Barclays PLC
GLOBAL SYSTEMICALLY IMPORTANT INSTITUTIONS (G-SIIs) DATA DISCLOSURE

31 December 2013

Executive Summary

In 2011, the G20 leaders requested that the Financial Stability Board (FSB) and the Basel Committee on Banking Supervision (BCBS) establish a framework to identify those financial institutions that could be expected to have the greatest impact on the global financial system and the global economy, should they fail.

Barclays was last identified as a Global Systemically Important Institution (G-SII) by the FSB in November 2013, using data for the period ended 31 December 2012 under a methodology published by the BCBS. G-SIIs are required to hold an additional capital buffer relative to their position within the list of G-SIIs identified as a result of this exercise.

The list of G-SIIs is updated by the FSB on an annual basis with the next update due in November 2014 using 31 December 2013 data as presented in this document. Revised G-SII buffers for each institution will not be determined until 1 January 2015.

Identification

Identification of a G-SII is prescribed by BCBS using a score based system dependent upon twelve indicators. The indicators are based on the following criteria:

- **Size** – the total on and off balance sheet exposures of the bank, calculated on a basis that differs from both CRD IV and PRA leverage exposures.
- **Interconnectedness** – capturing transactions with other financial institutions.
- **Substitutability/financial institution infrastructure** – the extent to which the banks services could be substituted by other institutions.
- **Complexity** – the degree and number of complex transactions a bank is party to, including OTC derivative notionals, trading and Available-for-sale (AFS) securities and Level 3 fair value assets.
- **Cross-jurisdictional activity** – foreign claims on an ultimate risk basis and foreign liabilities.

Capital buffer requirements

Each G-SII is required to hold an additional buffer of Common Equity Tier 1 (CET1) capital between 1% and 3.5% depending on their scores under the identification methodology. The G-SII buffer's purpose is to ensure G-SIIs maintain additional capital to absorb potential future losses. This buffer will be on top of the minimum CET1 ratio and the capital conservation buffer introduced under CRDIV and will be phased in from January 2016, with full implementation by January 2019. Barclays' G-SII buffer, as disclosed in November 2013, is 2%. The data disclosed in this document will be used to determine Barclays' G-SII buffer applicable from 1 January 2016 (which could be different from 2%). As there is a two year time lag between the data point used for G-SII calculation and the G-SII buffer applicability, any changes to a bank's score under the identification methodology in 2014 will be reflected in the G-SII buffer from 2017 onwards.

The G-SII buffer is already a component of Barclays target end-state capital structure; Barclays expects to hold 11.5-12% of fully loaded CET1 capital comprising the required 4.5% minimum CET1 ratio, a Pillar 2A add-on, a Combined Buffer Requirement made up of a Capital Conservation Buffer (2.5%) and the G-SII buffer (currently 2%), and a management buffer of up to 1.5%.

Basis of preparation

Institutions identified as G-SIIs are required by the BCBS to publicly disclose the twelve high level indicators. National Regulators have been given the authority to require more granular disclosures. The Prudential Regulatory Authority (PRA), following guidance from the European Banking Authority (EBA), has advised that the format of the public disclosures should be as per the template in the Annex of EBA Final draft Implementing Technical Standard on G-SII disclosure of indicators[1] (excluding ancillary data items).

The data disclosed is based on specific instructions provided by BCBS[2] and the EBA Guidelines[3] that are subject to interpretation and may not be directly comparable with other disclosures. Differences may also arise as there is a requirement to use the regulatory scope of consolidation for most data points. For further information on the difference between financial reporting under International Financial Reporting Standards (IFRS) and the regulatory scope of consolidation please refer to page 13 of the Barclays Pillar 3 disclosures 2013.

For detail on the basis of preparation of the G-SII data, please refer to pages 7 to 9 of this document.

