# Barclays PLC

## FY 2020 Results

18 February 2021

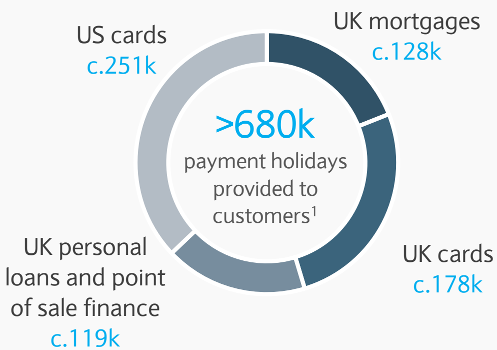
# Jes Staley

Barclays Group Chief Executive

# Remained open for business throughout the COVID-19 pandemic, helping support the economy

## Supporting customers

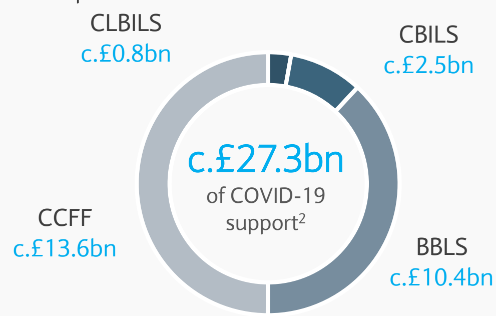
Supported customers in financial need with payment holidays, and interest and fee waivers

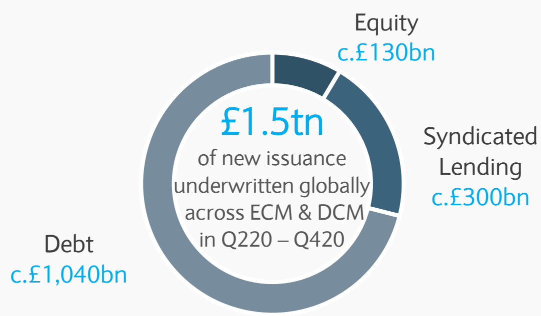




## Supporting businesses

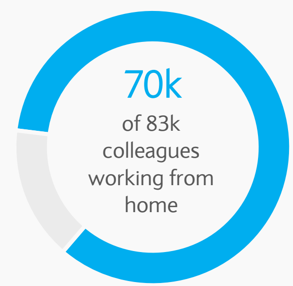
Delivered UK Government support measures for small businesses, large corporates and institutional clients




## Supporting our communities and colleagues

Used our reach to support communities and helped colleagues to serve customers, clients, and their communities safely


[1] Payment holidays granted as at 31 December 2020, total also includes German cards and loans, and Italian mortgages. UK personal loans and point of sale finance includes the motor securitised book | [2] All business lending data as at 12 February 2020 and commercial paper issuance data as at 15 February 2020. CBILS: Coronavirus Business Interruption Loan Scheme, BBLS: Government-backed Bounce Back Loans, CCFF: Covid Corporate Financing Facility, CLBILS: Coronavirus Large Business Interruption Loan Scheme |

# Diversified banking model which provides resilience through economic cycles

## Diversified by customer and client

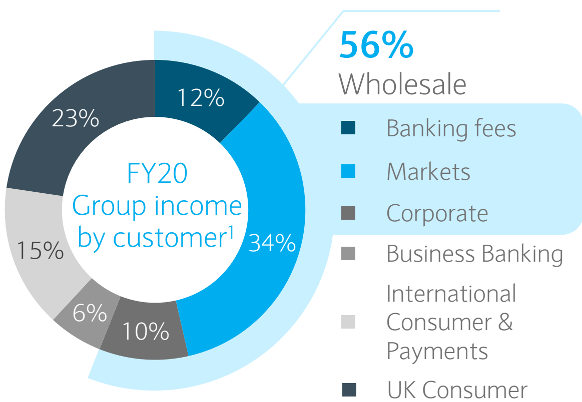
Consumer and wholesale mix enabled the Group to generate 1% higher income in 2020

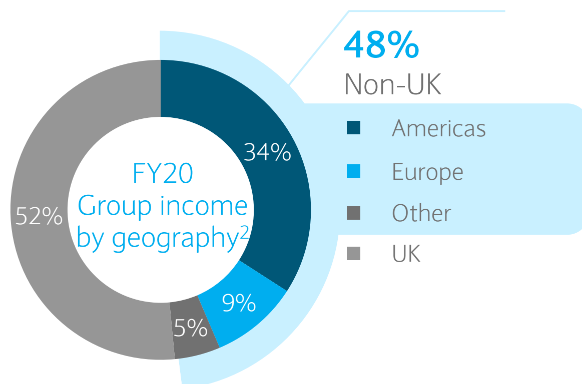
## Diversified by geography

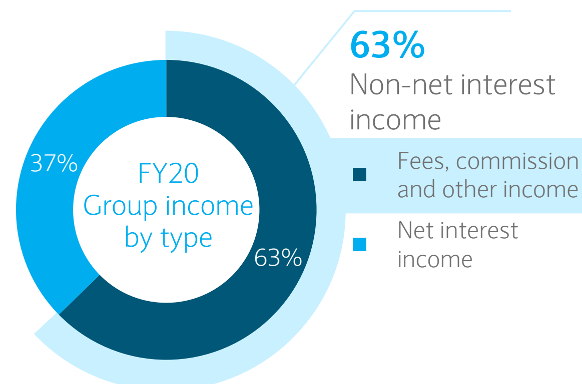
Barclays has a global footprint with revenue streams from various jurisdictions

## Diversified by income type

In a low rate environment, Barclays is relatively well positioned given the Group's lower reliance on net interest income




[1] Excludes negative income from Head Office | [2] Based on location of office where transactions recorded |

# Resilient FY20 performance despite the COVID-19 pandemic

Continue to support customers, clients, colleagues and communities. **Barclays is well-placed to support the recovery**

Benefitted from our **diversified business model** as strong CIB income performance offset consumer headwinds

Remained **profitable every quarter** in 2020, with a significantly increased impairment allowance, strong capital and a highly liquid balance sheet

Focused on the sustainable impact of our business and **meeting our climate ambitions**

**Re-established capital distributions** with a FY20 dividend of 1p and announced a share buyback of up to £700m

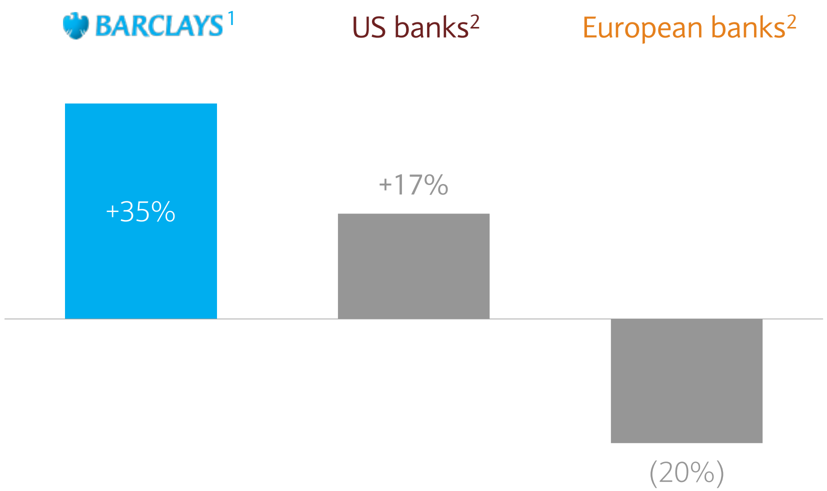
Focused on delivering our financial targets over time and **expect to generate meaningful RoTE improvement in 2021**

| FY20 Financial highlights[1] | |
|---|---|
| £21.8bn | Income |
| £7.9bn | Pre-provision profits |
| £3.1bn | PBT |
| 64%[2] | Cost: income ratio |
| 3.2% | RoTE |
| £9.4bn | Impairment allowance |
| 15.1% | CET1 ratio |
| 5p | Total payout equivalent /share |

[1] Financial highlights on a statutory basis (including litigation & conduct) | [2] FY20 cost: income ratio of 63%, excluding litigation & conduct |

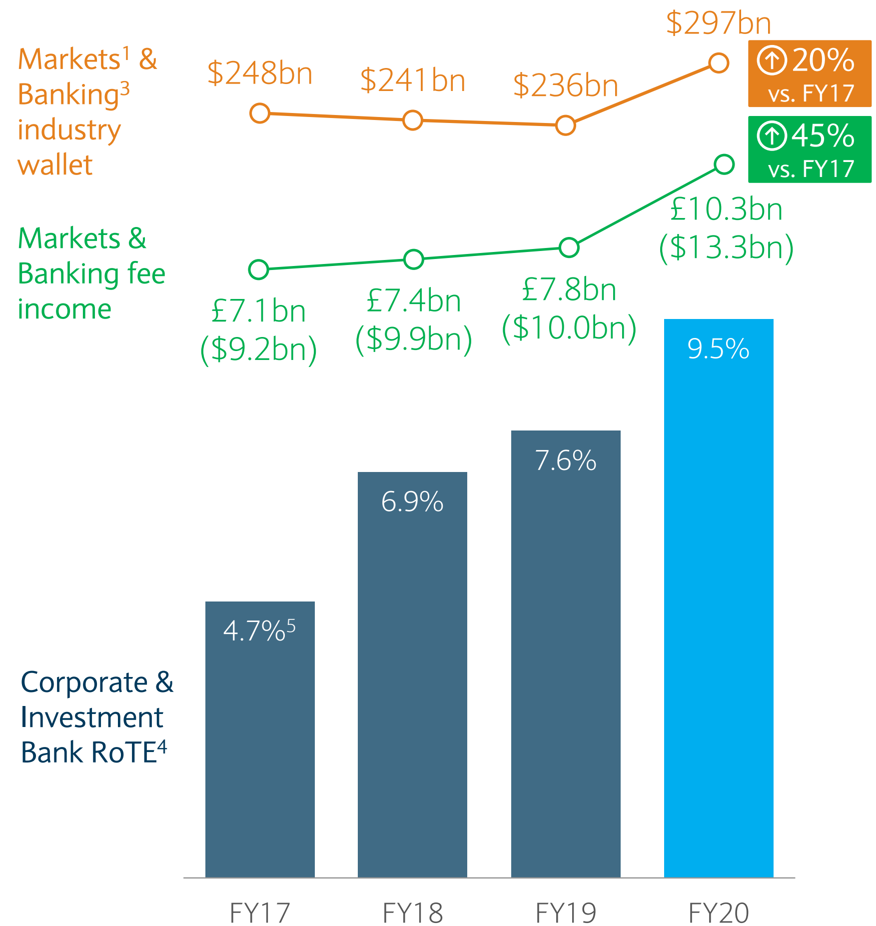
# CIB returns improvement driven by material growth in market share of the Markets business since 2017

## Total market share change of the Markets business (2017-20)




## Barclays market share[1]

| | FY17 | FY18 | FY19 | FY20 | % change FY20 vs. FY17 |
|---|---|---|---|---|---|
| **Total Markets** | **3.6%** | **4.2%** | **4.3%** | **4.9%** | **35%** |
| FICC | 3.5% | 3.9% | 4.1% | 4.6% | 32% |
| Equities | 3.8% | 4.6% | 4.6% | 5.5% | 43% |



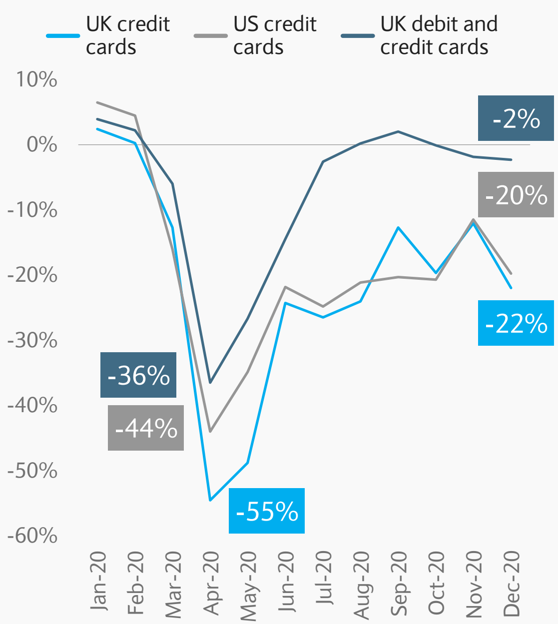

[1] Source: Coalition Greenwich, Preliminary FY20 Competitor Analysis. Market share represents Barclays share of the Global Industry Revenue Pool. Analysis based on Barclays internal business structure and internal revenues | [2] Coalition Greenwich, Q320 YTD Competitor Analysis. Market share represents share of the Global Industry Revenue Pool. US banks include: JPM, BoA, Citi, GS and MS. European banks include: BNPP, CS, DB, HSBC, SG and UBS. Analysis is based on Barclays internal business structure | [3] Source: Dealogic | [4] Corporate and Investment Bank RoTE on a statutory basis (including litigation & conduct) | [5] Excludes DTA re-measurement |

# Consumer spending impacted by extended lockdowns while mortgage activity remains robust

## Cards spending[1]

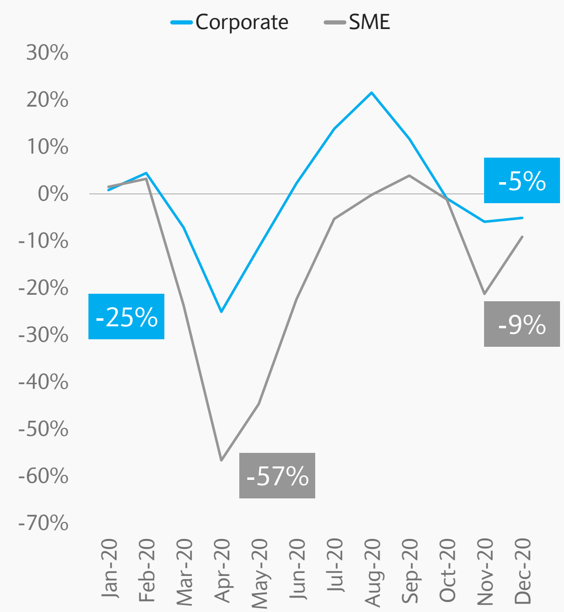
YoY change in monthly spend (%)

2021 continues to be affected by lockdowns, with Jan-21 UK debit and credit card spend -16.3% YoY




## Merchant acquiring turnover[2]

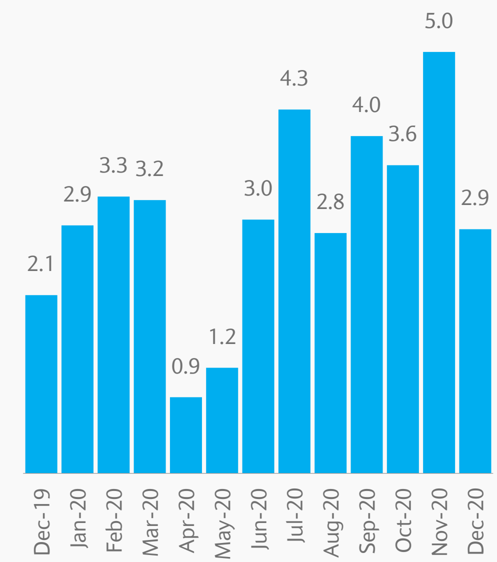
YoY change in monthly turnover (%)




## Mortgages

Mortgage application values (£bn)

Q420 mortgage application values remained at elevated levels, with pricing at attractive margins



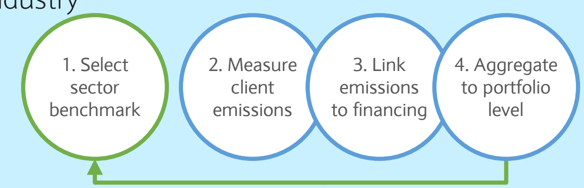

[1] Data based on Barclays debit and credit card transactions, as per the monthly Barclays Spend Trends 2.0 report. UK credit cards spend excludes balance transfers | [2] Based on the value of transactions. Corporate includes turnover associated with Government savings products |

# Ambition to be a net zero bank by 2050

- **Already at net zero emissions from our own operations** (Scope 1 and 2)
- Announced in March 2020 our **commitment to align our financing in all sectors with the goals of the Paris Agreement**
  - Emissions for the clients we finance (Scope 3) **will cover capital markets as well as lending activity**
  - **Starting with the Energy and Power sectors** (up to three quarters of all emissions globally), before rolling out to other sectors
  - By 2025, target Power portfolio emissions intensity reduction of 30%; Energy portfolio absolute emissions reduction of 15%

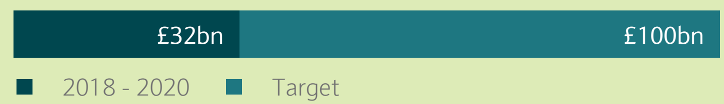
## Created BlueTrack™ methodology that builds on and extends existing industry approaches

- BlueTrack™ used to measure our financed emissions, and track them at a portfolio level against the goals of the Paris Agreement
- Embedding climate impact in our financing decisions, so that we can make active choices to re-shape our portfolio
- Transparency and collaboration are key to achieving a common approach across the industry




## Specific goals to help accelerate the transition to a low-carbon economy[1]

£100bn Green financing by 2030




£175m Sustainable Impact Capital Initiative over five years


We believe our net zero ambition and Paris alignment commitment represent the best way for Barclays to help accelerate the transition to a low-carbon economy by using the breadth and depth of our capital markets franchise to support financing needed to build a greener future

[1] £100bn green financing 2018 – 2030; £175m Sustainable Impact Capital Initiative 2020-2025. See home.barclays/esg for further information |

# Strong balance sheet underpinning returns potential

## FY20 metrics[1]

**Group RoTE**

3.2%

**Cost efficiency**

64% cost: income ratio[2]

**CET1 ratio**

15.1%

**Capital distribution**

1p full year dividend
Up to £700m share buyback announced
**Total payout equivalent 5p / share**

## Group targets

**Group RoTE/profitability**

>10% RoTE over time, with meaningful year on year improvement in 2021

**Cost efficiency**

<60% cost: income ratio over time

**CET1 ratio**

CET1 ratio between 13-14%

**Capital Distribution**

Barclays understands the importance of delivering attractive total cash returns to shareholders

[1] FY20 metrics on a statutory basis (including litigation & conduct) | [2] FY20 cost: income ratio of 63%, excluding litigation & conduct |

# Tushar Morzaria

Barclays Group Finance Director

# FY20 Group highlights

*Group PBT of £3.2bn (excl. litigation and conduct) despite the impact of the COVID-19 pandemic*

