



Barclays Bank PLC
Pillar 3 Report
31 December 2023



Contents

Introduction

Notes on Basis of Preparation and Forward-looking statements	02
--	----

Risk and capital position review

Analysis of treasury and capital risk	05
---------------------------------------	----

Analysis of credit risk	23
-------------------------	----

Barclays' approach to managing risks

Management of credit risk mitigation techniques and counterparty credit risk	39
--	----

Management of treasury and capital risk	42
---	----

Appendices

Appendix A – Countercyclical capital buffer	47
---	----

Appendix B – Disclosure on remuneration	50
---	----

Notes on Basis of Preparation

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 available at home.barclays/investor-relations/reports-and-events.

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 Barclays Bank PLC. Barclays Bank PLC 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 Barclays Bank PLC (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 Barclays Bank PLC's future financial position, business strategy, income levels, costs, assets and liabilities, impairment charges, provisions, capital leverage and other regulatory ratios, capital distributions (including policy on dividends 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), 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, regulations, governmental and regulatory policies, expectations and actions, voluntary codes of practices and the interpretation thereof, changes in International Financial Reporting Standards 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; Barclays Bank PLC'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, pandemics and similar events beyond Barclays Bank PLC's control; the impact of competition in the banking and financial services industry; capital, liquidity, leverage and other regulatory rules and requirements 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; reforms to benchmark interest rates and indices; higher or lower asset valuations; changes in credit ratings of any entity within Barclays Bank PLC or any securities issued by it; changes in counterparty risk; changes in consumer behaviour; the direct and indirect consequences of the conflicts in Ukraine and the Middle East on European and global macroeconomic conditions, political stability and financial markets; political elections; developments in the UK's relationship with the European Union (EU); the risk of cyberattacks, information or security breaches, technology failures or other operational disruptions and any subsequent impacts on Barclays Bank PLC's reputation, business or operations; Barclays Bank PLC's ability to access funding; and the success of acquisitions, disposals and other strategic transactions. A number of these factors are beyond Barclays Bank PLC's control. As a result, Barclays Bank PLC'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 Barclays Bank PLC's forward-looking statements. Additional risks and factors which may impact Barclays Bank PLC's future financial condition and performance are identified in Barclays Bank PLC's filings with the SEC (including without limitation Barclays Bank PLC's Annual Report on Form 20-F for financial year ended 31 December 2023), which is available on the SEC's website at sec.gov.

Subject to Barclays Bank Group'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.

Notes on Basis of Preparation (continued)

Disclosure background

Barclays Bank PLC is a wholly-owned subsidiary of Barclays PLC and is the non ring-fenced bank within the Barclays PLC Group.

Barclays Bank PLC Pillar 3 disclosures complement those disclosed in the Barclays Bank PLC 2023 Annual Report and provide additional information about Barclays Bank PLC's risk profile, including its regulatory capital, risk weighted assets, liquidity and leverage exposures.

Barclays Bank PLC capital requirements are set by the Prudential Regulation Authority (PRA) at a solo-consolidated level. Barclays Bank PLC solo-consolidated comprises Barclays Bank PLC, the parent, plus certain additional subsidiaries, whose inclusion within the consolidation is subject to PRA approval. The disclosures provided in this document for Barclays Bank PLC are based on this regulatory scope of consolidation. This differs from the accounting disclosures, where Barclays Bank PLC Group refers to Barclays Bank PLC, the parent, and all its subsidiaries.

For the purpose of liquidity management, Barclays Bank PLC and its subsidiary Barclays Capital Securities Limited, a UK broker dealer entity, are monitored on a combined basis by the PRA under a Domestic Liquidity Sub-Group (Barclays Bank PLC DoLSub) arrangement ('DoLSub'). The liquidity disclosures (Liquidity Coverage Ratio and Net Stable Funding Ratio) provided in this document for Barclays Bank PLC are based on this regulatory scope of consolidation, unless otherwise specified.

On 20 December 2022, the PRA granted permission for leverage minimum requirements to be set at the sub-consolidated level for Barclays Bank PLC effective from 1 January 2023 replacing the individual requirement that was due to become effective at that time. The sub-consolidated group represents the Barclays Bank Group on a regulatory scope of consolidation subject to PRA approval. As a result, the Barclays Bank PLC leverage disclosures contained within this document are presented on both the Barclays Bank PLC solo-consolidated and Barclays Bank PLC sub-consolidated basis. Capital and RWA disclosure requirements remain set at the Barclays Bank PLC solo-consolidated level.

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 PRA via the PRA Rulebook.

References to CRR, as amended by CRR II, mean the capital regulatory requirements, as they form part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended.

The terms Risk Weighted Asset (RWA) and Risk Weighted Exposure Amount (RWEA) are used interchangeably throughout the document.

The disclosures included in this report reflect Barclays Bank PLC's (the Bank's) interpretation of the current rules and guidance. The term Barclays refers to either Barclays PLC (BPLC) or, depending on the context, the Barclays Group. The term Barclays Group (the Group) refers to BPLC together with its subsidiaries.

Future regulatory changes

On 30 November 2022, the PRA published its consultation paper 'Implementation of the Basel 3.1 standards', which covers the remaining parts of the Basel III standards to be implemented in the UK.

On 27 September 2023, the PRA announced their intention to move the final Basel 3.1 standards implementation date by six months to 1 July 2025 and to reduce the transitional period to 4.5 years to ensure full implementation by 1 January 2030.

On 12 December 2023, the PRA published its Policy Statement 'Implementation of the Basel 3.1 standards near-final part 1' (PS17/23), which covers the Credit Valuation Adjustments (CVA), Counterparty Credit Risk (CCR), market risk and operational risk elements of the Basel 3.1 standards. A second near final policy statement is expected in Q2 2024 which will cover: credit risk - Standardised (SA) and Internal Ratings Based approach (IRB), Credit Risk Mitigation (CRM), output floor, reporting and disclosure.

Notes on Basis of Preparation

Presentation of risk data in the Pillar 3 disclosures versus the Annual Report and Accounts

This document discloses Barclays Bank PLC's assets in terms of exposures and capital requirements. For the purposes of this document:

Credit losses

Where credit impairment or losses are disclosed within this document, Barclays Bank PLC has followed the IFRS definitions used in the Annual Report.

Scope of application

Where this document discloses credit exposures or capital requirements, Barclays Bank PLC has followed the scope and application of its Pillar 1 capital adequacy calculations (unless noted otherwise).

Definition of credit exposures

- Credit exposure, or 'Exposure at Default' (EAD) is defined as the estimate of the amount at risk in the event of a default (before any recoveries) or through the decline in value of an asset. This estimate takes account of contractual commitments related to undrawn amounts
- In contrast, an asset on the Barclays Bank PLC's balance sheet is reported as a drawn balance only. This is one of the reasons why exposure values in the Pillar 3 report differ from asset values as reported in the Barclays Bank PLC 2023 Annual Report.

Analysis of treasury and capital risk

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.

KM1 ref		As at	As at	As at	As at	As at
		31.12.23	30.09.23	30.06.23	31.03.23	31.12.22
		€m	€m	€m	€m	€m
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital ^a	25,470	26,129	25,607	25,552	25,907
1a	Fully loaded common Equity Tier 1 (CET1) capital ^b	25,450	26,105	25,581	25,494	25,571
2	Tier 1 capital ^a	33,864	33,082	34,546	34,440	34,139
2a	Fully loaded tier 1 capital ^b	33,844	33,058	34,520	34,381	33,802
3	Total capital ^{a,c}	40,530	39,349	41,068	41,248	42,321
3a	Fully loaded total capital ^{b,d}	39,981	38,796	40,474	40,301	41,092
Risk-weighted exposure amounts						
4	Total risk-weighted exposure amount ^a	211,193	206,569	204,351	200,088	203,833
4a	Fully loaded total risk-weighted exposure amount ^b	211,173	206,542	204,325	200,029	203,531
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%) ^a	12.1%	12.6%	12.5%	12.8%	12.7%
5a	Fully loaded common Equity Tier 1 ratio (%) ^b	12.1%	12.6%	12.5%	12.7%	12.6%
6	Tier 1 ratio (%) ^a	16.0%	16.0%	16.9%	17.2%	16.7%
6a	Fully loaded tier 1 ratio (%) ^b	16.0%	16.0%	16.9%	17.2%	16.6%
7	Total capital ratio (%) ^{a,c}	19.2%	19.0%	20.1%	20.6%	20.8%
7a	Fully loaded total capital ratio (%) ^{b,d}	18.9%	18.8%	19.8%	20.1%	20.2%
Additional own funds requirements based on SREP						
UK 7a	Additional CET1 SREP requirements (%)	2.9%	2.5%	2.5%	2.5%	2.5%
UK 7b	Additional AT1 SREP requirements (%)	1.0%	0.8%	0.8%	0.8%	0.8%
UK 7c	Additional T2 SREP requirements (%)	1.3%	1.1%	1.1%	1.1%	1.1%
UK 7d	Total SREP own funds requirements (%)	13.1%	12.5%	12.5%	12.5%	12.5%
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 (%)	0.7%	0.7%	0.4%	0.4%	0.3%
11	Combined buffer requirement (%)	3.2%	3.2%	2.9%	2.9%	2.8%
UK 11a	Overall capital requirements (%)	16.3%	15.7%	15.4%	15.4%	15.3%
12	CET1 available after meeting the total SREP own funds requirements (%)	4.7%	5.6%	5.5%	5.7%	5.7%

Notes

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

The CET1 ratio decreased to 12.1% (December 2022: 12.7%) as RWAs increased by €7.4bn to €211.2bn and CET1 capital decreased by €0.4bn to €25.5bn:

- c.140bps increase from attributable profit generated in the year
- c.120bps decrease driven by interim dividends as well as an accrual towards the full year dividends
- c.10bps decrease from other capital movements, including the impact of a regulatory capital change on 1 January 2023 relating to IFRS9 transitional relief and movements in other regulatory capital deductions
- c.80bps decrease as a result of a €12.7bn increase in RWAs primarily driven by increased trading activity within the Corporate and Investment Bank (CIB)
- A €5.3bn decrease in RWAs as a result of foreign exchange movements due to the strengthening of GBP against USD was offset by a €0.6bn decrease in CET1 capital due to a decrease in the currency translation reserve

Analysis of treasury and capital risk (continued)

Table 1: KM1 - Key metrics - Part 2

KM1 ref	As at	As at	As at	As at	As at	
	31.12.23	30.09.23	30.06.23	31.03.23	31.12.22	
	€m	€m	€m	€m	€m	
Leverage ratio						
Barclays Bank PLC sub-consolidated group^a						
13	Total exposure measure excluding claims on central banks ^b	924,826	955,650	937,242	925,303	
14	Leverage ratio excluding claims on central banks (%) ^{b,d}	6.0%	5.6%	5.9%	6.0%	
Additional leverage ratio disclosure requirements						
UK 14a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%) ^c	6.0%	5.6%	5.9%	6.0%	
UK 14b	Leverage ratio including claims on central banks (%) ^b	4.9%	4.5%	4.8%	4.8%	
UK 14c	Average leverage ratio excluding claims on central banks (%) ^{b,e}	5.4%	5.2%	5.4%	5.5%	
UK 14d	Average leverage ratio including claims on central banks (%) ^{b,e}	4.5%	4.3%	4.6%	4.5%	
UK 14e	Countercyclical leverage ratio buffer (%)	0.2%	0.2%	0.1%	0.1%	
Barclays Bank PLC solo-consolidated						
13	Total exposure measure excluding claims on central banks ^b	785,494	802,919	790,000	780,630	742,730
14	Leverage ratio excluding claims on central banks (%) ^b	4.3%	4.1%	4.4%	4.4%	4.6%
Additional leverage ratio disclosure requirements						
UK 14a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%) ^c	4.3%	4.1%	4.4%	4.4%	4.6%
UK 14b	Leverage ratio including claims on central banks (%) ^b	3.6%	3.3%	3.5%	3.5%	3.7%
Liquidity Coverage Ratio^f						
15	Total high-quality liquid assets (HQLA) (Weighted value)	210,787	211,673	212,767	211,630	205,518
UK 16a	Cash outflows - Total weighted value	245,582	244,891	245,648	247,108	241,940
UK 16b	Cash inflows - Total weighted value	105,530	101,268	96,466	93,170	88,399
16	Total net cash outflows (adjusted value)	140,053	143,623	149,182	153,938	153,542
17	Liquidity coverage ratio (%)	151%	148%	143%	138%	134%
Net Stable Funding Ratio^g						
18	Total available stable funding	338,765	329,589	322,872	316,651	309,676
19	Total required stable funding	307,648	301,474	297,393	291,982	288,035
20	NSFR ratio (%)	110%	109%	109%	108%	108%

Notes

- a. The fully loaded Barclays Bank PLC solo-consolidated and Barclays Bank PLC sub-consolidated CET1 ratios, as are relevant for assessing against the conversion triggers in Barclays Bank PLC Additional Tier 1 (AT1) securities (all of which are held by Barclays PLC), were 12.1% and 16.4% respectively calculated without applying the transitional arrangements of the CRR as amended by CRR II.
- b. Transitional UK leverage ratios are calculated applying the IFRS 9 transitional arrangements of the CRR as amended by CRR II.
- c. Fully loaded UK leverage ratio is calculated without applying the transitional arrangements of the CRR as amended by CRR II.
- d. Although the leverage ratio is expressed in terms of T1 capital, 75% of the minimum requirement and countercyclical leverage ratio buffer (CCLB) must be covered solely with CET1 capital. The CET1 capital held against the 0.2% CCLB was €1.8bn.
- e. Average UK leverage ratio uses capital based on the last day of each month in the quarter and an exposure measure for each day in the quarter.
- f. Liquidity coverage ratio computed as a trailing average of 12 month-end observations to the reporting date.
- g. Net Stable Funding Ratio is computed as a trailing average of the last four spot quarter end positions.

The Barclays Bank PLC sub-consolidated group UK Leverage ratio increased to 6.0% in the quarter (September 2023: 5.6%). This was driven by a €1.9bn increase in T1 capital to €55.6bn (Sep 2023: €53.7bn) primarily due to a new AT1 instrument issued and a €30.8bn decrease in exposures to €924.8bn (Sep 2023: €955.6bn) mainly driven by lower trading activity.

Analysis of treasury and capital risk (continued)

Table 2: CC1 – Composition of regulatory own funds

This table shows the components of regulatory capital presented on both a transitional and fully loaded basis.

	Ref†	As at 31.12.23	As at 31.12.23	As at 31.12.22	As at 31.12.22
		Transitional Position	Fully Loaded Position	Transitional Position	Fully Loaded Position
		£m	£m	£m	£m
Common Equity Tier 1 (CET1) capital: instruments and reserves					
1	a	2,343	2,343	2,343	2,343
		<i>of which called up share capital and share premium</i>	<i>2,343</i>	<i>2,343</i>	<i>2,343</i>
2	b	39,821	39,821	39,318	39,318
3	c	(6,210)	(6,210)	(6,705)	(6,705)
UK-5a	b	1,068	1,068	1,203	1,203
6		37,022	37,022	36,159	36,159
Common Equity Tier 1 (CET1) capital: regulatory adjustments					
7		(1,406)	(1,406)	(1,260)	(1,260)
8	d, e, f, g	(104)	(104)	(107)	(107)
10					
	h	(1,210)	(1,210)	(1,198)	(1,198)
11	i	2,697	2,697	5,180	5,180
12		(144)	(144)	(45)	(45)
14	j	120	120	(623)	(623)
15	k, g	(2,609)	(2,609)	(3,382)	(3,382)
19					
		(8,165)	(8,166)	(8,144)	(8,167)
22		(744)	(750)	(902)	(985)
23		(560)	(564)	(658)	(709)
25		(184)	(186)	(244)	(276)
27a		13	—	229	(1)
28		(11,552)	(11,572)	(10,252)	(10,588)
29		25,470	25,450	25,907	25,571

Notes

† The references (a) – (m) identify balance sheet components in Table 3: CC2 – Reconciliation of regulatory capital to balance sheet on page 10 which is used in the calculation of regulatory capital.

a. Comparatives have been restated to include the pension rereasurement reserve within accumulated other comprehensive income (row 3). The reserve was previously disclosed in retained earnings (row 2).

b. Deferred tax liabilities on intangible assets and pension fund assets are included as either a negative component of the deferred tax asset or a deferred tax liability on the balance sheet depending on the net deferred tax position of the bank at the time of reporting.

c. Other regulatory adjustments to CET1 capital includes IFRS 9 transitional adjustment, of which modified £13m.

