

Morgan Stanley European Financials Conference**16 March 2021****Jes Staley Q&A transcript (amended in places to improve accuracy and readability)****Alvaro Serrano, Morgan Stanley**

Thank you everyone for joining this second session of the conference with Barclays. Very happy to introduce Jes Staley, CEO of Barclays Group. As always, we're going to do a survey question first. The question is, "Where do you think Barclays is more likely to surprise positively in 2021?" Number one, in CIB revenue performance with ongoing strong markets and banking fees; number two, faster than expected recovery in consumer lending as the economy rebounds; number three, beating a conservative UK NIM guidance; number four, provisions below the 74 basis points expected by consensus; and number five, shareholder remuneration over the 5p and £700 million buybacks that consensus is expecting for this year.

It does look like 50% are expecting a beat in provisions. Maybe with that, we can start our conversation, Jes. Maybe as an opening question, 2020 has been a pretty difficult year, but I would say the banks have managed pretty well considering the COVID-19 challenges. Maybe you can run us through your thoughts on 2020 and where you stand now?

Jes Staley, Barclays Group Chief Executive

Yes. I think it was, all things considered, a good year for the banks. First, I think you have to acknowledge the work by regulators and the central banks around the world, particularly in the ECB, the Fed, the Bank of England and Her Majesty's Treasury. The banks went through an enormous recapitalisation in the last decade. The recalibration of risk has been significant, all the way from applying a risk weight to AAA securities, to applying a risk weight to just operating a bank.

We need to remember that, in 2009, the banks were really the catalyst for a lot of economic pain and for the [global financial crisis]. This time, I think the banks found themselves in a financial position whereby, if this all works as I think it's working now, hopefully the banks will be seen in part as agents to allow for a swift recovery.

In the case of Barclays, as you know, for the previous four years, we were arguing that consumer banks and wholesale banks act differently depending upon where you are in an economic cycle. We stayed committed to our investment bank and, as we said at the year-end numbers, despite a pandemic and the economic contraction that was almost unprecedented, the investment bank generated 13% RoTE in 2020 and really allowed us to do three things. One was really try to help the consumer and small businesses. During the pandemic we waived over £100 million of overdraft interest last year; we set up a £100 million charitable foundation to help people impacted by COVID-19; we participated in some £26 billion of government-supported lending programmes to small businesses and mid-size corporates. I think we stayed with our customers and our clients in a very difficult period of time and yet remained profitable

every quarter, and ended the year with the highest level of capitalisation ever at the bank. I think that's a function of the diversified strategy, which we launched in March 2016.

Alvaro Serrano

Obviously, when we come out of COVID-19, the attention is going to quickly turn back to the strategic narrative. In your CEO Review in the Annual Report, you reiterated ambitions to grow in transaction banking, in Payments and in Wealth Management. Maybe you can expand a little on the progress you're making there and what opportunities you see ahead.

Jes Staley

One, there are some pretty interesting valuations for a company that I know quite well called Stripe, which is written quite a bit about today. I've known Patrick and John for a long time, and we are actually partnering with them as a supporting bank in Europe.

One of the attributes of Barclays, which we want to talk more about and underscore more, is that we are one of the largest merchant acquirers in Europe, and one of the very few banks that has a sizable merchant acquiring business alongside small business banking, corporate banking, etc., let alone the consumer franchise that we have. So, we applaud the attention that's being given to the internet sales space and to those that are digitally offering merchant acquiring services to internet sales companies, and Stripe is doing an exceptional job at it, but we are all-in investing in our merchant acquiring capabilities. We're seeing very strong growth where we provide it for e-commerce. So, the payment space I think is very promising for Barclays, and we're going to underscore that more and more.

Alvaro Serrano

In terms of the investment bank, it's come a long way over the last three years. Your market share in the IB has increased, you flagged in your results up 35% since 2017 and credit to you. We all look back to where you were a few years back and you've clearly done better than the market expected. Your focus you've said is to continue to grow market share in capital markets. Maybe you can spend a bit of time on that and what areas in particular are you investing in, product-wise and geography-wise, and what sort of market share gains are you aiming for over time?