## Financial performance[1]

**Income**
£21.8bn FY19: £21.6bn

**Costs**
£13.7bn FY19: £13.6bn

**Cost: income ratio**
63% FY19: 63%

**Impairment**
£4.8bn FY19: £1.9bn

**PBT**
£3.2bn FY19: £6.2bn

**RoTE**
3.4% FY19: 9.0%

**EPS**
9.5p FY19: 24.4p

**CET1 ratio**
15.1% FY19: 13.8%

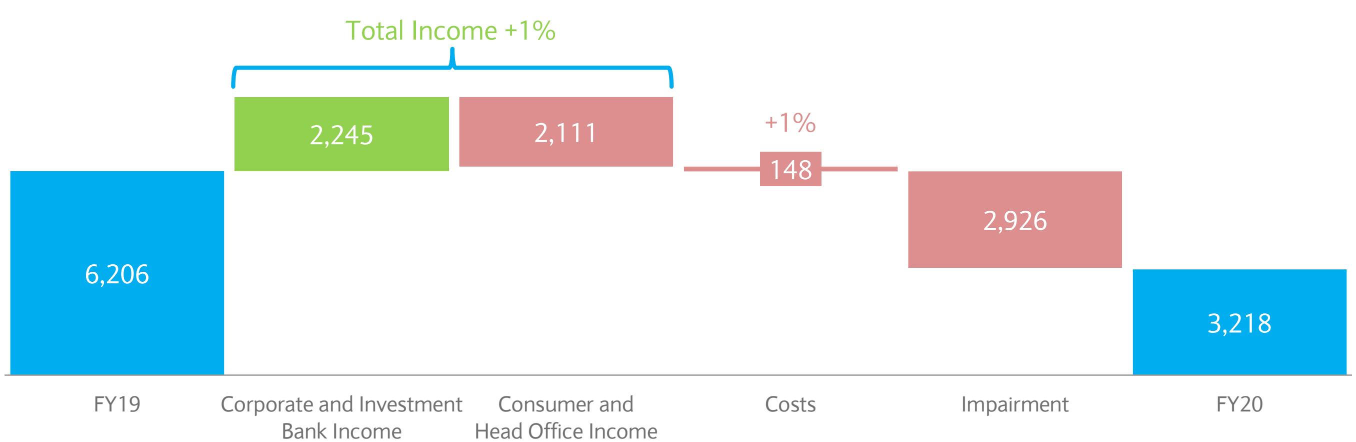
**TNAV per share**
269p FY19: 262p

**Liquidity coverage ratio**
162% FY19: 160%

**Loan: deposit ratio**
71% FY19: 82%

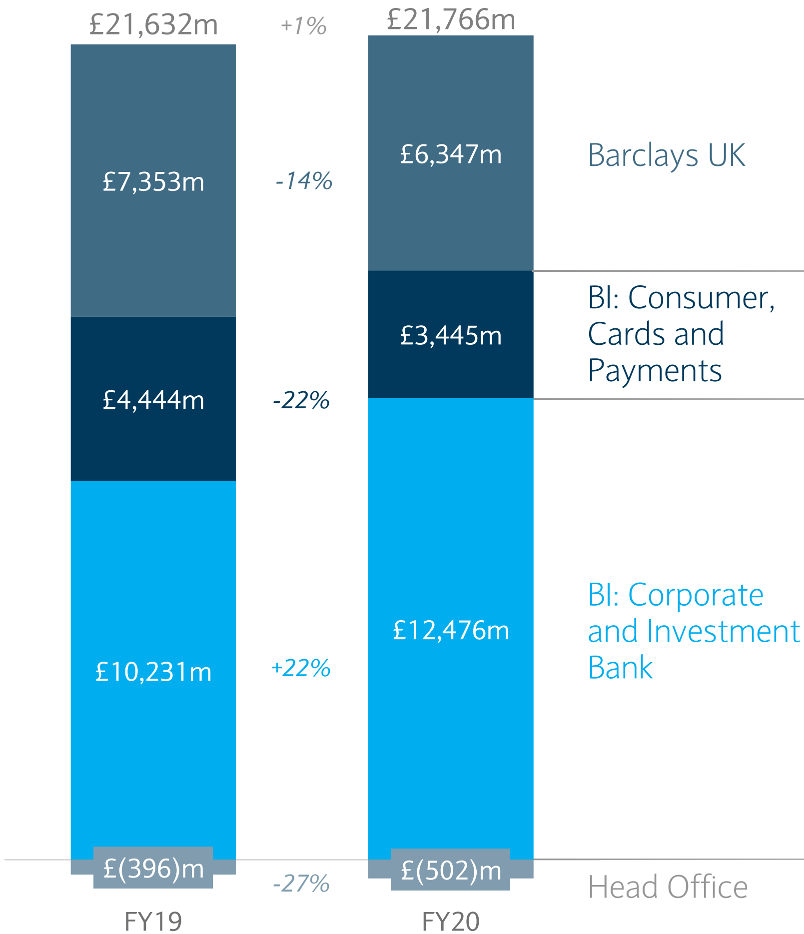
- **PBT down 48%, primarily driven by materially increased impairment charges** due to the deterioration in economic outlook driven by the COVID-19 pandemic
- **Income increased 1%,** reflecting a 22% growth in CIB income, offset by headwinds in BUK and CC&P
- **Costs increased 1%,** driven by increased spend on structural cost actions and COVID-19 initiatives, more than offsetting efficiency savings
- **CET1 ratio increased to 15.1%,** up 130bps from FY19, reflecting profits, regulatory measures, and cancellation of the full year 2019 dividend payment, partially offset by an increase in RWAs
  - **Capital distributions announced** with a 1p FY20 dividend and the intention to initiate a share buyback of up to £700m, representing a **total payout equivalent to 5p per share**

## FY19 to FY20 profit before tax (£m)[2]




[1] Relevant income statement, financial performance measures, accompanying commentary and profit before tax bridge exclude litigation & conduct | [2] Bridge does not include other net income YoY change of (£48m) |

# Income growth of 1% as strong CIB performance offset consumer business headwinds




Income -14% YoY
- Lower unsecured lending balances, lower UK rates, and COVID-19 customer support actions
- Partial offsets from BBLS and CBILS, deposit balance growth and the transfer of the Barclays Partner Finance portfolio

Income -22% YoY
- Lower balances in US cards, margin compression and reduced payments activity

Income +22% YoY
- Markets income +45%, driven by +53% in FICC and +31% in Equities
- Banking fees +8% as strong performances in debt and equity capital markets was partially offset by reduced fee income in advisory
- Corporate lending income -23% reflecting losses related to fair value lending positions and transaction banking income -8%, as deposit balance growth was more than offset by deposit margin compression

# Consumer businesses still facing headwinds from COVID-19 restrictions

**Barclays UK**

- Experiencing downward pressure on consumer spending and unsecured lending balances in Q121, which is likely to persist in the near term
- Cards balances also impacted by persistent debt regulation and actions taken to limit risk
- Expect continued lower structural hedge income
- Some offset to headwinds from the following:
  - Increased mortgage volumes and margin
  - Reduced impact of COVID-19 customer support actions

**Expect downwards pressure on NIM throughout 2021, resulting in FY21 NIM of c.240bps, assuming no change in base rates**

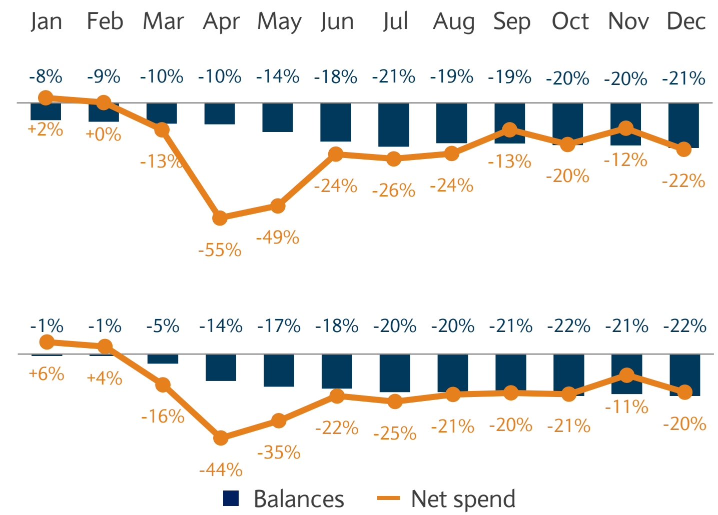
**Consumer Cards and Payments**

- Experiencing downward pressure on consumer spending and unsecured lending balances in Q121, which is likely to persist in the near term
- Reduced merchant acquiring turnover is also impacting current Payments income

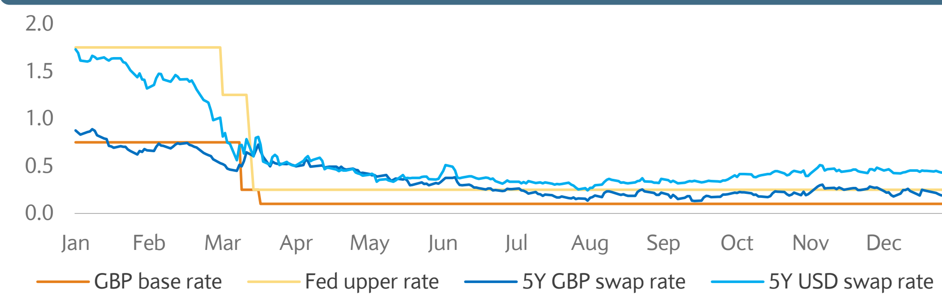
**Unsecured lending balance recovery in both BUK and CC&P will likely lag the recovery in consumer spending**

Lower UK cards Interest Earning Lending balances and net spend YoY[1]

Lower US cards End Net Receivables (ENR) and net spend YoY




Reduced rate environment in the UK and US



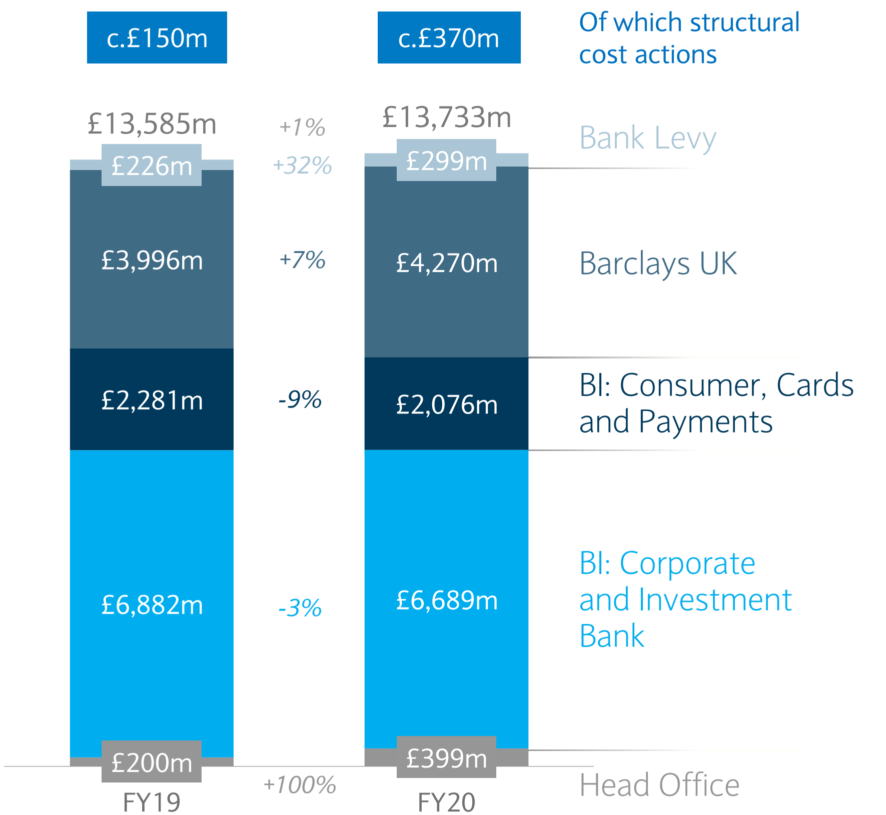

**Headwinds to income in Barclays UK are expected to persist in 2021 and the medium-term, including the subdued demand for unsecured lending and the low interest rate environment**

**The CC&P income outlook remains uncertain and contingent on the evolution of the US and UK spending and cards balances**

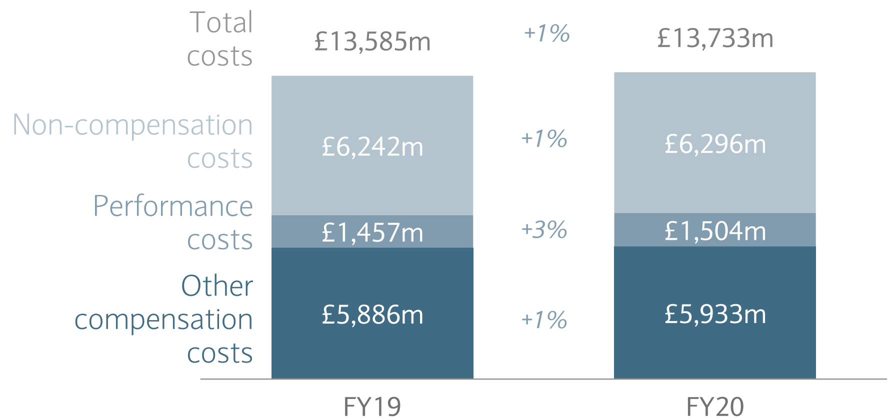
[1] UK credit cards spend excludes balance transfers |

# Costs increased 1%, with neutral cost: income jaws[1]

## FY20 costs of £13.7bn[1]




## Cost: income ratio of 63%[1]

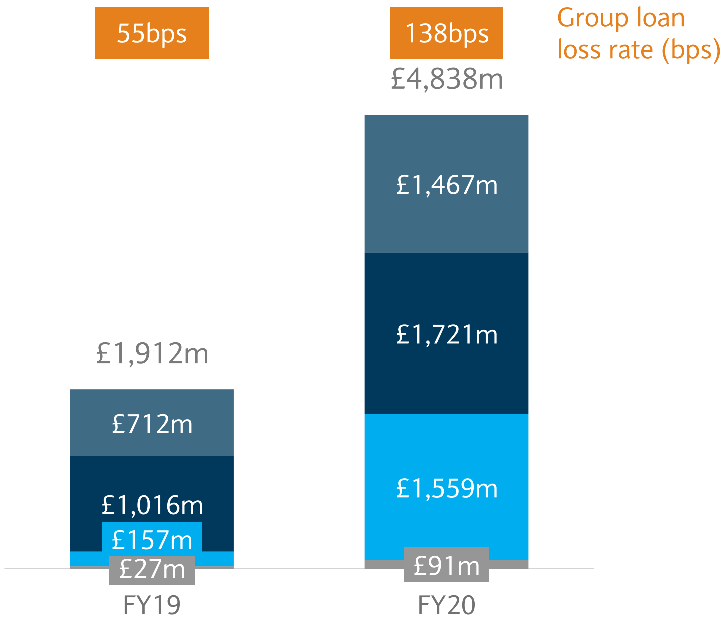



- FY20 costs increased by £148m YoY to £13.7bn, driven by structural cost actions, and expenditure on COVID-19 initiatives to support customers, businesses, communities and colleagues
- Structural cost actions of c.£370m in 2020 included real estate rationalisation, branch optimisation and the discontinued use of certain software assets
- Continued focus on cost discipline, while short-term headwinds remain from COVID-19 related expenditure

COVID-19 related expenses are likely to remain elevated in 2021. However, the Group will continue to drive efficiencies while investing in its franchise where appropriate

[1] Excluding litigation and conduct |

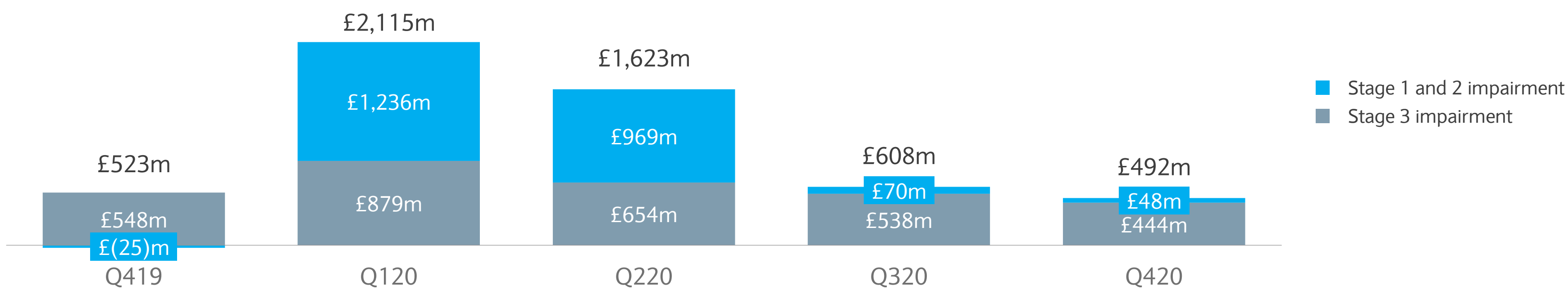
# Impairment charge increased £2.9bn due to expected future customer and client stress caused by the pandemic




## All divisions experienced increased impairment in 2020, due to the deterioration in economic outlook

| | |
|---|---|
| Barclays UK | Impairment increased to £1.5bn reflecting higher non-defaulted provisions (stage 1 and stage 2 impairment)<br>– UK cards arrears rates remained stable |
| BI: Consumer, Cards and Payments | Impairment increased to £1.7bn reflecting higher non-defaulted provisions (stage 1 and stage 2 impairment)<br>– US cards arrears rates remained broadly stable |
| BI: Corporate and Investment Bank | Impairment increased to £1.6bn including non-defaulted provisions of £0.7bn (stage 1 and stage 2 impairment), and £0.8bn of single name wholesale loan charges (stage 3 impairment) |
| Head Office | Impairment related to Italian home loan portfolio |

## Components of impairment charge



# Balance sheet impairment allowances significantly strengthened, including management adjustments

## Baseline scenario macroeconomic variables (MEVs)

| | | Dec-19 MEVs | | Dec-20 MEVs | | | Expected worst point[2] |
|---|---|---|---|---|---|---|---|
| | | 2021 | 2022 | 2021 | 2022 | 2023 | |
| UK GDP[1] | Annual growth | 1.5% | 1.6% | 6.3% | 3.3% | 2.6% | 1.2% (Q121) |
| UK unemployment | Quarterly average | 4.2% | 4.2% | 6.7% | 6.4% | 5.8% | 7.4% (Q221) |
| US GDP[1] | Annual growth | 1.9% | 1.9% | 3.9% | 3.1% | 2.9% | 1.0% (Q121) |
| US unemployment | Quarterly average | 3.9% | 4.0% | 6.9% | 5.7% | 5.6% | 7.5% (Q121) |

