The Goldman Sachs Group, Inc.

NET STABLE FUNDING RATIO DISCLOSURE

For the quarters ended December 31, 2023

and September 30, 2023

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Introduction

Overview

The Goldman Sachs Group, Inc. (Group Inc.), 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. When we use the terms "the firm," "we," "us" and "our," we mean Group Inc. and its consolidated subsidiaries.

The Board of Governors of the Federal Reserve System (FRB) is the primary regulator of Group Inc., a bank holding company (BHC) under the U.S. Bank Holding Company Act of 1956 and a financial holding company under amendments to this Act. We are 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). The NSFR Rule sets forth minimum stable funding standards designed to ensure that banking organizations maintain a stable funding profile over a one-year time horizon. The FRB requires BHCs subject to the NSFR Rule to make public NSFR disclosures (NSFR Public Disclosure).

This document is designed to satisfy the NSFR Public Disclosure requirements and should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2023 and Quarterly Report on Form 10-Q for the quarter ended September 30, 2023.

All references to December 2023 and September 2023 refer to the firm's periods ended, or the dates, as the context requires, December 31, 2023 and September 30, 2023, respectively.

Liquidity Risk Management

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. For information about our internal Liquidity Risk Management framework, see "Risk Management — Liquidity Risk Management" in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K.

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" in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K 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" 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, in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for further information; 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 obligations in normal times, as well as during periods of market stress. Through our dynamic balance sheet management process, we use actual and projected asset balances to determine secured and unsecured funding requirements. Funding plans are reviewed and approved by the Firmwide Asset Liability Committee. In addition, our independent risk oversight and control functions analyze, and the Firmwide Asset Liability Committee reviews, our total unsecured long-term borrowings and total shareholders' equity to help ensure that we maintain a level of long-term funding that is sufficient to meet our long-term financing requirements.

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 (i) our overall risk tolerance, (ii) the amount of capital we hold and (iii) our funding profile, among other factors. In order to ensure appropriate risk management, we seek to maintain a sufficiently liquid balance sheet and have processes in place to dynamically manage our assets and liabilities, which include (i) balance sheet planning, (ii) balance sheet limits, (iii) monitoring of key metrics and (iv) scenario analyses.

For further information about our balance sheet, see "Balance Sheet and Funding Sources — Balance Sheet Management" in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K.

Compliance with Liquidity Requirements

At the consolidated level, the firm is subject to the NSFR Rule, including the requirements for NSFR Public Disclosure.

Under the NSFR Rule we are required to maintain an amount of available stable funding (ASF) equal to or greater than our projected minimum funding needs, or required stable funding (RSF), over a one-year time horizon. The NSFR Rule preamble acknowledges that a banking organization's NSFR may drop below the requirement of 100% during a time of stress. The NSFR Rule sets forth a supervisory framework for addressing shortfalls. This framework is intended to enable supervisors to monitor and respond appropriately to the unique circumstances that may give rise to a banking organization's NSFR shortfall.

The NSFR Rule requires BHCs to disclose, on a semi-annual basis, the average daily NSFR over the preceding two quarters, as well as quantitative and qualitative information about certain components of a BHC's NSFR. Consistent with this requirement, this document presents information about the firm's NSFR for the quarters ended December 2023 and September 2023.

The information presented in this document is calculated and presented in accordance with the NSFR Rule, unless otherwise specified. The information is based on our current interpretation and understanding of the NSFR Rule and may evolve as we discuss the interpretation and application of these rules with our regulators. Table 12 (lines 1 through 40) presents the firm's NSFR in the format provided in the NSFR Rule. Tables 1 through 11 present a supplemental breakdown of the firm's NSFR components.

In addition to the NSFR requirement applicable at the consolidated level, certain of our subsidiaries are subject to standalone NSFR requirements. For information about our subsidiaries' NSFR requirements, see "Risk Management — Liquidity Risk Management" in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K.

Net Stable Funding Ratio

Under the NSFR Rule, we are required to maintain an amount of ASF equal to or greater than our RSF.

The table below presents information about the firm's average daily NSFR.

Table 1: Net Stable Funding Ratio

$ in millions	Average Weighted
Three Months Ended December 2023	
Total ASF	**$628,734**
Total RSF	**$542,089**
Net stable funding ratio	**116%**
Three Months Ended September 2023	
Total ASF	$617,341
Total RSF	$529,635
Net stable funding ratio	117%

In the table above:

- Our average quarterly NSFR represents the average of our daily NSFRs during the quarter.
- Average weighted total ASF excludes ASF held by subsidiaries that is in excess of their minimum requirement and is subject to transfer restrictions.