Size Indicator

Section 2: Total Exposures	**£m**
a. Counterparty exposure of derivatives contracts (method 1)	64,721
b. Gross value of securities financing transactions (SFTs)	301,056
c. Counterparty exposure of SFTs	66,566
d. Other assets	802,428
(1) Securities received in SFTs that are recognised as assets	-
e. Total on-balance sheet items (sum of items 2.a, 2.b, 2.c, and 2.d, minus 2.d.(1))	**1,234,771**
f. Potential future exposure of derivative contracts (method 1)	231,062
g. Notional amount of off-balance sheet items with a 0% CCF	117,289
(1) Unconditionally cancellable credit card commitments	95,752
(2) Other unconditionally cancellable commitments	21,537
h. Notional amount of off-balance sheet items with a 20% CCF	10,075
i. Notional amount of off-balance sheet items with a 50% CCF	106,564
j. Notional amount of off-balance sheet items with a 100% CCF	42,874
k. Total off-balance sheet items (sum of items 2.f, 2.g, and 2.h through 2.j, minus 0.9 times the sum of items 2.g.(1) and 2.g.(2))	**402,304**
l. Entities consolidated for accounting purposes but not for risk-based regulatory purposes:	
(1) On-balance sheet assets	10,636
(2) Potential future exposure of derivatives contracts	-
(3) Unconditionally cancellable commitments	-
(4) Other off-balance sheet commitments	2,589
(5) Investment value in the consolidated entities	33
m. Regulatory adjustments	14,016
o. Total exposures indicator (sum of items 2.e, 2.k, 2.l.(1), 2.l.(2), 0.1 times 2.l.(3), 2.l.(4), minus the sum of items 2.l.(5) and 2.m)	**1,636,251**

[1] https://www.eba.europa.eu/documents/10180/717707/EBA-ITS-2014-03+%28Final+Draft+ITS+on+G-SII+disclosure+of+indicators%29.pdf/c5d3f9a1-1487-4fc4-85ed-c60d68b25b01

[2] http://www.bis.org/bcbs/gsib/instr_end13_gsib.pdf

[3] https://www.eba.europa.eu/documents/10180/717755/EBA-GL-2014-02+%28Guidelines+on+disclosure+of+indicators+of+systemic+importance%29.pdf/a017aea5-ceba-4d74-a1ee-fe513f7dbbdf

Interconnectedness Indicators

Section 3: Intra-Financial System Assets	£m
a. Funds deposited with or lent to other financial institutions	39,976
(1) Certificates of deposit	687
b. Undrawn committed lines extended to other financial institutions	14,551
c. Holdings of securities issued by other financial institutions:	
(1) Secured debt securities	11,263
(2) Senior unsecured debt securities	9,662
(3) Subordinated debt securities	508
(4) Commercial paper	351
(5) Stock (including par and surplus of common and preferred shares)	2,714
(6) Offsetting short positions in relation to the specific stock holdings included in item 3.c.(5)	-
d. Net positive current exposure of securities financing transactions with other financial institutions	18,480
e. Over-the-counter (OTC) derivatives with other financial institutions that have a net positive fair value:	
(1) Net positive fair value (include collateral held if it is within the master netting agreement)	9,382
(2) Potential future exposure	109,618
f. Intra-financial system assets indicator (sum of items 3.a, 3.b through 3.c.(5), 3.d, 3.e.(1), and 3.e.(2), minus 3.c.(6))	**216,505**

Section 4: Intra-Financial System Liabilities	£m
a. Deposits due to depository institutions	12,100
b. Deposits due to non-depository financial institutions	34,807
c. Undrawn committed lines obtained from other financial institutions	-
d. Net negative current exposure of securities financing transactions with other financial institutions	17,765
e. OTC derivatives with other financial institutions that have a net negative fair value:	
(1) Net negative fair value (include collateral provided if it is within the master netting agreement)	14,712
(2) Potential future exposure	55,869
g. Intra-financial system liabilities indicator (sum of items 4.a through 4.e.(2))	**135,253**

Section 5: Securities Outstanding	£m
a. Secured debt securities	25,069
b. Senior unsecured debt securities	73,637
c. Subordinated debt securities	21,695
d. Commercial paper	6,422
e. Certificates of deposit	24,077
f. Common equity	43,819
g. Preferred shares and any other forms of subordinated funding not captured in item 5.c.	8,583
i. Securities outstanding indicator (sum of items 5.a through 5.g)	**203,302**

