

Barclays PLC
Q3 2023 Pillar 3 Report
30 September 2023

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The terms Barclays or Group refer to Barclays PLC together with its subsidiaries. The abbreviations '£m' and '£bn' represent millions and thousands of millions of Pounds Sterling respectively.

There are a number of key judgement areas, for example impairment calculations, which are based on models and which are subject to ongoing adjustment and modifications. Reported numbers reflect best estimates and judgements at the given point in time.

Relevant terms that are used in this document but are not defined under applicable regulatory guidance or International Financial Reporting Standards (IFRS) are explained in the results glossary that can be accessed at home.barclays/investor-relations/reports-and-events/latest-financial-results.

Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to the Group. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements. Forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Forward-looking statements can be made in writing but also may be made verbally by directors, officers and employees of the Group (including during management presentations) in connection with this document. Examples of forward-looking statements include, among others, statements or guidance regarding or relating to the Group's future financial position, income levels, costs, assets and liabilities, impairment charges, provisions, capital, leverage and other regulatory ratios, capital distributions (including dividend policy and share buybacks), return on tangible equity, projected levels of growth in banking and financial markets, industry trends, any commitments and targets (including environmental, social and governance (ESG) commitments and targets), business strategy, plans and objectives for future operations and other statements that are not historical or current facts. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements speak only as at the date on which they are made. Forward-looking statements may be affected by a number of factors, including, without limitation: changes in legislation, regulation and the interpretation thereof, changes in IFRS and other accounting standards, including practices with regard to the interpretation and application thereof and emerging and developing ESG reporting standards; the outcome of current and future legal proceedings and regulatory investigations; the policies and actions of governmental and regulatory authorities; the Group's ability along with governments and other stakeholders to measure, manage and mitigate the impacts of climate change effectively; environmental, social and geopolitical risks and incidents and similar events beyond the Group's control; the impact of competition; capital, leverage and other regulatory rules applicable to past, current and future periods; UK, US, Eurozone and global macroeconomic and business conditions, including inflation; volatility in credit and capital markets; market related risks such as changes in interest rates and foreign exchange rates; higher or lower asset valuations; changes in credit ratings of any entity within the Group or any securities issued by it; changes in counterparty risk; changes in consumer behaviour; the direct and indirect consequences of the Russia-Ukraine war on European and global macroeconomic conditions, political stability and financial markets; direct and indirect impacts of the coronavirus (COVID-19) pandemic; instability as a result of the UK's exit from the European Union (EU), the effects of the EU-UK Trade and Cooperation Agreement and any disruption that may subsequently result in the UK and globally; the risk of cyber-attacks, information or security breaches or technology failures on the Group's reputation, business or operations; the Group's ability to access funding; and the success of acquisitions, disposals and other strategic transactions. A number of these factors are beyond the Group's control. As a result, the Group's actual financial position, results, financial and non-financial metrics or performance measures or its ability to meet commitments and targets may differ materially from the statements or guidance set forth in the Group's forward-looking statements. Additional risks and factors which may impact the Group's future financial condition and performance are identified in Barclays PLC's filings with the US Securities and Exchange Commission (SEC) (including, without limitation, Barclays PLC's Annual Report on Form 20-F for the financial year ended 31 December 2022 and Interim Results Announcement for the six months ended 30 June 2023 filed on Form 6-K), which are available on the SEC's website at www.sec.gov.

Subject to Barclays PLC's 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.

Introduction

Disclosure Background

Barclays' Pillar 3 disclosures complement the Barclays Q3 2023 Results Announcement and provide additional information about Barclays' risk profile, including its regulatory capital, minimum requirements for own funds and eligible liabilities (MREL), RWAs, liquidity and leverage exposures for Barclays Group.

The Pillar 3 report is prepared in accordance with the Capital Requirements Regulation and Capital Requirements Directive (CRR and CRD V). In particular articles 431 to 455 of CRR specify the requirements of the Pillar 3 framework. The regulations came into force on 1 January 2022, and were implemented by the Prudential Regulation Authority (PRA) via the PRA Rulebook. The Pillar 3 disclosures have also been prepared in accordance with the updated PRA Rulebook.

The terms RWA and RWEA are used interchangeably throughout the document.

The disclosures included in this report reflect the Bank's interpretation of the current rules and guidance.