Analysis of treasury and capital risk (continued)

Table 2: CC1 – Composition of regulatory own funds – continued

	Ref ^t	As at 31.12.23	As at 31.12.23	As at 31.12.22	As at 31.12.22
		Transitional Position	Fully Loaded Position	Transitional Position	Fully Loaded Position
		€m	€m	€m	€m
Additional Tier 1 (AT1) capital: instruments					
30		10,765	10,765	10,691	10,691
31		10,765	10,765	10,691	10,691
of which: classified as equity under applicable accounting standards					
36		10,765	10,765	10,691	10,691
Additional Tier 1 (AT1) capital before regulatory adjustments					
Additional Tier 1 (AT1) capital: regulatory adjustments					
40		(2,371)	(2,371)	(2,459)	(2,459)
Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions)					
43		(2,371)	(2,371)	(2,459)	(2,459)
Total regulatory adjustments to Additional Tier 1 (AT1) capital					
44		8,394	8,394	8,232	8,232
Additional Tier 1 (AT1) capital					
45		33,864	33,844	34,139	33,803
Tier 1 capital (T1 = CET1 + AT1)					
Tier 2 (T2) capital: instruments					
46	m	9,805	9,805	11,052	11,052
Capital instruments and the related share premium accounts					
UK-47b		529	—	911	—
Amount of qualifying items referred to in Article 494b (2) CRR subject to phase out from T2					
50		47	47	1	20
Credit risk adjustments					
51		10,381	9,852	11,964	11,072
Tier 2 (T2) capital before regulatory adjustments					
Tier 2 (T2) capital: regulatory adjustments					
52		(160)	(160)	(160)	(160)
Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans					
55		(3,555)	(3,555)	(3,622)	(3,622)
Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions)					
57		(3,715)	(3,715)	(3,782)	(3,782)
Total regulatory adjustments to Tier 2 (T2) capital					
58		6,666	6,137	8,182	7,290
Tier 2 (T2) capital					
59		40,530	39,981	42,321	41,093
Total capital (TC = T1 + T2)					
60		211,193	211,173	203,833	203,531
Total Risk exposure amount					
Capital ratios and buffers					
61		12.1%	12.1%	12.7%	12.6%
Common Equity Tier 1 (as a percentage of total risk exposure amount)					
62		16.0%	16.0%	16.7%	16.6%
Tier 1 (as a percentage of total risk exposure amount)					
63		19.2%	18.9%	20.8%	20.2%
Total capital (as a percentage of total risk exposure amount)					
64		10.5%	10.5%	9.9%	9.9%
Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)					
65		2.5%	2.5%	2.5%	2.5%
of which: capital conservation buffer requirement					
66		0.7%	0.7%	0.3%	0.3%
of which: countercyclical buffer requirement					
68		4.7%	4.7%	5.7%	5.5%
Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)					
Amounts below the thresholds for deduction (before risk weighting)					
72		3,438	3,437	1,943	1,943
Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)					
73		2,877	2,872	2,837	2,763
Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)					
75		942	946	1,050	1,073
Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)					
Applicable caps on the inclusions of provisions in Tier 2					
78		47	47	1	20
Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)					
79		437	437	466	466
Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach					

Analysis of treasury and capital risk (continued)

Table 3: CC2 – Reconciliation of regulatory own funds to balance sheet in the audited financial statements

These tables show the reconciliation between the balance sheet prepared for statutory and regulatory scope of consolidation. The amount shown under the regulatory scope of consolidation is not a RWA measure; it is based on an accounting measure and cannot be directly reconciled to other tables in this report.

As at 31 December 2023	Ref†	Balance sheet as in published financial statements	Under regulatory scope of consolidation
		€m	€m
Assets			
1		153,701	153,701
2		75,271	75,138
3		15,308	15,308
4		227,131	228,115
5		33,576	33,576
6		6,876	6,876
7		112,654	112,654
8		263,960	263,468
9		225,301	225,301
10		50,381	50,381
11	e	19,117	13,116
12		104	104
13	d	95	95
14	f	9	9
15		117	117
16		719	719
17	g, h	2,509	2,509
18	k	3,621	3,621
19		3,392	3,392
20 Total assets		1,193,738	1,188,096
Liabilities			
1		13,616	8,077
2		333,687	333,687
3		58,292	58,159
4		43,951	43,951
5		24,833	24,833
6	m	35,237	35,237
7		50,995	50,995
8		351,945	351,454
9		221,365	221,365
10		331	370
11	g	2	2
12		71	71
13		477	477
14		5,708	5,710
15 Total liabilities		1,140,510	1,134,388
Equity			
1		2,348	2,348
2	a	2,343	2,343
3	l	15,472	15,472
4	c, i, j	(3,209)	(3,217)
5	b	38,617	39,105
6		53,228	53,708
7		—	—
8 Total equity		53,228	53,708
9 Total liabilities and equity		1,193,738	1,188,096

Notes

† The references (a) – (m) identify balance sheet components that are used in the calculation of regulatory capital in Table 7: Composition of regulatory capital on page 17.

Analysis of treasury and capital risk (continued)

Table 4: IFRS 9^a – Comparison of institution's own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs

	As at 31.12.23	As at 30.09.23	As at 30.06.23	As at 31.03.23	As at 31.12.22
	£m	£m	£m	£m	£m
Available capital (amounts)					
1 CET1 capital ^b	25,470	26,129	25,607	25,552	25,907
2 CET1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	25,450	26,105	25,581	25,494	25,571
3 Tier 1 capital ^b	33,864	33,082	34,546	34,440	34,139
4 Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	33,844	33,058	34,520	34,381	33,802
5 Total capital ^{a,c}	40,530	39,349	41,068	41,248	42,321
6 Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	40,510	39,325	41,042	41,190	42,004
Risk-weighted assets (amounts)					
7 Total risk-weighted assets ^b	211,193	206,569	204,351	200,088	203,833
8 Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	211,173	206,542	204,325	200,029	203,531
Capital ratios					
9 CET1 (as a percentage of risk exposure amount) ^b	12.1%	12.6%	12.5%	12.8%	12.7%
10 CET1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	12.1%	12.6%	12.5%	12.7%	12.6%
11 Tier 1 (as a percentage of risk exposure amount) ^b	16.0%	16.0%	16.9%	17.2%	16.7%
12 Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	16.0%	16.0%	16.9%	17.2%	16.6%
13 Total capital (as a percentage of risk exposure amount) ^{b,c}	19.2%	19.0%	20.1%	20.6%	20.8%
14 Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	19.2%	19.0%	20.1%	20.6%	20.6%
Leverage ratio					
Barclays Bank PLC sub-consolidated group					
15 Leverage ratio total exposure measure	924,826	955,650	937,242	925,303	
16 Leverage ratio ^b	6.0 %	5.6%	5.9%	6.0%	
17 Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	6.0 %	5.6%	5.9%	6.0%	
Barclays Bank PLC solo-consolidated					
15 Leverage ratio total exposure measure	785,494	802,919	790,000	780,630	742,730
16 Leverage ratio ^b	4.3%	4.1%	4.4%	4.4%	4.6%
17 Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	4.3%	4.1%	4.4%	4.4%	4.6%

Notes

- a. From 1 January 2018, Barclays Bank PLC 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 five 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 five year period with 75% applicable for 2022; 50% for 2023; 25% for 2024 and with no transitional relief from 2025.
- b. Transitional CET1 capital, RWAs and leverage ratio are calculated applying the IFRS 9 transitional arrangements of the CRR as amended by CRR II.
- c. Total capital is calculated applying the grandfathering of CRR II non-compliant capital instruments included within Tier 2 capital.

Analysis of treasury and capital risk (continued)

Table 5: RWAs by risk type

This table shows RWAs by business and risk type.

	Credit risk ^a		Counterparty credit risk				Market risk		Operational risk	Total RWAs
	Std £m	AIRB £m	Std £m	AIRB £m	Settlement risk £m	CVA £m	Std £m	IMA £m		
As at 31 December 2023										
Barclays Bank PLC	50,854	65,173	17,976	16,743	67	2,510	7,979	29,031	20,860	211,193
As at 31 December 2022										
Barclays Bank PLC	48,895	71,435	15,484	15,831	53	2,465	8,241	21,401	20,028	203,833

Note

a. In Q3 2023, credit risk RWAs of £2.5bn relating to Deferred Tax Assets (DTAs) have been reclassified from the Internal Ratings Based (IRB) approach to the Standardised (STD) approach with no impact to total RWAs.

Analysis of treasury and capital risk (continued)

Table 6: 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 31.12.2023	As at 30.09.2023	As at 31.12.2022	As at 31.12.2023	As at 30.09.2023	As at 31.12.2022
		€m	€m	€m	€m	€m	€m
1	Credit risk (excluding CCR) ^a	99,934	100,581	105,321	7,994	8,046	8,426
2	Of which the standardised approach	43,812	42,724	43,489	3,505	3,418	3,480
3	Of which the foundation IRB (FIRB) approach	—	—	—	—	—	—
4	Of which: slotting approach	3,580	3,905	4,292	286	312	343
UK 4a	Of which: equities under the simple risk weight approach	—	—	—	—	—	—
5	Of which the advanced IRB (AIRB) approach	52,542	53,952	57,540	4,203	4,316	4,603
6	Counterparty credit risk - CCR	37,163	34,582	33,746	2,973	2,766	2,700
7	Of which the standardised approach	3,322	3,541	3,832	266	283	307
8	Of which internal model method (IMM)	23,212	22,514	21,075	1,857	1,801	1,686
UK 8a	Of which exposures to a CCP	942	1,176	865	75	94	69
UK 8b	Of which credit valuation adjustment - CVA	2,510	2,140	2,465	201	171	197
9	Of which other CCR	7,177	5,211	5,509	574	417	441
15	Settlement risk	67	135	53	5	11	4
16	Securitisation exposures in the non-trading book (after the cap)	16,159	15,021	15,043	1,293	1,202	1,203
17	Of which SEC-IRBA approach	9,051	8,996	9,603	724	720	768
18	Of which SEC-ERBA (including IAA)	1,956	1,956	1,849	157	157	148
19	Of which SEC-SA approach	5,101	4,054	3,586	408	324	287
UK 19a	Of which 1250%/ deduction	51	15	5	4	1	—
20	Position, foreign exchange and commodities risks (Market risk)	37,010	36,179	29,642	2,961	2,894	2,371
21	Of which the standardised approach	7,979	8,981	8,241	639	718	659
22	Of which IMA	29,031	27,198	21,401	2,322	2,176	1,712
23	Operational risk	20,860	20,071	20,028	1,669	1,606	1,602
UK 23b	Of which standardised approach	20,860	20,071	20,028	1,669	1,606	1,602
24	Amounts below the thresholds for deduction (subject to 250% risk weight) (For information only)	9,553	9,834	9,712	764	787	777
29	Total	211,193	206,569	203,833	16,895	16,525	16,306

Note

a. In Q3'23 Credit risk RWAs of €2.5bn relating to DTAs were reclassified from IRB to STD with no impact to total RWAs.

Overall RWAs increased by €4.6bn to €211.2bn in the quarter (September 2023: €206.6bn) primarily due to:

- Counterparty credit risk RWAs increased by €2.6bn to €37.2bn primarily driven by a change in treatment of certain Securities Financing Transaction (SFT) collateral
- Securitisation RWAs increased by €1.1bn to €16.2bn primarily driven by an increase in business activities

Analysis of treasury and capital risk (continued)

Table 7: CR8 – RWEA flow statements of credit risk exposures under the advanced IRB approach

The total in this table shows the contribution of credit risk RWAs under the AIRB approach excluding Securitisation and non-credit obligation assets and hence will not directly reconcile to the credit risk AIRB RWAs in table 5.

	Three months ended 31.12.2023	Twelve months ended 31.12.2023
	£m	£m
1 Risk weighted exposure amount as at the end of the previous reporting period	56,720	57,776
2 Asset size	(2,321)	(4,150)
3 Asset quality	66	419
4 Model updates	—	—
5 Methodology and policy	126	1,345
6 Acquisitions and disposals	—	—
7 Foreign exchange movements	(1,362)	(2,161)
8 Other	—	—
9 Risk weighted exposure amount as at the end of the reporting period	53,229	53,229

Advanced credit risk RWAs decreased by £3.5bn to £53.2bn in the quarter (September 2023 : £56.7bn) driven by:

- A £2.3bn decrease in asset size primarily driven by a reduction in business activities within CIB
- A £1.4bn decrease as a result of foreign exchange movements primarily due to the strengthening of GBP against USD

Advanced credit risk RWAs decreased by £4.5bn to £53.2bn in the year (December 2022 : £57.8bn) driven by:

- A £4.2bn decrease in asset size primarily driven by a reduction in business activities within CIB
- A £1.3bn increase in methodology and policy primarily driven by recalibration of the post model adjustment (PMA) introduced to address the IRB roadmap changes
- A £2.2bn decrease as a result of foreign exchange movements primarily due to the strengthening of GBP against USD

Table 8: CCR7– RWEA flow statements of CCR exposures under the IMM

The total in this table shows the contribution of IMM exposures to CCR RWAs (under both STD and AIRB) in table 5. RWEA changes due to IRB models are now included in 'Credit quality of counterparties'.

	Three months ended 31.12.2023	Twelve months ended 31.12.2023
	£m	£m
1 Risk weighted exposure amount as at the end of the previous reporting period	22,514	21,075
2 Asset size	1,317	2,446
3 Credit quality of counterparties	(28)	483
4 Model updates (IMM only)	—	—
5 Methodology and policy (IMM only)	—	—
6 Acquisitions and disposals	—	—
7 Foreign exchange movements	(591)	(792)
8 Other	—	—
9 Risk weighted exposure amount as at the end of the reporting period	23,212	23,212

IMM RWAs increased by £0.7bn to £23.2bn in the quarter (September 2023: £22.5bn) primarily driven by increased trading activity in CIB, partially offset by foreign exchange movements due to the strengthening of GBP against USD.

IMM RWAs increased by £2.1bn to £23.2bn in the year (December 2022: £21.1bn) primarily driven by increased trading activity in CIB, partially offset by foreign exchange movements due to the strengthening of GBP against USD.

Analysis of treasury and capital risk (continued)

Table 9: MR2-B – RWA flow statements of market risk exposures under the IMA

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

Three month ended 31.12.2023						
	VaR	SVaR	IRC	Other	Total RWEAs	Total own funds requirements
	£m	£m	£m	£m	£m	£m
1 RWAs at previous period end	5,030	13,988	5,247	2,933	27,198	2,176
1a Regulatory adjustment ^a	(2,780)	(1,609)	—	—	(4,389)	(351)
1b RWAs at the previous quarter-end (end of the day)	2,250	12,379	5,247	2,933	22,809	1,825
2 Movement in risk levels	(506)	(4,949)	1,078	802	(3,575)	(286)
3 Model updates/changes	(54)	(87)	—	—	(141)	(12)
4 Methodology and policy	—	—	—	—	—	—
5 Acquisitions and disposals	—	—	—	—	—	—
6 Foreign exchange movements	—	—	—	—	—	—
7 Other	—	—	—	—	—	—
8a RWAs at the end of the reporting period (end of the day)	1,690	7,343	6,325	3,735	19,093	1,527
8b Regulatory adjustment ^b	2,409	7,529	—	—	9,938	795
8 RWAs at the end of the disclosure period	4,099	14,872	6,325	3,735	29,031	2,322

Notes

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

b. 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 by £1.8bn to £29.0bn in the quarter (September 2023: £27.2bn) primarily driven by IRC and SVaR.

Twelve month ended 31.12.2023						
	VaR	SVaR	IRC	Other	Total RWEAs	Total own funds requirements
	£m	£m	£m	£m	£m	£m
1 RWAs at previous period end	6,207	9,575	2,786	2,833	21,401	1,712
1a Regulatory adjustment ^a	(3,496)	(4,438)	(33)	—	(7,967)	(637)
1b RWAs at the previous quarter-end (end of the day)	2,711	5,137	2,753	2,833	13,434	1,075
2 Movement in risk levels	(967)	2,293	3,572	902	5,800	464
3 Model updates/changes	(54)	(87)	—	—	(141)	(12)
4 Methodology and policy	—	—	—	—	—	—
5 Acquisitions and disposals	—	—	—	—	—	—
6 Foreign exchange movements	—	—	—	—	—	—
7 Other	—	—	—	—	—	—
8a RWAs at the end of the reporting period (end of the day)	1,690	7,343	6,325	3,735	19,093	1,527
8b Regulatory adjustment ^b	2,409	7,529	—	—	9,938	795
8 RWAs at the end of the disclosure period	4,099	14,872	6,325	3,735	29,031	2,322

Notes

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

b. 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 by £7.6bn to £29.0bn in the year (December 2022: £21.4bn) primarily driven by SVaR and IRC partially offset by a reduction in VaR.

Analysis of treasury and capital risk (continued)

Leverage ratio and exposures

The following leverage tables show the components of the leverage ratio using the UK leverage ratio framework (UKLRF) definition for leverage exposure and Tier 1 capital.

Table 10: LR1 - Summary of reconciliation of accounting assets and leverage ratio exposures

Barclays Bank PLC sub-consolidated group ^{a,b}		As at 31 December 2023
		€m
1	Total assets as per published financial statements ^c	1,185,166
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	(9,120)
4	Adjustment for exemption of exposures to central banks	(198,621)
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	(23,818)
8	Adjustments for derivative financial instruments	(109,280)
9	Adjustment for securities financing transactions (SFTs)	24,578
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	119,861
11	Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	(2,163)
12	Other adjustments	(61,777)
13	Total exposure measure	924,826

Barclays Bank PLC solo-consolidated ^a		As at 31 December 2023	As at 31 December 2022
		€m	€m
1	Total assets as per published financial statements ^d	1,193,738	1,147,912
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	(5,642)	(3,525)
4	Adjustment for exemption of exposures to central banks	(162,728)	(180,846)
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	(9,096)	(10,763)
8	Adjustments for derivative financial instruments	(81,805)	(92,010)
9	Adjustment for securities financing transactions (SFTs)	38,946	45,734
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance	125,425	125,481
11	Adjustment for prudent valuation adjustments and specific and general provisions which have reduced	(1,704)	(1,570)
UK-11a	Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR	(252,344)	(236,619)
12	Other adjustments	(59,296)	(51,064)
13	Total exposure measure	785,494	742,730

Notes:

- Capital and leverage measures are calculated applying the IFRS 9 transitional arrangements of the CRR amended by CRR II.
- No comparatives are provided for Barclays Bank PLC sub-consolidated group given this is the first reporting year.
- The Barclays Bank PLC sub-consolidated group total assets represents the Barclays Bank Group total assets as published in page 170 of the Barclays Bank PLC Annual Report.
- The Barclays Bank PLC solo-consolidated total assets represents the Barclays Bank PLC parent company total assets as published in page 173 of the Barclays Bank PLC Annual Report.