Jes Staley

Well, the first thing is I think the market share gains of the last couple years reflect the fact that, particularly amongst the European banks, we were resolute in our support of remaining a bulge bracket bank and, aside from commodities six years ago, we have not stepped away from any asset class or any market as a bulge bracket player.

I think a lot of the buy side believe that, if I do a five-year interest rate swap with Barclays, they'll be here five years from now to write another one. So, I think we convinced the buy side that we were going to stay as a very robust counterparty in the capital markets and it's sort of an irony, I think being British helped us in that regard versus the five major US banks.

We have been investing in personnel. One of the areas where we've seen significant growth and want to continue to invest is in Equity Capital Markets. We brought in, a little over a year ago, two new heads of our Equity Capital Markets business. One used to work at Morgan Stanley, a guy named Taylor Wright,

who's co-Head with Kristin de Clark, who's based out in Palo Alto and I think one of the best technology ECM bankers. The two of them have had a huge impact on that market for us.

So, we're going to continue to invest and hire talent. But I think now, given where the bank is, and given where profitability is lying, it's really important to underscore what we're seeking to do; really good business for the right reasons and for the right clients. I don't want to chase our market share. I think in investment banking, that's a dangerous thing to do. So, let's just do the right business with the right clients, and we have a position that's strong now. I think we're all recognising how significantly the industry is growing. The size of the capital markets has doubled in the last decade. The [combined] debt [and equity] markets have grown by 40% in the last two years alone. So, it's a much bigger pool that we're all swimming in, and I think that's healthy for everyone who is acting as an intermediary in the capital markets themselves.

Alvaro Serrano

That resonates very well. If I think about 2021, despite all the things you've laid out, consensus is still forecasting CIB revenues to be down 10%. You pointed out in your full-year results, and Tushar flagged it as well, that you think you can do better than that, but Markets are obviously very difficult to predict. What does make you so optimistic? The comparator YoY is pretty difficult, particularly with FICC up more than 50% last year and markets up 45%, but you remain optimistic. What's driving that optimism?

Jes Staley

One footnote I would say, Alvaro, is we do have to recognise the real strength of the pound, so, when you look at these comparisons, recognise that a significant percentage of our revenues in our investment bank are in US dollars. So when you hear statements by other financial institutions about how they're doing one period versus another, they generally use a constant-currency of US dollars.

We're not going to make a prediction or a statement about the first quarter. I think the important thing for us is, obviously, the stock price is responding well. We announced the 5p capital return to shareholders. We want to get in a consistent basis of returning excess capital to shareholders.

We have two consumer franchises, one in the US and one in the UK, which for [around] a decade printed high-teens returns on capital until 2020. Then, the pandemic hit, [...]. Those franchises are still there, and those levels of profitability will recover over a period of time. If we can stay engaged with the capital markets, continue to make improvements in our corporate bank, which is around the transaction banking that you mentioned, I think we are in a very good place over time to deliver that RoTE target of north of 10%.

Alvaro Serrano

One of the things that caught people's attention I think with the full-year results was your UK NIM guidance of 240bps. It does feel conservative, given the activity we've seen in the UK market and given the steepening of the curve. What makes you more cautious? And when do you think you'll see margins trough in the UK?

Jes Staley

I think it is fair to say, Alvaro, that when we made that statement, we did not have the yield curve that we currently have now, and that's a positive for our NIM as you mentioned. The mortgage market is far more robust now than it was when we made that NIM prediction and spreads are quite strong. So, those two factors I think would lead you to believe that NIM quite possibly [could] be stronger than the guidance we gave.

