced and informed judgment.

As a general matter, Conflicts Resolution

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES

Management’s Discussion and Analysis

Available Information

Our internet address is www.goldmansachs.com and the investor relations section of our website is located at www.goldmansachs.com/investor-relations, where we make available, free of charge, our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, as well as proxy statements, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. Also posted on our website, and available in print upon request of any shareholder to our Investor Relations Department (Investor Relations), are our certificate of incorporation and by-laws, charters for our Audit, Risk, Compensation, Corporate Governance and Nominating, and Public Responsibilities Committees, our Policy Regarding Director Independence Determinations, our Policy on Reporting of Concerns Regarding Accounting and Other Matters, our Corporate Governance Guidelines and our Code of Business Conduct and Ethics governing our directors, officers and employees. Within the time period required by the SEC, we will post on our website any amendment to the Code of Business Conduct and Ethics and any waiver applicable to any executive officer, director or senior financial officer.

Our website also includes information about (i) purchases and sales of our equity securities by our executive officers and directors; (ii) disclosure relating to certain non-GAAP financial measures (as defined in the SEC's Regulation G) that we may make public orally, telephonically, by webcast, by broadcast or by other means; (iii) our DFAST results; (iv) the public portion of our and GS Bank USA's resolution plan submissions; (v) our Pillar 3 disclosure; (vi) our average daily LCR; (vii) our People Strategy Report; (viii) our Sustainability Report; (ix) our Task Force on Climate-Related Financial Disclosures Report; and (x) our average daily NSFR.

Investor Relations can be contacted at The Goldman Sachs Group, Inc., 200 West Street, 29th Floor, New York, New York 10282, Attn: Investor Relations, telephone: 212-902-0300, e-mail: gs-investor-relations@gs.com. We use the following, as well as other social media channels, to disclose public information to investors, the media and others:

- Our website (www.goldmansachs.com);
- Our X, formerly known as Twitter, account (x.com/GoldmanSachs); and
- Our Instagram account ([instagram.com/GoldmanSachs](https://www.instagram.com/GoldmanSachs)).

Our officers may use similar social media channels to disclose public information. It is possible that certain information we or our officers post on our website and on social media could be deemed material, and we encourage investors, the media and others interested in Goldman Sachs to review the business and financial information we or our officers post on our website and on the social media channels identified above. The information on our website and those social media channels is not incorporated by reference into this Form 10-Q.

Forward-Looking Statements

We have included in this Form 10-Q, and our management may make, statements that constitute "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements are not historical facts or statements of current conditions, but instead represent only our beliefs regarding future events, many of which, by their nature, are inherently uncertain and outside our control.

By identifying these statements for you in this manner, we are alerting you to the possibility that our actual results, financial condition, liquidity and capital actions may differ, possibly materially, from the anticipated results, financial condition, liquidity and capital actions in these forward-looking statements. Important factors that could cause our results, financial condition, liquidity and capital actions to differ from those in these

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These statements may relate to, among other things, (i) our future plans and results, including our target ROE, ROTE, efficiency ratio, CET1 capital ratio and firmwide AUS inflows, and how they can be achieved, (ii) trends in or growth opportunities for our businesses, including the timing, costs, profitability, benefits and other aspects of business and strategic initiatives and their impact on our efficiency ratio, as well as the opportunities and challenges presented by artificial intelligence, (iii) our level of future compensation expense, including as a percentage of both operating expenses and net revenues, net of provision for credit losses, (iv) our Investment banking fees backlog and future advisory and capital market results, (v) our expected interest income and interest expense, (vi) our expense savings and strategic locations initiatives, (vii) expenses we may incur, including future litigation expense, (viii) the projected growth of our deposits and other funding, asset liability management and funding strategies and related interest expense savings, (ix) our business initiatives, including transaction banking, (x) our planned 2024 benchmark debt issuances, (xi) the amount, composition and location of GCLA we expect to hold, (xii) our credit exposures, (xiii) our expected provision for credit losses, (xiv) the adequacy of our allowance for credit losses, (xv) the narrowing of our consumer business, (xvi) the objectives and effectiveness of our BCP, information security program, risk management and liquidity policies, (xvii) our resolution plan and strategy and their implications for stakeholders, (xviii) the design and effectiveness of our resolution capital and liquidity models and triggers and alerts framework, (xix) the results of stress tests, the effect of changes to regulations, and our future status, activities or reporting under banking and financial regulation, (xx) our expected tax rate, (xxi) the future state of our liquidity and regulatory capital ratios, and our prospective capital distributions (including dividends and repurchases), (xxii) our expected SCB and G-SIB surcharge, (xxiii) legal proceedings, governmental investigations or other contingencies, (xxiv) the asset recovery guarantee and our remediation activities