Analysis of treasury and capital risk (continued)

Table 11: LR2 - Leverage ratio common disclosure

This table shows the leverage ratio calculation and includes additional breakdowns for the leverage exposure measure.

Barclays Bank PLC sub-consolidated ^{a,b}		As at 31 December 2023
		€m
On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	710,948
3	Deductions of receivables assets for cash variation margin provided in derivatives transactions	(34,501)
6	Asset amounts deducted in determining tier 1 capital (leverage)	(6,695)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	669,752
Derivative exposures		
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	48,292
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	105,020
10	Exempted CCP leg of client-cleared trade exposures (SA-CCR)	(45,301)
11	Adjusted effective notional amount of written credit derivatives	679,015
12	Adjusted effective notional offsets and add-on deductions for written credit derivatives	(662,521)
13	Total derivatives exposures	124,505
Securities financing transaction (SFT) exposures		
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	714,605
15	Netted amounts of cash payables and cash receivables of gross SFT assets	(529,669)
16	Counterparty credit risk exposure for SFT assets	24,811
18	Total securities financing transaction exposures	209,747
Other off-balance sheet exposures		
19	Off-balance sheet exposures at gross notional amount	355,283
20	Adjustments for conversion to credit equivalent amounts	(235,422)
21	General provisions deducted in determining tier 1 capital (leverage) and specific provisions associated with off-balance sheet exposures	(418)
22	Off-balance sheet exposures	119,443
Capital and total exposure measure		
23	Tier 1 capital (leverage)	55,560
24	Total exposure measure including claims on central banks	1,123,447
UK-24a	(-) Claims on central banks excluded	(198,621)
UK-24b	Total exposure measure excluding claims on central banks	924,826
Leverage ratio		
25	Leverage ratio excluding claims on central banks (%)	6.0%
UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	6.0%
UK-25c	Leverage ratio including claims on central banks (%)	4.9%
26	Regulatory minimum leverage ratio requirement (%)	3.3%
Additional leverage ratio disclosure requirements - leverage ratio buffers		
27	Leverage ratio buffer (%)	0.2%
UK-27b	Of which: countercyclical leverage ratio buffer (%)	0.2%
Additional leverage ratio disclosure requirements - disclosure of mean values		
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	256,591
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	184,936
UK-31	Average total exposure measure including claims on central banks	1,236,332
UK-32	Average total exposure measure excluding claims on central banks	1,022,824
UK-33	Average leverage ratio including claims on central banks	4.5%
UK-34	Average leverage ratio excluding claims on central banks	5.4%

Notes

a. Capital and leverage measures are calculated applying the IFRS 9 transitional arrangements of the CRR as amended by CRR II.

b. No comparatives are provided for Barclays Bank PLC sub-consolidated group given this is the first reporting year.

Analysis of treasury and capital risk (continued)

Table 11: LR2 - Leverage ratio common disclosure (continued)

Barclays Bank PLC solo-consolidated ^a		As at 31 December 2023	As at 31 December 2022
		€m	€m
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	720,958	662,392
3	Deductions of receivables assets for cash variation margin provided in derivatives transactions	(31,161)	(17,315)
6	Asset amounts deducted in determining tier 1 capital (leverage)	(16,741)	(17,268)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	673,056	627,809
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	41,531	48,183
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	92,987	111,821
10	Exempted CCP leg of client-cleared trade exposures (SA-CCR)	(21,067)	(27,378)
11	Adjusted effective notional amount of written credit derivatives	488,525	615,969
12	Adjusted effective notional offsets and add-on deductions for written credit derivatives	(471,279)	(599,638)
13	Total derivatives exposures	130,697	148,957
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	765,229	618,564
15	Netted amounts of cash payables and cash receivables of gross SFT assets	(532,721)	(407,354)
16	Counterparty credit risk exposure for SFT assets	39,179	47,048
18	Total securities financing transaction exposures	271,687	258,258
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	273,400	270,973
20	Adjustments for conversion to credit equivalent amounts	(147,976)	(145,492)
21	General provisions deducted in determining tier 1 capital (leverage) and specific provisions associated with off-balance sheet exposures	(298)	(310)
22	Off-balance sheet exposures	125,126	125,171
Excluded exposures			
UK-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) of the CRR)	(252,344)	(236,619)
UK-22k	(Total exempted exposures)	(252,344)	(236,619)
Capital and total exposure measure			
23	Tier 1 capital (leverage)	33,864	34,139
24	Total exposure measure including claims on central banks	948,222	923,576
UK-24a	(-) Claims on central banks excluded	(162,728)	(180,846)
UK-24b	Total exposure measure excluding claims on central banks	785,494	742,730
Leverage ratio			
25	Leverage ratio excluding claims on central banks (%)	4.3%	4.6%
UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	4.3%	4.6%
UK-25c	Leverage ratio including claims on central banks (%)	3.6%	3.7%

Note

a. Capital and leverage measures are calculated applying the IFRS 9 transitional arrangements of the CRR as amended by CRR II.

Analysis of treasury and capital risk (continued)

Table 12: LR3 - Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

The table shows a breakdown of the on-balance sheet exposures excluding derivatives, SFTs and exempted exposures, by regulatory asset class.

Barclays Bank PLC sub-consolidated group^{a,b}		As at 31 December 2023	
		£m	
UK-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	448,876	
UK-2	Trading book exposures	180,918	
UK-3	Banking book exposures, of which:	267,958	
UK-4	Covered bonds	1,024	
UK-5	Exposures treated as sovereigns	78,037	
UK-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	4,692	
UK-7	Institutions	10,451	
UK-8	Secured by mortgages of immovable properties	10,947	
UK-9	Retail exposures	29,699	
UK-10	Corporates	70,935	
UK-11	Exposures in default	2,092	
UK-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	60,081	

Barclays Bank PLC solo-consolidated^a		As at 31 December 2023	As at 31 December 2022
		£m	£m
UK-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	349,709	309,078
UK-2	Trading book exposures	116,017	87,351
UK-3	Banking book exposures, of which:	233,692	221,727
UK-4	Covered bonds	1,024	748
UK-5	Exposures treated as sovereigns	73,595	57,781
UK-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	4,347	5,258
UK-7	Institutions	13,774	13,490
UK-8	Secured by mortgages of immovable properties	6,763	7,337
UK-9	Retail exposures	1,440	758
UK-10	Corporates	60,884	68,648
UK-11	Exposures in default	1,244	1,523
UK-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	70,621	66,184

Notes

a. Capital and leverage measures are calculated applying the IFRS 9 transitional arrangements of the CRR as amended by CRR II.

b. No comparatives are provided for the Barclays Bank PLC sub-consolidated group given this is the first reporting year.

Analysis of treasury and capital risk (continued)

Table 13: LIQ1 - Liquidity coverage ratio

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

Liquidity coverage ratio (average)		Total unweighted value (average)				Total weighted value (average)			
		31.12.23	30.09.23	30.06.23	31.03.23	31.12.23	30.09.23	30.06.23	31.03.23
UK1a									
UK1b	Number of data points used in calculation of averages ^a	12	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)				210,787	211,673	212,767	211,630	
Cash outflows									
2	Retail deposits and deposits from small business customers, of which:	30,028	30,068	29,845	29,188	3,276	3,369	3,421	3,432
3	Stable deposits	720	724	727	732	36	36	36	37
4	Less stable deposits	19,429	19,991	20,352	20,481	3,240	3,332	3,385	3,395
5	Unsecured wholesale funding, of which:	198,627	202,360	210,283	216,493	105,772	108,999	114,379	119,207
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	60,531	57,911	58,957	59,191	14,963	14,304	14,565	14,622
7	Non-operational deposits (all counterparties) ^b	130,443	136,963	143,692	149,583	83,156	87,209	92,179	96,866
8	Unsecured debt	7,653	7,486	7,634	7,719	7,653	7,486	7,635	7,719
9	Secured wholesale funding				78,196	74,814	70,282	67,067	
10	Additional requirements, of which:	153,688	154,110	155,575	156,216	47,003	46,690	46,784	46,553
11	Outflows related to derivative exposures and other collateral requirements	19,452	18,568	17,446	16,407	14,887	14,603	14,013	13,279
12	Outflows related to loss of funding on debt products	4,113	4,328	4,759	4,726	4,113	4,328	4,759	4,726
13	Credit and liquidity facilities	130,123	131,214	133,370	135,083	28,003	27,759	28,012	28,548
14	Other contractual funding obligations	8,243	7,827	7,646	7,760	7,553	7,136	6,954	7,066
15	Other contingent funding obligations	70,657	68,937	67,347	66,546	3,782	3,883	3,828	3,783
16	Total cash outflows				245,582	244,891	245,648	247,108	
Cash inflows									
17	Secured lending (e.g. reverse repos)	648,911	618,610	599,476	588,741	77,001	72,617	68,822	66,516
18	Inflows from fully performing exposures	21,268	22,078	21,718	21,093	18,428	19,125	18,596	18,050
19	Other cash inflows ^c	12,784	12,316	12,007	11,543	10,101	9,526	9,048	8,604
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	682,963	653,004	633,201	621,377	105,530	101,268	96,466	93,170
UK-20a	Fully exempt inflows	—	—	—	—			—	—
UK-20b	Inflows subject to 90% cap	—	—	—	—			—	—
UK-20c	Inflows subject to 75% cap	577,013	550,771	530,036	516,619	105,530	101,268	96,466	93,170
UK-21	Liquidity buffer					210,787	211,673	212,767	211,630
22	Total net cash outflows					140,053	143,623	149,182	153,938
23	Liquidity coverage ratio (%) (average)					151%	148%	143%	138%

Notes

a. Trailing average of 12 month-end observations to the reporting date.

b. Non-operational deposits in row 7 also includes excess operational deposits as defined in the PRA Rulebook (Liquidity Coverage Ratio - CRR) Article 27(4).

c. 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.

As at 31 December 2023, the trailing average 12 month-end LCR remained stable at 151% (September 23: 148%), equivalent to a surplus of €70.7bn (September 23: €68.1bn) above the 100% regulatory requirement.

Analysis of treasury and capital risk (continued)

Table 13: LIQ1 - Liquidity coverage ratio (continued)

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.

The strong deposit franchise is a primary funding source for Barclays Bank PLC DoLSub. Barclays Bank PLC continued to issue in the shorter-term markets and maintained active medium-term note programmes. This funding capacity enables Barclays Bank PLC DoLSub to maintain its stable and diversified funding base.

Barclays Bank PLC DoLSub 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.

Analysis of treasury and capital risk (continued)

Table 14: LIQ2 - Net stable funding ratio

This table shows the net stable funding ratio (NSFR) that the bank requires to maintain a stable balance sheet funding profile.

As at 31 December 2023		Unweighted value by residual maturity				
(in currency amount)		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
Available stable funding (ASF) Items						
1	Capital items and instruments	38,688	5,574	4,000	42,089	82,777
2	Own funds	38,688	2,108	1,126	18,768	58,019
3	Other capital instruments		3,466	2,874	23,321	24,758
4	Retail deposits		28,977	2,299	289	28,487
5	Stable deposits		983	22	3	957
6	Less stable deposits		27,994	2,277	286	27,530
7	Wholesale funding:		517,857	45,371	111,576	227,401
8	Operational deposits		62,747	—	—	31,373
9	Other wholesale funding		455,110	45,371	111,576	196,028
10	Interdependent liabilities		—	—	—	—
11	Other liabilities:	572	75,984	—	100	100
12	NSFR derivative liabilities	572				
13	All other liabilities and capital instruments not included in the above categories		75,984	—	100	100
14	Total ASF					338,765
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					25,247
UK-15a	Assets encumbered for more than 12m in cover pool	—	45,040	—	—	38,284
16	Deposits held at other financial institutions for operational purposes		—	—	—	—
17	Performing loans and securities:		260,224	17,267	153,238	176,046
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		56,659	851	5,338	5,762
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		186,287	11,161	95,150	112,789
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		15,975	5,116	51,829	56,252
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		2,591	381	7,466	6,904
22	Performing residential mortgages, of which:		—	—	—	—
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		—	—	—	—
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		1,303	139	921	1,243
25	Interdependent assets		—	—	—	0
26	Other assets		108,931	—	30,310	60,454
27	Physical traded commodities				—	—
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		30,341	—	—	25,790
29	NSFR derivative assets		765	—	—	765
30	NSFR derivative liabilities before deduction of variation margin posted		60,776	—	—	3,039
31	All other assets not included in the above categories		17,049	—	30,310	30,860
32	Off-balance sheet items		156,065	—	24	7,617
33	Total RSF					307,648
34	Net Stable Funding Ratio (%)^a					110 %

Analysis of treasury and capital risk (continued)

Table 14: LIQ2 - Net stable funding ratio (continued)

		As at 31 December 2022		Unweighted value by residual maturity			
		(in currency amount)	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
Available stable funding (ASF) Items							
1	Capital items and instruments		40,618	2,894	4,884	39,650	82,710
2	Own funds ^b		40,618	2,054	2,261	16,125	57,873
3	Other capital instruments ^b			841	2,624	23,525	24,837
4	Retail deposits			28,686	2,263	199	28,097
5	Stable deposits			884	10	6	855
6	Less stable deposits			27,802	2,253	193	27,242
7	Wholesale funding:			525,374	35,877	104,483	198,819
8	Operational deposits			59,628	—	—	29,814
9	Other wholesale funding			465,746	35,877	104,483	169,005
10	Interdependent liabilities			—	—	—	—
11	Other liabilities:		340	78,996	—	25	50
12	NSFR derivative liabilities		340				
13	All other liabilities and capital instruments not included in the above categories			78,996	—	25	50
14	Total ASF						309,676
Required stable funding (RSF) Items							
15	Total high-quality liquid assets (HQLA)						23,245
UK-15a	Assets encumbered for more than 12m in cover pool			34,374	—	—	29,218
16	Deposits held at other financial institutions for operational purposes			—	—	—	—
17	Performing loans and securities:			236,441	20,715	145,424	168,277
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut ^b			52,988	826	3,154	3,567
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions ^b			161,897	13,696	75,767	93,004
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which: ^b			19,573	5,768	65,812	70,312
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk ^b			3,184	1,401	6,464	6,494
22	Performing residential mortgages, of which: ^b			—	—	—	—
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk ^b			—	—	—	—
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products			1,983	426	691	1,396
25	Interdependent assets						
26	Other assets			89,392	—	30,830	59,428
27	Physical traded commodities						
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs			27,201	—	—	23,121
29	NSFR derivative assets			2,878	—	—	2,878
30	NSFR derivative liabilities before deduction of variation margin posted			58,488	—	—	2,924
31	All other assets not included in the above categories			825	—	30,830	30,505
32	Off-balance sheet items			153,150	—	25	7,867
33	Total RSF						288,035
34	Net Stable Funding Ratio (%)^a						108%

Notes

a. NSFR is computed as a trailing average of the last four spot quarter end positions.

b. The prior period comparative has been restated. This has no impact on the Net Stable Funding Ratio.

The NSFR metric requires banks to maintain a stable funding profile taking into account both on and certain off-balance sheet exposures over the medium to long term. The ratio is defined as the Available Stable Funding ('ASF') (capital and certain liabilities which are treated as stable sources of funding) relative to the Required Stable Funding ('RSF') (a measure of assets on the balance sheet and certain off-balance sheet exposures which may require longer term funding).

As at 31 December 2023, the trailing average NSFR for the last four spot quarter end positions remained stable at 110% (December 2022: 108%), equivalent to a surplus of £31.1bn (December 2022: £21.6bn) above the 100% regulatory requirement.

Analysis of credit risk

Analysis of capital requirements and exposures for credit risk

Table 15: CR4 - Standardised approach - Credit risk exposure and CRM effects

This table shows the impact of credit risk mitigation (CRM) and credit conversion factors (CCF) on exposure values, broken down by regulatory exposure class. This table includes exposures subject to the standardised approach only.

The term 'before CCF and CRM' means the original gross exposures before the application of credit conversion factors and before the application of risk mitigation techniques.