The NSFR is calculated as the ratio of ASF to RSF. The firm's ASF largely consists of the firm's capital, and unsecured funding (including both unsecured debt securities and deposits), and the firm's RSF largely consists of funding requirements associated with the firm's loans and securities, derivatives and other assets.

The firm's average NSFR for the three months ended September 2023 was 117%, as compared with the firm's average NSFR for the three months ended June 2023 of 113%, primarily driven by a decrease in securities and derivatives related RSF. Furthermore, the firm's average NSFR slightly decreased during the three months ended December 2023, compared to the three months ended September 2023, primarily driven by an increase in RSF relating to securities, loans and derivatives, partly offset by an increase in ASF. We expect that fluctuations in client activity, business mix and the market environment will impact our NSFR.

The calculation of the firm's NSFR reflects the application of a specific standardized risk framework prescribed by the NSFR Rule to measure the firm's stable funding sources relative to minimum funding requirements. As part of the firm's liquidity and funding risk management practices, we utilize our internal liquidity stress tests to seek to ensure conservative asset-liability management and prepare for a range of stress scenarios and time horizons. Our primary objective is to maintain a diversified funding profile with an appropriate tenor, taking into consideration the characteristics and liquidity profile of our assets.

See "Available Stable Funding" and "Required Stable Funding" for further information about the firm's NSFR.

Available Stable Funding

Total ASF represents available stable funding generated by the firm across entities, taking into account the transferability of excess funding of subsidiaries. The NSFR Rule defines ASF as the sum of the carrying values of the firm's regulatory capital, including common equity tier 1 capital, additional tier 1 capital and tier 2 capital (NSFR regulatory capital elements), and any other liability or equity reported on the firm's balance sheet (NSFR liabilities), each multiplied by a standardized ASF factor. The NSFR Rule assigns standardized ASF factors between 0-100%. Generally, NSFR regulatory capital elements and NSFR liabilities that have a maturity of one year or more receive an ASF factor of 100%. NSFR liabilities that have a maturity of less than one year or an open maturity are assigned ASF factors that range from 0-95%, dependent on the tenor, type of funding and type of counterparty, among other factors. ASF factors reflect a standardized regulatory risk framework prescribed by the NSFR Rule to measure the firm's stable funding sources relative to its minimum funding requirements. The actual stability of the firm's funding sources across a range of scenarios may differ, possibly materially, from those reflected in the firm's ASF.

Under the NSFR Rule, if a subsidiary's ASF contribution is greater than its RSF contribution, the firm must take into account the following restrictions related to the transferability of excess ASF across entities:

- A subsidiary's ASF can be included in the firm's Total ASF up to the amount of the subsidiary's RSF in the firm's consolidated NSFR calculation.

- The firm can also include in its total ASF any additional amount of ASF of a subsidiary that would be available to transfer without statutory, regulatory, contractual or supervisory restrictions to a firm's top-tier parent entity. ASF of a subsidiary in excess of its RSF contribution that is not available to be transferred to the top-tier parent entity cannot be included in the firm's Total ASF in its consolidated NSFR calculation. The firm's excess ASF that is subject to transfer restrictions is predominantly held in our bank subsidiaries.

Table 2: Available Stable Funding

	Three Months Ended			
	December 2023		September 2023	
	Average		Average	
$ in millions	**Unweighted**	**Weighted**	Unweighted	Weighted
Capital and securities	**$ 436,535**	**$ 374,206**	$ 421,176	$ 373,991
Retail funding	**285,764**	**$ 222,903**	279,846	$ 221,622
Wholesale funding	**523,846**	**$ 98,709**	533,563	$ 102,719
Other liabilities	**264,583**	**$ –**	262,696	$ –
Total ASF	**$ 1,510,728**	**$ 628,734**	$1,497,281	$ 617,341

In the table above:

- Average weighted balances reflect the application of ASF factors, as prescribed by the NSFR Rule.
- Average weighted total ASF excludes ASF held by subsidiaries that is in excess of their RSF contribution and is subject to transfer restrictions, and thus may not equal the sum of other lines above.

Our primary sources of funding are unsecured short- and long-term borrowings (including debt securities issued), deposits, collateralized financings, and shareholders' equity. We seek to maintain broad and diversified funding sources globally across products, programs, markets, currencies and creditors to avoid funding concentrations.

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.