- Baseline UK and US macroeconomic variables have been revised
  - The Dec-20 baseline scenario assumes a prolonged period of recovery in both economies
  - The unemployment rates in the UK and US are the key economic variable for unsecured lending impairment

## Impairment allowance and management adjustments

| Impairment allowance (£m) | FY19 | FY20 | Change |
|---|---|---|---|
| Impairment allowance pre management adjustments | 6,290 | 8,011 | *1,721* |
| Management adjustments | 340 | 1,388 | *1,048* |
| **Total** | **6,630** | **9,399** | ***2,769*** |
| *Of which on balance sheet* | *6,308* | *8,335* | *2,027* |
| *Of which off balance sheet* | *322* | *1,064* | *742* |

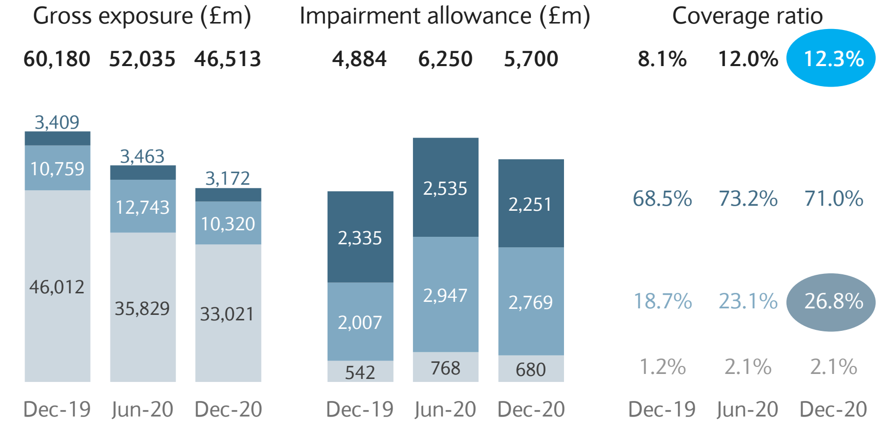
- Total Group impairment allowance increased by £2.8bn to £9.4bn, including a £1.0bn increase in management adjustments
  - Management adjustments primarily relate to the unsecured lending portfolios to reflect the temporary nature of ongoing government support and the uncertainty in relation to the timing of expected stress, particularly in the UK

Provided macroeconomic assumptions remain consistent with expectations, the Group expects the full year 2021 impairment charge will be materially below that of 2020

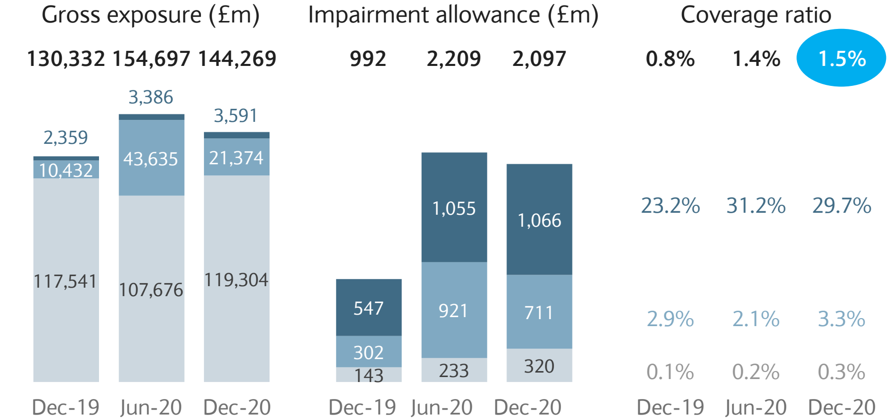
[1] GDP based on Barclays Global Economic Forecasts | [2] GDP expected worst point is the minimum growth rate to Q420 based on a 12 quarter period. Unemployment expected worst point is the highest rate in the 12 quarter period starting Q121 |

# Increased coverage across all portfolios, with unsecured lending coverage ratio at 12.3%

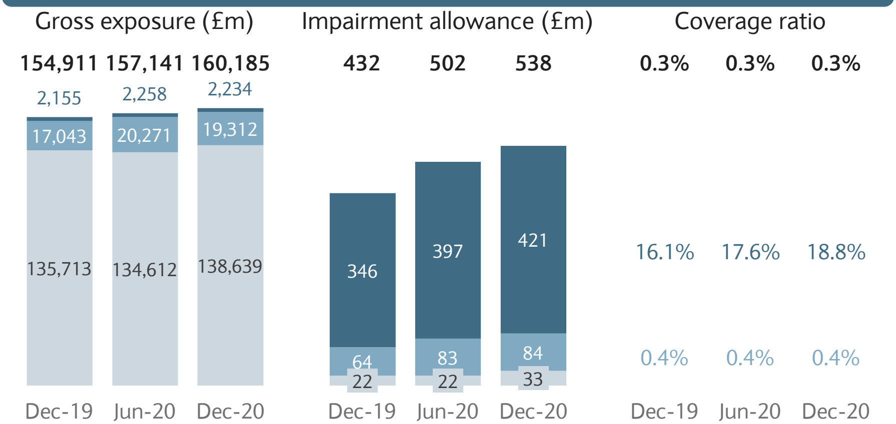
## Credit cards, unsecured loans and other retail lending



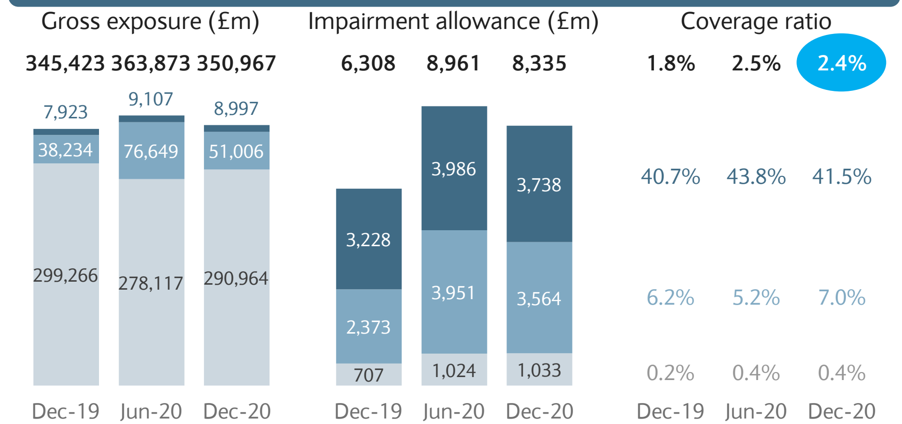

## Wholesale loans




## Home loans




## Total loans




Stage 1 Stage 2 Stage 3

# Q420 Group highlights

*Barclays continued to be profitable in the fourth quarter with a strong balance sheet*

**Financial performance[1]**

**Income**
£4.9bn Q419: £5.3bn

**Costs**
£3.8bn Q419: £3.5bn

**Cost: income ratio**
76% Q419: 67%

**Impairment**
£492m Q419: £523m

**PBT**
£0.7bn Q419: £1.3bn

**RoTE**
2.2% Q419: 6.9%

**EPS**
1.5p Q419: 4.7p

**CET1 ratio**
15.1% Sep-20: 14.6%

**TNAV per share**
269p Sep-20: 275p

**Liquidity coverage ratio**
162% Sep-20: 181%

**Loan: deposit ratio**
71% Sep-20: 70%

- **Income decreased 7%** as continued strong performance in CIB, in both Markets and Banking, was offset by continued headwinds in BUK and CC&P
- **Costs increased to £3.8bn,** including structural cost actions of £261m and increased bank levy of £299m (FY19: £226m), mainly due to the non-recurrence of prior year adjustments
- **Credit impairment charges decreased £31m to £492m,** of which £48m was stage 1 and 2 impairment build and £444m was stage 3 defaulted loans
  - Q420 impairment charge was £116m lower than Q320
  - Net write-offs were c.£0.6bn, as underlying asset quality metrics remained benign
- **Generated PBT of £0.7bn, RoTE of 2.2% and EPS of 1.5p**
- **CET1 ratio of 15.1%,** up 50bps from Q320 primarily driven by lower RWAs, in addition to a 30bps benefit from the regulatory change to software assets[2]
  - RWAs reduced £4.5bn from Q320 to £306.2bn, driven by the strengthening of GBP against USD

[1] Relevant income statement, financial performance measures and accompanying commentary exclude litigation and conduct | [2] On 12 February 2021 the PRA launched a consultation on certain items within the Basel standards that remain to be implemented in the UK as well as setting out proposed new PRA CRR rules. The proposals include reverting to the previous treatment of 100% CET1 capital deduction for qualifying software assets by the end of 2021, meaning the benefit in the CET1 ratio is likely to be reversed in future periods |

# Q420 Barclays UK

*Barclays UK continued to support customers in a challenging operating environment*

**Financial performance[1]**

**Income**
£1.6bn Q419: £2.0bn

**Costs**
£1.2bn Q419: £1.1bn

**Cost: income ratio**
73% Q419: 54%

**Impairment**
£170m Q419: £190m

**Loan loss rate**
31bps Q419: 38bps

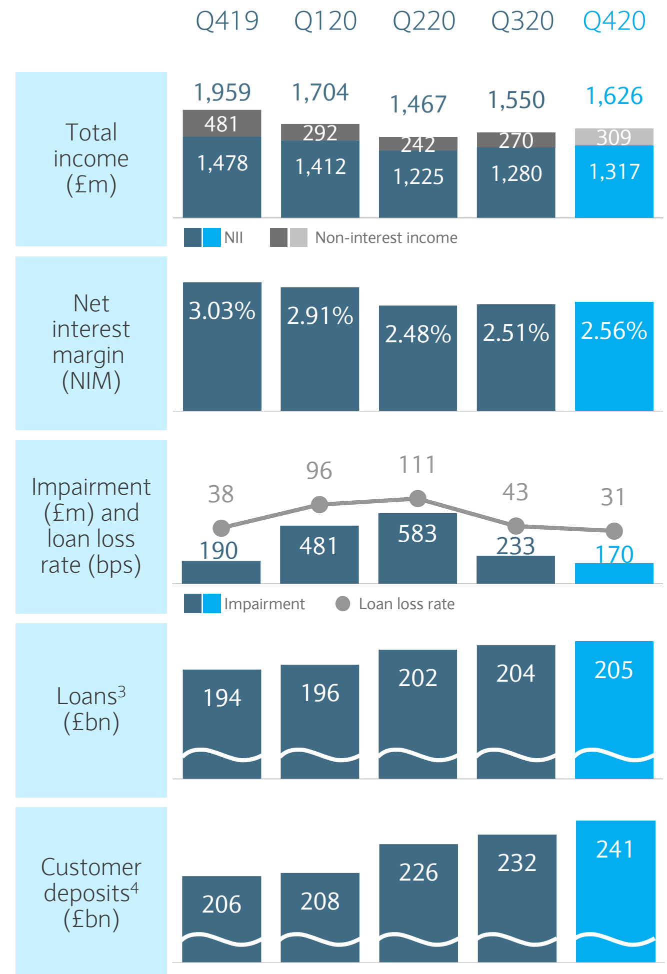
**PBT**
£278m Q419: £705m

**RoTE**
6.2% Q419: 18.7%

**Average equity[2]**
£9.8bn Q419: £10.3bn

**RWAs**
£73.7bn Sep-20: £76.2bn

- **Income decreased 17%** reflecting the challenging operating environment
  - Impact of lower unsecured lending balances and UK rates, partially offset by income from BBLS and CBILS, deposit balance growth and the inclusion of the Barclays Partner Finance portfolio
- **NIM improved 5bps QoQ to 2.56%,** FY20 NIM of 2.61%
  - **Expect downwards pressure on NIM throughout 2021, resulting in FY21 NIM of c.240bps, assuming no change in base rates,** as headwinds persist from low interest rates, and mix effect from lower unsecured lending balances and growth in mortgages
- **Costs increased 11%** as structural cost actions, higher servicing and financial assistance costs, and the transfer of Barclays Partner Finance were partially offset by efficiency savings
- **Impairment charges were down 11%** reflecting lower UK card balances largely driven by cautious customer behaviour, including lower spending
- **Loans[3] increased 6% YoY,** predominantly from continued support for SMEs through BBLS and CBILS lending, driving an £11.1bn (Q420: £0.7bn) increase in business banking loans, £5.1bn (Q420: £1.9bn) of growth in mortgages following a strong flow of new customer applications and the transfer of Barclays Partner Finance, partially offset by £(4.8)bn (Q420: £(0.8)bn) lower UK card balances
- **Customer deposits[4] increased 17% YoY** further strengthening the liquidity position and contributing to a loan: deposit ratio of 89%




[1] Relevant income statement, financial performance measures and accompanying commentary exclude litigation and conduct | [2] Average allocated tangible equity | [3] Loans and advances at amortised cost | [4] Customer deposits at amortised cost |

# Q420 Barclays International

*Resilient performance with stable income and impairment, and lower costs*

## Financial performance[1]

**Income**
£3.5bn Q419: £3.5bn

**Costs**
£2.4bn Q419: £2.4bn

**Cost: income ratio**
68% Q419: 70%

**Impairment**
£0.3bn Q419: £0.3bn

**PBT**
£0.8bn Q419: £0.7bn

**RoTE**
5.9% Q419: 6.0%

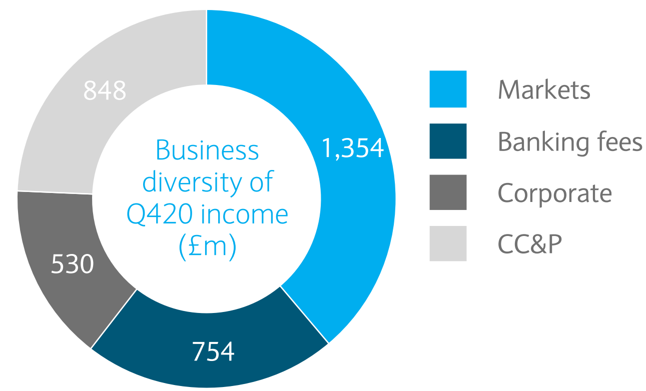
**Average equity[2]**
£30.5bn Q419: £30.9bn

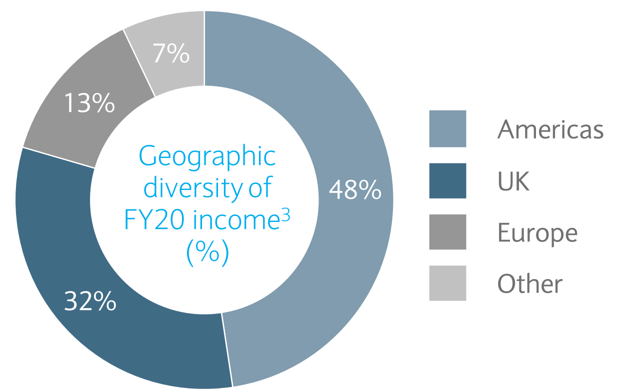
**Loan loss rate**
90bps Q419: 96bps

**RWAs**
£222.3bn Sep-20: £224.7bn

- **Income was stable at £3.5bn,** reflecting strong performance in CIB, offset by lower income in CC&P
  - Income diversified by business and geography, with the US representing c.48% and the UK c.32% of income[3]
- **Cost: income ratio decreased to 68%**
- **Impairment charge of £0.3bn,** in line with Q419
- **RWAs decreased to £222.3bn** driven by the strengthening of GBP against USD, partially offset by a reduction in credit quality within CIB

## Balanced income profile across businesses and geographies




[1] Relevant income statement, financial performance measures and accompanying commentary exclude litigation and conduct | [2] Average allocated tangible equity | [3] BBPLC FY20 income, based on location of office where transactions were recorded |

# Q420 Barclays International: Corporate & Investment Bank

*Record Q4 income[1] and positive cost: income jaws*

## Financial performance[2]

**Income**
£2.6bn Q419: £2.3bn

**Costs**
£1.8bn Q419: £1.8bn

**Cost: income ratio**
69% Q419: 80%

**Impairment**
£52m Q419: £30m

**PBT**
£0.8bn Q419: £0.4bn

**RoTE**
6.2% Q419: 3.9%

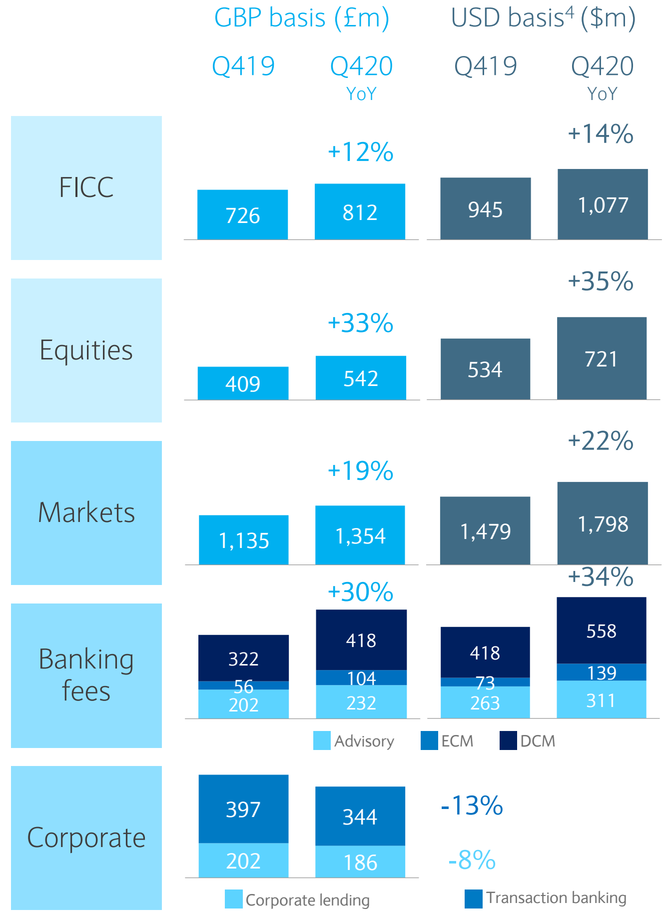
**Average equity[3]**
£26.3bn Q419: £25.8bn

**Total assets**
£984bn Sep-20: £1,043bn

**RWAs**
£192.2bn Sep-20: £193.3bn

- **CIB income increased 14%** to £2.6bn
- **Markets income increased 19%,** reflecting the best ever Q4 on a comparable basis[1] for both FICC and Equities
  - **FICC increased 12%,** with strong performance in Credit driven by increased client activity and wider spreads
  - **Equities increased 33%** driven by equity derivatives and cash equities due to higher levels of client activity and volatility
- **Banking fees increased 30%,** reporting the highest fee quarter ever[1] with strong performance in debt underwriting and a recovery in advisory fees
- **Corporate lending income decreased 8%** reflecting lower average drawn balances and increased cost of credit protection
- **Transaction banking income decreased 13%** as deposit balance growth was more than offset by margin compression
- **Cost: income ratio decreased to 69%** reflecting higher income with costs broadly stable, driving 15% positive cost: income jaws
- **Total assets decreased QoQ to £984bn** predominantly due to lower settlement balances and cash at central banks within the liquidity pool