	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density		
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density	
	£m	£m	£m	£m	£m	%	
As at 31 December 2023							
1	Central governments or central banks	149,733	10,437	154,640	12,385	2,380	1%
2	Regional governments or local authorities	421	219	1,004	13	18	2%
3	Public sector entities	5,327	169	117	55	35	20%
4	Multilateral development banks	4,801	—	4,801	—	—	—
5	International organisations	966	—	966	—	—	—
6	Institutions	75,377	32,262	70,728	13,789	2,145	3%
7	Corporates	116,038	63,602	92,638	12,652	27,125	26%
8	Retail	1,440	2,232	1,356	121	996	67%
9	Secured by mortgages on immovable property	6,763	105	6,763	50	2,503	37%
10	Exposures in default	702	546	677	137	976	120%
11	Exposures associated with particularly high risk	246	—	246	—	369	150%
12	Covered bonds	—	—	—	—	—	—
13	Institutions and corporates with a short-term credit assessment	—	—	—	—	—	—
14	Collective investment undertakings	—	—	—	—	—	—
15	Equity	2,901	—	2,901	—	7,252	250%
16	Other items	13	—	13	—	13	100%
17	Total	364,728	109,572	336,850	39,202	43,812	12%

	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density		
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density	
	£m	£m	£m	£m	£m	%	
As at 31 December 2023							
1	Central governments or central banks	159,593	11,338	163,535	13,125	11	0%
2	Regional governments or local authorities	555	243	1,098	25	23	2%
3	Public sector entities	4,115	205	165	92	51	20%
4	Multilateral development banks	4,064	—	4,064	—	—	—
5	International organisations	295	—	295	—	—	—
6	Institutions	42,551	30,721	37,837	13,858	2,993	6%
7	Corporates	108,521	62,512	84,673	13,294	27,725	28%
8	Retail	758	2,042	684	113	500	63%
9	Secured by mortgages on immovable property	7,252	102	7,252	49	2,709	37%
10	Exposures in default	903	770	827	352	1,504	128%
11	Exposures associated with particularly high risk	288	—	288	—	432	150%
12	Covered bonds	—	—	—	—	—	—
13	Institutions and corporates with a short-term credit assessment	—	—	—	—	—	—
14	Collective investment undertakings	—	—	—	—	—	—
15	Equity	2,840	—	2,840	—	7,099	250%
16	Other items	1,999	—	1,999	—	442	22%
17	Total	333,734	107,933	305,557	40,908	43,489	13%

Standardised credit risk RWAs increased by £0.3bn to £43.8bn (December 2022: £43.5bn) primarily driven by:

- Central governments or central banks RWAs increased by £2.3bn to £2.4bn primarily due to the Q3 2023 reclassification of DTAs from Other non credit-obligation assets partially offset by a reduction in Q4 2023
- Institutions RWAs decreased by £0.9bn to £2.1bn primarily due to a reduction in lending activities
- Corporates RWAs decreased by £0.6bn to £27.1bn primarily due to a reduction in lending activities

Analysis of credit risk (continued)

Table 16: CR7 – IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques

This table shows the effect of credit derivatives on the credit risk AIRB approach and will not directly reconcile to the credit risk AIRB RWAs in table 5.

	Pre-credit derivatives risk weighted exposure amount		Actual risk weighted exposure amount	
	As at 31 December	As at 31 December	As at 31 December	As at 31 December
	2023	2022	2023	2022
	£m	£m	£m	£m
5 Exposures under AIRB	49,653	53,502	49,649	53,484
6 Central governments and central banks	4,066	3,334	4,066	3,334
7 Institutions	3,362	3,405	3,362	3,405
8 Corporates ^a	42,091	46,349	42,087	46,331
8.1 of which Corporates - which SMEs	1,843	2,876	1,843	2,876
8.2 of which Corporates - Specialised lending	—	—	—	—
9 Retail	134	414	134	414
9.1 of which Retail – SMEs - Secured by immovable property collateral	—	—	—	—
9.2 of which Retail – non-SMEs - Secured by immovable property collateral	134	414	134	414
9.3 of which Retail – Qualifying revolving	—	—	—	—
9.4 of which Retail – SMEs - Other	—	—	—	—
9.5 of which Retail – Non-SMEs- Other	—	—	—	—
10 TOTAL	49,653	53,502	49,649	53,484

Note

a. Corporate specialised lending exposures under the slotting approach are excluded from this table and disclosed separately in CR10.

Analysis of credit risk (continued)

Table 17: CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques

This table shows the extent of the use of CRM techniques broken down by exposure classes under the IRB approach. The exposure classes capture both secured and unsecured balances, resulting in the CRM coverage percentages being calculated on an aggregate basis.

AIRB		Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs		
		Funded credit Protection (FCP)							Unfunded credit Protection (UFCP)				RWEA post all CRM assigned to the obligor exposure class	RWEA with substitution effects	
		Total exposures	Part of exposures covered by Financial Collaterals	Part of exposures covered by Other eligible collaterals	Part of exposures covered by Immovable property Collaterals	Part of exposures covered by Receivables	Part of exposures covered by Other physical collateral	Part of exposures covered by Other funded credit protection	Part of exposures covered by Cash on deposit	Part of exposures covered by Life insurance policies	Part of exposures covered by Instruments held by a third party	Part of exposures covered by Guarantees			Part of exposures covered by Credit Derivatives
£m	%	%	%	%	%	%	%	%	%	%	%	£m	£m		
As at 31 December 2023															
1	Central governments and central banks	74,419	0.2%	—	—	—	—	—	—	—	—	—	—	4,066	4,066
2	Institutions	14,117	0.8%	1.1%	0.2%	—	0.9%	1.9%	1.9%	—	—	2.4%	—	3,362	3,362
3	Corporates	68,192	6.5%	11.9%	7.5%	0.6%	3.8%	—	—	—	—	2.6%	—	42,087	42,087
3.1	Of which Corporates – SMEs	3,901	4.9%	55.9%	50.4%	4.2%	1.3%	—	—	—	—	1.5%	—	1,843	1,843
3.2	Of which Corporates – Specialised lending	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3.3	Of which Corporates – Other	64,291	6.6%	9.3%	4.9%	0.4%	3.9%	—	—	—	—	2.7%	—	40,244	40,244
4	Retail	386	—	170.2%	170.2%	—	—	—	—	—	—	29.4%	—	134	134
4.1	Of which Retail – Immovable property SMEs	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4.2	Of which Retail – Immovable property non-SMEs	386	—	170.2%	170.2%	—	—	—	—	—	—	29.4%	—	134	134
4.3	Of which Retail – Qualifying revolving	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4.4	Of which Retail – Other SMEs	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4.5	Of which Retail – Other non-SMEs	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5	Total	157,114	3.0%	5.7%	3.7%	0.3%	1.7%	0.2%	0.2%	—	—	1.4%	—	49,649	49,649

Analysis of credit risk (continued)

Table 17: CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques(continued)

AIRB	Credit risk Mitigation techniques												Credit risk Mitigation methods in the calculation of RWEAs	
	Funded credit Protection (FCP)							Unfunded credit Protection (UFCP)					RWEA post all CRM assigned to the obligor exposure class	RWEA with substitution effects
	Total exposures	Part of exposures covered by Financial Collaterals	Part of exposures covered by Other eligible collaterals	Part of exposures covered by Immovable property Collaterals	Part of exposures covered by Receivables	Part of exposures covered by Other physical collateral	Part of exposures covered by Other funded credit protection	Part of exposures covered by Cash on deposit	Part of exposures covered by Life insurance policies	Part of exposures covered by Instruments held by a third party	Part of exposures covered by Guarantees	Part of exposures covered by Credit Derivatives		
£m	%	%	%	%	%	%	%	%	%	%	%	£m	£m	
As at 31 December 2022														
1 Central governments and central banks	70,807	0.2%	—	—	—	—	—	—	—	—	—	—	3,334	3,334
2 Institutions	13,905	0.9%	1.1%	0.2%	—	0.9%	2.0%	2.0%	—	—	4.8%	—	3,405	3,405
3 Corporates	72,449	6.5%	11.9%	7.5%	0.6%	3.8%	—	—	—	—	1.7%	0.1%	46,331	46,331
3.1 Of which Corporates – SMEs	5,926	5.6%	52.3%	48.9%	2.9%	0.6%	—	—	—	—	1.1%	—	2,876	2,876
3.2 Of which Corporates – Specialised lending	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3.3 Of which Corporates – Other	66,523	6.6%	8.3%	3.8%	0.4%	4.0%	—	—	—	—	1.8%	0.2%	43,455	43,455
4 Retail	487	—	165.4%	165.4%	—	—	—	—	—	—	24.4%	—	414	414
4.1 Of which Retail – Immovable property SMEs	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4.2 Of which Retail – Immovable property non-SMEs	487	—	165.4%	165.4%	—	—	—	—	—	—	24.4%	—	414	414
4.3 Of which Retail – Qualifying revolving	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4.4 Of which Retail – Other SMEs	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4.5 Of which Retail – Other non-SMEs	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5 Total	157,648	3.2 %	6.1 %	4.0 %	0.3 %	1.8 %	0.2 %	0.2 %	—	—	1.3 %	0.1 %	53,484	53,484

Analysis of credit risk (continued)

Table 18: CR10 – Specialised lending and equity exposures under the simple risk weighted approach^a

Slotting is an approach that is applied to financing of individual projects where the repayment is highly dependent on the performance of the underlying pool or collateral, known as specialised lending. It uses a standard set of rules for the calculation of RWAs, based upon an assessment of factors such as the financial strength of the counterparty. The requirements for the application of the Slotting approach are detailed in CRR article 153.

Specialised lending : Income-producing real estate and high volatility commercial real estate (Slotting approach)

Regulatory categories	Remaining maturity	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
As at 31 December 2023		£m	£m	%	£m	£m	£m
Category 1	Less than 2.5 years	1,494	631	50 %	1,838	849	—
	Equal to or more than 2.5 years	838	202	70 %	853	565	4
Category 2	Less than 2.5 years	904	151	70 %	994	677	4
	Equal to or more than 2.5 years	543	82	90 %	625	547	5
Category 3	Less than 2.5 years	392	150	115 %	469	538	13
	Equal to or more than 2.5 years	293	—	115 %	293	337	8
Category 4	Less than 2.5 years	18	—	250 %	18	45	1
	Equal to or more than 2.5 years	44	—	250 %	44	109	4
Category 5	Less than 2.5 years	88	—	—	88	—	44
	Equal to or more than 2.5 years	2	2	—	3	—	2
Total	Less than 2.5 years	2,896	932	—	3,407	2,109	62
	Equal to or more than 2.5 years	1,720	286	—	1,818	1,558	23
As at 31 December 2022							
Category 1	Less than 2.5 years	1,372	532	50 %	1,593	686	—
	Equal to or more than 2.5 years	882	365	70 %	983	624	4
Category 2	Less than 2.5 years	1,333	115	70 %	1,400	945	6
	Equal to or more than 2.5 years	1,024	40	90 %	1,049	927	8
Category 3	Less than 2.5 years	475	373	115 %	626	699	18
	Equal to or more than 2.5 years	281	106	115 %	329	377	9
Category 4	Less than 2.5 years	42	—	250 %	42	104	3
	Equal to or more than 2.5 years	3	—	250 %	3	8	—
Category 5	Less than 2.5 years	31	—	—	31	—	15
	Equal to or more than 2.5 years	3	2	—	4	—	2
Total	Less than 2.5 years	3,253	1,020	—	3,692	2,434	42
	Equal to or more than 2.5 years	2,193	513	—	2,368	1,936	23

Note

a. The table includes specialised lending CCR exposures.

Analysis of credit risk (continued)

Table 19: CR1 - Performing and non-performing exposures and related provisions

This table provides an overview of the credit quality of on- and off-balance sheet non-performing exposures and related impairments, provisions and valuation adjustments by portfolio and exposure class.

	Gross carrying amount/nominal						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Collateral and financial guarantees received			
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures	
	Of which Stage 1	Of which Stage 2		Of which Stage 2	Of which Stage 3		Of which Stage 1	Of which Stage 2		Of which Stage 2	Of which Stage 3					
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
As at 31 December 2023																
005 Cash balances at central banks and other demand deposits^a	153,129	153,129	—	—	—	—	—	—	—	—	—	—	—	—	—	—
010 Loans and advances	583,902	317,008	8,431	1,854	—	1,854	(461)	(194)	(268)	(626)	—	(626)	(22)	297,307	963	
020 Central banks	16,141	11,739	—	—	—	—	—	—	—	—	—	—	—	4,408	—	
030 General governments	578	313	1	1	—	1	—	—	—	—	—	—	—	272	—	
040 Credit institutions	55,819	26,923	2	34	—	34	(3)	(3)	—	(29)	—	(29)	—	31,186	—	
050 Other financial corporations	448,049	227,162	1,479	127	—	127	(57)	(47)	(11)	(27)	—	(27)	(5)	231,886	46	
060 Non-financial corporations	54,830	43,594	6,653	992	—	992	(388)	(133)	(255)	(261)	—	(261)	(17)	22,674	530	
070 Of which SMEs	891	738	152	32	—	32	(62)	(17)	(45)	(20)	—	(20)	—	34	—	
080 Households	8,485	7,277	296	700	—	700	(13)	(11)	(2)	(309)	—	(309)	—	6,881	387	
090 Debt securities	88,095	80,382	2,827	—	—	—	(22)	(10)	(12)	—	—	—	—	1,044	—	
100 Central banks	1,559	1,559	—	—	—	—	—	—	—	—	—	—	—	—	—	
110 General governments	62,729	60,628	1,566	—	—	—	(10)	(5)	(4)	—	—	—	—	—	—	
120 Credit institutions	8,309	6,715	311	—	—	—	(1)	(1)	—	—	—	—	—	213	—	
130 Other financial corporations	12,489	8,978	950	—	—	—	(9)	(2)	(8)	—	—	—	—	578	—	
140 Non-financial corporations	3,009	2,502	—	—	—	—	(2)	(2)	—	—	—	—	—	253	—	
150 Off-balance-sheet exposures	274,721	256,790	17,931	759	—	759	(311)	(109)	(202)	(44)	—	(44)	—	49,156	39	
160 Central banks	5	5	—	—	—	—	—	—	—	—	—	—	—	—	—	
170 General governments	1,602	1,575	27	15	—	15	—	—	—	—	—	—	—	—	—	
180 Credit institutions	11,382	11,157	225	—	—	—	(4)	(3)	(1)	—	—	—	—	7	—	
190 Other financial corporations	113,113	110,778	2,335	542	—	542	(31)	(19)	(12)	(19)	—	(19)	—	37,175	9	
200 Non-financial corporations	146,795	131,517	15,278	189	—	189	(270)	(83)	(187)	(25)	—	(25)	—	11,724	20	
210 Households	1,824	1,758	66	13	—	13	(6)	(4)	(2)	—	—	—	—	250	10	
220 Total	1,099,847	807,309	29,189	2,613	—	2,613	(794)	(313)	(482)	(670)	—	(670)	(22)	347,507	1,002	

Analysis of credit risk (continued)

Table 19: CR1 - Performing and non-performing exposures and related provisions (continued)

	Gross carrying amount/nominal						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Collateral and financial guarantees received			
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures	
	Of which Stage 1	Of which Stage 2		Of which Stage 2	Of which Stage 3		Of which Stage 1	Of which Stage 2		Of which Stage 2	Of which Stage 3					
As at 31 December 2022	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	
005 Cash balances at central banks and other demand deposits^a	169,655	169,655	—	—	—	—	—	—	—	—	—	—	—	—	—	—
010 Loans and advances	534,276	281,972	10,669	1,833	2	1,831	(579)	(324)	(255)	(643)	—	(643)	(82)	274,465	891	
020 Central banks	24,084	11,998	—	—	—	—	—	—	—	—	—	—	—	12,063	—	
030 General governments	1,539	747	1	—	—	—	—	—	—	—	—	—	—	1,089	—	
040 Credit institutions	60,952	28,347	668	32	—	32	(8)	(8)	—	(26)	—	(26)	—	33,024	—	
050 Other financial corporations	376,817	184,831	1,762	119	—	119	(64)	(41)	(23)	(26)	—	(26)	—	194,568	46	
060 Non-financial corporations	58,981	45,581	7,762	669	—	669	(474)	(248)	(226)	(225)	—	(225)	(82)	23,457	195	
070 Of which SMEs	799	635	164	22	—	22	(60)	(16)	(44)	(14)	—	(14)	—	22	—	
080 Households	11,903	10,469	477	1,013	2	1,011	(33)	(27)	(6)	(366)	—	(366)	—	10,264	651	
090 Debt securities	71,936	62,102	4,674	—	—	—	(34)	(6)	(28)	—	—	—	—	1,268	—	
100 Central banks	1,032	1,032	—	—	—	—	—	—	—	—	—	—	—	—	—	
110 General governments	47,611	43,170	3,550	—	—	—	(22)	(2)	(19)	—	—	—	—	—	—	
120 Credit institutions	9,734	7,770	673	—	—	—	(1)	(1)	(1)	—	—	—	—	607	—	
130 Other financial corporations	9,975	7,063	449	—	—	—	(10)	(2)	(8)	—	—	—	—	661	—	
140 Non-financial corporations	3,584	3,067	2	—	—	—	(1)	(1)	—	—	—	—	—	—	—	
150 Off-balance-sheet exposures	268,531	249,627	18,904	808	—	808	(385)	(177)	(208)	(23)	—	(23)	—	48,055	24	
160 Central banks	5	5	—	—	—	—	—	—	—	—	—	—	—	—	—	
170 General governments	2,504	2,431	73	—	—	—	(1)	—	(1)	—	—	—	—	—	—	
180 Credit institutions	12,235	12,175	60	—	—	—	(6)	(5)	(2)	—	—	—	—	11	—	
190 Other financial corporations	108,120	104,431	3,689	383	—	383	(32)	(13)	(19)	—	—	—	—	38,053	—	
200 Non-financial corporations	143,770	128,721	15,049	385	—	385	(346)	(160)	(186)	(23)	—	(23)	—	9,928	24	
210 Households	1,897	1,864	33	40	—	40	—	—	—	—	—	—	—	63	—	
220 Total	1,044,398	763,356	34,247	2,641	2	2,639	(998)	(507)	(491)	(666)	—	(666)	(82)	323,788	915	

Note

a. Loans at fair value through profit and loss are included in the total performing and non-performing exposures but no staging analysis is provided as these instruments are not eligible for staging.

Performing gross carrying exposures increased by £55.4bn to £1,099.8bn (December 2022: £1,044.4bn) primarily driven by:

- Performing Loans and advances increased by £49.6bn to £583.9bn (December 2022: £534.3bn) primarily due to increased business activity within Other financial corporations
- Debt securities increased by £16.2bn to £88.1bn (December 2022: £71.9bn) driven by increased investments
- Cash balances with Central bank and other demand deposits decreased by £16.6bn to £153.1bn (December 2022: £169.7bn) due to a decrease in the liquidity pool

Analysis of credit risk (continued)

Table 20: CR1-A - Maturity of exposures

This table shows the on- and off-balance sheet net credit risk exposures by residual contractual maturity, split by either loans and advances or debt securities. The amounts shown are based on IFRS accounting values according to the regulatory scope of consolidation.