Large subsidiaries

The Group's disclosable large subsidiaries as at 30 September 2023 are Barclays Bank PLC, Barclays Bank UK PLC, Barclays Bank PLC Ireland (BBI) and Barclays Capital Securities Limited (BCSL). The disclosures for these entities are published in standalone documents "Barclays Bank PLC Pillar 3 Report", "Barclays Bank UK PLC Pillar 3 Report", "Barclays Bank Ireland PLC Pillar 3 report" and "Barclays Capital Securities Limited Pillar 3 Report" respectively.

Summary

Table 1: KM1 - Key metrics - Part 1

This table shows key regulatory metrics and ratios as well as related components such as own funds, RWAs, capital ratios, additional requirements based on Supervisory Review and Evaluation Process (SREP), capital buffer requirements, leverage ratio, liquidity coverage ratio and net stable funding ratio. Part 2 of this table further includes all UK LR2 components which are required to be reported with a quarterly frequency as per Article 433a(4).

KM1 ref		As at 30.09.23 £m	As at 30.06.23 £m	As at 31.03.23 £m	As at 31.12.22 £m	As at 30.09.22 £m
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital ¹	47,958	46,640	45,985	46,878	48,574
1a	Fully loaded common Equity Tier 1 (CET1) capital ²	47,668	46,434	45,740	46,178	47,815
2	Tier 1 capital ¹	59,755	60,339	59,709	60,102	61,784
2a	Fully loaded tier 1 capital ²	59,465	60,133	59,464	59,402	61,025
3	Total capital ^{1,3}	68,536	69,231	68,214	70,072	71,324
3a	Fully loaded total capital ^{2,4}	67,781	68,548	67,232	68,653	69,747
	Risk-weighted exposure amounts					
4	Total risk-weighted exposure amount ¹	341,868	336,946	338,448	336,518	350,774
4a	Fully loaded total risk-weighted exposure amount ²	341,753	336,868	338,380	336,345	350,532
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%) ¹	14.0%	13.8%	13.6%	13.9%	13.8%
5a	Fully loaded common Equity Tier 1 ratio (%) ²	13.9%	13.8%	13.5%	13.7%	13.6%
6	Tier 1 ratio (%) ¹	17.5%	17.9%	17.6%	17.9%	17.6%
6a	Fully loaded tier 1 ratio (%) ²	17.4%	17.9%	17.6%	17.7%	17.4%
7	Total capital ratio (%) ^{1,3}	20.0%	20.5%	20.2%	20.8%	20.3%
7a	Fully loaded total capital ratio (%) ^{2,4}	19.8%	20.3%	19.9%	20.4%	19.9%
	Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)					
UK 7a	Additional CET1 SREP requirements (%)	2.4%	2.4%	2.4%	2.4%	2.4%
UK 7b	Additional AT1 SREP requirements (%)	0.8%	0.8%	0.8%	0.8%	0.8%
UK 7c	Additional T2 SREP requirements (%)	1.1%	1.1%	1.1%	1.1%	1.0%
UK 7d	Total SREP own funds requirements (%)	12.3%	12.3%	12.3%	12.3%	12.2%
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.5%	2.5%	2.5%	2.5%	2.5%
9	Institution specific countercyclical capital buffer (%)	0.9%	0.5%	0.5%	0.4%	0.0%
10	Global Systemically Important Institution buffer (%)	1.5%	1.5%	1.5%	1.5%	1.5%
11	Combined buffer requirement (%)	4.9%	4.5%	4.5%	4.4%	4.0%
UK 11a	Overall capital requirements (%)	17.2%	16.8%	16.7%	16.7%	16.2%
12	CET1 available after meeting the total SREP own funds requirements (%)	7.1%	6.9%	6.7%	7.0%	7.0%

Notes

1. Transitional capital and RWAs are calculated applying the IFRS 9 transitional arrangements of the CRR as amended by CRR II.
2. Fully loaded capital and RWAs are calculated without applying the IFRS 9 transitional arrangements of the CRR as amended by CRR II.
3. Total transitional capital is calculated applying the grandfathering of CRR II non-compliant capital instruments included within Tier 2 capital.
4. Total fully loaded capital is calculated without applying the grandfathering of CRR II non-compliant capital instruments included within Tier 2 capital.