For information about our funding sources, see "Balance Sheet and Funding Sources — Funding Sources" in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K.

Capital and Securities

In accordance with the NSFR Rule, regulatory capital elements includes common equity tier 1 capital, additional tier 1 capital, and tier 2 capital. The NSFR Rule assigns a 100% ASF factor to NSFR regulatory capital elements.

Additionally, the NSFR Rule assigns an ASF factor between 0%-100% to securities issued (referred to as "Other capital elements and securities" in Tables 3 and 12), dependent on the tenor of the security issued.

The firm's ASF associated with securities predominantly consists of unsecured debt securities. The firm issues unsecured debt securities, consisting of:

- Unsecured short-term borrowings, including U.S. and non-U.S. hybrid financial instruments and commercial paper; and
- Unsecured long-term borrowings, including structured notes, that 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.

The table below presents a summary of the firm's capital elements and securities issued, calculated in accordance with the NSFR rule.

Table 3: Capital and Securities

$ in millions	Average Unweighted	Average Weighted
Three Months Ended December 2023		
NSFR regulatory capital elements	**$125,982**	**$125,982**
Other capital elements and securities	**310,553**	**248,224**
Capital and securities	**$436,535**	**$374,206**
Three Months Ended September 2023		
NSFR regulatory capital elements	$125,989	$125,989
Other capital elements and securities	295,187	248,002
Capital and securities	$421,176	$373,991

In the table above, weighted balances reflect the application of ASF factors to regulatory capital elements and securities issued, as prescribed by the NSFR Rule.

Retail Funding

The firm's retail funding is predominantly raised in bank subsidiaries, and primarily consists of deposits, including savings, demand and time deposits, from private bank clients, consumers, transaction banking clients (who may place fully insured retail deposits) and through internal and third-party broker-dealers.

The NSFR Rule generally assigns ASF factors for retail funding that range from 50%-95%. Specific ASF factors are based on product, insurance, customer relationship, tenor, and, for retail deposit funding, whether the deposit is brokered.

The table below presents a summary of the firm's ASF related to retail funding, calculated in accordance with the NSFR Rule.

Table 4: Retail Funding

$ in millions	Average Unweighted	Average Weighted
Three Months Ended December 2023		
Stable deposits	**$ 73,516**	**$ 69,840**
Less stable deposits	**92,222**	**82,999**
Sweep deposits, brokered reciprocal deposits, and brokered deposits	**117,115**	**68,608**
Other retail funding	**2,911**	**1,456**
Retail funding	**$ 285,764**	**$ 222,903**
Three Months Ended September 2023		
Stable deposits	$ 71,339	$ 67,772
Less stable deposits	92,355	83,119
Sweep deposits, brokered reciprocal deposits, and brokered deposits	113,041	69,176
Other retail funding	3,111	1,555
Retail funding	$ 279,846	$ 221,622

In the table above, weighted balances reflect the application of ASF factors to retail funding, as prescribed by the NSFR Rule.

Wholesale Funding

The firm's unsecured wholesale funding primarily consists of deposits from certain private bank clients, transaction banking clients (who may place operational deposits), other institutional clients, and through internal and third-party broker-dealers.

In addition, we fund a significant amount of inventory and a portion of investments on a secured basis, through repurchase agreements, securities loaned and other secured financings.

The NSFR Rule assigns ASF factors between 0-100% to unsecured and secured wholesale funding transactions. Specific ASF factors are based on the type of funding, tenor and counterparty of the transaction.

The table below presents a summary of the firm's ASF related to our unsecured and secured wholesale funding, calculated in accordance with the NSFR Rule.

Table 5: Wholesale Funding

$ in millions	Average Unweighted	Average Weighted
Three Months Ended December 2023		
Operational deposits	**$ 24,065**	**$ 12,032**
Other wholesale funding	**499,781**	**86,677**
Wholesale funding	**$ 523,846**	**$ 98,709**
Three Months Ended September 2023		
Operational deposits	$ 25,363	$ 12,682
Other wholesale funding	508,200	90,037
Wholesale funding	$ 533,563	$ 102,719

In the table above, weighted balances reflect the application of ASF factors to wholesale funding, as prescribed by the NSFR Rule.