		Net Exposure Value					Total
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	£m
		£m	£m	£m	£m	£m	£m
As at 31 December 2023							
1	Loans and advances	356,584	387,647	87,851	27,712	—	859,794
2	Debt securities	—	15,036	37,937	35,100	—	88,073
3	Total	356,584	402,683	125,788	62,812	—	947,867
As at 31 December 2022							
1	Loans and advances	280,589	406,588	82,843	33,797	—	803,817
2	Debt securities	72	7,158	41,614	23,058	—	71,902
3	Total	280,661	413,746	124,457	56,855	—	875,719

Loans and advances increased by £56.0bn to £859.8bn (December 2022: £803.8bn) driven by increased lending to subsidiaries and an increase in off-balance sheet commitments.

Debt securities increased by £16.2bn to £88.1bn (December 2022: £71.9bn) driven by increased investments.

Table 21: CR2 - Changes in the stock of non-performing loans and advances

This table shows information on changes in the institutions stock of on balance sheet non-performing loans and advances. The amounts shown are based on IFRS accounting values according to the regulatory scope of consolidation.

		Gross carrying amount
		£m
As at 31 December 2023		
010	Initial stock of non-performing loans and advances	1,833
020	Inflows to non-performing portfolios	973
030	Outflows from non-performing portfolios	(227)
040	Outflows due to write-offs	(154)
050	Outflow due to other situations ^a	(571)
060	Final stock of non-performing loans and advances	1,854

Note

a. Other changes include repayments and disposals and other adjustments, partly offset by a net increase in the non-performing exposure on existing loans and debt.

Table 22: CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

This table shows a breakdown of on-balance sheet unsecured and secured credit risk exposures secured by various methods of collateral for both loans and advances and debt securities. The amounts shown are based on IFRS accounting values according to the regulatory scope of consolidation.

		Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
		£m	£m	£m	£m	£m
As at 31 December 2023						
1	Loans and advances	440,615	298,270	293,468	4,802	—
2	Debt securities	87,051	1,044	831	213	—
3	Total	527,666	299,314	294,299	5,015	—
4	<i>Of which non-performing exposures</i>	891	963	952	11	—
5	<i>Of which defaulted</i>	891	963	—	—	—
As at 31 December 2022						
1	Loans and advances	430,408	275,356	270,918	4,438	—
2	Debt securities	70,668	1,268	661	607	—
3	Total	501,076	276,624	271,579	5,045	—
4	<i>Of which non-performing exposures</i>	942	891	839	52	—
5	<i>Of which defaulted</i>	941	890	—	—	—

Secured Loans and advances increased by £22.9bn to £298.3.4bn (December 2022: £275.4bn) due to increased business activity.

Unsecured Debt securities increased by £16.4bn to £87.1bn (December 2022: £70.7bn) due to increased investments.

Analysis of credit risk (continued)

Table 23: CQ1 - Credit quality of forbore exposures

This table provides an overview of the quality of on- and off-balance sheet forbore exposures. The amounts shown are based on IFRS accounting values according to the regulatory scope of consolidation.

	Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forbore exposures	
	Performing forbore		Non-performing forbore		On performing forbore exposures	On non-performing forbore exposures	Of which collateral and financial guarantees received on non-performing exposures with forbearance measures	
	£m	£m	Of which defaulted £m	Of which impaired £m				
As at 31 December 2023								
005 Cash balances at central banks and other demand deposits	—	—	—	—	—	—	—	—
010 Loans and Advances	892	504	503	503	(26)	(100)	619	256
020 Central banks	—	—	—	—	—	—	—	—
030 General governments	—	1	1	1	—	—	—	—
040 Credit institutions	—	—	—	—	—	—	—	—
050 Other financial corporations	24	67	67	67	(1)	(14)	2	1
060 Non-financial corporations	862	368	367	367	(25)	(82)	551	195
070 Households	6	68	68	68	—	(4)	66	60
080 Debt securities	—	—	—	—	—	—	—	—
090 Loan commitments given	384	106	106	106	(5)	—	45	2
100 Total	1,276	610	609	609	(31)	(100)	664	258
As at 31 December 2022								
005 Cash balances at central banks and other demand deposits	—	—	—	—	—	—	—	—
010 Loans and Advances	793	593	591	585	(20)	(104)	723	258
020 Central banks	—	—	—	—	—	—	—	—
030 General governments	—	—	—	—	—	—	—	—
040 Credit institutions	—	—	—	—	—	—	—	—
050 Other financial corporations	2	49	49	49	—	(9)	3	2
060 Non-financial corporations	769	365	363	359	(20)	(81)	542	98
070 Households	22	179	179	177	—	(14)	178	158
080 Debt securities	—	—	—	—	—	—	—	—
090 Loan commitments given	700	127	127	127	(5)	—	27	11
100 Total	1,493	720	718	712	(25)	(104)	750	269

Analysis of credit risk (continued)

Table 24: CQ3 - Credit quality of performing and non-performing exposures by past due days

This table provides an overview of the credit quality of performing and non-performing exposures by past due days. The amounts shown are based on IFRS accounting values according to the regulatory scope of consolidation.

	Gross carrying amount/nominal amount											
	Performing exposures			Non-performing exposures								
	Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 year ≤ 5 years	Past due > 5 year ≤ 7 years	Past due > 7 years	Of which defaulted	
As at 31 December 2023	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
005 Cash balances at central banks and other demand deposits	153,129	153,129	—	—	—	—	—	—	—	—	—	—
010 Loans and advances	583,902	583,757	145	1,854	813	117	95	237	258	49	285	1,854
020 Central banks	16,141	16,141	—	—	—	—	—	—	—	—	—	—
030 General governments	578	578	—	1	1	—	—	—	—	—	—	1
040 Credit institutions	55,819	55,819	—	34	—	23	—	11	—	—	—	34
050 Other financial corporations	448,049	448,038	11	127	117	—	2	2	6	—	—	127
060 Non-financial corporations	54,830	54,730	100	992	607	72	83	139	84	—	7	992
070 Of which SMEs	891	883	8	32	3	15	14	—	—	—	—	32
080 Households	8,485	8,451	34	700	88	22	10	85	168	49	278	700
090 Debt securities	88,095	88,095	—	—	—	—	—	—	—	—	—	—
100 Central banks	1,559	1,559	—	—	—	—	—	—	—	—	—	—
110 General governments	62,729	62,729	—	—	—	—	—	—	—	—	—	—
120 Credit institutions	8,309	8,309	—	—	—	—	—	—	—	—	—	—
130 Other financial corporations	12,489	12,489	—	—	—	—	—	—	—	—	—	—
140 Non-financial corporations	3,009	3,009	—	—	—	—	—	—	—	—	—	—
150 Off-balance-sheet exposures	274,721			759								759
160 Central banks	5			—								—
170 General governments	1,602			15								15
180 Credit institutions	11,382			—								—
190 Other financial corporations	113,113			542								542
200 Non-financial corporations	146,795			189								189
210 Households	1,824			13								13
220 Total	1,099,847	824,981	145	2,613	813	117	95	237	258	49	285	2,613

Analysis of credit risk (continued)

Table 24: CQ3 - Credit quality of performing and non-performing exposures by past due days - (continued)

As at	Gross carrying amount/nominal amount											
	Performing exposures			Non-performing exposures								
	Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 year ≤ 5 years	Past due > 5 year ≤ 7 years	Past due > 7 years	Of which defaulted	
As at 31 December 2022	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
005 Cash balances at central banks and other demand deposits	169,655	169,655	—	—	—	—	—	—	—	—	—	—
010 Loans and advances	534,276	534,073	203	1,833	767	170	190	264	103	59	279	1,831
020 Central banks	24,084	24,084	—	—	—	—	—	—	—	—	—	—
030 General governments	1,539	1,539	—	—	—	—	—	—	—	—	—	—
040 Credit institutions	60,952	60,952	—	32	—	—	32	—	—	—	—	32
050 Other financial corporations	376,817	376,816	1	119	99	2	4	3	12	—	—	119
060 Non-financial corporations	58,981	58,879	102	669	525	40	25	30	41	—	7	669
070 Of which SMEs	799	790	9	22	3	15	4	—	—	—	—	22
080 Households	11,903	11,803	100	1,013	143	128	129	231	50	59	272	1,011
090 Debt securities	71,936	71,936	—	—	—	—	—	—	—	—	—	—
100 Central banks	1,032	1,032	—	—	—	—	—	—	—	—	—	—
110 General governments	47,611	47,611	—	—	—	—	—	—	—	—	—	—
120 Credit institutions	9,734	9,734	—	—	—	—	—	—	—	—	—	—
130 Other financial corporations	9,975	9,975	—	—	—	—	—	—	—	—	—	—
140 Non-financial corporations	3,584	3,584	—	—	—	—	—	—	—	—	—	—
150 Off-balance-sheet exposures	268,531			808								808
160 Central banks	5			—								—
170 General governments	2,504			—								—
180 Credit institutions	12,235			—								—
190 Other financial corporations	108,120			383								383
200 Non-financial corporations	143,770			385								385
210 Households	1,897			40								40
220 Total	1,044,398	775,664	203	2,641	767	170	190	264	103	59	279	2,639

Analysis of credit risk (continued)

Table 25: CQ4 - Quality of non-performing exposures by geography^a

This table shows the credit quality of on-balance sheet and off-balance sheet exposure for loans and advances, debt securities derivatives and equity instruments by geography. The amounts shown are based on IFRS accounting values according to the regulatory scope of consolidation.

As at 31 December 2023	Gross carrying/Nominal amount				Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	of which: non-performing			of which: subject to impairment			
	€m	€m	€m				
On balance sheet exposures	827,924	1,854	1,854	563,630	(1,109)		
UNITED KINGDOM	386,172	393	393	289,932	(284)		
UNITED STATES	221,936	422	422	127,126	(313)		
FRANCE	50,005	99	99	46,895	(27)		
JAPAN	29,019	0	0	12,851	0		
IRELAND	24,095	0	0	10,796	(3)		
GERMANY	14,188	15	15	11,952	(8)		
LUXEMBOURG	13,093	31	31	4,528	(10)		
SINGAPORE	9,506	2	2	6,877	(3)		
CANADA	8,789	0	0	4,173	(6)		
Other Countries	71,121	892	892	48,500	(455)		
Off balance sheet exposures	275,480	759	759			(355)	
UNITED STATES	141,136	117	117			(207)	
UNITED KINGDOM	84,445	115	115			(88)	
IRELAND	11,116	2	2			(1)	
LUXEMBOURG	4,528	—	—			(5)	
SWITZERLAND	4,270	—	—			(2)	
CANADA	2,976	—	—			(7)	
BERMUDA	2,827	—	—			(2)	
Other Countries	24,182	525	525			(43)	
Total	1,103,404	2,613	2,613	563,630	(1,109)	(355)	

Analysis of credit risk (continued)

Table 25: CQ4 - Quality of non-performing exposures by geography^a (continued)

As at 31 December 2022	Gross carrying/Nominal amount				Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	of which: non-performing			of which: subject to impairment			
	£m	£m	£m				
On balance sheet exposures	778,314	1,833	1,831	530,905	(1,255)		—
UNITED KINGDOM	337,975	455	455	256,917	(403)		—
UNITED STATES	205,671	150	150	125,199	(236)		—
Other Countries	71,510	1,104	1,102	44,467	(552)		—
FRANCE	66,748	72	72	54,717	(24)		—
JAPAN	23,513	0	0	9,284	0		—
GERMANY	19,721	0	0	13,850	(4)		—
IRELAND	18,610	2	2	12,022	(11)		—
LUXEMBOURG	15,666	46	46	4,513	(18)		—
CANADA	10,495	0	0	4,648	(4)		—
SINGAPORE	8,405	4	4	5,288	(3)		—
Off balance sheet exposures	269,339	808	808			(408)	
UNITED STATES	145,959	176	176			(207)	
UNITED KINGDOM	76,847	180	180			(151)	
IRELAND	12,169	2	2			—	
LUXEMBOURG	4,448	9	9			(4)	
CANADA	3,965	—	—			(7)	
SWITZERLAND	3,826	4	4			(5)	
BERMUDA	2,780	—	—			(2)	
Other Countries	19,345	437	437			(32)	
Total	1,047,653	2,641	2,639	530,905	(1,255)	(408)	—

Note

a. Countries that have more than 1% of the total gross exposure are disclosed in the table and countries with <1% gross exposure are aggregated within 'other countries'.

Analysis of credit risk (continued)

Table 26: CQ5 - Credit quality of loans and advances to non-financial corporations by industry

This table shows the credit quality of loans and advances on balance sheet exposure to non-financial corporation by industry types. The amounts shown are based on IFRS accounting values according to the regulatory scope of consolidation.

	Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	£m	of which: non-performing		of which: loans and advances subject to impairment		
		£m	£m			
As at 31 December 2023	£m	£m	£m	£m	£m	£m
010 Agriculture, forestry and fishing	86			86	(2)	—
020 Mining and quarrying	1,716	4	4	1,484	(12)	—
030 Manufacturing	6,955	156	156	5,893	(101)	—
040 Electricity, gas, steam and air conditioning supply	2,707			2,692	(7)	—
050 Water supply	912	5	5	912	(4)	—
060 Construction	2,055	8	8	2,055	(25)	—
070 Wholesale and retail trade	4,381	36	36	4,287	(67)	—
080 Transport and storage	1,240	23	23	1,200	(35)	—
090 Accommodation and food service activities	2,746	28	28	2,643	(19)	—
100 Information and communication	4,549	82	82	4,366	(94)	—
110 Financial and insurance activities	522	9	9	520	(5)	—
120 Real estate activities	13,027	386	386	11,370	(115)	—
130 Professional, scientific and technical activities	1,744	9	9	1,744	(19)	—
140 Administrative and support service activities	5,013	33	33	4,749	(43)	—
150 Public administration and defense, compulsory social security	386			368		—
160 Education	2,246	5	5	1,435	(7)	—
170 Human health services and social work activities	2,029	37	37	1,931	(36)	—
180 Arts, entertainment and recreation	909	19	19	909	(13)	—
190 Other services	2,599	152	152	2,596	(45)	—
200 Total	55,822	992	992	51,240	(649)	—

Analysis of credit risk (continued)

Table 26: CQ5 - Credit quality of loans and advances to non-financial corporations by industry(continued)

	Gross carrying amount					
	£m	of which: non-performing		of which: loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		£m	£m			
As at 31 December 2022	£m	£m	£m	£m	£m	£m
010 Agriculture, forestry and fishing	91	1	1	91	(2)	—
020 Mining and quarrying	1,466	33	33	1,445	(10)	—
030 Manufacturing	7,544	51	51	6,878	(141)	—
040 Electricity, gas, steam and air conditioning supply	3,201	—	—	3,158	(14)	—
050 Water supply	789	13	13	789	(10)	—
060 Construction	2,120	7	7	2,120	(27)	—
070 Wholesale and retail trade	5,907	79	79	5,567	(79)	—
080 Transport and storage	1,993	30	30	1,722	(29)	—
090 Accommodation and food service activities	2,386	7	7	2,247	(30)	—
100 Information and communication	4,422	107	107	4,346	(105)	—
110 Financial and insurance activities	—	—	—	—	—	—
120 Real estate activities	12,385	107	107	10,820	(100)	—
130 Professional, scientific and technical activities	2,413	16	16	2,401	(30)	—
140 Administrative and support service activities	8,629	59	59	7,308	(46)	—
150 Public administration and defense, compulsory social security	182	—	—	80	(1)	—
160 Education	2,441	1	1	1,500	(8)	—
170 Human health services and social work activities	2,491	96	96	2,370	(46)	—
180 Arts, entertainment and recreation	878	57	57	878	(14)	—
190 Other services	312	5	5	290	(7)	—
200 Total	59,650	669	669	54,010	(699)	—

Total gross carrying amount decreased by £0.9bn to £55.8bn (December 2022: £59.7bn) primarily due to repayments.

Analysis of credit risk (continued)

Table 27: CQ7 - Collateral obtained by taking possession and execution processes

This table provides an overview of foreclosed assets obtained from non-performing exposures. The amounts shown are based on IFRS accounting values according to the regulatory scope of consolidation.

		Collateral obtained by taking possession	
		Value at initial recognition	Accumulated negative changes
		£m	£m
As at 31 December 2023			
010	Property, plant and equipment (PP&E)	—	—
020	Other than PP&E	3	—
030	Residential immovable property	3	—
040	Commercial Immovable property	—	—
050	Movable property (auto, shipping, etc.)	—	—
060	Equity and debt instruments	—	—
070	Other collateral	—	—
080	Total	3	—
As at 31 December 2022			
010	Property, plant and equipment (PP&E)	—	—
020	Other than PP&E	12	—
030	Residential immovable property	12	—
040	Commercial Immovable property	—	—
050	Movable property (auto, shipping, etc.)	—	—
060	Equity and debt instruments	—	—
070	Other collateral	—	—
080	Total	12	—

Management of credit risk mitigation techniques and counterparty credit risk

Counterparty credit risk arises from derivatives and similar contracts. This section details the specific aspects of the risk framework related to this type of credit risk. As credit risk mitigation is one of the principal uses of derivative contracts by banks, this is also discussed in this section.