The CET1 ratio increased to 14.0% (December 2022: 13.9%) as CET1 capital increased by £1.1bn to £48.0bn (December 2022: £46.9bn) partially offset by an increase in RWAs of £5.4bn to £341.9bn (December 2022: £336.5bn):

- c.130bps increase from attributable profit generated in the period
- c.60bps decrease driven by returns to shareholders including the interim dividend of 2.7p per share paid in September 2023 and £1.3bn of share buybacks announced with FY22 and H123 results. It also includes an accrual towards the FY23 dividend
- c.30bps decrease from other capital movements, including the impact of regulatory change on 1 January 2023 relating to IFRS 9 transitional relief, the impact of the Kensington Mortgage Company (KMC) acquisition, and other regulatory capital deductions
- c.30bps decrease as a result of a £7.4bn increase in RWAs primarily driven by increased trading activity within Corporate and Investment Bank (CIB)
- A £3.2bn decrease in RWAs as a result of foreign exchange movements was broadly offset by a £0.4bn decrease in CET1 capital due to a decrease in the currency translation reserve

Summary

Table 1: KM1 - Key metrics - Part 2

KM1 ref	LR 2 Ref		As at 30.09.23 £m	As at 30.06.23 £m	As at 31.03.23 £m	As at 31.12.22 £m	As at 30.09.22 £m
		Leverage ratio					
13	UK 24b	Total exposure measure excluding claims on central banks ¹	1,202,417	1,183,703	1,168,899	1,129,973	1,232,105
14	25	Leverage ratio excluding claims on central banks (%) ¹	5.0%	5.1%	5.1%	5.3%	5.0%
		Additional leverage ratio disclosure requirements					
UK 14a	UK 25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%) ²	4.9%	5.1%	5.1%	5.3%	5.0%
UK 14b	UK 25c	Leverage ratio including claims on central banks (%) ¹	4.0%	4.2%	4.1%	4.3%	4.1%
UK 14c	UK 33	Average leverage ratio excluding claims on central banks (%) ^{1,3}	4.6%	4.8%	4.8%	4.8%	4.8%
UK 14d	UK 34	Average leverage ratio including claims on central banks (%) ^{1,3}	3.9%	4.0%	3.9%	3.9%	4.0%
UK 14e	UK 27b	Countercyclical leverage ratio buffer (%)	0.3%	0.2%	0.2%	0.2%	0.0%
UK 14f	UK 27	Leverage ratio buffer (%)	0.8%	0.7%	0.7%	0.7%	0.5%
		Liquidity Coverage Ratio					
15		Total high-quality liquid assets (HQLA) (Weighted value)	313,477	319,310	322,981	320,450	319,177
UK 16a		Cash outflows - Total weighted value	284,150	286,577	287,558	283,445	278,887
UK 16b		Cash inflows - Total weighted value	86,316	83,251	81,048	77,389	74,794
16		Total net cash outflows (adjusted value)	197,835	203,326	206,510	206,056	204,093
17		Liquidity coverage ratio (%) ⁴	159 %	157%	157%	156%	156%
		Net Stable Funding Ratio⁵					
18		Total available stable funding	599,820	596,469	591,303	576,491	
19		Total required stable funding	434,055	429,846	424,617	420,889	
20		NSFR ratio (%)	138%	139%	139%	137%	

Notes

1. Transitional UK leverage ratios are calculated applying the IFRS 9 transitional arrangements of the CRR as amended by CRR II.
2. Fully loaded UK leverage ratio is calculated without applying the IFRS 9 transitional arrangements of the CRR as amended by CRR II.
3. Average UK leverage ratios use capital based on the last day of each month in the quarter and an exposure measure for each day in the quarter.
4. Liquidity Coverage Ratio is computed as a trailing average of the last 12 month-end ratios.
5. Net Stable Funding Ratio is computed as a trailing average of the last four spot quarter end positions.

The UK leverage ratio decreased to 5.0% (December 2022: 5.3%) primarily due to a £72.4bn increase in leverage exposure to £1,202.4bn (December 2022: £1,130.0bn). This is largely driven by increased trading activity within CIB.

The average liquidity coverage ratio (LCR) for the 12 months to 30 September 2023 increased to 159% (December 2022: 156%), with average HQLA decreasing by £7.0bn and average net cash outflows decreasing by £8.2bn.