## Income




[1] On a comparable basis. Period covering Q114 – Q420. Pre 2014 financials not restated following re-segmentation in Q116 | [2] Relevant income statement, financial performance measures and accompanying commentary exclude litigation and conduct | [3] Average allocated tangible equity | [4] USD basis is calculated by translating GBP revenues by month for Q420 and Q419 using the corresponding GBP/USD FX rates |

# Q420 Barclays International: Consumer, Cards & Payments

*Lower income partially offset by reduction in costs and impairment*

**Financial performance[1]**

**Income**
£0.8bn Q419: £1.1bn

**Costs**
£0.5bn Q419: £0.6bn

**Cost: income ratio**
64% Q419: 50%

**Impairment**
£239m Q419: £299m

**Loan loss rate**
286bps Q419: 273bps

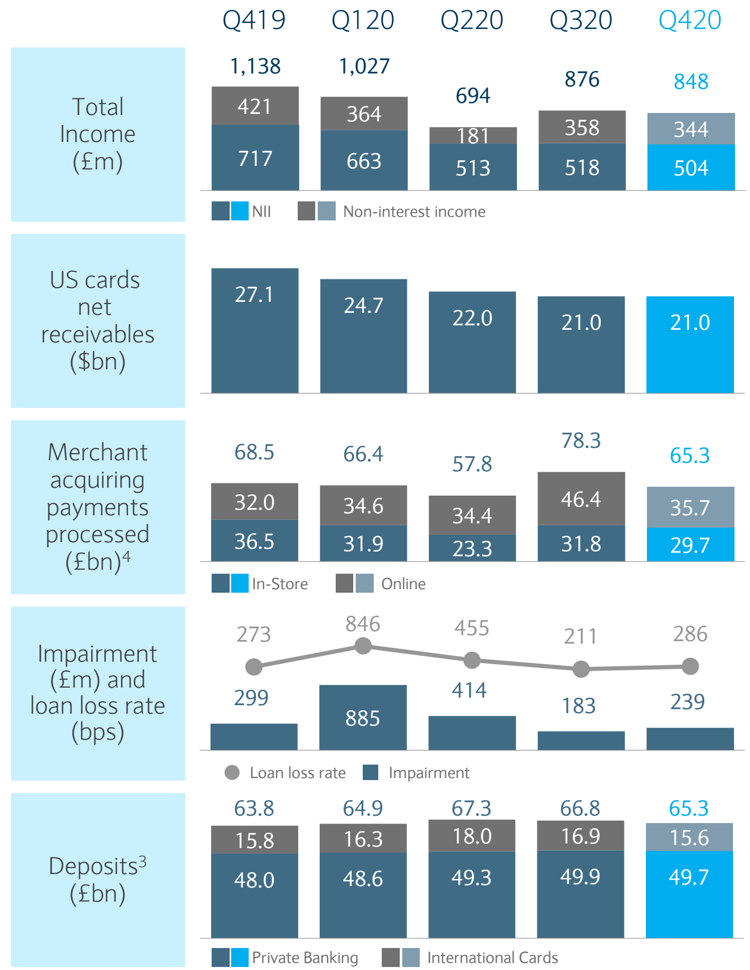
**PBT**
£72m Q419: £288m

**RoTE**
3.8% Q419: 16.3%

**Average equity[2]**
£4.2bn Q419: £5.1bn

**RWAs**
£30.1bn Sep-20: £31.4bn

- **Income decreased 25%** due to lower US card balances and reduced payments income
- **Compared to Q320, income decreased 3%** driven by lower payments income and the weakening of average USD against GBP
- **Total US cards receivables were down 22% YoY and stable QoQ** as the seasonal uptick in consumer spend was offset by customer repayments
- **Merchant acquiring volumes were impacted by increased lockdown restrictions,** driving lower payments income
  - >50% of merchant acquiring volumes are now through e-commerce channels
- **Cost: income ratio increased to 64%** driven by lower income, partially offset by 4% lower costs reflecting the transfer of the Barclays Partner Finance portfolio to BUK in Q220 and reduced marketing spend
- **Impairment charges decreased 20%** reflecting reduced US cards balances




[1] Relevant income statement, financial performance measures and accompanying commentary exclude litigation and conduct | [2] Average allocated tangible equity | [3] Includes deposits from banks and customers at amortised cost | [4] Based on the value of transactions. Includes turnover associated with Government savings products. Online includes mail order and telephone payments |

# Head Office

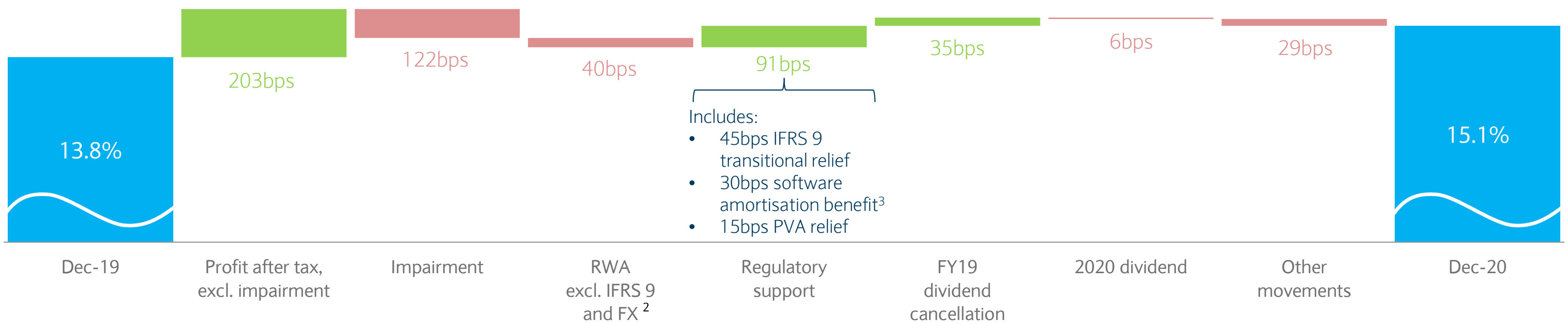

- **Q420 negative income of £171m** including:
  - Funding costs on legacy capital instruments, including £85m from repurchases of some of the Barclays Bank PLC 7.625% Contingent Capital Notes
  - Negative treasury items
  - Hedge accounting losses
  - **Expect c.£300m negative income in FY21 (absent resumption of the ABSA dividend)**
- **Q420 costs increased to £222m[1]** including:
  - c.£150m of cost actions, principally related to the discontinued use of certain software assets
  - £22m COVID-19 Community Aid Package donations (FY20: £95m)
  - **Expect quarterly costs in 2021 to be c.£50-60m per quarter**

[1] Excluding litigation and conduct |

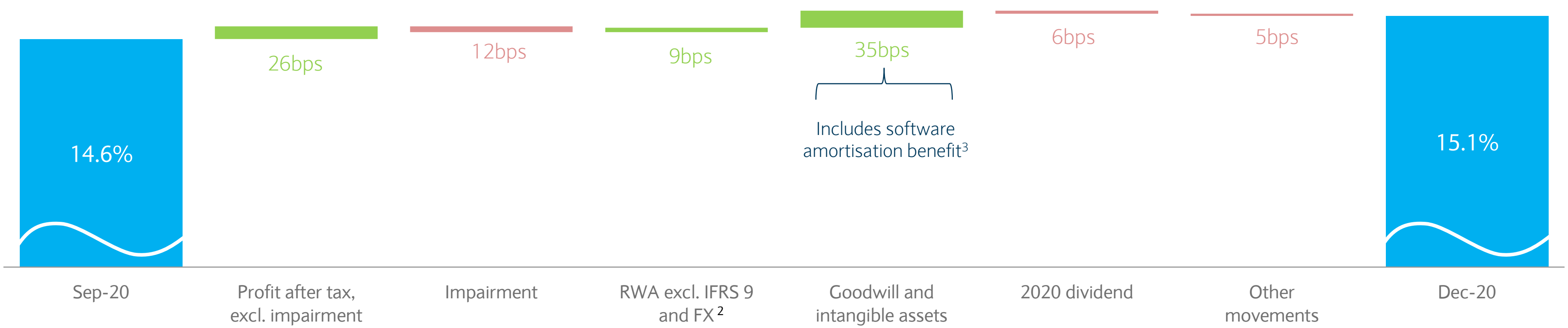
# CET1 ratio increased 130bps YoY and 50bps QoQ

*CET1 ratio was 390bps above the MDA hurdle of 11.2% as at Dec-20*

## YoY CET1 ratio[1] movements

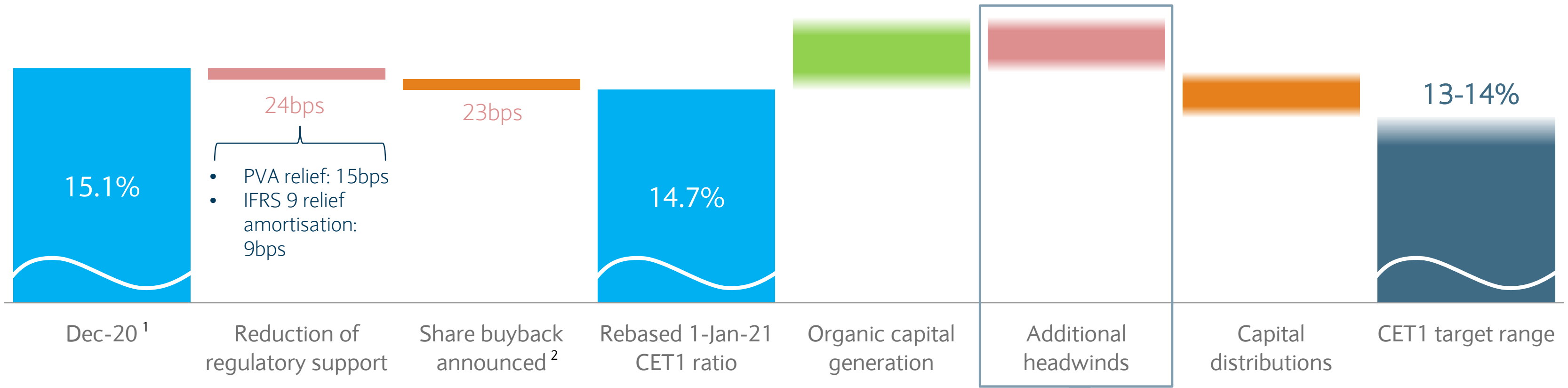



## QoQ CET1 ratio[1] movements




[1] The fully loaded CET1 ratio was 14.3% as at 31 December 2020 | [2] FX on credit risk RWAs | [3] Subject to completion of PRA review | Note: Chart may not sum due to rounding |

# CET1 ratio flightpath to target range of 13-14%



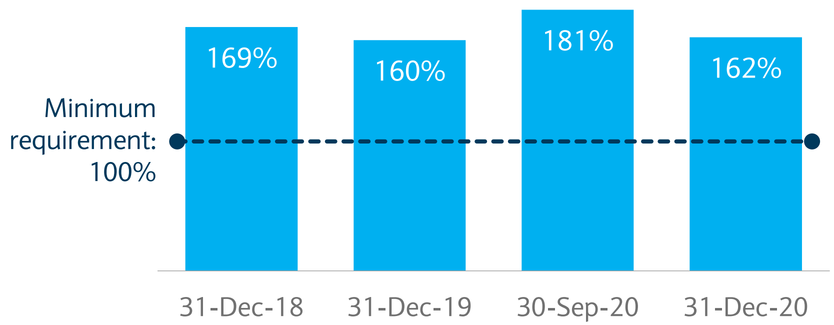

| Additional Headwinds 2021/2022 | Timing[3] | Impact[3,4] |
|---|---|---|
| Potential RWA procyclicality from macroeconomic deterioration | TBC | TBC |
| Reduction in IFRS 9 transitional relief from migration of impairment into Stage 3 | TBC | TBC |
| Reversal of software amortisation benefit – subject to completion of PRA review | 2021 | -30bps |
| Amortisation of IFRS 9 transitional relief | 2022 | TBC |
| Regulatory changes to Mortgage risk-weights (Definition of Default, Hybrid model, and floors) | 2022 | Low single-digit billion RWAs |
| Regulatory changes to standardised approach to counterparty credit risk (SA-CCR) | 2022 | Low single-digit billion RWAs |
| Impact of pension deficit reduction contributions | 2021<br>2022 | -£0.7bn CET1 capital/-23bps<br>-£0.3bn CET1 capital/-10bps |

[1] CET1 ratio was 390bps above the MDA hurdle of 11.2% as at Dec-20. The fully loaded CET1 ratio was 14.3% as at 31 December 2020 | [2] Barclays intends to initiate a share buyback of up to £700m, which is expected to commence in Q121 | [3] Refer to the Important Notice in the Disclaimer for the basis of preparation. Timing and impact of items marked "TBC" are dependent on economic conditions | [4] Basis point impacts calculated as a proportion of Dec-20 RWAs |

# High quality and conservatively positioned liquidity and funding position

## Comfortably exceeding minimum requirements

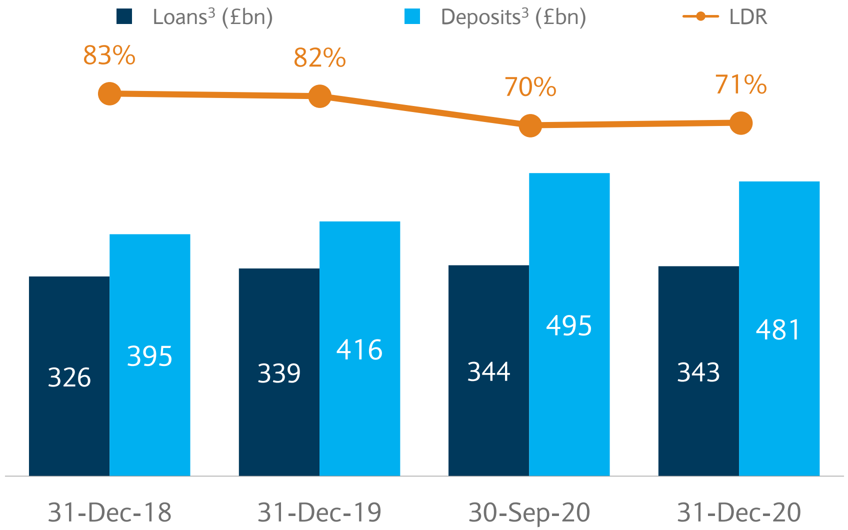
Liquidity Coverage Ratio (LCR)




| | 31-Dec-18 | 31-Dec-19 | 30-Sep-20 | 31-Dec-20 |
|---|---|---|---|---|
| Liquidity pool[1] (£bn) | 227 | 211 | 327 | 266 |
| Liquidity surplus (£bn) | 90 | 78 | 143 | 99 |

- Quality of the liquidity pool remains high, with the majority held in cash and deposits with central banks, and highly rated government bonds
- The YoY increase in the liquidity pool, LCR and surplus was largely driven by a 16% growth in deposits, which was primarily a consequence of government and central bank policy response to the COVID-19 pandemic
- Liquidity pool of £266bn represents 20% of Group balance sheet

## Conservative loan: deposit ratio[2]




- Loan: deposit ratio of 71% as at 31 December 2020, down 11% YoY reflecting strong deposit growth during the year in BUK and CIB

[1] Liquidity pool as per the Group's Liquidity Risk Appetite (LRA) | [2] Loan: deposit ratio is calculated as loans and advances at amortised cost divided by deposits at amortised cost | [3] At amortised cost |

# Outlook: Diversification allowing resumption of capital returns to shareholders

| | |
|---|---|
| Returns | Expect meaningful year-on-year RoTE improvement in 2021 |
| Income | **The Group continues to benefit from diversification.** Income outlook for the consumer businesses remain challenging while the CIB franchise remains well positioned |
| Costs | **COVID-19 related expenses are likely to remain elevated in 2021.** Will continue to drive efficiencies while investing in the franchise where appropriate |
| Impairment | 2021 impairment charge expected to be materially below that of 2020[1] |
| Capital | **Expect a reduction in the CET1 ratio** towards the target range of 13-14%, reflecting certain headwinds, but remain in a **strong position to continue capital distributions** to shareholders |

## Resumed capital returns to shareholders with FY20 results

1p 2020 dividend + Up to £700m share buyback[2] = Total payout equivalent: 5p per share[3]

Outlook remains uncertain and subject to change depending on the evolution and persistence of the COVID-19 pandemic | [1] Provided macroeconomic assumptions remain consistent with expectations | [2] Intention to initiate a share buyback which is expected to commence in Q121 | [3] Consistent with the temporary guardrails announced by the PRA in December 2020 |

# Appendix

# Barclays investment proposition

*Our scale, geographic reach and diversification make us a universal bank, delivering financial expertise around the world*

## 1 Resilience through diversification

**We are a British universal bank diversified by business, geography and income type, serving consumers and wholesale customers and clients globally. This diversification provides resilience through different economic cycles**

- Scale retail and business bank in the UK
- Top tier global corporate and investment bank
- Broad international consumer lending, cards, and payments franchise, and private bank

## 2 Growth opportunities

**Our diversified model offers us growth opportunities. We intend to grow Barclays by continuing to invest in our core business strengths, and delivering world-class technology and digital capabilities to our customers and clients**

- Attractive growth opportunities in markets where we have established businesses today
- Investing in less capital intensive, technology-led, annuity businesses
- Opening up potential new income streams and improving cost efficiencies

## 3 Sustainable impact

**We understand that our success is judged not only by commercial performance, but also by how we act sustainably and responsibly for each other and the long term. We are agents of change**

- Our ambition to be a net zero bank by 2050 and a commitment to align all our financing activities with the goals of the Paris Climate Agreement
- Tackling climate change by accelerating the transition to a low-carbon economy

## 4 Strong balance sheet supporting returns

**A strong capital base, high levels of liquidity, and diversified profit streams provide a solid foundation for attractive and sustainable return of capital to shareholders**

Barclays aims to achieve the following targets:

- Group returns: Return on Tangible Equity (RoTE) of >10% over time
- Cost efficiency: cost: income ratio of <60% over time
- Capital strength: Common Equity Tier 1 (CET1) ratio in the range of 13-14%

# Support for customers in the UK[1]

**Mortgages**

- Mortgage payment holidays granted for **c.128,000 accounts**
- **12 month interest only** payments granted

**Personal loans and point of sale financing**

- Payment holidays granted for **c.119,000 personal loan and point of sale finance accounts**