Statements about our target ROE, ROTE, efficiency ratio and expense savings, and how they can be achieved, are based on our current expectations regarding our business prospects and are subject to the risk that we may be unable to achieve our targets due to, among other things, changes in our business mix, lower profitability of new business initiatives, increases in technology and other costs to launch and bring new business initiatives to scale, and increases in liquidity requirements.

Statements about our target ROE, ROTE and CET1 capital ratio, and how they can be achieved, are based on our current expectations regarding the capital requirements applicable to us and are subject to the risk that our actual capital requirements may be higher than currently anticipated because of, among other factors, changes in the regulatory capital requirements applicable to us resulting from changes in regulations, including as a result of the July 2023 proposal to revise the U.S. bank regulatory capital rules, or the interpretation or application of existing regulations or changes in the nature and composition of our activities. Statements about our firmwide AUS inflows targets are based on our current expectations regarding our fundraising prospects and are subject to the risk that actual inflows may be lower than expected due to, among other factors, competition from other asset managers, changes in investment preferences and changes in economic or market conditions.

Statements about the timing, costs, profitability, benefits and other aspects of business and expense savings initiatives, the level and composition of more durable revenues and increases in market share and the narrowing of our consumer business are based on our current expectations regarding our ability to implement these initiatives and actual results may differ, possibly materially, from our current expectations due to, among other things, a delay in the timing of these initiatives, increased competition and an inability to reduce expenses and grow businesses with durable revenues or to exit certain consumer businesses.

Statements about the level of future

Management’s Discussion and Analysis

Statements about our Investment banking fees backlog and future advisory and capital market results are subject to the risk that advisory and capital market activity may not increase as the firm expects or that such transactions may be modified or may not be completed at all, and related net revenues may not be realized or may be materially less than expected. Important factors that could have such a result include, for underwriting transactions, a decline or weakness in general economic conditions, an outbreak or worsening of hostilities, including those in Ukraine and the Middle East, continuing volatility in the securities markets or an adverse development with respect to the issuer of the securities and, for advisory transactions, a decline in the securities markets, an inability to obtain adequate financing, an adverse development with respect to a party to the transaction or a failure to obtain a required regulatory approval.

Statements about the projected growth of our deposits and other funding, asset liability management and funding strategies and related interest expense savings, and our platform solutions business, are subject to the risk that actual growth, savings and profitability may differ, possibly materially, from that currently anticipated due to, among other things, changes in interest rates and competition from other similar products.

Statements about planned 2024 benchmark debt issuances and the amount, composition and location of GCLA we expect to hold are subject to the risk that actual issuances and GCLA levels may differ, possibly materially, from that currently expected due to changes in market conditions, business opportunities or our funding and projected liquidity needs.