Capital

Table 2: IFRS 9¹ - Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs

	As at 30.09.23 £m	As at 30.06.23 £m	As at 31.03.23 £m	As at 31.12.22 £m	As at 30.09.22 £m
Available capital (amounts)					
1 CET1 capital ²	47,958	46,640	45,985	46,878	48,574
2 CET1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	47,668	46,434	45,740	46,178	47,815
3 Tier 1 capital ²	59,755	60,339	59,709	60,102	61,784
4 Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	59,465	60,133	59,464	59,402	61,025
5 Total capital ^{2,3}	68,536	69,231	68,214	70,072	71,324
6 Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	68,246	69,025	67,969	69,405	70,565
Risk-weighted assets (amounts)					
7 Total risk-weighted assets ²	341,868	336,946	338,448	336,518	350,774
8 Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	341,753	336,868	338,380	336,345	350,532
Capital ratios					
9 CET1 (as a percentage of risk exposure amount) ²	14.0%	13.8%	13.6%	13.9%	13.8%
10 CET1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	13.9%	13.8%	13.5%	13.7%	13.6%
11 Tier 1 (as a percentage of risk exposure amount) ²	17.5%	17.9%	17.6%	17.9%	17.6%
12 Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	17.4%	17.9%	17.6%	17.7%	17.4%
13 Total capital (as a percentage of risk exposure amount) ^{2,3}	20.0%	20.5%	20.2%	20.8%	20.3%
14 Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	20.0%	20.5%	20.1%	20.6%	20.1%
Leverage ratio					
15 Leverage ratio total exposure measure	1,202,417	1,183,703	1,168,899	1,129,973	1,232,105
16 Leverage ratio ²	5.0%	5.1%	5.1%	5.3%	5.0%
17 Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	4.9%	5.1%	5.1%	5.3%	5.0%

Notes

- From 1 January 2018, Barclays Group elected to apply the IFRS 9 transitional arrangements of the CRR. The transitional relief on the "day 1" impact on adoption of IFRS 9 and on increases in non-defaulted provisions between "day 1" and 31 December 2019 was phased out over a 5 year period ending on 1 January 2023. On 27 June 2020, CRR was amended to extend the transitional period by two years and to introduce a new modified calculation. The transitional relief for increases in non-defaulted provisions between 1 January 2020 and the reporting date is also phased out over a 5 year period with 75% applicable for 2022; 50% for 2023; 25% for 2024 and with no transitional relief from 2025.
- Transitional CET1 capital, RWAs and leverage ratio are calculated applying the IFRS 9 transitional arrangements of the CRR as amended by CRR II.
- Total capital is calculated applying the grandfathering of CRR II non-compliant capital instruments included within Tier 2 capital.

Risk weighted assets

Table 3: RWAs by risk type and business

This table shows RWAs by business and risk type.

	Credit risk ¹		Counterparty credit risk				Market risk		Operational risk	Total RWAs
	Std	A-IRB	Std	A-IRB	Settlement risk	CVA	Std	IMA		
As at 30 September 2023	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Barclays UK	11,731	49,928	160	—	—	90	215	—	11,054	73,178
Corporate and Investment Bank	38,869	69,467	17,983	21,784	123	3,108	17,542	23,253	27,093	219,222
Consumer, Cards and Payments	28,613	3,987	191	51	—	42	2	535	6,527	39,948
Barclays International	67,482	73,454	18,174	21,835	123	3,150	17,544	23,788	33,620	259,170
Head Office	4,116	6,213	—	—	—	—	—	—	(809)	9,520
Barclays Group	83,329	129,595	18,334	21,835	123	3,240	17,759	23,788	43,865	341,868
As at 31 December 2022										
Barclays UK	6,836	54,752	167	—	—	72	233	—	11,023	73,083
Corporate and Investment Bank	35,738	75,413	16,814	21,449	80	3,093	13,716	22,497	27,064	215,864
Consumer, Cards and Payments	27,882	3,773	214	46	—	61	—	388	6,559	38,923
Barclays International	63,620	79,186	17,028	21,495	80	3,154	13,716	22,885	33,623	254,787
Head Office	2,636	6,843	—	—	—	—	—	—	(831)	8,648
Barclays Group	73,092	140,781	17,195	21,495	80	3,226	13,949	22,885	43,815	336,518

Notes

1. Credit risk RWAs of £9.8bn relating to deferred tax assets (DTAs), have been reclassified from IRB to STD with no impact to total RWAs.