Credit risk mitigation

Barclays Bank PLC employs a range of techniques and strategies to actively mitigate credit risks. These techniques and strategies can broadly be divided into three types:

- netting and set-off
- collateral
- risk transfer

The Bank has detailed policies in place to ensure that credit risk mitigation is appropriately recognised and recorded. The recognition of credit risk mitigation is subject to a number of considerations including legal certainty of enforceability and effectiveness, that the valuation and liquidity of the collateral is adequately monitored, and that the value of the collateral is not materially correlated with the credit quality of the counterparty.

All three types of credit risk mitigation may be used by different areas of Barclays Bank PLC for exposures with a full range of counterparties. For instance, businesses may take property, cash or other physical assets as collateral for exposures to retailers, property companies or other client types.

Netting and set-off

In most jurisdictions in which Barclays Bank PLC operates, credit risk exposures can be reduced by applying netting and set-off. In exposure terms, this credit risk mitigation technique has the largest overall impact on net exposure to derivative transactions, compared with other risk mitigation techniques.

For derivative transactions, Barclays Bank PLC's normal practice is to enter into standard master agreements with counterparties (e.g. ISDAs). These master agreements typically allow for netting of credit risk exposure to a counterparty resulting from derivative transactions against the obligations to the counterparty in the event of default, and so produce a lower net credit exposure. These agreements may also reduce settlement exposure (e.g. for foreign exchange transactions) by allowing payments on the same day in the same currency to be set-off against one another.

Under IFRS, netting is permitted only if both of the following criteria are satisfied:

- the entity currently has a legally enforceable right to set off the recognised amounts; and
- the entity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously

Collateral

Barclays Bank PLC has the ability to call on collateral in the event of default of the counterparty, comprising any or a combination of the following:

- home loans: a fixed charge over residential property in the form of houses, flats and other dwellings. The value of collateral is impacted by property market conditions which drive demand and therefore value of the property. Other regulatory interventions on ability to repossess, longer period to repossession and granting of forbearance may also affect the collateral value
- wholesale lending: a fixed charge over commercial property and other physical assets, in various forms
- other retail lending: includes second line charges over residential property, which are subordinate to first charges held either by Barclays Bank PLC or by another party; and finance lease receivables, for which typically Barclays Bank PLC retains legal title to the leased asset and has the right to repossess the asset on the default of the borrower
- derivatives: Barclays Bank PLC also often seeks to enter into a margin agreement (e.g. Credit Support Annex) with counterparties with which Barclays Bank PLC has master netting agreements in place. These annexes to master agreements provide a mechanism for further reducing credit risk, whereby collateral (margin) is posted on a regular basis (typically daily) to collateralise the mark to market exposure of a derivative portfolio measured on a net basis. Barclays Bank PLC may additionally negotiate the receipt of an independent amount further mitigating risk by collateralising potential mark to market exposure moves
- reverse repurchase agreements: collateral typically comprises highly liquid securities which have been legally transferred to Barclays Bank PLC subject to an agreement to return them for a fixed price
- financial guarantees and similar off-balance sheet commitments: cash collateral may be held against these arrangements

Risk transfer

A range of instruments including guarantees can be used to transfer credit risk from one counterparty to another. These mitigate credit risk in three main ways:

- if the risk is transferred to a counterparty which is more creditworthy than the original counterparty, then overall credit risk is reduced
- where recourse to the first counterparty remains, both counterparties must default before a loss materialises. This is less likely than the default of either counterparty individually so credit risk is reduced
- first loss exposures across pools of credit risk can be hedged via synthetic securitisation structures, typically via CLN issuance. As these are fully funded upfront they provide for a direct reduction in credit risk exposure on referenced pools.

Risk transfer can also be used to reduce risk concentrations within portfolios lowering the impact of stress events.

Risk transfer transactions are undertaken with consideration to whether the collateral provider is correlated with the exposure, the credit worthiness of the collateral provider and legal certainty of enforceability and effectiveness. Where credit risk mitigation is deemed to transfer credit risk, this exposure is appropriately recorded against the credit risk mitigation provider.

Management of credit risk mitigation techniques and counterparty credit risk (continued)

In exposure terms, risk transfer is used most extensively as a credit risk mitigation technique for wholesale loans and derivative financial instruments.

Off-balance sheet risk mitigation

Barclays Bank PLC applies fundamentally the same risk management policies for off-balance sheet risks as it does for its on-balance sheet risks. In the case of commitments to lend, counterparties/customers will be subject to the same credit management policies as for loans and advances. Collateral may be sought depending on the strength of the counterparty and the nature of the transaction.

Recognition of credit risk mitigation in capital calculations

Credit risk mitigation is used to reduce credit risk associated with an exposure, which may reduce potential losses in the event of obligor default or other specified credit events.

Credit risk mitigation that meets certain regulatory criteria may be used to improve risk parameters and reduce RWA consumption against a given obligor. Collateral that meets these regulatory conditions is referred to as eligible collateral. Eligibility criteria are specified in articles 195 to 204 of the CRR.

Barclays Bank PLC's policies and standards set out criteria for the recognition of collateral as eligible credit risk mitigation and are designed to be fully consistent with all applicable local regulations and regulatory permissions.

Where regulatory capital is calculated under AIRB regulations, the benefit of collateral is generally taken by adjusting Loss Given Defaults (LGDs). For standardised portfolios, the benefit of collateral is taken using the financial collateral comprehensive method: supervisory volatility adjustments approach.

For instruments that are deemed to transfer credit risk, in AIRB portfolios the protection is generally recognised by using the Probability of Default (PD) and LGD of the protection provider.

For exposures treated under the standardised approach, the impact of eligible credit risk mitigation is primarily recognised by reducing the EAD associated with the exposure that benefits from the mitigation.

Managing concentrations within credit risk mitigation

Credit risk mitigation taken by Barclays Bank PLC to reduce credit risk may result in credit or market risk concentrations.

Guarantees that are treated as eligible credit risk mitigation are marked as an exposure against the guarantor and aggregated with other credit exposure to the guarantor. Limit monitoring at the counterparty level is then used for monitoring of concentrations in line with Barclays Bank PLC policy.

Commercial real estate lending is another potential source of concentration risk arising from the use of credit risk mitigation. The portfolio is regularly reviewed to assess whether a concentration risk exists, and portfolio limits are in place to control the level of exposure to commercial, residential, investment and development activity.

Counterparty credit risk

Counterparty credit exposures for derivatives and securities financing transactions

Barclays Bank PLC enters into financial instruments through Barclays Bank PLC Treasury that are traded or cleared on an exchange, including interest rate swaps, futures and options on futures. Holders of exchange traded instruments provide daily margins with cash or other securities at the exchange, to which the holders look for ultimate settlement.

Barclays Bank PLC also enters into financial instruments that are traded over the counter, rather than on a recognised exchange. These instruments arise mainly from standardised transactions in derivative markets. In most cases, industry standard documentation is used, most commonly in the form of a master agreement, with individual transaction confirmations. The existence of a signed master agreement is intended to give Barclays Bank PLC protection in situations where Barclays Bank PLC's counterparty is in default.

Counterparty credit exposure arises from the risk that parties are unable to meet their payment obligations under certain financial contracts such as derivatives, securities financing transactions (SFTs) (e.g. repurchase agreements), or long settlement transactions.

A Monte Carlo simulation engine is used to estimate the Potential Future Exposure (PFE) to derivative and securities financing counterparties. The exposure simulation model simulates future market states and the Mark-to-Market (MTM) of the derivative transactions under those states. Simulated exposures taking into account the effect of credit mitigants such as netting, collateral and mandatory break clauses can then be generated.

Credit limits for CCR are assessed and allocated using the PFE measure. A number of factors are taken into account when setting credit limits for individual counterparties, including but not limited to the credit quality and nature of the counterparty, the rationale for the trading activity entered into and any wrong-way risk considerations.

The expected exposures generated by this engine are also used as an input into both internal and regulatory capital calculations covering CCR.

'Wrong-way risk' in a derivative or SFT exposure arises when there is significant correlation between the underlying asset and the counterparty, which in the event of default would lead to a significant MTM loss to the counterparty. Specific wrong-way risk trades, which are self-referencing or reference to other entities within the same counterparty group, require approval by a senior credit officer. The exposure to the counterparty will reflect the additional risk generated by these transactions (the exposure will be consistent with jump-to-default of the reference asset assuming zero recovery).

Derivative CCR (credit value adjustments)

As Barclays Bank PLC participates in derivative transactions it is exposed to CCR, which is the risk that a counterparty will fail to make the future payments agreed in the derivative contract. This is considered as a separate risk to the volatility of the MTM payment flows.

The counterparty risk arising under derivative transactions is taken into account when reporting the fair value of derivative positions. The adjustment to the value is known as credit value adjustment (CVA). It is the difference between the value of a derivative contract with a risk-

Management of credit risk mitigation techniques and counterparty credit risk (continued)

free counterparty and that of a contract with the actual counterparty. This is equivalent to the cost of hedging the counterparty risk in the Credit Default Swap (CDS) market.

CVAs for derivative positions are calculated as a function of the expected exposure, which is the average of future hypothetical exposure values for a single transaction or group of transactions with the same counterparty, the credit spread for a given horizon and the LGD.

The expected exposure is calculated using Monte Carlo simulations of risk factors that may affect the valuation of the derivative transactions in order to simulate the exposure to the counterparty through time. These simulated exposures include the effect of credit mitigants such as netting, collateral and mandatory break clauses. Counterparties with appropriate credit mitigants will generate a lower expected exposure profile compared to counterparties without credit mitigants in place for the same derivative transactions.

Netting and collateral arrangements for derivatives and SFTs

Credit risk from derivatives and SFTs is mitigated where possible through netting agreements whereby assets and liabilities with the same counterparty can be offset. Barclays Bank PLC policy requires all netting arrangements to be legally documented. The International Swaps and Derivative Association (ISDA) Master Agreement is Barclays Bank PLC's preferred agreement for documenting Over the Counter (OTC) derivatives. It provides the contractual framework within which dealing activities across a full range of OTC products are conducted, and contractually binds both parties to apply close-out netting across all outstanding transactions covered by an agreement if either party defaults or other predetermined events occur. The majority of Barclays Bank PLC's OTC derivative exposures are covered by (ISDA) master netting and ISDA Credit Support Annex (CSA) collateral agreements. SFTs are documented under Global Master Repurchase agreement.

Collateral may be obtained against derivative and SFTs, depending on the creditworthiness of the counterparty and/or nature of the transaction. Any non-cash collateral taken in respect of OTC trading exposures will be subject to a 'haircut', which is negotiated at the time of signing the collateral agreement. A haircut is the valuation percentage applicable to each type of collateral and will be largely based on liquidity and price volatility of the underlying security, as well as the counterparty's creditworthiness. The collateral obtained for derivatives is predominantly either cash, direct debt obligation government (G14+) bonds denominated in the domestic currency of the issuing country or debt issued by supranationals. Where Barclays Bank PLC has ISDA master agreements, the collateral document will be the ISDA CSA. The collateral document must give Barclays Bank PLC the power to realise any collateral placed with it in the event of the failure of the counterparty.

Management of treasury and capital risk

Treasury and capital risk management

This comprises:

Liquidity risk: The risk that the Barclays Bank PLC is unable to meet its contractual or contingent obligations or that it does not have the appropriate amount, tenor and composition of funding and liquidity to support its assets.

Capital risk: The risk that the Barclays Bank PLC has an insufficient level or composition of capital to support its normal business activities and to meet its regulatory capital requirements under normal operating environments and stressed conditions (both actual and as defined for internal planning or regulatory testing purposes). This also includes the risk from the Barclays Bank Group's pension plans.

Interest rate risk in the banking book: The risk that the Barclays Bank PLC is exposed to capital or income volatility because of a mismatch between the interest rate exposures of its (non-traded) assets and liabilities.

Overview

Barclays Bank PLC Treasury manages Treasury and Capital Risk exposure on a day-to-day basis with the Barclays Bank PLC Treasury Committee together with the Barclays Group Treasury Committee acting as the principal management bodies. The Treasury and Capital Risk function is responsible for oversight and provides insight into key capital, liquidity and interest rate risk in the banking book (IRRBB) and pension risk activities.

Organisation and structure

Barclays PLC Board Risk Committee

- Reviews and recommends Barclays Bank PLC risk appetite for treasury and capital risk to the Barclays PLC Board for approval
- Reviews material issues impacting treasury and capital risk
- Approves the ICAAP and ILAAP, via delegated authority of the Board

Barclays Group Treasury Committee

- Monitors and manages capital, liquidity, and IRRBB risks in line with objectives and risk appetite of the Group, as well as first line of defences targets
- Guides development of the Group recovery and resolution planning for capital, funding and liquidity
- Reviews non-traded market risk positions against risk appetite and limits

Barclays Group Risk Committee

- Reviews and recommends treasury and capital risk appetite to the Barclays PLC Board Risk Committee
- Escalates material issues impacting treasury and capital risk to the Barclays PLC Board Risk Committee
- Reviews and recommends the ICAAP and ILAAP to the Barclays PLC Board Risk Committee for approval

Barclays Bank PLC Treasury Committee

- Monitors and manages the performance in managing of capital and liquidity risk within agreed first line of defence targets and limits
- Oversees the risks managed by the Treasury function of the key legal entities through their funding, investment and hedging activities

Barclays Group Treasury and Capital Risk Committee

- Manages treasury and capital risk appetite
- Monitors the treasury and capital risk profile
- Monitors the treasury and capital risk control environment
- Recommends risk appetite to the Barclays Group Risk Committee and Barclays PLC Board Risk Committee
- Escalates material issues impacting treasury and capital risk to the Barclays Group Risk Committee and Barclays PLC Board Risk Committee

Management of treasury and capital risk (continued)

Liquidity risk management

Overview

The efficient management of liquidity is essential to Barclays Bank PLC in order to retain the confidence of the financial markets and maintain the sustainability of the business. Treasury and Capital Risk have created a framework to manage all liquidity risk exposures under both normal and stressed conditions. The framework is designed to maintain liquidity resources that are sufficient in amount, quality and funding tenor profile to remain within the liquidity risk appetite as expressed by the Barclays Bank PLC Board. The liquidity risk appetite is monitored against both internal and regulatory liquidity metrics.

For the purpose of liquidity management, Barclays Bank PLC and its subsidiary Barclays Capital Securities Limited, a UK broker dealer entity, are monitored on a combined basis by the PRA under a Domestic Liquidity Sub-Group (Barclays Bank PLC DoLSub) arrangement ('DoLSub').

Roles and responsibilities

The Barclays Bank PLC Treasury and Capital Risk function is responsible for the management and governance of the liquidity risk framework, consistently with Barclays PLC Group policies and framework and with Barclays Bank PLC CRO mandates. Treasury has the primary responsibility for managing liquidity risk within the set risk appetite. Both Risk and Treasury contribute to the production of the ILAAP.

The framework established by Treasury and Capital Risk is designed to deliver the appropriate term and structure of funding, consistent with the liquidity risk appetite set by the Barclays PLC Board.

The control framework incorporates a range of ongoing business management tools to monitor, limit and stress test Barclays Bank PLC's balance sheet and contingent liabilities. Limit setting is designed to control the level of liquidity risk taken and drive the appropriate mix of funds. In addition, Barclays Group maintains a Group Recovery Plan which includes application to Barclays Bank PLC. Together, these tools reduce the likelihood that a liquidity stress event could lead to an inability to meet Barclays Bank PLC's obligations as they fall due. The control framework is subject to internal conformance testing and internal audit review.

The Barclays Bank PLC Board approves the Barclays Bank PLC funding plan, internal stress tests, regulatory stress test results, and Barclays Bank PLC contribution to the Barclays Group Recovery Plan. The Barclays Bank PLC Treasury Committee is responsible for monitoring and managing liquidity risk in line with Barclays Bank PLC's funding management objectives, funding plan and risk framework. The Barclays PLC Risk Committee monitors and reviews the liquidity risk profile and control environment, providing second line oversight of the management of liquidity risk. The Barclays Bank PLC Board Risk Committee reviews the risk profile, and annually reviews risk appetite and the impact of stress scenarios on the Barclays Bank PLC funding plan/forecast in order to agree Barclays Bank PLC's projected funding abilities.

Barclays Bank PLC maintains a range of management actions for use in a liquidity stress. These are documented in the Barclays Group Recovery Plan. Since the precise nature of any stress event cannot be known in advance, the actions are designed to be flexible to the nature and severity of the stress event and provide a menu of options that can be drawn upon as required. The Barclays Group recovery plan also contains more severe recovery options to generate additional liquidity in order to facilitate recovery in a severe stress. Any stress event would be regularly monitored and reviewed using key management information by Treasury, Risk and business representatives.

Ongoing business management	Early signs/mild stress	Severe stress	Recovery
<ul style="list-style-type: none"> Stress testing and planning Liquidity limits Early warning indicators 	<ul style="list-style-type: none"> Monitoring and review Management actions requiring minimal business rationalisation 	<ul style="list-style-type: none"> Monitoring and review Management actions with limited impact on franchise 	<ul style="list-style-type: none"> Activate appropriate recovery options to restore the capital and/or liquidity position of the Group

Risk Appetite and planning

Barclays has established an Internal Liquidity Stress Test (ILST) to quantify the level of liquidity risk Barclays Bank PLC is exposed to in pursuit of its business objectives and in ensuring compliance with its regulatory obligations. The ILST forms part of the Liquidity Risk Appetite (LRA).

The key expression of the liquidity risk is through internal and regulatory stress tests. It is measured with reference to the liquidity pool compared to anticipated net stressed outflows for each of five stress scenarios. Barclays has defined both internal short term and long term ILST stress testing metrics.