Statements about our expected provision for credit losses are subject to the risk that actual credit losses may differ and our expectations may change, possibly materially, from that currently anticipated due to, among other things, changes to the composition of our loan portfolio and changes in the economic environment in future periods and our forecasts of future economic conditions, as well as changes in

Statements about our future effective income tax rate are subject to the risk that it may differ from the anticipated rate indicated in such statements, possibly materially, due to, among other things, changes in the tax rates applicable to us, changes in our earnings mix, our profitability and entities in which we generate profits, the assumptions we have made in forecasting our expected tax rate, the interpretation or application of existing tax statutes and regulations, as well as any corporate tax legislation that may be enacted or any guidance that may be issued by the U.S. Internal Revenue Service or in the other jurisdictions in which we operate (including Global Anti-Base Erosion (Pillar II) guidance).

Statements about the future state of our liquidity and regulatory capital ratios (including our SCB and G-SIB surcharge), and our prospective capital distributions (including dividends and repurchases), are subject to the risk that our actual liquidity, regulatory capital ratios and capital distributions may differ, possibly materially, from what is currently expected due to, among other things, the need to use capital to support clients, increased regulatory requirements resulting from changes in regulations or the interpretation or application of existing regulations, results of applicable supervisory stress tests, changes to the composition of our balance sheet and the impact of taxes on share repurchases. Statements about the estimated impact of proposed, but not finalized, capital rules are subject to change as we continue to analyze the proposals, the final rules may differ from the proposed rules and our balance sheet composition will change. As a consequence, we may underestimate the actual impact of the final rules (including any final rules in respect of the July 2023 proposal from the U.S. federal bank regulatory agencies).

Statements about the risk exposure related to the asset recovery guarantee provided to the Government of Malaysia are subject to the risk that we may be unsuccessful in our arbitration against the Government of Malaysia. Statements about the progress or the status of remediation activities relating to 1MDB are based on

Management's Discussion and Analysis

Statements about our objectives in management of our human capital, including our diversity goals, are based on our current expectations and are subject to the risk that we may not achieve these objectives and goals due to, among other things, competition in recruiting and attracting diverse candidates and unsuccessful efforts in retaining diverse employees.

Statements about our sustainability and carbon neutrality, net-zero or other sustainability-related targets and goals are based on our current expectations and are subject to the risk that we may not achieve these targets and goals due to, among other things, global socio-demographic and economic trends, energy prices, lack of technological innovations, climate-related conditions and weather events, legislative and regulatory changes, consumer behavior and demand, and other unforeseen events or conditions.

Statements about future inflation are subject to the risk that actual inflation may differ, possibly materially, due to, among other things, changes in economic growth, unemployment or consumer demand.

Statements about the impact of Russia's invasion of Ukraine and related sanctions, the impact of the conflicts in the Middle East and other developments on our business, results and financial position are subject to the risks that hostilities may escalate and expand, that sanctions may increase and that the actual impact may differ, possibly materially, from what is currently expected.

Statements about the proposed sales of Asset & Wealth Management historical principal investments are subject to the risks that buyers may not bid on these assets or bid at levels, or with terms, that are unacceptable to us, and that the performance of these activities may deteriorate as a result of the pending sales, and statements about our agreement with GM regarding a process to transition the GM credit card program to another issuer to be selected by GM are subject to the risk that the transaction may not close on the anticipated timeline or at all, including due to a failure to obtain requisite regulatory approval.

Statements about the effectiveness of our cybersecurity risk management process are subject to the risk that measures we have implemented to safeguard our systems (and third parties that we interface with) may not be sufficient to prevent a successful cybersecurity attack or a material security breach that results in the disclosure of confidential information or otherwise disrupts our operations.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Quantitative and qualitative disclosures about market risk are set forth in “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Risk Management” in Part I, Item 2 of this Form 10-Q.