Table 4: OV1 - Overview of risk weighted exposure amounts

The table shows RWAs and minimum capital requirement by risk type and approach

		Risk weighted exposure amounts (RWEAs)			Total own funds requirements		
		As at 30.09.23	As at 30.06.23	As at 31.12.22	As at 30.09.23	As at 30.06.23	As at 31.12.22
		£m	£m	£m	£m	£m	£m
1	Credit risk (excluding CCR) ¹	196,501	196,192	197,316	15,720	15,696	15,786
2	Of which the standardised approach	76,334	64,397	66,796	6,107	5,152	5,344
4	Of which: slotting approach	4,688	4,938	4,945	375	395	396
5	Of which the advanced IRB (AIRB) approach	115,479	126,857	125,575	9,238	10,149	10,046
6	Counterparty credit risk - CCR	43,353	41,738	41,881	3,468	3,339	3,350
7	Of which the standardised approach	4,126	3,923	4,081	330	314	326
8	Of which internal model method	26,627	26,874	25,741	2,130	2,150	2,059
UK 8a	Of which exposures to a CCP	1,948	1,506	1,409	156	120	113
UK 8b	Of which credit valuation adjustment - CVA	3,240	3,028	3,226	259	242	258
9	Of which other CCR	7,412	6,407	7,424	593	513	594
15	Settlement risk	123	454	80	10	36	6
16	Securitisation exposures in the non-trading book (after the cap)	16,479	15,466	16,592	1,317	1,237	1,327
17	Of which SEC-IRBA approach	9,427	9,003	10,261	754	720	821
18	Of which SEC-ERBA (including IAA)	1,956	1,813	1,922	156	145	154
19	Of which SEC-SA approach	5,081	4,644	4,404	406	372	352
UK 19a	Of which 1250%/ deduction	15	6	5	1	—	—
20	Position, foreign exchange and commodities risks (Market risk)	41,547	39,231	36,834	3,324	3,138	2,947
21	Of which the standardised approach	17,759	16,556	13,949	1,421	1,324	1,116
22	Of which IMA	23,788	22,675	22,885	1,903	1,814	1,831
UK 22a	Large exposures	—	—	—	—	—	—
23	Operational risk	43,865	43,865	43,815	3,509	3,509	3,505
UK 23b	Of which standardised approach	43,865	43,865	43,815	3,509	3,509	3,505
24	Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)	9,810	10,004	9,926	785	800	794
29	Total	341,868	336,946	336,518	27,348	26,955	26,921

Notes

1. Credit risk RWAs of £9.8bn relating to DTAs, have been reclassified from IRB to STD with no impact to total RWAs.

Overall RWAs increased £4.9bn to £341.9bn in the quarter (June 2023: £336.9bn) primarily driven by an increase in foreign exchange movements due to strengthening of USD against GBP partially offset by a decrease in business activities within CIB.

Risk weighted assets

Table 5: CR8 - RWEA flow statements of credit risk exposures under the IRB approach

The total in this table shows the contribution of credit risk RWAs under the AIRB approach and will not directly reconcile to the credit risk AIRB RWAs in table 3.

	Three months ended 30 September 2023	Nine months ended 30 September 2023
	£m	£m
1 Risk weighted exposure amount as at the end of the previous reporting period	115,942	114,481
2 Asset size	(3,611)	(1,671)
3 Asset quality	(649)	1,690
4 Model updates	—	(2,600)
5 Methodology and policy	279	2,628
6 Acquisitions and disposals	—	(102)
7 Foreign exchange movements	1,525	(940)
8 Other	—	—
9 Risk weighted exposure amount as at the end of the reporting period	113,486	113,486

Advanced credit risk RWAs decreased £2.5bn to £113.5bn in the quarter (June 2023: £115.9bn) driven by:

- A £3.6bn decrease in asset size primarily driven by a decrease in business activities mainly within CIB
- A £1.5bn increase as a result of foreign exchange movements primarily due to the strengthening of USD against GBP

Advanced credit risk RWAs decreased £1.0bn to £113.5bn (December 2022: £114.5bn) driven by:

- A £1.7bn decrease in asset size primarily driven by a decrease in business activities mainly within Barclays UK
- A £1.7bn increase in asset quality RWAs primarily driven by changes in risk parameters and house price index (HPI) refresh within Barclays UK
- A £2.6bn decrease in model updates primarily driven by capital LGD model update for the mortgage portfolio to reflect the significant decrease in repossession volume during and post the COVID pandemic
- A £2.6bn increase in methodology and policy primarily driven by the recalibration of the post model adjustment (PMA) introduced to address the IRB roadmap changes.
- A £0.9bn decrease as a result of foreign exchange movements primarily due to the strengthening of GBP against USD since December 2022

Table 6: CCR7 - RWEA flow statements of CCR exposures under the IMM

The total in this table shows the contribution of Internal Model Method (IMM) exposures to CCR RWAs (under both standardised and AIRB) and will not directly reconcile to the CCR AIRB RWAs in table 3.