Substitutability/Financial Institution Infrastructure Indicators

Section 6: Payments made in the reporting year (excluding intragroup payments)	Reported in	Amount in millions of the specified currency	£m
a. Australian dollars	AUD	1,405,932	870,669
b. Brazilian real	BRL	111,936	33,344
c. Canadian dollars	CAD	1,436,603	892,530
d. Swiss francs	CHF	1,299,709	896,628
e. Chinese yuan	CNY	2,164,511	225,222
f. Euros	EUR	6,347,327	5,390,531
g. British pounds	GBP	8,965,149	8,965,149
h. Hong Kong dollars	HKD	3,843,110	316,966
i. Indian rupee	INR	2,845,286	31,208
j. Japanese yen	JPY	557,187,063	3,657,589
k. Swedish krona	SEK	2,339,592	229,777
l. United States dollars	USD	17,348,455	11,098,473
n. Payments activity indicator (sum of items 6.a through 6.l)			**32,608,086**

Section 7: Assets Under Custody	£m
a. Assets under custody indicator	**196,966**

Section 8: Underwritten Transactions in Debt and Equity Markets	£m
a. Equity underwriting activity	23,715
b. Debt underwriting activity	236,916
c. Underwriting activity indicator (sum of items 8.a and 8.b)	**260,631**

Complexity indicators

Section 9: Notional Amount of Over-the-Counter (OTC) Derivatives	£m
a. OTC derivatives cleared through a central counterparty	21,855,751
b. OTC derivatives settled bilaterally	18,365,517
c. OTC derivatives indicator (sum of items 9.a and 9.b)	**40,221,268**

Section 10: Trading and Available-for-Sale Securities	£m
a. Held-for-trading securities (HFT)	132,984
b. Available-for-sale securities (AFS)	89,521
c. Trading and AFS securities that meet the definition of Level 1 assets	71,110
d. Trading and AFS securities that meet the definition of Level 2 assets, with haircuts	20,482
f. Trading and AFS securities indicator (sum of items 10.a and 10.b, minus the sum of 10.c and 10.d)	**130,913**

Section 11: Level 3 Assets	£m
a. Level 3 assets indicator	**32,914**

Cross-Jurisdictional Activity Indicators

Section 12: Cross-Jurisdictional Claims	£m
a. Foreign claims on an ultimate risk basis (excluding derivatives activity)	584,795
c. Cross-jurisdictional claims indicator (item 12.a)	**584,795**

Section 13: Cross-Jurisdictional Liabilities	£m
a. Foreign liabilities (excluding derivatives and local liabilities in local currency)	460,856
(1) Any foreign liabilities to related offices included in item 13.a.	207,809
b. Local liabilities in local currency (excluding derivatives activity)	233,728
d. Cross-jurisdictional liabilities indicator (sum of items 13.a and 13.b, minus 13.a.(1))	**486,775**

Description of the indicators

The G-SII score is based on five equally weighted criteria as follows:

a) Size

The size criteria is only made up of one indicator being total exposure which includes derivatives, securities financing transactions (SFTs), other on-balance sheet items and off balance sheet items as defined in the EBA guidelines.

Total exposure differs from the CRD IV and PRA leverage exposure disclosed in the Barclays 2013 Annual Report due to a different basis of preparation required by the EBA/BCBS. As a consequence, the total exposure is £259bn greater than the CRDIV leverage exposure and £273bn greater than the PRA adjusted leverage exposure. The G-SII size indicator also uses a different exposure measure to the BCBS 270 basis of preparation which is the binding measure for calculating leverage exposures for the Barclays Group from 1 July 2014.

The key differences in the G-SII total exposure to both the CRD IV and PRA leverage exposures are as follows:

- **SFTs adjustments:** Under CRDIV, SFTs are measured using Financial Collateral Comprehensive Method (FCCM), calculated as an add on equal to exposure less collateral, taking into account master netting agreements and adjusting for volatility haircuts. The G-SII metric replaces FCCM with an add-on equal to gross exposure less collateral.
- **Other adjustments:** Unlike CRDIV, external assets and undrawn commitments of entities that are in the IFRS scope of consolidation but not in the regulatory scope of consolidation are included in the G-SII total exposure.
- **Other assets (on balance sheet assets other than SFTs and derivatives):** The G-SII guidelines require the use of gross on balance sheet assets, whereas CRD IV uses IFRS metrics that include the benefit of legally enforceable netting.

The following difference relates to the PRA leverage exposure only:

- **PRA adjustment to leverage exposure:** In accordance with SS3/13 the estimated PRA adjusted leverage exposure allows for further adjustments that reduce leverage exposure, in line with expected changes to the CRDIV leverage calculation pursuant to BCBS 270. For further information please refer to page 30 of the Barclays Pillar 3 disclosures 2013 and page 205 of the Barclays Annual Report 2013.

b) Interconnectedness of the group with the financial system

Interconnectedness captures the balances of transactions with other financial institutions including loans, debt and equity securities, SFTs and derivative activity.