Item 4. Controls and Procedures

As of the end of the period covered by this report, an evaluation was carried out by our management, with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that these disclosure controls and procedures were effective as of the end of the period covered by this report. In addition, no change in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) occurred during the quarter ended March 2024 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

We are involved in a number of judicial, regulatory and arbitration proceedings concerning matters arising in connection with the conduct of our businesses. Many of these proceedings are in early stages, and many of these cases seek an indeterminate amount of damages. We have estimated the upper end of the range of reasonably possible aggregate loss for matters where we have been able to estimate a range and we believe, based on currently available information, that the results of matters where we have not been able to estimate a range of reasonably possible loss, in the aggregate, will not

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The table below presents purchases made by or on behalf of Group Inc. or any “affiliated purchaser” (as defined in Rule 10b-18(a)(3) under the Exchange Act) of our common stock during the three months ended March 2024.

	Total Shares Purchased Average Price Paid Per Share as Dollar Value of Part of a Publicly Announced Program Remaining Authorized Repurchases (\$ in millions)			
	Total Shares Purchased	Average Price Paid Per Share	Part of a Publicly Announced Program	Remaining Authorized Repurchases (\$ in millions)
January	1,442,363	\$ 381.56	1,441,339	\$ 23,654
February	2,459,260	\$ 386.30	2,459,260	\$ 22,704
March	-	\$ -	-	\$ 22,704
Total	3,901,623		3,900,599	

In the table above, total shares purchased included 1,024 shares during January 2024 remitted to satisfy statutory withholding taxes on the delivery of equity-based awards.

In February 2023, our Board approved a share repurchase program authorizing repurchases of up to \$30 billion of our common stock. This program replaced our previous share repurchase program and has no set expiration or termination date. The share repurchases are effected primarily through regular open-market purchases (which may include repurchase plans designed to comply with Rule 10b5-1 and accelerated share repurchases), the amounts and timing of which are determined primarily by our current and projected capital position, and capital deployment opportunities, but which may also be influenced by general market conditions and the prevailing price and trading volumes of our common stock.

Item 5. Other Information

Rule 10b5-1 Trading Plans

During the three months ended March 2024, no directors or executive officers entered into, modified or terminated,

Item 6. Exhibits

Exhibits

- 3.1 Certificate of Designations of The Goldman Sachs Group, Inc. relating to the 7.50% Fixed-Rate Reset Non-Cumulative Preferred Stock, Series X (incorporated by reference to Exhibit 3.1 and 4.1 to the Registrant's Current Report on Form 8-K, filed on April 23, 2024).
- 10.1 Amended and Restated The Goldman Sachs Group, Inc. Clawback Policy, effective as of December 1, 2023.
- 15.1 Letter re: Unaudited Interim Financial Information.
- 31.1 Rule 13a-14(a) Certifications.
- 32.1 Section 1350 Certifications (This information is furnished and not filed for purposes of Sections 11 and 12 of the Securities Act of 1933 and Section 18 of the Securities Exchange Act of 1934).
- 101 Pursuant to Rules 405 and 406 of Regulation S-T, the following information is formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) the Consolidated Statements of Earnings for the three months ended March 31, 2024 and March 31, 2023, (ii) the Consolidated Statements of Comprehensive Income for the three months ended March 31, 2024 and March 31, 2023, (iii) the Consolidated Balance Sheets as of March 31, 2024 and December 31, 2023, (iv) the Consolidated Statements of Changes in Shareholders' Equity for the three months ended March 31, 2024 and March 31, 2023, (v) the Consolidated Statements of Cash Flows for the three months ended March 31, 2024 and March 31, 2023, (vi) the notes to the Consolidated Financial Statements and (vii) the cover page.
- 104 Cover Page Interactive Data File (formatted in iXBRL in Exhibit 101).

SIGNATURES

Pursuant to the requirements 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.

THE GOLDMAN SACHS GROUP, INC.

By: /s/ Denis P. Coleman III

Name: Denis P. Coleman III

Title: Chief Financial Officer
(Principal Financial Officer)

Date: May 2, 2024

By: /s/ Sheara J. Fredman

Name: Sheara J. Fredman

Title: Chief Accounting Officer
(Principal Accounting Officer)

Date: May 2, 2024