	Three months ended 30 September 2023	Nine months ended 30 September 2023
	£m	£m
1 Risk weighted exposure amount as at the end of the previous reporting period	26,874	25,741
2 Asset size	(1,425)	474
3 Credit quality of counterparties	289	237
4 Model updates (IMM only)	—	—
5 Methodology and policy (IMM only)	—	506
6 Acquisitions and disposals	—	—
7 Foreign exchange movements	889	(331)
8 Other	—	—
9 Risk weighted exposure amount as at the end of the reporting period	26,627	26,627

IMM RWAs decreased £0.2bn to £26.6bn in the quarter (June 2023: £26.9bn) primarily driven by reduced trading activity within CIB, partially offset by the strengthening of USD against GBP.

IMM RWAs increased by £0.9bn to £26.6bn (December 2022: £25.7bn).

Risk weighted assets

Table 7: MR2-B – RWA flow statements of market risk exposures under the IMA

This table shows the contribution of market risk RWAs covered by internal models (i.e. value at risk (VaR), stressed value at risk (SVaR) and incremental risk charge (IRC)).

		Three months ended 30 September 2023					Total own funds requirements
		VaR	SVaR	IRC	Other	Total RWEAs	
		£m	£m	£m	£m	£m	£m
1	RWAs at previous period end	5,881	8,674	4,715	3,405	22,675	1,814
1a	Regulatory adjustment ¹	(3,086)	(3,279)	—	—	(6,366)	(509)
1b	RWAs at the previous quarter-end (end of the day)	2,795	5,395	4,715	3,405	16,309	1,305
2	Movement in risk levels	(297)	1,492	687	33	1,916	153
3	Model updates/changes	—	—	—	—	—	—
4	Methodology and policy	—	—	—	—	—	—
5	Acquisitions and disposals	—	—	—	—	—	—
8a	RWAs at the end of the disclosure period (end of the day)	2,498	6,887	5,402	3,438	18,225	1,458
8b	Regulatory adjustment ²	2,766	2,797	—	—	5,563	445
8	RWAs at the end of the disclosure period	5,264	9,684	5,402	3,438	23,788	1,903

Notes

- Row 1a reflects the difference between reported RWA (row 1) and the relevant spot measure (row 1b) for the previous period.
- Row 8b reflects the difference between the relevant spot measure (row 8a) and reported RWA (row 8) for the current period.

Modelled market risk RWAs increased £1.1bn to £23.8bn in the quarter (June 2023: £22.7bn) driven by SVaR.

		Nine months ended 30 September 2023					Total own funds requirements
		VaR	SVaR	IRC	Other	Total RWEAs	
		£m	£m	£m	£m	£m	£m
1	RWAs at previous period end	6,767	9,861	2,811	3,446	22,885	1,831
1a	Regulatory adjustment ¹	(3,907)	(5,216)	(34)	—	(9,157)	(733)
1b	RWAs at the previous quarter-end (end of the day)	2,860	4,645	2,777	3,446	13,728	1,098
2	Movement in risk levels	(362)	2,242	2,625	(8)	4,497	360
3	Model updates/changes	—	—	—	—	—	—
4	Methodology and policy	—	—	—	—	—	—
5	Acquisitions and disposals	—	—	—	—	—	—
8a	RWAs at the end of the disclosure period (end of the day)	2,498	6,887	5,402	3,438	18,225	1,458
8b	Regulatory adjustment ²	2,766	2,797	—	—	5,563	445
8	RWAs at the end of the disclosure period	5,264	9,684	5,402	3,438	23,788	1,903

Notes

- Row 1a reflects the difference between reported RWA (row 1) and the relevant spot measure (row 1b) for the previous period.
- Row 8b reflects the difference between the relevant spot measure (row 8a) and reported RWA (row 8) for the current period.