Required Stable Funding

RSF represents projected minimum funding needs over a one-year time horizon, as prescribed under the NSFR Rule. The NSFR Rule defines RSF as the sum of the carrying values of the firm's assets, each multiplied by a standardized RSF factor based on liquidity characteristics of the asset (including if the asset is unencumbered or encumbered), plus RSF amounts associated with undrawn commitments and derivative exposures. The NSFR Rule assigns standardized RSF factors that range from 0-100%, which reflect the tenor, counterparty, liquidity characteristics of the asset, among other factors. In addition, if an asset is encumbered, the NSFR assumes that the asset must generally be retained and cannot be monetized during the period of encumbrance. Therefore, RSF factors applied to encumbered assets also reflect the period of encumbrance. Assets that have a maturity or encumbrance period of one year or more are assigned an RSF factor of 85%-100%. Assets that have a maturity or encumbrance period of less than one year are assigned RSF factors that range from 0-50%. Additionally, the NSFR Rule prescribes RSF amounts associated with undrawn commitments and derivative exposures. See "Loans and Undrawn Commitments" and "Derivatives" for further information.

RSF factors reflect a standardized risk framework as prescribed by the NSFR Rule. The firm's actual funding requirements associated with its assets, undrawn commitments and derivative exposures in both normal and stressed market conditions may differ, possibly materially, from those reflected in the firm's RSF.

Table 6: Required Stable Funding

$ in millions		Average Unweighted		Average Weighted
Three Months Ended December 2023				
High Quality Liquid Assets	**$**	**525,202**	**$**	**18,576**
Loans and Securities		**849,459**		**326,416**
Undrawn Commitments		**203,514**		**10,176**
Derivatives		**214,258**		**81,622**
Other Assets		**140,333**		**105,299**
Required stable funding	**$**	**1,932,766**	**$**	**542,089**
Three Months Ended September 2023				
High Quality Liquid Assets	$	533,492	$	13,437
Loans and Securities		816,462		321,092
Undrawn Commitments		182,981		9,149
Derivatives		202,581		78,309
Other Assets		141,185		107,648
Required stable funding	$	1,876,701	$	529,635

In the table above, weighted balances reflect the application of RSF factors and encumbrance, as prescribed by the NSFR Rule.

The following sections provide further information about the components of the RSF calculation, including the RSF factors that are applied across asset categories, before taking into account incremental stable funding that is required if an asset is encumbered.

High-Quality Liquid Assets

High-Quality Liquid Assets (HQLA) represents high-quality liquid assets held by the firm across entities that meet the High-Quality Liquid Asset Criteria defined in Section 20 of the Liquidity Coverage Ratio (LCR) rule approved by the U.S. federal bank regulatory agencies (the LCR Rule). Consistent with the LCR, the NSFR Rule defines HQLA in three asset categories: Level 1, Level 2A and Level 2B, however the NSFR treatment of HQLA assets is based only on the liquidity characteristics of the asset and does not consider additional operational and general applicability requirements defined in the LCR Rule for an asset to count toward Eligible HQLA under LCR, including that the asset must be unencumbered. As a result, the total unweighted value of HQLA shown in the table below will be higher than the total amount of HQLA assets that count toward our Total and Eligible HQLA amounts under the LCR Rule.

The RSF factors applied to HQLA assets in the NSFR Rule are generally consistent with the liquidity haircuts applied to HQLA assets under the LCR Rule. Level 1 HQLA assets are prescribed a 0% RSF factor, Level 2A are prescribed a 15% RSF factor, and Level 2B are prescribed a 50% RSF factor, before taking into account incremental stable funding that is required if an HQLA asset is encumbered.

The table below presents a summary of the firm's RSF related to our HQLA, calculated in accordance with the NSFR Rule.

Table 7: High-Quality Liquid Assets

$ in millions		Average Unweighted		Average Weighted
Three Months Ended December 2023				
Level 1 liquid assets	**$**	**466,792**	**$**	**1,635**
Level 2A liquid assets		**36,196**		**5,691**
Level 2B liquid assets		**22,214**		**11,250**
Total high-quality liquid assets	**$**	**525,202**	**$**	**18,576**
Three Months Ended September 2023				
Level 1 liquid assets	$	485,432	$	880
Level 2A liquid assets		33,587		5,202
Level 2B liquid assets		14,473		7,355
Total high-quality liquid assets	$	533,492	$	13,437

In the table above, weighted balances reflect the application of RSF factors and encumbrance to HQLA, as prescribed by the NSFR Rule.

Loans and Undrawn Commitments

The firm's RSF associated with loans is comprised primarily of loans and secured lending transactions:

- Loans includes (i) loans held for investment that are accounted for at amortized cost net of allowance for loan losses or at fair value under the fair value option and (ii) loans held for sale that are accounted for at the lower of cost or fair value.
- We also provide secured financing to our clients for their securities trading activities, prime financing services and other equities financing activities. Other secured lending transactions include repurchase agreements, margin loans and securities borrowing transactions.