Sections 3 and 4 intra-financial assets and liabilities are balances with other financial institutions, however section 5 – (securities outstanding) includes amounts issued to both financial and non-financial institutions.

One of the main components in this section is the OTC derivative assets and liabilities with their respective Potential Future Exposure (PFE) with other financial institutions.

c) Substitutability of the services or the financial infrastructure of the group

This criterion is made of three indicators:

- **Payments data** – this section covers gross wholesale payments during the year excluding internal payments using large value payment systems such as SWIFT, CHAPS etc.
- **Assets under custody** – this section covers the value of all assets that the bank holds as custodian on behalf of customers. It excludes assets under management and assets under administration.
- **Debt and equity underwriting** - this section includes all of Barclays debt and equity underwriting activity during the period where the bank was obligated to purchase unsold securities. As per the EBA guidelines, when the underwriting is on a best-efforts basis (i.e. where the bank is not obligated to purchase the remaining inventory), only securities sold have been included.

d) Complexity of the group

There are three indicators that make up the complexity criteria.

- **Notional amounts of OTC derivatives** – These include the gross notional amount of OTC derivatives for all types of risk categories and instruments including foreign exchange, interest rate, equity, commodities and Credit Default Swaps (CDS). These are split between those cleared through a central counterparty and those settled bilaterally.

- **Trading and Available-for-sale (AFS) securities**– These include trading portfolio and AFS securities but exclude Level 1 and Level 2 high quality liquid assets held for the purpose of meeting the Basel 3 Liquidity Coverage Ratio. Pursuant to Basel 3, Level 1 assets are those that would attract a 0% risk weighting under the standardised approach to credit risk and are predominantly made up of sovereign bonds, securities issued by central banks, public sector entities and multilateral development banks. Level 2 assets include other sovereign bonds, corporate debt securities, Retail Mortgage Backed Securities (RMBS) and common equity holdings with various haircuts applied depending on factors such as level of subordination and credit rating.

  AFS are predominately made up of debt and equity securities held for liquidity buffer purposes, however these are reduced by the Level 1 and Level 2 assets leaving the remaining balance of mainly held for trading securities.

- **Level 3 Assets** – as defined by IFRS, these are fair value assets where their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). A valuation input is considered observable if it can be directly observed from transactions in an active market, or if there is compelling external evidence demonstrating an executable exit price as defined by IFRS where the fair value is measured using not readily observable market inputs.

  Unobservable input levels are generally determined via reference to observable inputs, historical observations or using other analytical techniques.

  For further information on Level 3 assets, please refer to Note 18 of the financial statements in the Barclays Annual Report 2013.

e) **Cross-jurisdictional activity of the group**

This section covers cross-jurisdictional claims and liabilities of the group.

- **Cross-jurisdictional claims -** are foreign claims and local claims of foreign affiliates on an ultimate risk basis. Claims include deposits with other banks, loans and advances to banks and customers, holdings of securities and reverse repurchase transactions. Derivative contracts and intra-office claims are excluded.

  Under the ultimate risk basis, where the immediate borrower is a branch of a company in a different country; or is guaranteed by an entity in a different country; or eligible collateral is provided to offset the risk of the original borrower, then the claim will be reported to the country of the head office, the guarantor or the provider of collateral respectively.

- **Cross-jurisdictional liabilities -** include all foreign liabilities including deposits by banks and customers, trading portfolio liabilities, repurchase agreements and various debt securities however this category excludes liabilities from positions in derivative contracts.

  As an international bank operating in over 50 jurisdictions, a large part of Barclays' balance sheet includes cross-jurisdictional activity. Almost 50% of foreign claims are with counterparties in the Americas mainly driven by loans to other financial institutions, the card business, reverse repurchase agreements and trade portfolio assets. Europe and Africa drive the balance of cross-jurisdictional claims through retail and corporate loans.

  Liabilities are mainly driven by deposits and customer accounts and repurchase agreements. Over 40% of deposits and customer accounts are placed within Europe with the next largest Americas and Africa. Repurchase agreements are mainly with counterparties residing in the Americas.