Modelled market risk RWAs increased £0.9bn to £23.8bn (December 2023: £22.9bn) driven by IRC partially offset by a reduction in VaR.

Minimum requirement for own funds and eligible liabilities (MREL)

KM2 has been prepared in accordance with CRR as amended by CRR II, using the uniform format set out in the Basel Committee for Banking Supervision (BCBS) Standard on Pillar 3 disclosure requirements.

Table 8: KM2 - Key metrics - TLAC requirements (at resolution group level)

This table shows the key metrics for the Group's own funds and eligible liabilities.

		As at 30.09.23 £m	As at 30.06.23 £m	As at 31.03.23 £m	As at 31.12.22 £m	As at 30.09.22 £m
1	Total Loss Absorbing Capacity (TLAC) available ¹	114,256	111,021	110,642	112,828	111,892
1a	Fully loaded ECL accounting model TLAC available	113,966	110,815	110,397	112,161	111,133
2	Total RWA at the level of the resolution group ¹	341,868	336,946	338,448	336,518	350,774
3	TLAC as a percentage of RWA (row 1 / row 2) (%) ¹	33.4%	32.9%	32.7%	33.5%	31.9%
3a	Fully loaded ECL accounting model TLAC as a percentage of fully loaded ECL accounting model RWA (%)	33.3%	32.9%	32.6%	33.3%	31.7%
4	Leverage ratio exposure measure at the level of the resolution group	1,202,417	1,183,703	1,168,899	1,129,973	1,232,105
5	TLAC as a percentage of leverage ratio exposure measure (row 1 / row 4) (%)	9.5%	9.4%	9.5%	10.0%	9.1%
5a	Fully loaded ECL accounting model TLAC as a percentage of fully loaded ECL accounting model Leverage exposure measure (%)	9.5%	9.4%	9.4%	9.9%	9.0%
6a	Does the subordination exemption in the antepenultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?	No	No	No	No	No
6b	Does the subordination exemption in the penultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?	No	No	No	No	No
6c	If the capped subordination exemption applies, the amount of funding issued that ranks pari passu with Excluded Liabilities and that is recognised as external TLAC, divided by funding issued that ranks pari passu with Excluded Liabilities and that would be recognised as external TLAC if no cap was applied (%)	N/A	N/A	N/A	N/A	N/A

Notes

1. Own funds included in TLAC and RWAs are calculated applying the IFRS9 transitional arrangements of the CRR as amended by CRR II.

As at 30 September 2023, Barclays PLC (the Parent company) held £114.3bn (December 2022: £112.8bn) of own funds and eligible liabilities equating to 33.4% of RWAs. This was in excess of the Group's MREL requirement, excluding the PRA buffer, to hold £101.1bn of own funds and eligible liabilities equating to 29.6% of RWAs. The Group remains above its MREL regulatory requirement including the PRA buffer.

Liquidity

Table 9: LIQ1 - Liquidity Coverage Ratio

This table shows the level and components of the Liquidity Coverage Ratio.