The firm holds loans and lending commitments in connection with different types of corporate lending, including to investment-grade and non-investment-grade corporate borrowers, and consumer borrowers (such as credit card loans). Such loans and lending commitments primarily include loans related to relationship lending activities and other investment banking activities (generally extended for contingent acquisition financing). The firm also extends loans and lending commitments in connection with other types of corporate lending, commercial real estate financing and retail lending. In addition, the firm provides financing to clients who warehouse financial assets. These arrangements are secured by the warehoused assets, primarily consisting of residential real estate, consumer and corporate loans.

RSF factors applied to the firm's lending and financing activities range from 0%-100% before taking into account incremental stable funding that is required if a lending or financing asset is encumbered. Specific RSF factors are based on factors such as the type, tenor, and counterparty. Secured lending and financing activities also consider the underlying collateral.

In addition, the NSFR considers the amount of stable funding required to support certain off-balance sheet liabilities, specifically, the amount of undrawn lending commitments, because any draws on committed facilities would result in an asset on balance sheet that is required to be supported by stable funding. The NSFR Rule applies a 5% RSF factor to the undrawn portion of committed credit and liquidity facilities that the firm has extended. The undrawn portion is defined as the maximum amount that could be drawn under the agreement within a one-year time horizon under all reasonably possible circumstances.

The table below presents a summary of the firm's RSF related to our loans and undrawn commitments, calculated in accordance with the NSFR Rule.

Table 8: Loans and Undrawn Commitments

$ in millions	Average Unweighted	Average Weighted
Three Months Ended December 2023		
Loans to financial sector entities secured by level 1 liquid assets	**$ 181,122**	**$ 2,512**
Loans to financial sector entities secured by assets other than level 1 liquid assts and unsecured loans to financial sector entities	**415,332**	**122,872**
Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties	**90,632**	**63,970**
Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR part 217)	**1,791**	**1,116**
Retail mortgages	**18,060**	**12,590**
Of which: With a risk weight of no greater than 50 percent under Regulation Q (12 CFR part 217)	**13,164**	**8,547**
Undrawn commitments	**203,514**	**10,176**
Loans and Undrawn commitments	**$ 908,660**	**$ 212,120**

$ in millions	Average Unweighted	Average Weighted
Three Months Ended September 2023		
Loans to financial sector entities secured by level 1 liquid assets	$ 158,777	$ 2,142
Loans to financial sector entities secured by assets other than level 1 liquid assets and unsecured loans to financial sector entities	405,242	118,412
Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties	91,109	64,279
Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR part 217)	1,162	766
Retail mortgages	17,601	12,330
Of which: With a risk weight of no greater than 50 percent under Regulation Q (12 CFR part 217)	12,731	8,269
Undrawn commitments	182,981	9,149
Loans and Undrawn commitments	$ 855,710	$ 206,312

In the table above, average weighted balances for loans reflect the application of RSF factors and encumbrance, as prescribed by the NSFR Rule.

Securities

The firm's RSF associated with non-HQLA securities is primarily comprised of the following securities:

- Trading cash instruments consisting of debt instruments and equity securities held in connection with the firm's market-making or risk management activities that do not qualify as HQLA.
- Investments consisting of debt instruments and equity securities that are accounted for at fair value and are generally held by the firm in connection with its long-term investing activities that do not qualify as HQLA. Investments also consists of equity securities that are accounted for under the equity method.

Non-HQLA securities are generally assigned an RSF factor of 85%.

The table below presents a summary of the firm's RSF related to our securities, calculated in accordance with the NSFR Rule.

Table 9: Securities

$ in millions	Average Unweighted	Average Weighted
Three Months Ended December 2023		
Securities that do not qualify as HQLA	**$ 144,313**	**$ 124,472**
Three Months Ended September 2023		
Securities that do not qualify as HQLA	$ 143,733	$ 123,929

In the table above, weighted balances reflect the application of RSF factors and encumbrance to loans and securities, as prescribed by the NSFR Rule.

Derivatives

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, 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, while others are bilateral contracts between two counterparties.

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, forwards, swaps and options.

For information about our derivative exposures and hedging activities, see "Note 7. Derivatives and Hedging Activities" in Part II, Item 8 "Financial Statements and Supplementary Data" in our Annual Report on Form 10-K.