Barclays Bank PLC adopted the ILST stress test framework set by the Group. The Barclays Bank PLC ILST results are reviewed by the Barclays Bank PLC Board. The ILST is reviewed on a continuous basis and is subject to formal review at least annually as part of the ILAAP.

Management of treasury and capital risk (continued)

Statement of LRA: For 2023, the Barclays Bank PLC Board has approved that Barclays Bank PLC DoLSub expresses its liquidity risk appetite based on the constraints set by its internal and regulatory-prescribed stress tests, to ensure that it maintains sufficient liquidity resources and stable sources of funding under normal and stressed conditions:

>€0 at low-point across ILST stress horizons

LCR 30 days minimum ratio 100% (Pillar 2 basis)

Net Stable Funding Ratio (NSFR) minimum ratio 100%

The Barclays Bank PLC DoLSub ILST and LCR outflows are used to determine the minimum size of Barclays Bank PLC DoLSub Liquidity Pool. The Liquidity Pool represents those resources immediately available to meet outflows in a liquidity stress. In addition to holding a liquidity pool against stressed outflows, Barclays Bank PLC DoLSub reviews available management actions that could be used to raise additional liquidity. Management actions are assessed to determine their suitability, effectiveness and time to delivery.

Liquidity limits

Barclays Bank PLC DoLSub manages limits on a variety of on- and off-balance sheet exposures, a sample of which is shown in the table below. These limits serve to control the overall extent and composition of liquidity risk taken by managing exposure to each risk driver.

Examples of liquidity limits			
Internal Liquidity Stress Test ('ILST')	Liquidity Coverage Ratio	Currency Risk Limits	Net Stable Funding Ratio ('NSFR')
Prime Brokerage Limits	Unsecured Limits	Concentration Limits	Secured Stress Limits

Early warning indicators

Barclays Treasury monitors a range of market indicators for early signs of liquidity risk. Both market indicators and Barclays specific indicators are tracked, a sample of which is shown in the table below. These are designed to immediately identify the emergence of increased liquidity risk in order to maximise the time available to execute appropriate mitigating management actions. Early Warning Indicators (EWIs) are used as part of the assessment of whether to invoke the Group Recovery Plan, which provides a framework for how a liquidity stress would be managed.

Examples of early warning indicators		
Reduction in 'sticky' deposits	Deterioration in stress test surplus	Rising funding costs
Widening CDS spreads	Change in maturity profile	Stress in financial markets

Management of treasury and capital risk (continued)

Recovery & resolution planning

Barclays maintains a Group Recovery Plan (GRP) designed to provide a framework to effectively manage a severe financial stress. The GRP is proportionate to the nature, scale and complexity of the business and is tested on a regular basis to ensure it is operationally robust. The GRP details the escalation and invocation process for the plan, including integration with i) BAU monitoring of capital and liquidity EWIs to detect signs of approaching financial stress; ii) existing processes within Barclays Treasury and Risk to respond to mild/moderate stress; and iii) the governance process for executing recovery options. The GRP is legal entity aware and includes considerations for Barclays Bank UK Group and Barclays Bank PLC including entity-specific EWIs, recovery options, recovery strategies and governance arrangements.

Significant financial stress will be managed holistically by Barclays, with appropriate senior management coming together to deal with stress, and key entities/branches remaining involved and able to manage stress locally and continuing to meet local regulatory requirements. The financial crisis process is centred around a hierarchy based on the structure of the Group, so that stress is managed both locally and at the highest level at which it manifests. The procedures for Barclays Group, Barclays Bank UK Group and Barclays Bank PLC include the convening of the Group-wide Capital and Liquidity Crisis Management Team (CLCMT) and the Group Executive Committee (ExCo) as Barclays' most senior crisis leadership committee, the use of a crisis playbook of detailed management information and a range of management actions that can be taken to restore Barclays' capital and/or liquidity position. This coordinated process provides a more consistent and therefore more effective crisis response.

The GRP includes a range of recovery options to respond to financial stresses of varying severity and includes detailed information on financial and non-financial impacts of exercising the recovery options. The GRP is updated annually and fully embedded within Barclays' existing processes.

Liquidity risk governance

The Barclays Bank PLC Treasury function operates within the bounds of the framework established by Treasury and Capital Risk. The framework describes liquidity risk management processes, associated policies, controls and how the Barclays Group has implemented controls. This framework is used to manage liquidity risk within the Liquidity Risk Appetite. The framework is reviewed annually and supported by the internal architecture used to record and measure group wide liquidity metrics.

The Barclays Bank PLC Board sets the Liquidity Risk Appetite based on the internal liquidity stress test (LRA) and external regulatory requirements, namely the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR). The Liquidity Risk Appetite quantifies level of risk Barclays Bank PLC DoLSub is exposed to in pursuit of its business objectives and ensuring compliance with its regulatory obligations. The approved Liquidity Risk Appetite is implemented in line with the Enterprise Risk Management Framework.

Management of treasury and capital risk (continued)

ICAAP information

The purpose of the capital adequacy assessment is to confirm that the entity is adequately capitalised to support its business strategy against the risks the bank faces and the performance constraints set by the Board.

The capital adequacy is assessed by verifying the following conditions:

- The entity meets the capital regulatory requirements.
- The Internal Stress Testing passes the risk appetite constraints set by the Board.
- The entity holds sufficient loss absorbing capital to cover total economic risks.

This is supplemented by benchmarking of capital metrics to peer banks and considering rating agency assessments.

Appendix A - Countercyclical capital buffer

Table 28: CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

The below table shows the geographical distribution of credit exposures relevant to the calculation of the countercyclical buffer in line with CRR Article 440. Note that exposures in the below table are prepared in accordance with CRD Article 140. Hence exclude exposures to central governments/banks, regional governments, local authorities, public sector entities, multilateral development banks, international organisations and institutions, and as such the exposure values differ to those found in the Analysis of credit risk section.

As at 31 December 2023	General credit exposures		Relevant credit exposures - Market risk			Own fund requirements					Risk-weighted exposure amounts	Own fund requirements weights	Counter-cyclical buffer rate
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Securitisation exposures for non-trading book	Total exposure value	Relevant credit risk exposures - Credit risk	Relevant credit exposures - Market risk	Relevant credit exposures - Securitisation positions in the non-trading book	Total			
Breakdown by country	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	%	%
DENMARK	93	81	5	54	—	232	11	3	—	13	168	0.13	2.50
NORWAY	40	133	6	94	—	273	6	3	—	9	111	0.08	2.50
UNITED KINGDOM	104,179	33,546	469	2,093	11,236	151,527	2,941	52	165	3,159	39,473	29.74	2.00
CZECH REPUBLIC	—	99	2	68	—	169	8	7	—	15	184	0.14	2.00
SWEDEN	28	95	12	256	301	692	5	3	4	12	153	0.12	2.00
ICELAND	—	—	—	—	—	—	—	—	—	—	—	—	2.00
BULGARIA	—	—	—	—	—	—	—	—	—	—	—	—	2.00
SLOVAKIA	—	—	—	5	—	5	—	—	—	—	4	—	1.50
ESTONIA	—	—	—	—	—	—	—	—	—	—	—	—	1.50
IRELAND	234	2,195	23	64	1,246	3,762	73	6	21	99	1,243	0.94	1.00
NETHERLANDS	651	883	97	758	121	2,509	81	12	1	94	1,181	0.89	1.00
AUSTRALIA	236	1,594	21	96	420	2,367	58	5	5	67	843	0.64	1.00
HONG KONG	411	503	5	153	—	1,072	43	1	—	45	557	0.42	1.00
ROMANIA	—	—	—	1	—	2	—	—	—	—	1	—	1.00
LITHUANIA	—	—	—	—	—	—	—	—	—	—	—	—	1.00
CROATIA	—	—	—	—	—	—	—	—	—	—	—	—	1.00
GERMANY	113	918	167	1,088	172	2,457	35	24	3	63	782	0.59	0.75
LUXEMBOURG	2,192	1,470	103	150	382	4,297	190	11	7	208	2,601	1.96	0.50
FRANCE	1,009	1,531	212	2,048	798	5,597	108	28	18	154	1,922	1.45	0.50
CYPRUS	18	—	—	7	—	25	1	1	—	2	31	0.02	0.50
SLOVENIA	—	—	—	—	—	—	—	—	—	—	—	—	0.50
Total (countries with existing CCyB rate)	109,204	43,048	1,122	6,935	14,676	174,986	3,560	156	224	3,940	49,254	37.12	
UNITED STATES	19,590	51,052	3,317	3,186	69,331	146,477	3,886	280	1,036	5,203	65,030	48.99	n/a
INDIA	1,899	216	12	146	198	2,470	166	9	3	178	2,223	1.68	n/a
CANADA	300	2,148	61	21	8	2,538	135	8	—	143	1,789	1.35	n/a
CAYMAN ISLANDS	1,383	581	8	35	—	2,006	118	3	—	120	1,503	1.13	n/a
Total (countries with own funds requirements weights 1% or above)	23,172	53,997	3,398	3,388	69,537	153,491	4,305	300	1,039	5,644	70,545	53.15	n/a
Total (rest of the world less than 1% requirement)	6,743	13,428	1,054	2,494	2,274	25,993	815	191	29	1,035	12,941	9.73	n/a
Total	139,119	110,473	5,574	12,817	86,487	354,470	8,680	647	1,292	10,619	132,740	100.00	

Appendix A - Countercyclical capital buffer (continued)

Table 28: CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer (continued)

As at 31 December 2022	General credit exposures		Relevant credit exposures – Market risk			Total exposure value	Own fund requirements			Total	Risk-weighted exposure amounts	Own fund requirements weights	Counter-cyclical buffer rate
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Securitisation exposures for non-trading book		Relevant credit risk exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book				
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	%	%
Breakdown by country													
DENMARK	98	113	2	37	—	250	12	2	—	14	174	0.13	2.00
NORWAY	—	130	15	15	—	160	5	2	—	6	80	0.06	2.00
CZECH REPUBLIC	—	149	—	12	—	161	5	1	—	6	75	0.06	1.50
UNITED KINGDOM	99,667	37,866	473	40	12,995	151,040	3,038	52	194	3,284	41,050	30.38	1.00
HONG KONG	657	442	5	96	—	1,200	61	1	—	62	781	0.58	1.00
SWEDEN	44	70	15	2	318	449	5	4	7	15	186	0.14	1.00
SLOVAKIA	—	—	—	8	—	8	—	—	—	—	5	—	1.00
BULGARIA	—	—	—	—	—	—	—	—	—	—	—	—	1.00
ESTONIA	—	—	—	—	—	—	—	—	—	—	—	—	1.00
LUXEMBOURG	2,066	1,496	82	14	577	4,235	182	11	10	203	2,541	1.88	0.50
Total (countries with existing CCyB rate)	102,532	40,266	592	224	13,890	157,503	3,308	73	211	3,590	44,892	33.23	
UNITED STATES	17,955	51,300	5,809	7,487	57,254	139,806	4,016	279	927	5,222	65,279	48.31	n/a
IRELAND	610	2,520	31	65	1,418	4,643	113	2	23	137	1,718	1.27	n/a
FRANCE	1,174	1,225	116	140	536	3,190	83	24	12	119	1,489	1.10	n/a
CANADA	202	2,393	68	322	8	2,993	139	10	—	149	1,862	1.38	n/a
NETHERLANDS	563	1,695	71	39	163	2,532	119	10	3	132	1,647	1.22	n/a
INDIA	2,051	126	9	7	151	2,345	178	4	2	184	2,294	1.70	n/a
Total (countries with own funds requirements weights 1% or above)	22,555	59,259	6,104	8,060	59,530	155,509	4,648	329	967	5,943	74,289	54.98	n/a
Total (rest of the world less than 1% requirement)	9,265	14,163	1,610	2,213	1,607	28,858	1,081	168	25	1,277	15,948	11.79	n/a
Total	134,352	113,688	8,306	10,497	75,027	341,870	9,037	570	1,203	10,810	135,129	100.00	

Appendix A - Countercyclical capital buffer (continued)

Table 29: CCyB2 - Amount of institution-specific countercyclical capital buffer

This table shows an overview of institution specific countercyclical exposure and buffer requirements

		As at 31 December 2023	As at 31 December 2022
1	Total risk exposure amount	211,193	203,833
2	Institution specific countercyclical capital buffer rate	0.7%	0.3%
3	Institution specific countercyclical capital buffer requirement	1,384	663

Appendix B – Disclosure on remuneration

Barclays Bank PLC remuneration

The following disclosures are made by applying instructions provided in Annex XXXIV and the tables as presented in Annex XXXIII of the PRA Rulebook, Disclosure (CRR) Part in application of Article 450 CRR. The Barclays Bank PLC (BBPLC) remuneration disclosure includes details for BBPLC and all its subsidiaries, which differs from regulatory scope of consolidation.

Remuneration governance

The mandate and responsibilities of BBPLC Board Remuneration Committee (the 'Committee') and details of the number of meetings held during the year are included in the 2023 BBPLC Annual Report. During 2023 the Committee had access to market data on compensation provided by Willis Towers Watson when considering incentive levels and remuneration packages. In the course of its deliberations, the Committee also considers the views of the Group Chief Executive, the Group Human Resources Director and the Group Reward and Performance Director. The Group Finance Director and Group Chief Risk Officer also provide regular updates on the Group's financial performance and risk profile respectively.

The Committee has adopted the overarching principles and parameters of the remuneration policy set by the Barclays PLC Remuneration Committee, as disclosed in the Remuneration report within the Barclays PLC Annual Report 2023 (the 'Remuneration report'). The Remuneration report provides an overview of the 2023 performance and pay outcomes for the Executive Directors of Barclays PLC (who are also Executive Directors of BBPLC), a summary of remuneration policies for all employees (which also apply to material risk takers ('MRTs')), and for the Executive Directors, as well as the decision-making process in respect of remuneration outcomes including the role of relevant stakeholders (e.g. shareholders, regulators and employees).

The Committee reviewed and adopted the remuneration philosophy in 2023 without change. In February 2024 the Committee added an explicit reference to delivering good customer outcomes as part of the philosophy's rewarding sustainable performance objective. For 2023 there were not any substantive changes to the all-employee remuneration policy.

Performance management and remuneration

Barclays' remuneration philosophy (set out below) links remuneration to achieving sustainable performance. In this context, sustainable performance means making a positive and enduring difference to investors, customers and communities, delivering good customer outcomes, taking pride in leaving things better than we found them and playing a valuable role in society. Our remuneration philosophy applies to all employees of Barclays PLC globally (including those individuals identified as MRTs) and aims to reinforce our belief that effective performance management is critical to enabling the delivery of our business strategy in line with our Values. Employees who adhere to Barclays' Values and contribute to Barclays' success are rewarded accordingly.

This is achieved by basing performance assessment on clear standards of delivery and behaviour. This starts with employees aligning their personal objectives each year ('what' they will deliver) to business and team goals, to support the delivery of the business strategy and good client/customer outcomes, to a consistently excellent standard. Behavioural expectations ('how' people will achieve their objectives) are set in the context of our Values and Mindset.

Performance is assessed against both financial and non-financial criteria. Other factors are also taken into consideration within the overall performance assessment, including core job responsibilities, behaviours towards risk and control, colleague and stakeholder feedback, as well as input from the control functions and Chief Controls Office, where appropriate. Details of Barclays' financial and non-financial performance, and how they relate to the incentive pool, can be found as part the BPLC Remuneration Committee Chair's statement in the Remuneration report. Details of the metrics applicable to the BPLC Executive Directors' incentives, how they performed against these metrics, including where the metrics are not satisfied in full or where the BPLC Board Remuneration Committee considers performance is below expectations, are also set out in the Remuneration report.

Through our approach to performance management, the equal importance of both what an individual has delivered and how the individual has achieved this is emphasised, encouraging balanced consideration of each dimension. Both of these elements are assessed and rated independently of each other; there is no overall rating. This allows for more robust and reflective conversations between managers and team members on the individual components of performance.

Barclays' remuneration philosophy

The remuneration philosophy below sets out the basis upon which Barclays made remuneration decisions and set remuneration policies during 2023. Barclays' remuneration philosophy applies to all employees globally.

Attract and retain talent needed to deliver Barclays' strategy	Long-term success depends on the talent of our employees. This means attracting and retaining an appropriate range of talent to deliver against our strategy, and paying the right amount for that talent
Align pay with investor and other stakeholder interests	Remuneration should be designed with appropriate consideration of the views, rights and interests of stakeholders. This means listening to our shareholders, other investors, regulators, government, customers and employees and ensuring their views are appropriately represented in remuneration decision-making
Reward sustainable performance	Sustainable performance means making a positive and enduring difference to investors, customers and communities, delivering good customer outcomes, taking pride in leaving things better than we found them, and playing a valuable role in society
Support Barclays' Values and culture	Results must be achieved in a manner consistent with our Values. Our Values, culture and Mindset should drive the way that business is conducted
Align with risk appetite, risk exposure and conduct expectations	Designed to reward employees for achieving results in line with the Group's risk appetite and conduct expectations
Be fair, transparent and as simple as possible	We are committed to ensuring pay is fair, simple and transparent for all our stakeholders. All employees and stakeholders should understand how we reward our employees and fairness should be a lens through which we make remuneration decisions

Appendix B – Disclosure on remuneration (continued)

The Barclays Group remuneration policy is reviewed annually by the Barclays PLC Remuneration Committee. The Committee is asked to review and adopt any changes to the policy, where appropriate.