		Total unweighted value (average)				Total weighted value (average)			
		30.09.23	30.06.23	31.03.23	31.12.22	30.09.23	30.06.23	31.03.23	31.12.22
	Number of data points used in calculation of averages ¹	12	12	12	12		12	12	12
High-quality liquid assets		£m	£m	£m	£m	£m	£m	£m	£m
1	Total high-quality liquid assets (HQLA)					313,477	319,310	322,981	320,450
Cash outflows									
2	Retail deposits and deposits from small business customers, of which:	260,439	265,698	268,494	269,038	22,782	23,435	23,786	23,805
3	Stable deposits	132,451	135,749	138,153	139,705	6,623	6,787	6,908	6,985
4	Less stable deposits	118,757	122,265	124,314	124,256	15,897	16,420	16,727	16,755
5	Unsecured wholesale funding, of which:	244,914	253,765	259,543	261,040	125,293	130,921	134,792	135,617
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	68,187	69,446	69,616	68,657	16,745	17,054	17,092	16,844
7	Non-operational deposits (all counterparties) ²	163,645	171,099	176,783	179,744	95,466	100,647	104,556	106,134
8	Unsecured debt	13,082	13,220	13,144	12,639	13,082	13,220	13,144	12,639
9	Secured wholesale funding					68,792	64,280	61,029	58,184
10	Additional requirements, of which:	181,190	182,304	183,099	184,022	54,569	54,811	54,250	52,671
11	Outflows related to derivative exposures and other collateral requirements	23,022	22,217	21,188	19,670	18,744	18,584	17,976	16,877
12	Outflows related to loss of funding on debt products	4,424	5,019	4,999	5,410	4,424	5,019	4,999	5,410
13	Credit and liquidity facilities	153,744	155,068	156,912	158,942	31,401	31,208	31,275	30,384
14	Other contractual funding obligations	6,622	6,919	7,406	6,972	5,786	6,083	6,568	6,174
15	Other contingent funding obligations	208,758	208,221	201,650	188,575	6,928	7,047	7,133	6,995
16	Total cash outflows					284,150	286,577	287,558	283,445
Cash inflows									
17	Secured lending (e.g. reverse repos)	639,680	623,295	614,917	602,847	69,494	66,007	64,141	60,783
18	Inflows from fully performing exposures	13,320	14,252	13,955	13,508	9,751	10,329	9,968	9,263
19	Other cash inflows ³	11,917	11,920	12,010	12,354	7,071	6,915	6,939	7,343
UK-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					—	—	—	—
UK-19b	(Excess inflows from a related specialised credit institution)					—	—	—	—
20	Total cash inflows	664,917	649,467	640,882	628,709	86,316	83,251	81,048	77,389
UK-20a	Fully exempt inflows	—	—	—	—	—	—	—	—
UK-20b	Inflows subject to 90% cap	—	—	—	—	—	—	—	—
UK-20c	Inflows subject to 75% cap	555,226	539,187	528,677	513,794	86,316	83,251	81,048	77,389
UK-21	Liquidity buffer					313,477	319,310	322,981	320,450
22	Total net cash outflows					197,835	203,326	206,510	206,056
23	Liquidity coverage ratio (%) (average)					159%	157%	157%	156%

Notes

- The Liquidity Coverage Ratio is computed as a trailing average of the last 12 month-end ratios.
- Non-operational deposits in row 7 also includes excess operational deposits as defined in the PRA Rulebook (Liquidity Coverage Ratio - CRR) Article 27(4).
- Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there is transfer restrictions or which are denominated in non-convertible currencies.

Table 9: LIQ1 - Liquidity Coverage Ratio (continued)

The trailing 12 month-end average LCR to 30 September 2023 increased to 159% (June 2023: 157%) above the 100% regulatory requirement. The decrease in net cash outflows is driven by a decrease in non-operational deposit balances and lower business consumption.

The composition of the liquidity pool is subject to limits set by the Board and the independent liquidity risk, credit risk and market risk functions. In addition, the investment of the liquidity pool is monitored for concentration risk by issuer, currency and asset type. Given the returns generated by these highly liquid assets, the risk and reward profile is continuously managed. As at 30 September 2023, 65% (December 2022: 60%) of the liquidity pool was located in Barclays Bank PLC, 20% (December 2022: 25%) in Barclays Bank UK Group and 9% (December 2022: 9%) in Barclays Bank Ireland PLC. The residual portion of the liquidity pool is held outside of these entities, predominantly in the US subsidiaries, to meet entity-specific stress outflows and local regulatory requirements. To the extent the use of this portion of the liquidity pool is restricted due to local regulatory requirements, it is assumed to be unavailable to the rest of the Group in calculating the LCR.

The strong deposit franchises in Barclays Bank PLC and Barclays Bank UK Group are primary funding sources for Barclays Group. The Group expects to continue issuing public wholesale debt from Barclays PLC (the Parent company), in order to maintain compliance with indicative MREL requirements and maintain a stable and diverse funding base by type, currency and market. Barclays Bank PLC continued to issue in the shorter-term markets and maintain active medium-term note programmes. Barclays Bank UK Group continued to issue in the shorter-term markets and maintain active secured funding programmes. This funding capacity enables the respective entities to maintain its stable and diversified funding base.

Barclays Bank PLC and Barclays Bank UK Group also supports various central bank monetary initiatives, such as the Bank of England's Term Funding Scheme with additional incentives for SMEs (TFSME), and the European Central Bank's Targeted Long-Term Refinancing Operations (TLTRO). These are reported under 'repurchase agreements and other similar secured borrowing' on the balance sheet.