The NSFR Rule requires banking organizations to maintain stable funding to support its derivative activities. The NSFR does not assume that derivative liabilities in excess of derivative assets can be used as stable funding to support non-derivative asset and undrawn commitment stable funding requirements.

The amount of stable funding required to support derivative activities is based on the sum of the following general components:

- A component reflecting the current net value of derivative assets and liabilities, taking into account variation margin provided by and received by the firm, as prescribed by the NSFR Rule (current net value component). The current net value component assigns a 100% RSF factor if the firm's derivative assets exceed its liabilities, and a 0% ASF factor otherwise.
- A component to account for initial margin provided by the firm for its derivative transactions, which is assigned an RSF factor of at least 85%.
- A component to account for assets contributed to a Central Clearing Counterparty's (CCP) mutualized loss-sharing arrangement in connection with cleared derivative transactions, which is assigned an RSF factor of at least 85%.
- A component to account for potential future derivatives valuation changes (future value component). The future value component captures 5% of the sum of gross derivatives liabilities.

The table below presents a summary of the firm's RSF related to our derivatives, calculated in accordance with the NSFR Rule.

Table 10: Derivatives

$ in millions	Average Unweighted	Average Weighted
Three Months Ended December 2023		
ASF Items		
NSFR derivatives liability amount	**$ 14,500**	**$ –**
RSF Items		
Assets provided as initial margin for derivative transactions and contributions to CCPs' mutualized loss-sharing arrangements	**$ 88,637**	**$ 75,341**
NSFR derivatives asset amount	**$ –**	**$ –**
RSF for potential derivatives portfolio value changes	**$ 125,621**	**$ 6,281**
Three Months Ended September 2023		
ASF Items		
NSFR derivatives liability amount	$ 11,163	$ –
RSF Items		
Assets provided as initial margin for derivative transactions and contributions to CCPs' mutualized loss-sharing arrangements	$ 85,225	$ 72,441
NSFR derivatives asset amount	$ –	$ –
RSF for potential derivatives portfolio value changes	$ 117,356	$ 5,868

Other Assets

Other assets that are not already described and which require stable funding may fall into the below categories:

- Assets that receive 0% RSF factors, but are not Level 1 HQLA;
- Operational deposits placed at financial sector entities or their consolidated subsidiaries which receive a 50% RSF factor;
- Trading cash instruments consisting of commodities; and
- All other assets that are not otherwise defined, including physical property and nonperforming assets, which receive 100% RSF.

The table below presents a summary of the firm's RSF related to other assets, calculated in accordance with the NSFR Rule.

Table 11: Other Assets

$ in millions	Average Unweighted	Average Weighted
Three Months Ended December 2023		
Zero percent RSF assets that are not level 1 liquid assets or loans to financial sector entities or their consolidated subsidiaries	**$ 24,771**	**$ 46**
Operational deposits placed at financial sector entities or their consolidated subsidiaries	**10,859**	**5,429**
Commodities	**4,203**	**4,203**
All other assets	**100,500**	**95,621**
Other assets	**$ 140,333**	**$ 105,299**
Three Months Ended September 2023		
Zero percent RSF assets that are not level 1 liquid assets or loans to financial sector entities or their consolidated subsidiaries	$ 23,311	$ 19
Operational deposits placed at financial sector entities or their consolidated subsidiaries	12,536	6,268
Commodities	3,369	3,369
All other assets	101,969	97,992
Other assets	$ 141,185	$ 107,648

In the table above, weighted balances reflect the application of RSF factors and encumbrance period of other assets, as prescribed by the NSFR Rule.