**Overdrafts**

- Provided an interest free buffer as well as reduced and capped charges on overdrafts for **5.4 million customers**

**Credit cards**

- Credit card payment holidays granted for **c.178,000 accounts**
- Late payment and cash advance fees waived for **8 million UK card customers**

**Vulnerable customers and key workers**

- **260,000 calls** handled per week during the peak of the crisis, significantly up due to COVID-19
- **NHS and key workers proactively identified** and moved to the front of the queue

[1] Metrics as at 31 December 2020 |

# Support for businesses[1]

**Existing lending and withholding fees**

- **£14bn three year lending fund** for UK SMEs
- **Over £50bn of lending limits** available to UK clients
- Free banking and overdraft fees waived for **650,000 UK SMEs**
- **12-month capital repayment holidays** for most loans over £25,000

**Supporting the UK Government's initiatives**

- **c.330,000 Government-backed Bounce Back loans approved** with a value of c.£10.4bn, **c.10,000 Coronavirus Business Interruption Loan Scheme (CBILS) loans** approved with a value of c.£2.5bn, and **c.120 Coronavirus Large Business Interruption Loan Scheme (CLBILS) loans** approved with a value of c.£0.8bn
- Central role in arranging **c.£13.6bn of commercial paper issuance for clients through the Covid Corporate Financing Facility (CCFF)**
- Sole relationship bank supporting the UK Government with the **Coronavirus Job Retention Scheme** distributions to furloughed workers and **Self-employment Income Support Scheme**

**Helping business and institutions to access the global capital markets**

- Led deals for **83 governments, government related clients and supranationals** around the world in Q220, Q320 and Q420, **raising £320bn**. This included deals for **16 European sovereigns, raising £85bn**
- **Underwrote c.£1.5tn of new issuance globally across equity and debt capital markets** in Q220, Q320 and Q420
- **ECM supported 22 companies** in the UK during Q220, Q320 and Q420 to **raise £10bn**

[1] All business lending data as at 12 February 2020 and commercial paper issuance data as at 15 February 2020. All other metrics as at 31 December 2020 |

# Support for our communities and colleagues[1]

Supporting communities

- **£100m committed to the COVID-19 Community Aid Package** for charities delivering COVID-19 relief in our communities
- Extended **LifeSkills and Digital Eagles** programmes to support home schooling and fraud prevention

Supporting colleagues

- **70,000 of 83,000 colleagues working from home**
- **3,000 of 4,000 UK call centre staff equipped with IT to work from home**
- **Enhanced wellbeing offering** to help colleagues manage their physical and mental health
- **Paid leave or reduced hours for colleagues** caring for dependents, including children
- **Four weeks paid leave for UK staff volunteering** to support health or social care
- Used existing programmes to support any **Armed Forces Reservists** who were called up

[1] Metrics as at 31 December 2020 |

# Barclays' climate journey

## March 2020

- Announced ambition to be net zero
- Updated restrictions for sensitive energy sectors

## May 2020

- Climate resolution passed at Annual General Meeting

## November 2020

- Update on methodology and targets for aligning our financed emissions

## 2021 onwards

- Continuing our detailed disclosures through our ESG Report, TCFD disclosures and other reporting frameworks
- Enhancing and refining BlueTrack™ methodology over time:
  - Ultimately extending to cover our entire financing portfolio (a couple of additional Industry & Manufacturing sub-sectors in 2021)
  - Updating over time to track newer benchmark scenarios as they are developed
  - Greater utilisation of company disclosures and improved input data quality

# Structural Hedge and Interest rate sensitivity

## Structural Hedge Program update

- The Group's combined gross equity and product structural hedge contribution was £0.4bn in Q420 and £1.7bn in FY20. The net structural hedge contribution was £0.3bn in Q420 and £1.2bn in FY20
- The combined structural hedge notional as at Dec-20 was £188bn with an average duration of 2.5 to 3 years

## Illustrative sensitivity of Group NII to a parallel shift in interest rate curves[1]

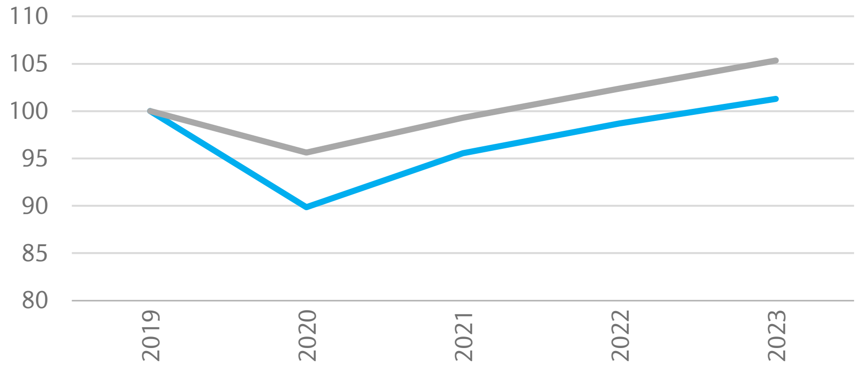
| Impact of parallel shifts in interest rate curves (£m) | Year 1 | Year 2 | Year 3 |
|---|---|---|---|
| 25bps upward | c.150 | c.300 | c.400 |
| 10bps upward | c.50 | c.100 | c.150 |
| 10bps downward | c.(200) | c.(250) | c.(300) |
| 25bps downward | c.(500) | c.(600) | c.(700) |

- This analysis assumes an instantaneous parallel shift in interest rate curves
- The upwards scenarios assume an illustrative 50% pass-through of rate rises to deposit pricing
- Pass-through is limited on the downward scenarios, as customer rates are floored at 0% for GBP and USD deposits[2], including when the downward scenarios reflect negative base rates
- It does not apply floors to shocked market rates, thus reflecting, for illustrative purposes, the impact of negative base rates on Group NII in the downward scenarios
- The scenarios do not reflect pricing decisions that would be made in the event of rate rises or falls
- The NII sensitivity is also calculated using a constant balance sheet - i.e. maturing business is reinvested at a consistent tenor and margin
- This sensitivity is not a forecast of interest rate expectations, and Barclays' pricing decisions in the event of an interest rate change may differ from the assumptions underlying this sensitivity. Accordingly, in the event of an interest rate change the actual impact on Group NII may differ from that presented in this analysis

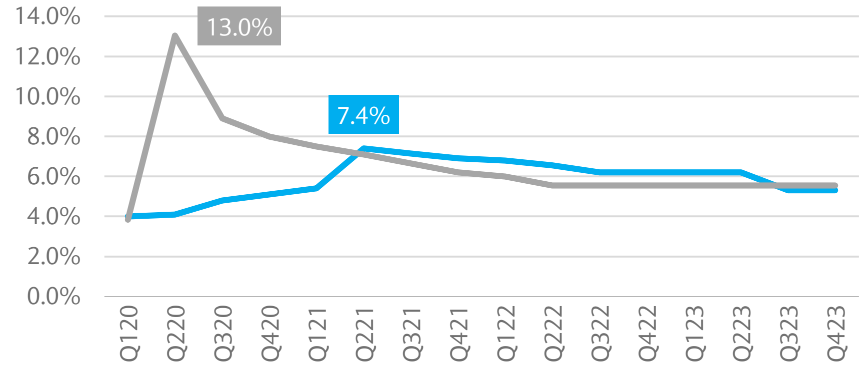
[1] This sensitivity is based on the modelled performance of the consumer and corporate banking book, and includes the impact of both the product and equity structural hedges. It provides the annual impact on Group NII over the next three years, for illustrative purposes only, and is based on a number of assumptions regarding variables which are subject to change. Such assumptions might also differ from those underlying the AEaR calculation in the Annual Report | [2] With regards to the relatively modest balance of EUR deposits that are currently subject to charging, no incremental pass-through of further rates reductions are assumed in the illustrative scenario |

# Key macroeconomic variable assumption trends

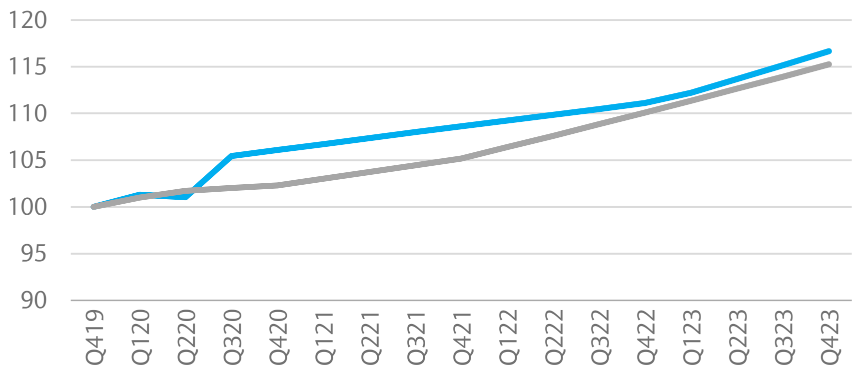
## GDP (re-based to 2019)



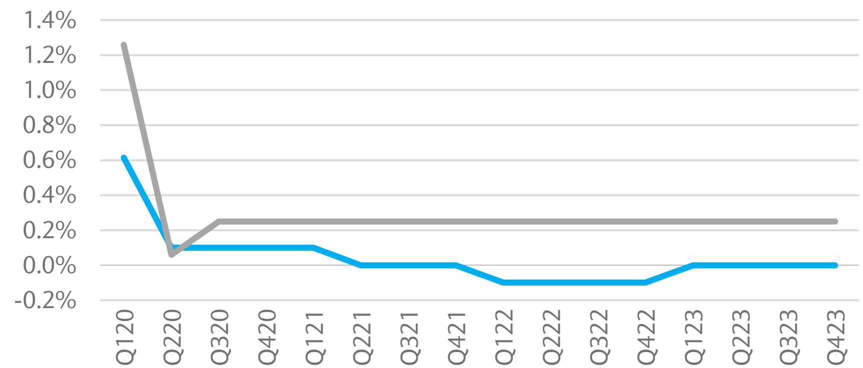

## Unemployment rate[1]




## House price index (re-based to Q419)[2]




## Bank rate/Fed funds rate



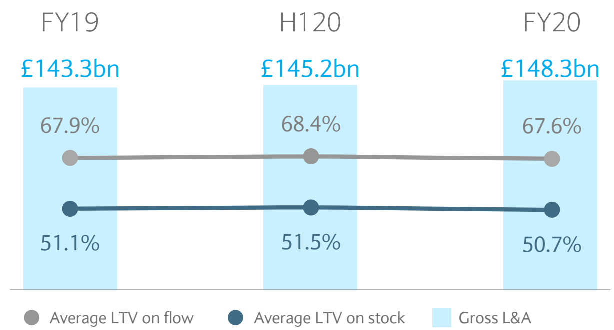

[1] Quarterly average | [2] UK - Halifax All Houses, All Buyers index; US – FHFA House Price Index |

# Retail portfolios in the UK and US were prudently positioned coming into the crisis

**UK secured**

- Risk actions taken at pandemic outset to mitigate potential economic impact
- Mortgage balance growth achieved in lower LTV segments
- 50.7% average LTV of mortgage book stock
- Buy-to-Let mortgages represent only 14% of the book

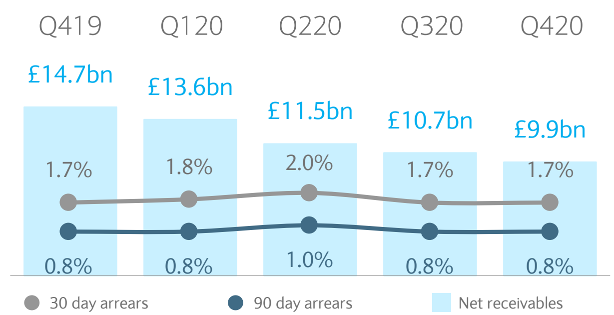
**UK mortgage balance growth within risk appetite**




**UK unsecured**

- Payment deferrals introduced, providing support to consumers, whilst limiting observed credit deterioration
- A suite of prudent risk actions taken, suspending proactive growth activity and reducing exposure/limits
- Balances as a result of promotional Balance Transfers have reduced by 50% YoY to £1.4bn, all of which have a duration of <24 months

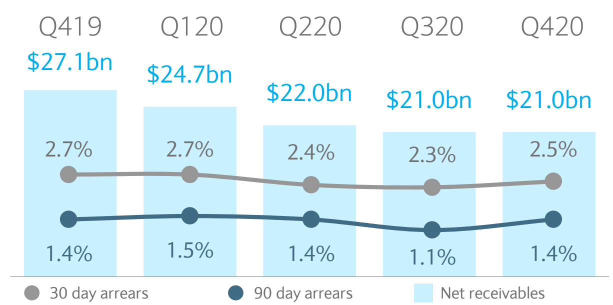
**UK cards arrears rates were stable year-on-year**




**US cards**

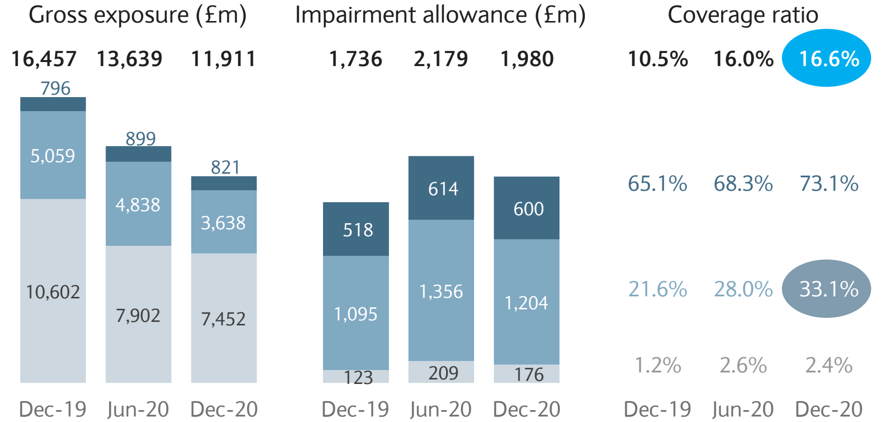
- Diversified portfolio across segments with good risk/return balance
- Continuing our focus to shift strategy to co-branded cards whilst scaling back our branded cards presence
- Arrears rates have been resilient in Q420, driven by payment holidays and government stimulus packages