Risk adjustment and remuneration

Another key feature of our remuneration philosophy is the alignment of remuneration with our risk appetite and with the conduct expectations of Barclays, our regulators and other stakeholders. The Committee takes risk and conduct events very seriously and ensures that there are appropriate adjustments to individual remuneration and, where necessary, the incentive pool.

The Remuneration Review Panel (the 'Panel'), which reports to the Committee, supports the Committee in this process. The Panel is chaired by the Group HR Director and includes the Group Heads of Risk, Compliance, Legal and Internal Audit as well as the President of BBPLC and the CEO of Barclays Bank UK PLC. It applies our policies and processes for assessing compensation adjustments for risk and conduct events.

We have robust processes for considering risk and conduct as part of individual performance management, with outcomes reflected in individual remuneration decisions. Line managers have primary accountability for ensuring that risk and conduct issues are considered when assessing performance and making remuneration decisions. In addition, there is a secondary review by the control functions, for individuals involved in significant failures of risk management, conduct issues, regulatory actions or other major incidents that impact either the Group or a business area, to ensure these issues are properly considered. When considering individual responsibility, a variety of factors are taken into account, such as whether an individual was directly responsible, or whether the individual could be deemed indirectly responsible by virtue of seniority, including staff who drive BBPLC's culture and set its strategy.

Actions that may be taken where risk management and conduct falls below required standards include:

Individual adjustments	Current year annual bonuses may be adjusted downwards where individuals are found to be involved (either directly or indirectly) in a risk or misconduct event.
Collective adjustments	In addition to reductions to individuals' bonuses, the Committee considers and makes collective adjustments to the incentive pool for specific risk and conduct events. The Committee also adjusts the incentive pool to take account of an assessment of future risks, including conduct, non-financial factors that can support the delivery of a strong risk management, control and conduct culture, and other factors including reputation, and impact on customers, markets and other stakeholders. The Committee is supported in its consideration of this adjustment by the BBPLC Board Risk Committee.
Malus	Invested deferred bonuses from prior years are subject to malus provisions, which enable the Committee to reduce the vesting level of deferred bonuses (including to nil) at its discretion. Events that may lead the Committee to do this include, but are not limited to, employee misconduct or a material failure of risk management.
Clawback	Clawback applies to any variable remuneration awarded to a MRT on or after 1 January 2015 in respect of years for which they were a MRT. Barclays may apply clawback if, at any time during the seven-year period from the date on which variable remuneration is awarded to a MRT: <ul style="list-style-type: none"> (i) there is reasonable evidence of employee misbehaviour or material error, and/or (ii) the firm or the business unit suffers a material failure of risk management, taking account of the individual's proximity to and responsibility for that incident. Clawback may be extended to 10 years for PRA/FCA Senior Managers where there are outstanding internal or regulatory investigations at the end of the seven-year clawback period.

Remuneration structure

Employees receive salary, pension and other benefits and are eligible to be considered for an annual bonus. Some employees, including some MRTs, also receive Role Based Pay ('RBP'). Remuneration of all MRTs is subject to a 2:1 maximum ratio of variable to fixed remuneration. Executive Directors participate in the Barclays' Long Term Incentive Plan and receive part of their Fixed Pay in Barclays PLC shares (they do not receive RBP).

The remuneration of employees engaged in control functions is determined independently from the business they support and within the parameters of the incentive pool allocated to them by the Committee. Remuneration for control function employees is less weighted towards variable remuneration compared to front-office employees, with the ratio of variable to fixed remuneration typically limited to 1:1.

Fixed remuneration

Salary	Salaries reflect individuals' skills and experience and are reviewed annually. They are increased where justified by role change, increased responsibility, to reflect a change in the market rate or maintain appropriate competitive positioning. Salaries may also be increased in line with local statutory requirements and union and works council commitments.
Role Based Pay	Some MRTs receive a class of fixed pay called RBP to recognise the seniority, scale and complexity of their role. RBP may be adjusted where justified by a role or responsibility change or a change in the appropriate market rate.
Pension and benefits	The provision of a competitive package of benefits is important to attracting and retaining the talented staff needed to deliver Barclays' strategy. Employees have access to a range of country-specific company-funded benefits, including pension schemes, healthcare, life assurance and Barclays' share plans, as well as other voluntary employee-funded benefits. The cost of providing these benefits is defined and controlled.

Appendix B – Disclosure on remuneration (continued)

Variable remuneration

Annual bonus	<p>Annual bonuses incentivise and reward the achievement of Group, business and individual objectives, and reward employees for demonstrating individual behaviours in line with Barclays' Values and Mindset.</p> <p>The ability to recognise performance through variable remuneration enables the Group and BBPLC to control its cost base flexibly and to react to events and market circumstances. Bonuses remain a key feature of remuneration practice in the highly competitive market for talent in the financial services sector.</p> <p>Annual bonuses may be delivered in both 'up-front' and deferred components. For MRTs (excluding 'de minimis' MRTs), both the up-front and deferred components have cash and share portions, in the case of the share portions subject to retention periods of either six or twelve months.</p>																				
Bonus deferral	<p>The Committee is careful to control the proportion of variable to fixed remuneration paid to individuals and to ensure an appropriate amount is deferred to future years. The typical deferral structures are:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left; border-bottom: 1px solid black;">For MRTs:</th> <th colspan="2" style="text-align: left; border-bottom: 1px solid black;">For de minimis MRTs/non-MRTs</th> </tr> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Incentive award</th> <th style="text-align: left; border-bottom: 1px solid black;">Amount deferred</th> <th style="text-align: left; border-bottom: 1px solid black;">Incentive award</th> <th style="text-align: left; border-bottom: 1px solid black;">Amount deferred</th> </tr> </thead> <tbody> <tr> <td style="border-bottom: 1px solid black;">< £500,000</td> <td style="border-bottom: 1px solid black;">40% of total award</td> <td style="border-bottom: 1px solid black;">Up to £65,000</td> <td style="border-bottom: 1px solid black;">0%</td> </tr> <tr> <td style="border-bottom: 1px solid black;">£500,000 to £1,000,000</td> <td style="border-bottom: 1px solid black;">60% of total award</td> <td style="border-bottom: 1px solid black;">> £65,000</td> <td style="border-bottom: 1px solid black;">Graduated level of deferral</td> </tr> <tr> <td style="border-bottom: 1px solid black;">> £1,000,000</td> <td style="border-bottom: 1px solid black;">60% up to £1,000,000 100% above £1,000,000</td> <td></td> <td></td> </tr> </tbody> </table> <p>Deferred bonuses are generally delivered in equal portions as deferred cash and deferred shares (save for the Executive Directors for whom they are delivered 100% as deferred shares) subject to the rules of the deferred cash and share plans (as amended from time to time) and to continued service. Deferred bonuses are subject to either a 3, 4, 5 or 7-year deferral period in line with regulatory requirements.</p> <p>Where dividend equivalents cannot be delivered on deferred bonus shares, the number of deferred bonus shares awarded will be calculated using a share price discounted to reflect the absence of dividends or equivalent during the vesting period.</p>	For MRTs:		For de minimis MRTs/non-MRTs		Incentive award	Amount deferred	Incentive award	Amount deferred	< £500,000	40% of total award	Up to £65,000	0%	£500,000 to £1,000,000	60% of total award	> £65,000	Graduated level of deferral	> £1,000,000	60% up to £1,000,000 100% above £1,000,000		
For MRTs:		For de minimis MRTs/non-MRTs																			
Incentive award	Amount deferred	Incentive award	Amount deferred																		
< £500,000	40% of total award	Up to £65,000	0%																		
£500,000 to £1,000,000	60% of total award	> £65,000	Graduated level of deferral																		
> £1,000,000	60% up to £1,000,000 100% above £1,000,000																				

Shareholding

Shareholding requirements	<p>The Directors' Remuneration Policy (approved by Barclays PLC shareholders in May 2023) specifies Executive Director shareholding requirements. The Group Chief Executive and Group Finance Director are required to accumulate Barclays shareholdings worth a minimum of 233% and 224% of Fixed Pay respectively within five years from the date of their appointment, and must retain a shareholding for at least two years after stepping down from the role.</p> <p>The shareholding requirement for other Group Executive Committee members is 200% of salary and needs to be met within five years from the date of their appointment.</p> <p>Shares that count towards the requirement are beneficially owned shares including any vested share awards subject only to holding periods, the estimate after-tax value of any shares from unvested deferred share bonuses, and the estimated value after-tax value of any shares from unvested LTIP awards provided that no performance conditions remaining untested.</p> <p>The Chairman and Non-Executive Directors have a requirement to use a portion of their annual fees (£100,000 for the Chairman, £30,000 Non-Executive Directors) to purchase shares, which must be retained until they retire from the Board.</p>
Share plans	<p>Alignment of MRTs with shareholders is achieved through deferral of incentive pay. The Committee also encourages additional employee shareholding by operating voluntary all-employee share plans in locations representing 99% of employees globally.</p>

Awards of guaranteed variable remuneration are only made in exceptional circumstances in the context of hiring and typically only when a new hire starts in the last quarter of the year. When determining a termination payment, Barclays considers any applicable: (a) contractual requirements; (b) policies; (c) local legal and regulatory requirements; and (d) legal and reputational risk.

Appendix B – Disclosure on remuneration (continued)

Remuneration of MRTs in respect of the financial year

MRTs are BBPLC employees whose professional activities could have a material impact on BBPLC's risk profile, which includes (among others) the members of the BBPLC Board. A total of 1,171 individuals were MRTs in 2023 (2022: 1,157).

86 MRTs in 2023 benefited from the derogation in point (b) of Article 94(3) of the Capital Requirements Directive in respect of the remuneration requirements in points (l) and (m) of Article 94(1). The aggregate fixed remuneration for these MRTs was £16.4m and the aggregate variable remuneration was £2.6m.

The following tables set out remuneration disclosures for individuals identified as MRTs for BBPLC. In the tables, the terms below mean:

- 'MB' means BBPLC's management body (i.e. the BBPLC Board);
- 'MB Supervisory function' means those individuals who were Non-Executive Directors of BBPLC during 2023;
- 'MB Management function' means those individuals who were Executive Directors of BBPLC during 2023;
- 'Other senior management' means those individuals (excluding the Executive Directors of BBPLC) who were members of the BBPLC Executive Committee during 2023 in accordance with Article 3(1)(9) of CRDIV; and
- 'Other identified staff' means MRTs excluding MRTs included in MB Supervisory function, MB Management function and Other senior management.

Table 30: UK REM1 - Remuneration awarded for the financial year (all figures are in £m except for 'Number of identified staff')

		MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Number of identified staff	9	2	20.0	1,132.5
2	Total fixed remuneration	2.7	5.1	37.6	691.7
3	<i>Of which: cash-based</i>	2.7	2.3	31.3	654.7
4	<i>(Not applicable in the UK)</i>				
UK-4a	Fixed remuneration				
	<i>Of which: shares or equivalent ownership interests</i>	—	2.3	5.6	7.7
5	<i>Of which: share-linked instruments or equivalent non-cash instruments</i>	—	—	—	—
UK-5x	<i>Of which: other instruments</i>	—	—	—	—
6	<i>(Not applicable in the UK)</i>				
7	<i>Of which: other forms^a</i>	—	0.5	0.7	29.3
8	<i>(Not applicable in the UK)</i>				
9	Number of identified staff	—	2	18.0	988.3
10	Total variable remuneration	—	8.7	36.7	601.7
11	<i>Of which: cash-based</i>	—	0.4	18.4	305.2
12	<i>Of which: deferred</i>	—	—	15.1	181.8
UK-13a	Variable remuneration				
	<i>Of which: shares or equivalent ownership interests</i>	—	8.3	18.3	296.5
UK-14a	<i>Of which: deferred</i>	—	7.9	15.1	181.8
UK-13b	<i>Of which: share-linked instruments or equivalent non-cash instruments</i>	—	—	—	—
UK-14b	<i>Of which: deferred</i>	—	—	—	—
UK-14x	<i>Of which: other instruments</i>	—	—	—	—
UK-14y	<i>Of which: deferred</i>	—	—	—	—
15	<i>Of which: other forms</i>	—	—	—	—
16	<i>Of which: deferred</i>	—	—	—	—
17	Total remuneration (2 + 10)	2.7	13.8	74.3	1,293.4

Note

a. 'Other forms' of fixed remuneration represents an estimate for pensions and benefits during the year.

Appendix B – Disclosure on remuneration (continued)

Table 31: UK REM2 - Special payments to staff whose professional activities have a material impact on institution's risk profile (identified staff) (all figures are in £m except for 'Number of identified staff')

	MB Supervisory function	MB Management function	Other senior management	Other identified staff
Guaranteed variable remuneration awards				
1	Guaranteed variable remuneration awards - Number of identified staff	—	—	2.0
2	Guaranteed variable remuneration awards - Total amount	—	—	2.6
3	<i>Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap</i>	—	—	—
Severance payments awarded in previous periods, that have been paid out during the financial year				
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff	—	—	—
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount	—	—	—
Severance payments awarded during the financial year ^a				
6	Severance payments awarded during the financial year - Number of identified staff	—	1.0	29.0
7	Severance payments awarded during the financial year - Total amount	—	0.14	8.2
8	<i>Of which paid during the financial year</i>	—	0.14	5.9
9	<i>Of which deferred</i>	—	—	2.3
10	<i>Of which severance payments paid during the financial year, that are not taken into account in the bonus cap</i>	—	0.14	6.4
11	<i>Of which highest payment that has been awarded to a single person</i>	—	0.14	1.6

Note

a. The severance payments shown in row 10 are variable remuneration but in accordance with paragraph 154 of the EBA Guidelines on sound remuneration they have not been taken into account for the purposes of the calculation of the 2:1 ratio. Had the severance payments been taken into account, the 2:1 ratio would have continued to have been met for all of the individuals, except for three individuals.

Appendix B – Disclosure on remuneration (continued)

Table 32: UK REM3 - Deferred remuneration (all figures are in £m)

		Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1	MB Supervisory function	—	—	—	—	—	—	—	—
2	Cash-based	—	—	—	—	—	—	—	—
3	Shares or equivalent ownership interests	—	—	—	—	—	—	—	—
4	Share-linked instruments or equivalent non-cash instruments	—	—	—	—	—	—	—	—
5	Other instruments	—	—	—	—	—	—	—	—
6	Other forms	—	—	—	—	—	—	—	—
7	MB Management function	25.2	3.0	22.2	—	—	0.8	3.1	0.6
8	Cash-based	5.4	1.3	4.1	—	—	—	1.3	—
9	Shares or equivalent ownership interests	19.8	1.7	18.1	—	—	0.8	1.8	0.6
10	Share-linked instruments or equivalent non-cash instruments	—	—	—	—	—	—	—	—
11	Other instruments	—	—	—	—	—	—	—	—
12	Other forms	—	—	—	—	—	—	—	—
13	Other senior management	111.6	23.9	87.7	—	—	1.0	24.8	3.2
14	Cash-based	44.7	9.7	35.0	—	—	—	9.7	—
15	Shares or equivalent ownership interests	66.9	14.2	52.7	—	—	1.0	15.1	3.2
16	Share-linked instruments or equivalent non-cash instruments	—	—	—	—	—	—	—	—
17	Other instruments	—	—	—	—	—	—	—	—
18	Other forms	—	—	—	—	—	—	—	—
19	Other identified staff	1,197.7	343.8	853.9	—	—	10.8	355.5	74.4
20	Cash-based	535.3	152.7	382.6	—	—	—	152.6	—
21	Shares or equivalent ownership interests	662.4	191.1	471.3	—	—	10.8	202.9	74.4
22	Share-linked instruments or equivalent non-cash instruments	—	—	—	—	—	—	—	—
23	Other instruments	—	—	—	—	—	—	—	—
24	Other forms	—	—	—	—	—	—	—	—
25	Total amount	1,334.5	370.7	963.8	—	—	12.6	383.4	78.2

Appendix B – Disclosure on remuneration (continued)

Table 33: UK REM4 - Remuneration of 1 million EUR or more per year

	EUR	Identified staff that are high earners as set out in Article 450(i) CRR
1	1 000 000 to below 1 500 000	273
2	1 500 000 to below 2 000 000	112
3	2 000 000 to below 2 500 000	62
4	2 500 000 to below 3 000 000	51
5	3 000 000 to below 3 500 000	32
6	3 500 000 to below 4 000 000	12
7	4 000 000 to below 4 500 000	9
8	4 500 000 to below 5 000 000	10
9	5 000 000 to below 6 000 000	11
10	6 000 000 to below 7 000 000	7
11	7 000 000 to below 8 000 000	1
12	8 000 000 to below 9 000 000	0
13	9 000 000 to below 10 000 000	5
14	10 000 000 to below 11 000 000	1
15	11 000 000 to below 12 000 000	1

Table 34: UK REM5 - Information on remuneration of staff whose professional activities have a material impact on institution's risk profile (identified staff) (all figures are in €m except for 'Total number of identified staff')

	Management body remuneration			Business areas						Total
	MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	
1 Total number of identified staff										1,163.5
2 <i>Of which: members of the MB</i>	9	2	11							
3 <i>Of which: other senior management</i>				10.0	1.0	—	6.0	3.0	—	
4 <i>Of which: other identified staff</i>				838.8	57.6	—	86.0	146.5	3.6	
5 Total remuneration of identified staff	2.7	13.8	16.5	1,162.5	53.4	—	94.8	55.5	1.5	
6 <i>Of which: variable remuneration</i>	—	8.7	8.7	556.0	26.6	—	41.9	13.9	—	
7 <i>Of which: fixed remuneration</i>	2.7	5.1	7.8	606.5	26.8	—	52.9	41.6	1.5	