Table 12: Net Stable Funding Ratio Summary

Quarter ended 12/31/2023[1] In millions of U.S. dollars		Average Unweighted Amount					Average Weighted Amount
		Open Maturity	< 6 months	6 months to < 1 year	≥ 1 year	Perpetual	
ASF ITEM							
1	Capital and securities:	-	48,601	27,455	243,595	116,884	374,206
2	NSFR regulatory capital elements	-	-	-	9,098	116,884	125,982
3	Other capital elements and securities	-	48,601	27,455	234,497	-	248,224
4	Retail funding:	243,070	21,631	12,111	8,952	-	222,903
5	Stable deposits	73,516	-	-	-	-	69,840
6	Less stable deposits	91,159	206	194	663	-	82,999
7	Sweep deposits, brokered reciprocal deposits, and brokered deposits	75,484	21,425	11,917	8,289	-	68,608
8	Other retail funding	2,911	-	-	-	-	1,456
9	Wholesale funding:	244,776	220,262	33,651	25,157	-	98,709
10	Operational deposits	24,065	-	-	-	-	12,032
11	Other wholesale funding	220,711	220,262	33,651	25,157	-	86,677
	Other liabilities:						
12	NSFR derivatives liability amount	14,500					
13	Total derivatives liability amount	52,938					
14	All other liabilities not included in categories 1 through 13 of this table	138,123	126,460	-	-	-	-
15	**TOTAL ASF[2]**						628,734
RSF ITEM							
16	Total high-quality liquid assets (HQLA)	201,902	71,985	22,871	208,565	19,879	18,576
17	Level 1 liquid assets	201,902	71,915	22,808	170,167	-	1,635
18	Level 2A liquid assets	-	53	35	36,108	-	5,691
19	Level 2B liquid assets[4]	-	17	28	2,290	19,879	11,250
20	Zero percent RSF assets that are not level 1 liquid assets or loans to financial sector entities or their consolidated subsidiaries	1,456	23,315	-	-	-	46
21	Operational deposits placed at financial sector entities or their consolidated subsidiaries	10,859	-	-	-	-	5,429
22	Loans and securities:	148,225	395,490	27,014	167,233	111,497	326,416
23	Loans to financial sector entities secured by level 1 liquid assets	19,818	159,739	1,266	299	-	2,512
24	Loans to financial sector entities secured by assets other than level 1 liquid assets and unsecured loans to financial sector entities	127,764	199,927	20,199	67,442	-	122,872
25	Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties	643	35,620	5,326	49,043	-	63,970
26	Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR part 217)	496	1,212	-	83	-	1,116
27	Retail mortgages	-	181	223	17,656	-	12,590
28	Of which: With a risk weight of no greater than 50 percent under Regulation Q (12 CFR Part 217)	-	16	52	13,096	-	8,547
29	Securities that do not qualify as HQLA[4]	-	23	-	32,793	111,497	124,472
	Other assets:						
30	Commodities	4,203					4,203
31	Assets provided as initial margin for derivative transactions and contributions to CCPs' mutualized loss-sharing arrangements	88,637					75,341
32	NSFR derivatives asset amount	-					-
33	Total derivatives asset amount	38,439					
34	RSF for potential derivatives portfolio valuation changes	125,621					6,281
35	All other assets not included in the categories 16-33 of this table, including nonperforming assets[4]	-	21,150	4,961	68,476	5,913	95,621
36	Undrawn commitments	203,514					10,176
37	**TOTAL RSF prior to application of required stable funding adjustment percentage**						542,089
38	**Required stable funding adjustment percentage**						100%
39	**TOTAL adjusted RSF**						542,089
40	**NET STABLE FUNDING RATIO[3]**						**116%**

1. Period beginning October 2, 2023 and ending December 29, 2023.
2. The amount reported in this row may not equal the calculation of those amounts using component amounts reported in rows 1-14 due to technical factors, such as the exclusion of average weighted ASF held in subsidiaries after accounting for the NSFR Rule's restrictions related to the transferability of ASF across subsidiaries.
3. Our average quarterly NSFR represents the average of our daily NSFRs during the quarter.
4. In the table above, RSF related to items that have no contractual maturity are disclosed as perpetual. Previously such amounts were reported as open or greater than 12 months maturity. There was no impact to the firm's NSFR as a result of this change.