**US cards arrears rates remained broadly stable year-on-year**

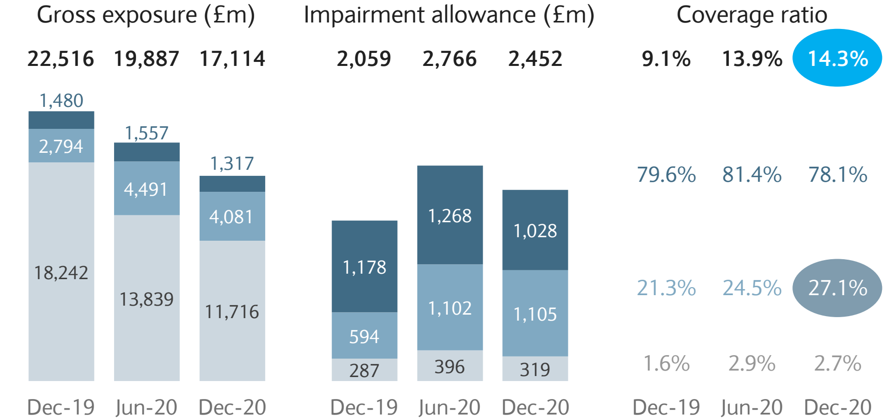


# Increased coverage across unsecured portfolios, with UK and US cards coverage ratios of 16.6% and 14.3% respectively

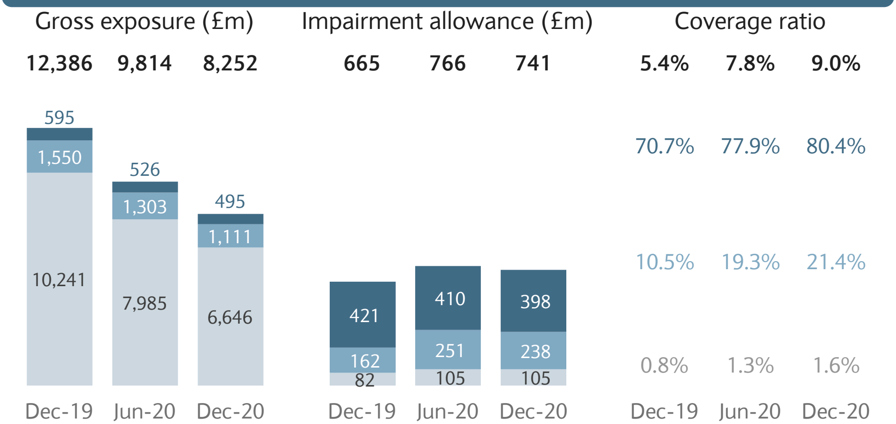
## UK cards



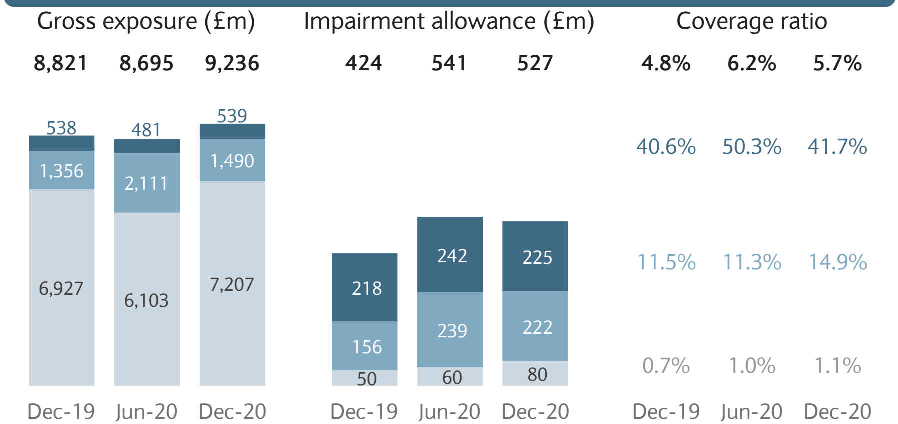

## US cards




## UK Personal loans and partner finance



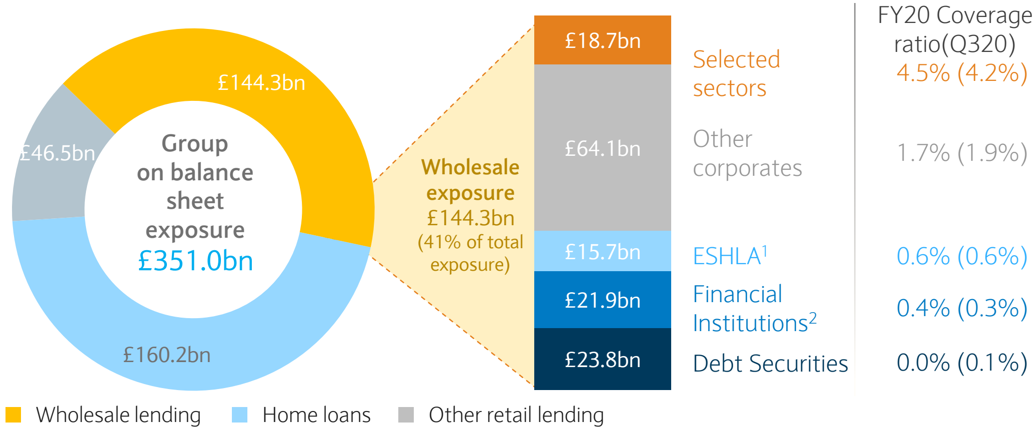

## Germany and other unsecured lending



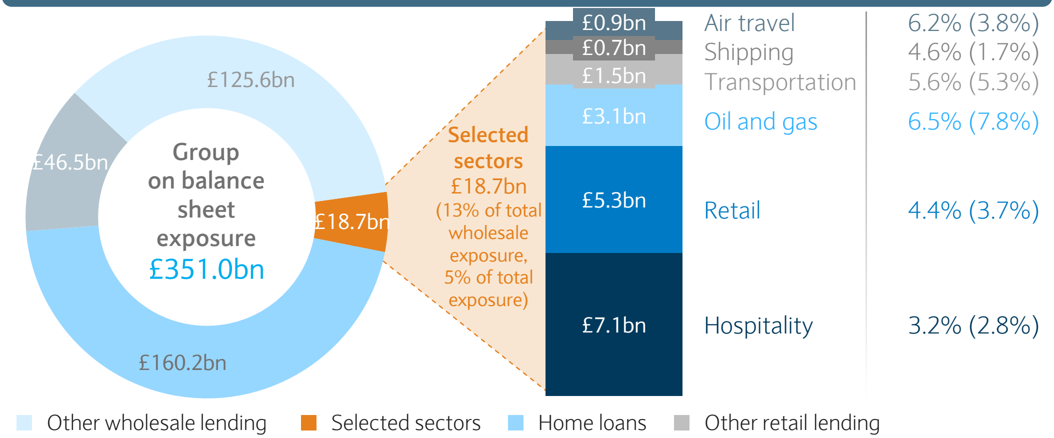

Stage 1 Stage 2 Stage 3

# Wholesale exposures are diversified and well covered, especially in selected vulnerable sectors

## Wholesale exposure as at FY20 (1.5% coverage ratio)




## Selected vulnerable sector exposure as at FY20 (4.5% coverage ratio)




- Well diversified portfolio across sector and geography
- Majority of exposure (>65%) is to clients internally rated as Investment Grade or have a Strong Default Grade classification. Non-Investment Grade exposure is typically senior and lightly drawn
- c.30% of the book is secured, increasing to >60% for the selected vulnerable sectors
- c.25% synthetic protection provided by risk mitigation trades, increasing to >30% for some selected vulnerable sectors, resulting in a reduction in impairment of >£350m in FY20
- Active identification and management of high risk sectors has been in place following the Brexit referendum with actions taken to enhance lending criteria and reduce risk profile
- Covenants in place based on leverage, LTVs, and debt service ratios for clients in high risk sectors

Retail – top names are typically consumer staples, Investment Grade or secured against premises/subject to asset-backed loans

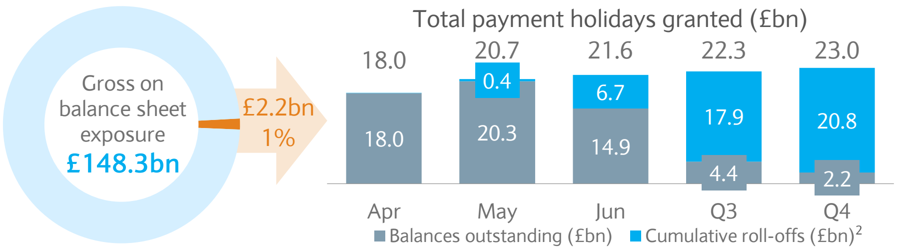
Air travel – tenor of lending typically with an average life of 2-4 years, senior secured for high yield counterparties and focused on top tier airlines in the UK and US

Oil & gas – exposure across a range of oil and gas sub-sectors globally, with majority to Investment Grade counterparties (including oil majors)

[1] Education, Social Housing and Local Authority | [2] Excludes debt securities (£1.5bn) that are part of the debt securities line |

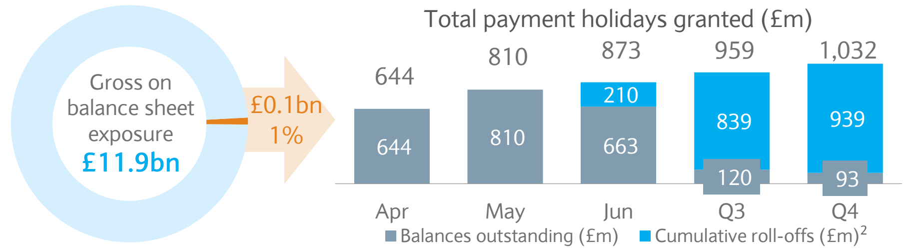
# Payment holiday balances outstanding are at low levels despite the continued impacts of the pandemic

## UK mortgages[1]



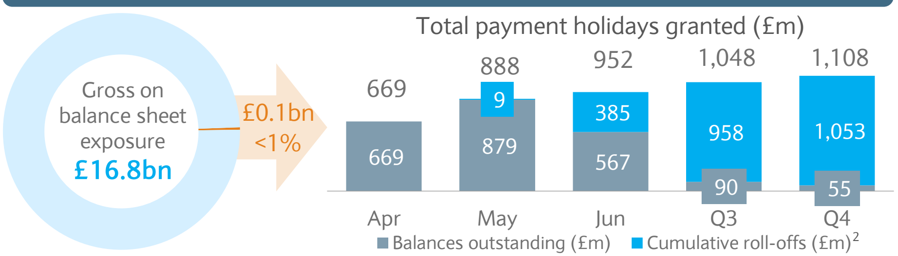

- The average LTV of balances on active payment holidays is 54%
- Balances outstanding on payment holidays of £2.2bn
- December balances outstanding are 89% lower than the peak in May
- c.1% of balances have exited payment holidays and subsequently missed a payment[3,4]

## UK cards[1]



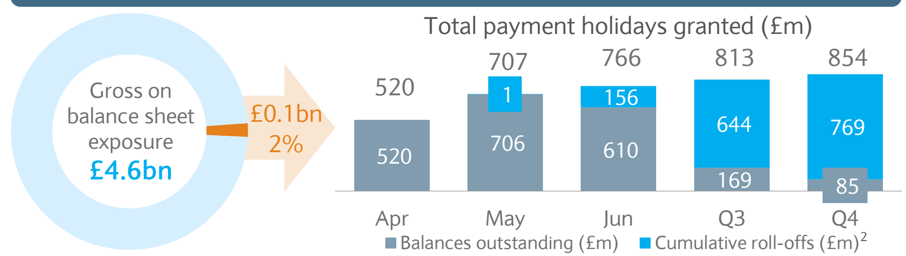

- Balances outstanding on payment holidays of £93m
- December balances outstanding are 89% lower than the peak in May
- c.6% of balances have exited payment holidays and subsequently missed a payment[3]

## US cards[1]




- Balances outstanding on payment holidays of £55m
- December balances outstanding are 94% lower than the peak in May
- c.22% of balances have exited payment holidays and subsequently missed a payment[3]

## UK personal loans[1]



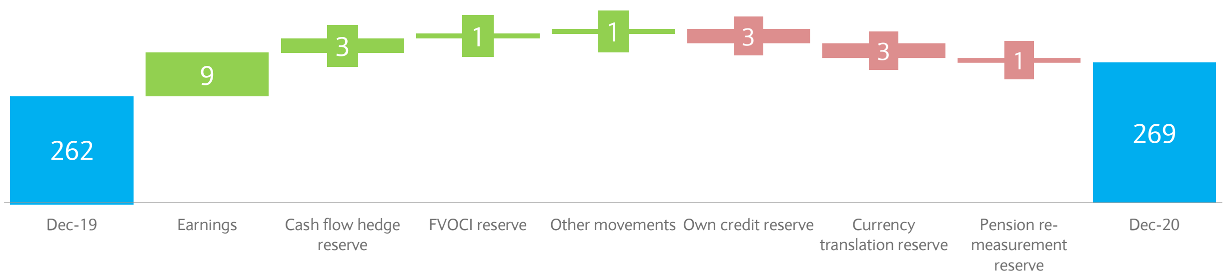

- Balances outstanding on payment holidays of £85m
- December balances outstanding are 88% lower than the peak in May
- c.5% of balances have exited payment holidays and subsequently missed a payment[3]

[1] Q420 payment holidays data as at 31 December 2020 | [2] Roll offs represent accounts exiting the initial payment holiday where no further payment holiday has been applied prior to 31 December 2020. Customers returning to contracted monthly payments or requesting other forms of support are included in the roll off numbers. Roll offs include paydowns and exits | [3] Roll off month is the last month where no payment is due from the customer. December roll offs are required to make their first payment in January | [4] As at 4th January 2021 |

# TNAV movement

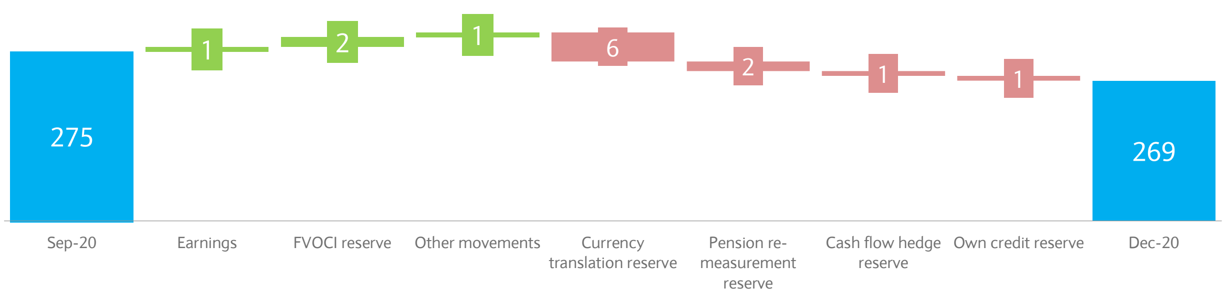
*TNAV increased 7p YoY to 269p*

## YoY TNAV movements (pence per share)




- TNAV increased by 7p to 269p due to:
  - 8.8p of earnings
  - 5p of positive cash flow hedge and other reserve movements
- Partially offset by:
  - 3p reduction in the own credit reserve
  - 3p reduction in the currency translation reserve, due to the weakening of USD against GBP of c.3%

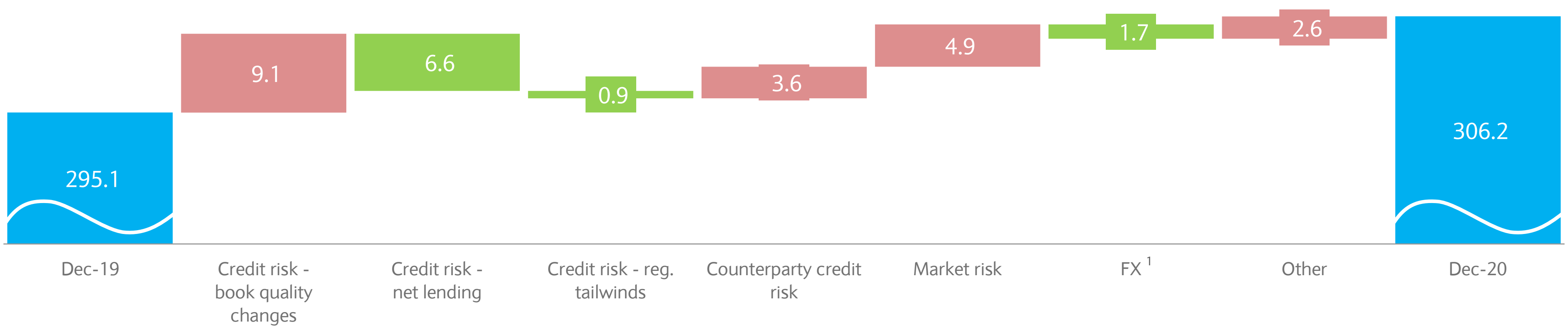
## QoQ TNAV movements (pence per share)



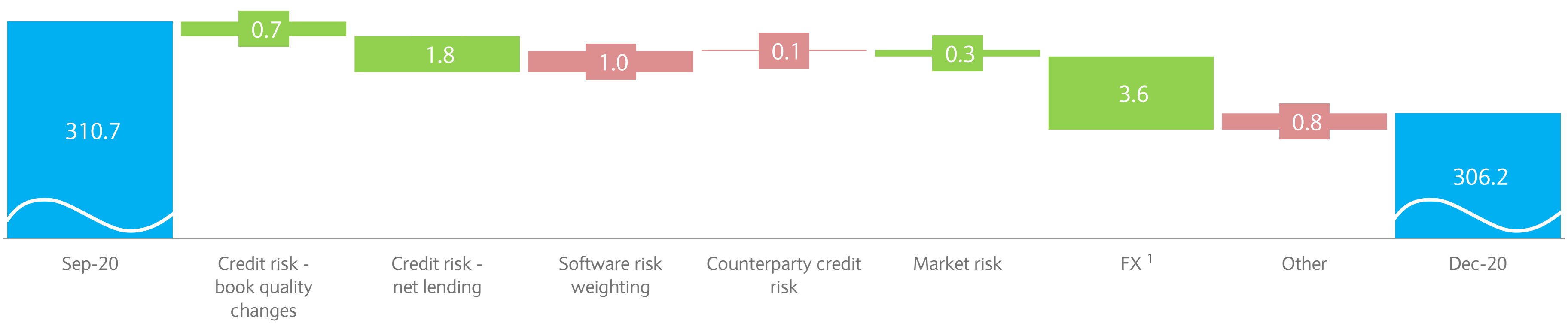

- TNAV reduced by 6p to 269p due to:
  - 6p reduction in the currency translation reserve, due to the weakening of USD against GBP of c.6%
  - 5p of pension re-measurement and other reserve movements
- Partially offset by:
  - 1.3p of earnings
  - 3p of FVOCI and other reserve movements

# RWAs increased by £11.1bn YoY and decreased by £4.5bn QoQ

## YoY RWAs movements (£bn)




## QoQ RWA movements (£bn)




[1] FX on credit risk RWAs | Note: Chart may not sum due to rounding |

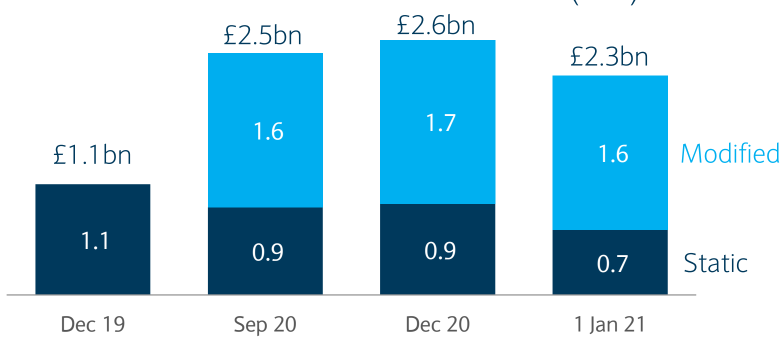
# IFRS 9 transitional relief as at Dec-20 at c.80bps

*Impairment migration to stage 3 would lead to capital impact as it is not eligible for transitional relief*

## Constructive regulatory action in Q220 gave greater relief for stage 1 and 2 impairments

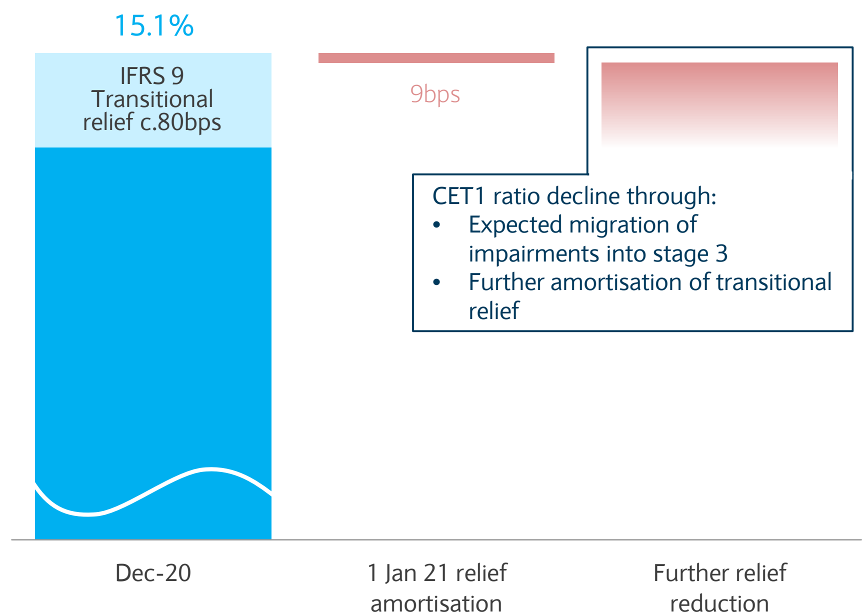
- 100% transitional relief for modified impairment post Dec-19 now applied until end-2021
- Transitional relief schedule for static component remained as before
- Total post-tax IFRS 9 transitional relief as at Dec-20 stands at £2.6bn or c.80bps capital, broadly unchanged compared to Sep-20

IFRS 9 Transitional relief CET1 add-back (£bn)




| Relief Schedule | Pre-2020 | 2020 onwards |
|---|---|---|
| 2019 | 85% | |
| 2020 | 70% | 100% |
| 2021 | 50% | 100% |
| 2022 | 25% | 75% |
| 2023 | | 50% |
| 2024 | | 25% |

## Prudently positioned CET1 ratio in the event of stage migration




- IFRS 9 transitional relief applies to stage 1 and 2 impairments
- Our capital planning allows for decline in CET1 ratio as we progress through the stress from a position of strength
- Transitional basis of capital remains the relevant measure for our capital adequacy assessment by regulators

# Constructive regulatory actions in 2020

| Many regulatory actions in place for the medium term and beyond | Expected timeline |
|---|---|

CET1 requirement

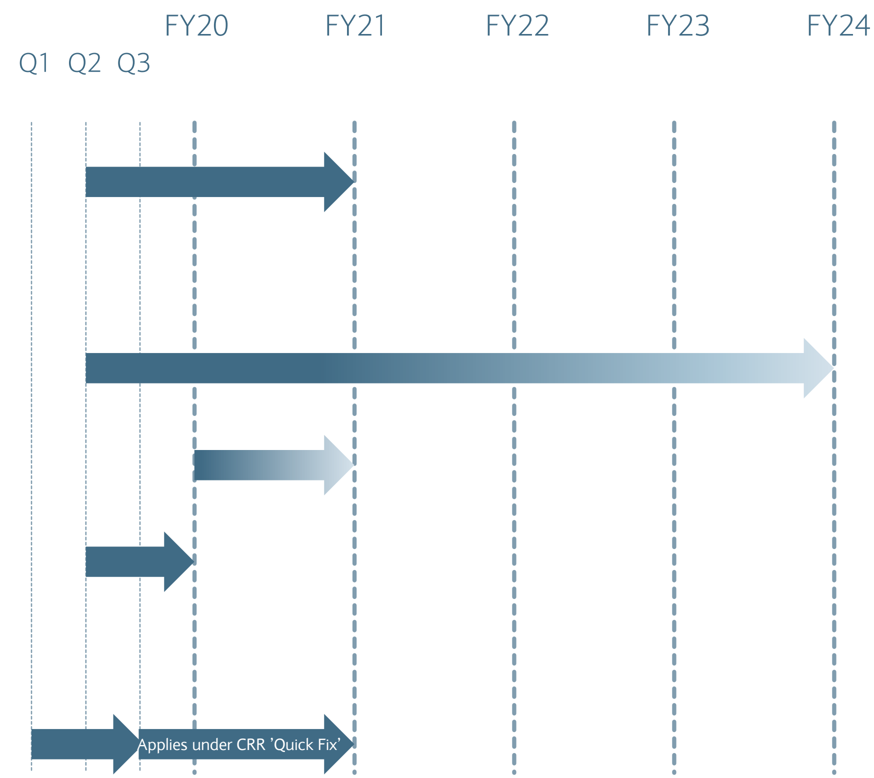
- Modification of Pillar 2A requirement[1]

CET1 capital

- IFRS 9 transitional relief on new COVID-19 related expected credit loss provisions[2]
- CRR software intangibles change[3]
- PVA[4]

RWAs

- Market risk changes, including VaR back-testing[2,5,6]

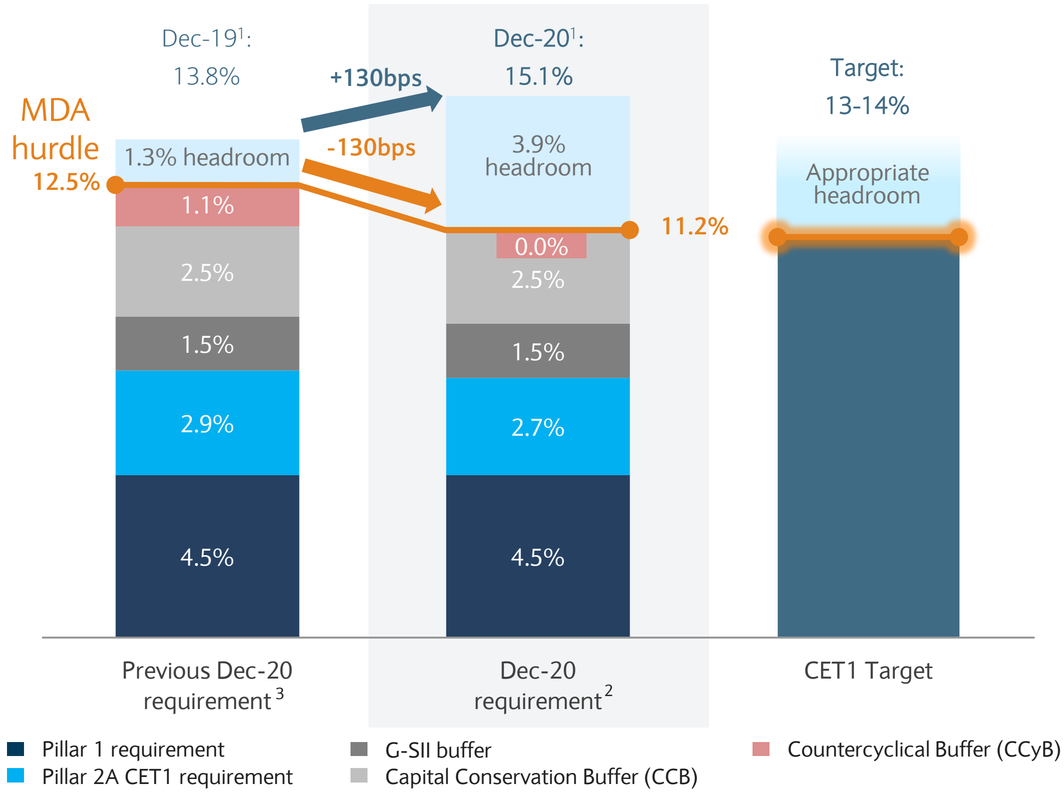



[1] The Pillar 2A requirement will continue to move, given the changes outlined in the new methodology outlined in the 7 May 2020 statement by the PRA | [2] Measures outlined in Regulation (EU) 2020/873, effective on 27 June 2020, as part of the CRR II 'Quick Fix' package, and adopted in H1 2020 reporting | [3] On 23 December 2020, a new regulatory technical standard on the prudential treatment of qualifying software assets was adopted into EU law replacing the CET1 capital deduction with prudential amortisation up to a 3-year period. Intangible assets that are no longer deducted are subject to 100% risk weight instead. Following its stated intention to consult, on 12 February 2021 the PRA launched a consultation on certain items within the Basel standards that remain to be implemented in the UK as well as setting out proposed new PRA CRR rules. The proposals include reverting to the previous treatment of 100% CET1 capital deduction for qualifying software assets by the end of 2021, meaning the benefit in the CET1 ratio is likely to be reversed in future periods | [4] Measures adopted as part of amendments to Regulatory Technical Standard on Prudential Valuation | [5] As guided by the PRA on 30 March 2020, which allows the offset of market risk increases due to COVID-19 related back testing exceptions against risks-not-in-VaR (RNIV); post Q3-20, as per CRR II "Quick Fix", discounting of COVID-19 exceptions is subject to PRA approval which has been granted for those exceptions observed to date | [6] Timeline refers to VaR back-testing |

# Material increase in headroom above MDA hurdle

*CET1 ratio target in the range of 13-14%*

Illustrative evolution of minimum CET1 requirements and buffers



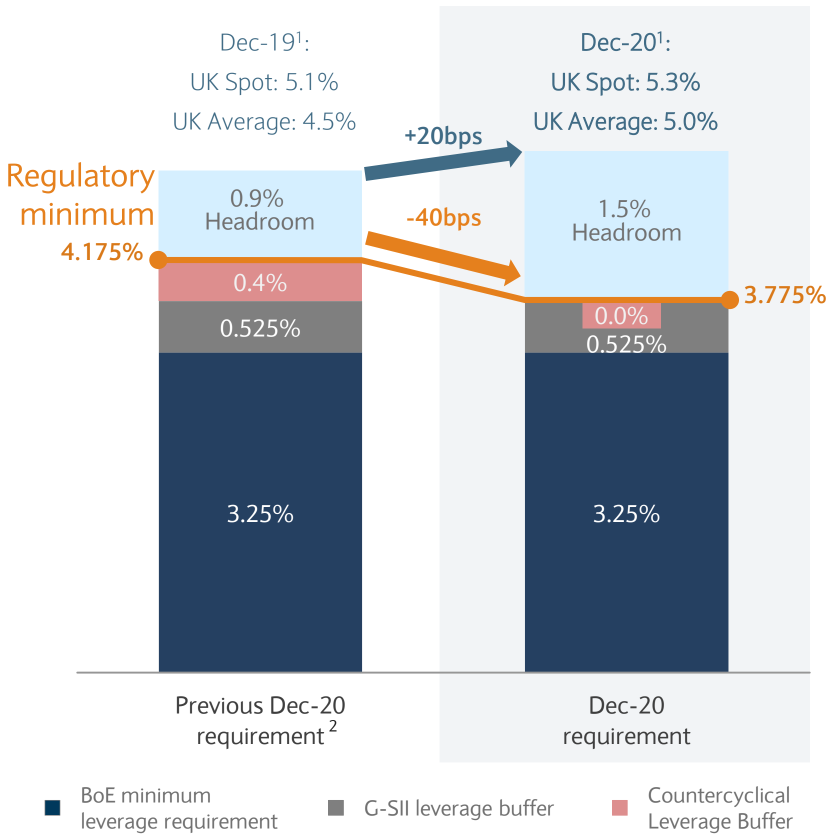

- Barclays intends to manage its CET1 ratio in the range of 13-14%, to enable it to support customers whilst maintaining appropriate headroom over the MDA hurdle, which is currently 11.2%[2]
- Headroom above MDA increased to 390bps as a result of regulatory measures and consistent profit generation in each quarter, whilst Barclays consistently achieved strong capital accretion in each quarter of 2020
- Barclays remains in a strong capital position with a year end CET1 ratio of 15.1%
- Certain headwinds to capital are likely in 2021, including procyclical effects on RWAs, reversal of regulatory forbearance applied through 2020 and increased pension contributions

**Barclays intends to manage its CET1 ratio in the range of 13-14%, to enable it to support customers whilst maintaining appropriate headroom over the MDA hurdle**

[1] CET1 ratio calculated applying the transitional arrangements of the CRR as amended by CRR II | [2] Barclays' MDA hurdle at 11.2% reflecting the new Pillar 2A requirement as per the PRA's ICR | [3] Previously expected Dec-20 requirement, following revision of the UK CCyB and Pillar 2A requirements by the PRA in December 2019 |

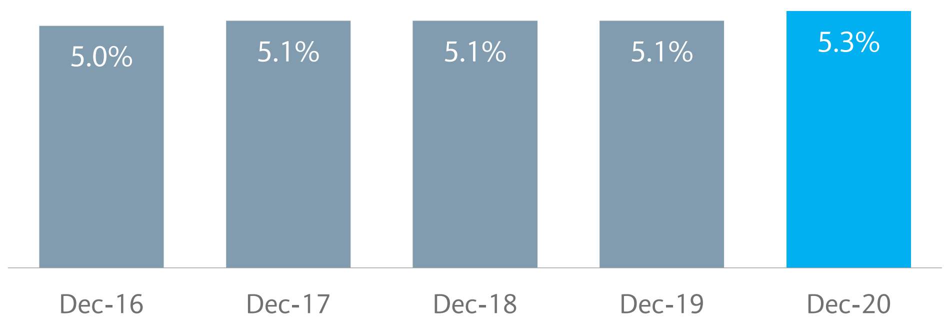
# Managing evolving future Group minimum leverage requirements

## Minimum leverage requirements and buffers under the UK regime




- Headroom to minimum leverage requirement of 150bps in Q4, while the RWA based CET1 ratio remains our primary regulatory constraint
- The Group currently has one leverage requirement, as measured under the UK's PRA leverage regime. The requirement must be met on a daily basis, and is reflected in the daily average leverage exposure
- We expect tailwinds to be realised in 2022 when the CRR II changes relating to SA-CCR come into effect
- The CRR II leverage requirement, due to become binding from 2022, will only be at 3%, as the G-SIB component will not apply until 2023. The BoE's Financial Policy Committee intends to review the UK leverage framework in 2021

### UK Spot Leverage Ratio (2016-2020)




[1] Leverage ratio calculated applying the transitional arrangements of the CRR as amended by CRR II. This includes IFRS 9 transitional arrangements | [2] Previously expected Dec-20 requirement, following revision of the UK CCyB and Pillar 2A requirements by the PRA in December 2019 |

# 2021 pension update

CET1 ratio headwinds from pension reduction contributions fully incorporated into prudent capital plan and CET1 target

- As at 31 December 2020, the Group's IAS 19 pension surplus across all schemes was £1.5bn (December 2019: £1.8bn). The UK Retirement Fund (UKRF), which is the Group's main scheme, had an IAS 19 pension surplus of £1.8bn (December 2019: £2.1bn). The YoY movement for the UKRF was driven by a net decrease in the discount rate and changes to pension increase assumptions, offset partially by higher than assumed asset returns
- The latest annual update to the actuarial funding valuation as at 30 September 2020 showed the funding deficit had improved to £0.9bn from the £2.3bn shown at the 30 September 2019 triennial valuation. The improvement was mainly due to £1.0bn of deficit contributions paid over the year

| Capital impact of deficit reduction contributions (£bn) | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | Sum 2020-26 |
|---|---|---|---|---|---|---|---|---|
| Based on 2019 Triennial valuation | (0.5) | (0.7) | (0.3) | (0.3) | (0.5) (paid in Q419)[1] | - | - | (2.3) |
| Jun-2020 Investment in Senior Notes[2] | 0.75 | - | - | (0.25) | (0.25) | (0.25) | - | - |
| Net capital impact (pre-tax) | 0.25 | (0.7) | (0.3) | (0.55) | (0.75) | (0.25) | - | (2.3) |
| Net capital impact (bps) – based on Dec-20 RWAs | 8bps | (23)bps | (10)bps | (18)bps | (24)bps | (8)bps | | |

[1] £500m paid in Q419 relates to the unwind of Senior notes | [2] Barclays Bank PLC asked the UKRF Trustee to consider an investment in a Senior note (similar to the issued note in December 2019) in order to manage the capital impact of 2020 contributions to the UKRF |

# Barclays is set up to continue serving clients based in the EU

*EU subsidiary operational with client on-boarding substantially complete*

- Barclays has been able to provide undisrupted services in the European Union (EU) throughout the Brexit transition period and since the end of the post-Brexit transition period on 31st December 2020
- Build out of Barclays Europe (BE) has meant Barclays is not dependant on the EU and UK agreeing to Financial Services equivalence to continue to serve clients
- Barclays Europe, operating through Barclays Bank Ireland PLC (BBI), is operational with nine branches across the European Union. The on-boarding of European clients from BBPLC to BE is substantially complete
- BBI obtained all regulatory authorisations and licences for its expanded activity in 2018 and is supervised by the Single Supervisory Mechanism of the ECB and the Central Bank of Ireland since 2019
- Barclays Europe fortifies the diversification of the Group's business, operating across Corporate, Investment and Private Banking as well as a credit card and consumer business in Germany[1], with strategic investments to grow footprint
- Diversified, well balanced funding sources and strong liquidity ratios. MREL and capital provided from within the Group
- The entity reported a strong financial profile as of H120 with credit ratings in line with its immediate parent BBPLC

## European footprint to service key markets


## Barclays Europe Key Jun-20 Ratios and Credit Ratings[2]

| | |
|---|---|
| IFRS assets | €92.5bn |
| CET1 ratio[3] | 13.3% |
| LCR | 210% |

| Barclays Bank Ireland PLC, as at 17 Feb 2021 | |
|---|---|
| Fitch | A+ / Negative / F1 |
| S&P | A / Negative / A-1 |

[1] The activity also incorporates a legacy Italian mortgage portfolio | [2] The ratings are equalised to those of Barclays Bank PLC, the immediate parent of Barclays Bank Ireland PLC | [3] CET1 ratio calculated applying the transitional arrangements of the CRR as amended by CRR II |

# Financial results tables

# FY20 other items of interest

| Year ended (£m) | Dec-20 | Dec-19 | |
|---|---|---|---|
| Income | | | |
| Strategic investment gain relating to the IPO of Tradeweb | - | 180 | Corporate & Investment Bank (Markets) |
| Valuation loss on Barclays' preference shares in Visa Inc. | (101) | - | Consumer, Cards and Payments |
| Mark-to-market losses on legacy investments | (108) | - | Head Office |
| Repurchases of some of the Barclays Bank PLC 7.625% Contingent Capital Notes | (85) | - | Head Office |
| Costs | | | |
| Structural cost actions | (368) | (150) | Group |
| COVID-19 Community Aid Package | (95) | - | Head Office |
| Litigation & Conduct | | | |
| PPI provision | - | (1,400) | Barclays UK |
| Other Litigation & Conduct across divisions | (153) | (449) | Group |

# FY20 Group

| Year ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| Income | 21,766 | 21,632 | 1% |
| Impairment | (4,838) | (1,912) | (153%) |
| – *Operating costs* | *(13,434)* | *(13,359)* | *(1%)* |
| – *Litigation and conduct* | *(153)* | *(1,849)* | *92%* |
| – *UK bank levy* | *(299)* | *(226)* | *(32%)* |
| Total operating expenses | (13,886) | (15,434) | 10% |
| Other net income | 23 | 71 | (68%) |
| Profit before tax | 3,065 | 4,357 | (30%) |
| Tax charge | (604) | (1,003) | 40% |
| Profit after tax | 2,461 | 3,354 | (27%) |
| Non-controlling interests | (78) | (80) | 3% |
| Other equity instrument holders | (857) | (813) | (5%) |
| Attributable profit | 1,526 | 2,461 | (38%) |
| **Performance measures** | | | |
| Basic earnings per share | 8.8p | 14.3p | |
| RoTE | 3.2% | 5.3% | |
| Cost: income ratio | 64% | 71% | |
| Loan loss rate | 138bps | 55bps | |
| **Balance sheet** | | | |
| RWAs | £306.2bn | £295.1bn | |

| Excluding litigation and conduct – year ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| Profit before tax | 3,218 | 6,206 | (48%) |
| Attributable profit | 1,638 | 4,194 | (61%) |
| **Performance measures** | | | |
| Basic earnings per share | 9.5p | 24.4p | |
| RoTE | 3.4% | 9.0% | |
| Cost: income ratio | 63% | 63% | |

# FY20 Barclays UK

| Year ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| – *Personal Banking* | *3,522* | *4,009* | *(12%)* |
| – *Barclaycard Consumer UK* | *1,519* | *1,992* | *(24%)* |
| – *Business Banking* | *1,306* | *1,352* | *(3%)* |
| Income | 6,347 | 7,353 | (14%) |
| – *Personal Banking* | *(380)* | *(195)* | *(95%)* |
| – *Barclaycard Consumer UK* | *(881)* | *(472)* | *(87%)* |
| – *Business Banking* | *(206)* | *(45)* | *>(200%)* |
| Impairment charges | (1,467) | (712) | (106%) |
| – *Operating costs* | *(4,270)* | *(3,996)* | *(7%)* |
| – *Litigation and conduct* | *(32)* | *(1,582)* | *98%* |
| – *UK bank levy* | *(50)* | *(41)* | *(22%)* |
| Total operating expenses | (4,352) | (5,619) | 23% |
| Other net income | 18 | - | - |
| Profit before tax | 546 | 1,022 | (47%) |
| Attributable profit | 325 | 281 | 16% |
| **Performance measures** | | | |
| RoTE | 3.2% | 2.7% | |
| Average allocated tangible equity | £10.1bn | £10.3bn | |
| Cost: income ratio | 69% | 76% | |
| Loan loss rate | 68bps | 36bps | |
| NIM | 2.61% | 3.09% | |
| **Balance sheet** | | | |
| L&A to customers[1] | £205.4bn | £193.7bn | |
| Customer deposits[1] | £240.5bn | £205.5bn | |
| RWAs | £73.7bn | £74.9bn | |

| Excluding litigation and conduct – year ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| Profit before tax | 578 | 2,604 | (78%) |
| Attributable profit | 343 | 1,813 | (81%) |
| **Performance measures** | | | |
| RoTE | 3.4% | 17.5% | |
| Cost: income ratio | 68% | 55% | |