Net Stable Funding Ratio Disclosure

Quarter ended 09/30/2023[1] In millions of U.S. dollars		Average Unweighted Amount					Average Weighted Amount
		Open Maturity	< 6 months	6 months to < 1 year	≥ 1 year	Perpetual	
ASF ITEM							
1	Capital and securities:	-	31,706	30,959	242,348	116,163	373,991
2	NSFR regulatory capital elements	-	-	-	9,826	116,163	125,989
3	Other capital elements and securities	-	31,706	30,959	232,522	-	248,002
4	Retail funding:	242,780	17,142	10,192	9,732	-	221,622
5	Stable deposits	71,339	-	-	-	-	67,772
6	Less stable deposits	91,292	32	368	663	-	83,119
7	Sweep deposits, brokered reciprocal deposits, and brokered deposits	77,038	17,110	9,824	9,069	-	69,176
8	Other retail funding	3,111	-	-	-	-	1,555
9	Wholesale funding:	246,046	231,115	30,361	26,041	-	102,719
10	Operational deposits	25,363	-	-	-	-	12,682
11	Other wholesale funding	220,683	231,115	30,361	26,041	-	90,037
	Other liabilities:						
12	NSFR derivatives liability amount	11,163					
13	Total derivatives liability amount	47,352					
14	All other liabilities not included in categories 1 through 13 of this table	136,763	125,933	-	-	-	-
15	**TOTAL ASF**[2]						617,341
RSF ITEM							
16	Total high-quality liquid assets (HQLA)	241,996	52,372	29,486	197,307	12,331	13,437
17	Level 1 liquid assets	241,996	52,229	29,441	161,766	-	880
18	Level 2A liquid assets	-	118	11	33,458	-	5,202
19	Level 2B liquid assets[4]	-	25	34	2,083	12,331	7,355
20	Zero percent RSF assets that are not level 1 liquid assets or loans to financial sector entities or their consolidated subsidiaries	1,976	21,335	-	-	-	19
21	Operational deposits placed at financial sector entities or their consolidated subsidiaries	12,536	-	-	-	-	6,268
22	Loans and securities:	149,203	369,781	23,507	165,255	108,716	321,092
23	Loans to financial sector entities secured by level 1 liquid assets	16,684	140,294	1,586	213	-	2,142
24	Loans to financial sector entities secured by assets other than level 1 liquid assets and unsecured loans to financial sector entities	132,230	193,527	16,174	63,311	-	118,412
25	Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties	289	35,806	5,633	49,381	-	64,279
26	Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR part 217)	196	928	-	38	-	766
27	Retail mortgages	-	154	114	17,333	-	12,330
28	Of which: With a risk weight of no greater than 50 percent under Regulation Q (12 CFR Part 217)	-	5	39	12,687	-	8,269
29	Securities that do not qualify as HQLA[4]	-	-	-	35,017	108,716	123,929
	Other assets:						
30	Commodities	3,369					3,369
31	Assets provided as initial margin for derivative transactions and contributions to CCPs' mutualized loss-sharing arrangements	85,225					72,441
32	NSFR derivatives asset amount	-					-
33	Total derivatives asset amount	36,189					
34	RSF for potential derivatives portfolio valuation changes	117,356					5,868
35	All other assets not included in the categories 16-33 of this table, including nonperforming assets[4]	-	16,630	6,635	72,704	6,000	97,992
36	Undrawn commitments	182,981					9,149
37	**TOTAL RSF prior to application of required stable funding adjustment percentage**						529,635
38	**Required stable funding adjustment percentage**						100%
39	**TOTAL adjusted RSF**						529,635
40	**NET STABLE FUNDING RATIO**[3]						**117%**

1. Period beginning July 3, 2023 and ending September 29, 2023.
2. The amount reported in this row may not equal the calculation of those amounts using component amounts reported in rows 1-14 due to technical factors, such as the exclusion of average weighted ASF held in subsidiaries after accounting for the NSFR Rule's restrictions related to the transferability of ASF across subsidiaries.
3. Our average quarterly NSFR represents the average of our daily NSFRs during the quarter.
4. In the table above, RSF related to items that have no contractual maturity are disclosed as perpetual. Previously such amounts were reported as open or greater than 12 months maturity. There was no impact to the firm's NSFR as a result of this change.

Forward-Looking Statements

We have included in these disclosures, and our management may make, statements that may 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.

These statements may relate to, among other things, (i) our future plans and results, (ii) trends in or growth opportunities for our businesses, including the timing, benefits and other aspects of business and strategic initiatives, (iii) the projected growth of our deposits and other funding, asset liability management and funding strategies and related interest expense savings, (iv) the objectives and effectiveness of our liquidity and funding policies, (v) required stable funding as reported in our RSF and our primary sources of funding, (vi) the effect of changes to regulations, and our future status, activities or reporting under banking and financial regulation, (vii) the future state of our liquidity ratios, (viii) the liquidity of our assets and liabilities, the actual availability of funding in times of stress, draws on our commitments and our ability to fund our businesses in times of stress, (ix) the impact of Russia's invasion of Ukraine and related sanctions and other developments on our business, results and financial position, and (x) the impact of the conflicts in the Middle East.

It is possible that the stability of our funding sources and minimum funding requirements across a range of scenarios may differ, possibly materially, from reported ASF and RSF. Important factors that could cause our ASF or RSF, results and financial condition to differ from those indicated in these statements include, among others, those discussed in "Risk Factors" in Part I, Item 1A in our Annual Report on Form 10-K for the year ended December 31, 2023.