[1] At amortised cost |

# FY20 Barclays International

| Year ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| *– CIB* | *12,476* | *10,231* | *22%* |
| *– CC&P* | *3,445* | *4,444* | *(22%)* |
| Income | 15,921 | 14,675 | 8% |
| *– CIB* | *(1,559)* | *(157)* | *>(200%)* |
| *– CC&P* | *(1,721)* | *(1,016)* | *(69%)* |
| Impairment charges | (3,280) | (1,173) | (180%) |
| *– Operating costs* | *(8,765)* | *(9,163)* | *4%* |
| *– Litigation and conduct* | *(48)* | *(116)* | *59%* |
| *– UK bank levy* | *(240)* | *(174)* | *(38%)* |
| Total operating expenses | (9,053) | (9,453) | 4% |
| Other net income | 28 | 69 | (59%) |
| Profit before tax | 3,616 | 4,118 | (12%) |
| Attributable profit | 2,220 | 2,816 | (21%) |
| **Performance measures** | | | |
| RoTE | 7.1% | 9.0% | |
| Average allocated tangible equity | £31.5bn | £31.2bn | |
| Cost: income ratio | 57% | 64% | |
| Loan loss rate | 257bps | 86bps | |
| NIM | 3.64% | 4.07% | |
| **Balance sheet** | | | |
| RWAs | £222.3bn | £209.2bn | |

| Excluding litigation and conduct – year ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| Profit before tax | 3,664 | 4,234 | (13%) |
| Attributable profit | 2,258 | 2,906 | (22%) |
| **Performance measures** | | | |
| RoTE | 7.2% | 9.3% | |
| Cost: income ratio | 57% | 64% | |

# FY20 Barclays International: Corporate & Investment Bank

| Year ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| *–FICC* | *5,138* | *3,364* | *53%* |
| *–Equities* | *2,471* | *1,887* | *31%* |
| Markets | 7,609 | 5,251 | 45% |
| *–Advisory* | *561* | *776* | *(28%)* |
| *–Equity capital markets* | *473* | *329* | *44%* |
| *–Debt capital markets* | *1,697* | *1,430* | *19%* |
| Banking fees | 2,731 | 2,535 | 8% |
| *–Corporate lending* | *590* | *765* | *(23%)* |
| *–Transaction banking* | *1,546* | *1,680* | *(8%)* |
| Corporate | 2,136 | 2,445 | (13%) |
| Total income | 12,476 | 10,231 | 22% |
| Impairment charges | (1,559) | (157) | >(200%) |
| *– Operating costs* | *(6,689)* | *(6,882)* | *3%* |
| *– Litigation and conduct* | *(4)* | *(109)* | *96%* |
| *– UK bank levy* | *(226)* | *(156)* | *(45%)* |
| Total operating expenses | (6,919) | (7,147) | 3% |
| Other net income | 6 | 28 | (79%) |
| Profit before tax | 4,004 | 2,955 | 35% |
| Attributable profit | 2,554 | 1,980 | 29% |
| **Performance measures** | | | |
| RoTE | 9.5% | 7.6% | |
| Average allocated tangible equity | £27.0bn | £25.9bn | |
| Cost: income ratio | 55% | 70% | |
| **Balance sheet** | | | |
| RWAs | £192.2bn | £171.5bn | |

| Excluding litigation and conduct – year ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| Profit before tax | 4,008 | 3,064 | 31% |
| Attributable profit | 2,556 | 2,064 | 24% |
| **Performance measures** | | | |
| RoTE | 9.5% | 8.0% | |
| Cost: income ratio | 55% | 69% | |

# FY20 Barclays International: Consumer, Cards & Payments

| Year ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| Income | 3,445 | 4,444 | (22%) |
| Impairment | (1,721) | (1,016) | (69%) |
| *– Operating costs* | *(2,076)* | *(2,281)* | *9%* |
| *– Litigation and conduct* | *(44)* | *(7)* | *>(200%)* |
| *– UK bank levy* | *(14)* | *(18)* | *22%* |
| Total operating expenses | (2,134) | (2,306) | 7% |
| Other net income | 22 | 41 | (46%) |
| (Loss)/profit before tax | (388) | 1,163 | (133%) |
| Attributable (loss)/profit | (334) | 836 | >(200%) |
| **Performance measures** | | | |
| RoTE | (7.5%) | 15.8% | |
| Average allocated tangible equity | £4.5bn | £5.3bn | |
| Cost: income ratio | 62% | 52% | |
| Loan loss rate | 517bps | 234bps | |
| **Balance sheet** | | | |
| RWAs | £30.1bn | £37.7bn | |

| Excluding litigation and conduct – year ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| (Loss)/profit before tax | (344) | 1,170 | (129%) |
| Attributable (loss)/profit | (298) | 842 | >(200%) |
| **Performance measures** | | | |
| RoTE | (6.7%) | 15.9% | |
| Cost: income ratio | 61% | 52% | |

# FY20 Head Office

| Year ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| Income | (502) | (396) | (27%) |
| Impairment charges | (91) | (27) | >(200%) |
| *– Operating costs* | *(399)* | *(200)* | *(100%)* |
| *– Litigation and conduct* | *(73)* | *(151)* | *52%* |
| *– UK bank levy* | *(9)* | *(11)* | *18%* |
| Total operating expenses | (481) | (362) | (33%) |
| Other net (expenses)/income | (23) | 2 | >(200%) |
| Loss before tax | (1,097) | (783) | (40%) |
| Attributable loss | (1,019) | (636) | (60%) |
| **Performance measures** | | | |
| Average allocated tangible equity | £6.7bn | £5.1bn | |
| **Balance sheet** | | | |
| RWAs | £10.2bn | £11.0bn | |

| Excluding litigation and conduct – year ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| Loss before tax | (1,024) | (632) | (62%) |
| Attributable loss | (963) | (525) | (83%) |

# Q420 other items of interest

| Three months ended (£m) | Dec-20 | Dec-19 | |
|---|---|---|---|
| Income | | | |
| Strategic investment gain relating to the IPO of Tradeweb | - | 55 | Corporate & Investment Bank (Markets) |
| Repurchases of some of the Barclays Bank PLC 7.625% Contingent Capital Notes | (85) | - | Head Office |
| Costs | | | |
| Structural cost actions | (261) | (75) | Group |
| COVID-19 Community Aid Package | (22) | - | Head Office |
| Litigation & Conduct | | | |
| Litigation & Conduct across divisions | (47) | (167) | Group |

# Q420 Group

| Three months ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| Income | 4,941 | 5,301 | (7%) |
| Impairment | (492) | (523) | 6% |
| *– Operating costs* | *(3,480)* | *(3,308)* | *(5%)* |
| *– Litigation and conduct* | *(47)* | *(167)* | *72%* |
| *– UK bank levy* | *(299)* | *(226)* | *(32%)* |
| Total operating expenses | (3,826) | (3,701) | (3%) |
| Other net income | 23 | 20 | 15% |
| Profit before tax | 646 | 1,097 | (41%) |
| Tax charge | (163) | (189) | 14% |
| Profit after tax | 483 | 908 | (47%) |
| Non-controlling interests | (37) | (42) | 12% |
| Other equity instrument holders | (226) | (185) | (22%) |
| Attributable profit | 220 | 681 | (68%) |
| **Performance measures** | | | |
| Basic earnings per share | 1.3p | 3.9p | |
| RoTE | 1.8% | 5.9% | |
| Cost: income ratio | 77% | 70% | |
| Loan loss rate | 56bps | 60bps | |
| **Balance sheet** | | | |
| RWAs | £306.2bn | £295.1bn | |

| Excluding litigation and conduct – three months ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| Profit before tax | 693 | 1,264 | (45%) |
| Attributable profit | 260 | 803 | (68%) |
| **Performance measures** | | | |
| Basic earnings per share | 1.5p | 4.7p | |
| RoTE | 2.2% | 6.9% | |
| Cost: income ratio | 76% | 67% | |

# Q420 Barclays UK

| Three months ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| – *Personal Banking* | *895* | *1,064* | *(16%)* |
| – *Barclaycard Consumer UK* | *354* | *533* | *(34%)* |
| – *Business Banking* | *377* | *362* | *4%* |
| Income | 1,626 | 1,959 | (17%) |
| – *Personal Banking* | *(68)* | *(71)* | *4%* |
| – *Barclaycard Consumer UK* | *(78)* | *(108)* | *28%* |
| – *Business Banking* | *(24)* | *(11)* | *(118%)* |
| Impairment charges | (170) | (190) | 11% |
| – *Operating costs* | *(1,134)* | *(1,023)* | *(11%)* |
| – *Litigation and conduct* | *4* | *(58)* | *107%* |
| – *UK bank levy* | *(50)* | *(41)* | *(22%)* |
| Total operating expenses | (1,180) | (1,122) | (5%) |
| Other net income | 6 | - | - |
| Profit before tax | 282 | 647 | (56%) |
| Attributable profit | 160 | 438 | (63%) |
| **Performance measures** | | | |
| RoTE | 6.5% | 17.0% | |
| Average allocated tangible equity | £9.8bn | £10.3bn | |
| Cost: income ratio | 73% | 57% | |
| Loan loss rate | 31bps | 38bps | |
| NIM | 2.56% | 3.03% | |
| **Balance sheet** | | | |
| L&A to customers[1] | £205.4bn | £193.7bn | |
| Customer deposits[1] | £240.5bn | £205.5bn | |
| RWAs | £73.7bn | £74.9bn | |

| Excluding litigation and conduct – three months ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| Profit before tax | 278 | 705 | (61%) |
| Attributable profit | 153 | 481 | (68%) |
| **Performance measures** | | | |
| RoTE | 6.2% | 18.7% | |
| Cost: income ratio | 73% | 54% | |

[1] At amortised cost |

# Q420 Barclays International

| Three months ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| – *CIB* | *2,638* | *2,314* | *14%* |
| – *CC&P* | *848* | *1,138* | *(25%)* |
| Income | 3,486 | 3,452 | 1% |
| – *CIB* | *(52)* | *(30)* | *(73%)* |
| – *CC&P* | *(239)* | *(299)* | *20%* |
| Impairment charges | (291) | (329) | 12% |
| – *Operating costs* | *(2,133)* | *(2,240)* | *5%* |
| – *Litigation and conduct* | *(9)* | *(86)* | *90%* |
| – *UK bank levy* | *(240)* | *(174)* | *(38%)* |
| Total operating expenses | (2,382) | (2,500) | 5% |
| Other net income | 9 | 17 | (47%) |
| Profit before tax | 822 | 640 | 28% |
| Attributable profit | 441 | 397 | 11% |
| **Performance measures** | | | |
| RoTE | 5.8% | 5.1% | |
| Average allocated tangible equity | £30.5bn | £30.9bn | |
| Cost: income ratio | 68% | 72% | |
| Loan loss rate | 90bps | 96bps | |
| NIM | 3.41% | 4.29% | |
| **Balance sheet** | | | |
| RWAs | £222.3bn | £209.2bn | |

| Excluding litigation and conduct – three months ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| Profit before tax | 831 | 726 | 14% |
| Attributable profit | 450 | 461 | (2%) |
| **Performance measures** | | | |
| RoTE | 5.9% | 6.0% | |
| Cost: income ratio | 68% | 70% | |

# Q420 Barclays International: Corporate & Investment Bank

| Three months ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| *–FICC* | *812* | *726* | *12%* |
| *–Equities* | *542* | *409* | *33%* |
| Markets | 1,354 | 1,135 | 19% |
| *–Advisory* | *232* | *202* | *15%* |
| *–Equity capital markets* | *104* | *56* | *86%* |
| *–Debt capital markets* | *418* | *322* | *30%* |
| Banking fees | 754 | 580 | 30% |
| *–Corporate lending* | *186* | *202* | *(8%)* |
| *–Transaction banking* | *344* | *397* | *(13%)* |
| Corporate | 530 | 599 | (12%) |
| Total income | 2,638 | 2,314 | 14% |
| Impairment charges | (52) | (30) | (73%) |
| *– Operating costs* | *(1,603)* | *(1,691)* | *5%* |
| *– Litigation and conduct* | *2* | *(79)* | *103%* |
| *– UK bank levy* | *(226)* | *(156)* | *(45%)* |
| Total operating expenses | (1,827) | (1,926) | 5% |
| Other net income | 2 | 1 | 100% |
| Profit before tax | 761 | 359 | 112% |
| Attributable profit | 413 | 193 | 114% |
| **Performance measures** | | | |
| RoTE | 6.3% | 3.0% | |
| Average allocated tangible equity | £26.3bn | £25.8bn | |
| Cost: income ratio | 69% | 83% | |
| **Balance sheet** | | | |
| RWAs | £192.2bn | £171.5bn | |

| Excluding litigation and conduct – three months ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| Profit before tax | 759 | 438 | 73% |
| Attributable profit | 411 | 251 | 64% |
| **Performance measures** | | | |
| RoTE | 6.2% | 3.9% | |
| Cost: income ratio | 69% | 80% | |

# Q420 Barclays International: Consumer, Cards & Payments

| Three months ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| Income | 848 | 1,138 | (25%) |
| Impairment | (239) | (299) | 20% |
| – *Operating costs* | *(530)* | *(549)* | *3%* |
| – *Litigation and conduct* | *(11)* | *(7)* | *(57%)* |
| – *UK bank levy* | *(14)* | *(18)* | *22%* |
| Total operating expenses | (555) | (574) | 3% |
| Other net income | 7 | 16 | (56%) |
| Profit before tax | 61 | 281 | (78%) |
| Attributable profit | 28 | 204 | >(200%) |
| **Performance measures** | | | |
| RoTE | 2.7% | 15.9% | |
| Average allocated tangible equity | £4.2bn | £5.1bn | |
| Cost: income ratio | 65% | 50% | |
| Loan loss rate | 286bps | 273bps | |
| **Balance sheet** | | | |
| RWAs | £30.1bn | £37.7bn | |

| Excluding litigation and conduct – three months ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| Profit before tax | 72 | 288 | (75%) |
| Attributable profit | 39 | 210 | >(200%) |
| **Performance measures** | | | |
| RoTE | 3.8% | 16.3% | |
| Cost: income ratio | 64% | 50% | |

# Q420 Head Office

| Three months ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| Income | (171) | (110) | (55%) |
| Impairment charges | (31) | (4) | >(200%) |
| *– Operating costs* | *(213)* | *(45)* | *>(200%)* |
| *– Litigation and conduct* | *(42)* | *(23)* | *(83%)* |
| *– UK bank levy* | *(9)* | *(11)* | *18%* |
| Total operating expenses | (264) | (79) | >(200%) |
| Other net income | 8 | 3 | 167% |
| Loss before tax | (458) | (190) | (141%) |
| Attributable loss | (381) | (154) | (147%) |
| **Performance measures** | | | |
| Average allocated tangible equity | £7.3bn | £5.2bn | |
| **Balance sheet** | | | |
| RWAs | £10.2bn | £11.0bn | |

| Excluding litigation and conduct – three months ended (£m) | Dec-20 | Dec-19 | % change |
|---|---|---|---|
| Loss before tax | (416) | (167) | (149%) |
| Attributable loss | (343) | (139) | (147%) |

# Disclaimer

**Important Notice**

The terms Barclays or Group refer to Barclays PLC together with its subsidiaries. The information, statements and opinions contained in this presentation do not constitute a public offer under any applicable legislation, an offer to sell or solicitation of any offer to buy any securities or financial instruments, or any advice or recommendation with respect to such securities or other financial instruments.

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- regulatory capital, leverage, liquidity and resolution is based on Barclays' interpretation of applicable rules and regulations as currently in force and implemented in the UK, including, but not limited to, CRD IV (as amended by CRD V applicable as at the reporting date) and CRR (as amended by CRR II applicable as at the reporting date) texts and any applicable delegated acts, implementing acts or technical standards and as such rules and regulations form part of UK law pursuant to the EU (Withdrawal) Act 2018, subject to the temporary transitional powers (TTP) available to UK regulators to delay or phase-in on-shoring changes to UK regulatory requirements between 31 December 2020 and 31 March 2022. Throughout the TTP period, the Bank of England and the PRA are expected to review the UK legislation framework and any disclosures made by the Group will be subject to any resulting guidance. All such regulatory requirements are subject to change. References herein to 'CRR as amended by CRR II' mean, unless otherwise specified, CRR as amended by CRR II, as it forms part of UK law pursuant to the European Union (Withdrawal) Act 2018 and subject to the TTP, as at the applicable reporting date;
- MREL is based on Barclays' understanding of the Bank of England's policy statement on "The Bank of England's approach to setting a minimum requirement for own funds and eligible liabilities (MREL)" published in June 2018, updating the Bank of England's November 2016 policy statement, and the non-binding indicative MREL requirements communicated to Barclays by the Bank of England. Binding future MREL requirements remain subject to change including at the conclusion of the transitional period, as determined by the Bank of England, taking into account a number of factors as described in the policy statement and as a result of the finalisation of international and European MREL/TLAC requirements. The Bank of England is currently conducting an MREL review, which may drive a different 1 January 2022 MREL requirement than currently proposed. The Pillar 2A requirement is also subject to at least annual review;
- future regulatory capital, liquidity, funding and/or MREL, including forward-looking illustrations, are provided for illustrative purposes only and are not forecasts of Barclays' results of operations or capital position or otherwise. Illustrations regarding the capital flight path, end-state capital evolution and expectations and MREL build are based on certain assumptions applicable at the date of publication only which cannot be assured and are subject to change.

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Subject to our obligations under the applicable laws and regulations of any relevant jurisdiction, (including, without limitation, the UK and the US), in relation to disclosure and ongoing information, we undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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Barclays management believes that the non-IFRS performance measures included in this document provide valuable information to the readers of the financial statements as they enable the reader to identify a more consistent basis for comparing the businesses' performance between financial periods and provide more detail concerning the elements of performance which the managers of these businesses are most directly able to influence or are relevant for an assessment of the Group. They also reflect an important aspect of the way in which operating targets are defined and performance is monitored by Barclays management. However, any non-IFRS performance measures in this document are not a substitute for IFRS measures and readers should consider the IFRS measures as well.