The only cautionary note I would give you is that it's going to take a while to translate consumer spending into a recovery in the balances we had in our credit card business. The highest NIM for the bank is that unsecured lending book that comes out of credit cards and that's just going to take a period of time to recover. [Balances are down] north of 20%. It will recover, but that will take a period of time and that does weigh down on the NIM. But you're right, when we gave the 240bps guidance, the yield curve wasn't where it is today, and the mortgage market hadn't demonstrated the robustness that we have witnessed.

Alvaro Serrano

Maybe we can touch on that sort of consumer that you pointed out. Last year, there was a big contraction in credit card balances. How are spending trends progressing and what are you seeing at the moment? You've mentioned that it's going to take time before they recover but, if we think about the last global financial crisis, it took several years for balances to rebound. Do you think this time it's going to lag the recovery or is it going to bounce back much faster? Maybe you can give some thoughts about what we could expect in terms of what the recovery is going to look like.

Jes Staley

On the back of the economic crisis in 2008/2009, the recession lasted six years. It was six years before GDP got back to pre-crisis levels. I said a couple months ago that there's a chance we're going to have a mini-roaring '20s on the back of the end of this pandemic, because I think the consumer did react very differently in this crisis than they normally do in a recession. In a normal recession, the consumer and small businesses will probably borrow a little bit more and use a little bit of their cash in order to maintain a lifestyle or maintain an investment in their business.

This time, when the pandemic hit in February, March and April, the overwhelming emotion of the consumer and small business owner was fear. What we saw was a dramatic move by the consumer to pay down unsecured debt; if they needed to, borrow secured to make that happen, and raise cash. In many cases, they left it on deposit with Barclays.

The consumer protected its balance sheet. Then, you had this massive response in terms of fiscal policy and a massive response in terms of monetary policy, built up into the system. Once this pandemic is really behind us, I think you're going to have a very quick recovery in spending. I think you're already starting to see it in the spending numbers. So, I don't think this is going to go for six years. Maybe it goes for 18 months, maybe a little bit longer. Now, recovering those balances to pre-pandemic levels will simply take time but you're going to see it, I think, very quickly in the spend data.

Alvaro Serrano

Obviously provisions are turning out to be a lot lower than what we would have feared this time last year. Your coverage in the UK cards portfolio is over 16% when compared to total stock. It's probably the

highest it's ever been. We've seen US banks starting to release provisions, and one of your peers is calling for below-cycle provisions already in 2021. When do you think we can see positive surprises in Barclays, and when can we look forward to provision releases like your US counterparts?

Jes Staley

When the pandemic hit, we sat down with the Executive Committee of the bank and laid out for ourselves three priorities. One was to preserve the financial integrity of the bank. Some of us saw what happened to JPMorgan coming out of the last financial crisis, and their financial strength gave them tremendous momentum for the last decade.

So, we wanted to keep capital levels as high as we could, preserve profitability through every quarter, and build up reserves. We did that, we took £4.8 billion of impairment charges last year, we got our reserve level to well north of £9 billion and, as we got coverage ratios for things like credit card balances like this bank has never had before.

So, I think we put the bank into a very strong position. Then the other two priorities were to protect the consumer and the small businesses as much as we could, and the third was to protect our employees. I think we've done all three of those.

Let's see how the economy rolls out this year. We will take our cue from real changes in our economic forecasts and real changes coming out of our models as we think about impairment releases. I do think it's very fair to say that right now, in part because of the fiscal and monetary positions taken by the governments [and central banks], the consumer is doing much better than we would have thought. That invariably will translate into credit risk, and ultimately that will translate into how you think about impairment.

Alvaro Serrano

You touched on it at the beginning, but you've announced a 1p dividend and a 4p equivalent share buyback with the full-year results. How should we think about capital distribution, going forward? Are you going to prioritise share buybacks over dividends? There are a few capital headwinds coming. How much room do you see for increased payouts?

Jes Staley

Since the earnings results and the announcement of the 1p [dividend] and the 4p buyback, we've had a lot of conversations with shareholders. There are some that believe that what we should have done is [2p dividend, 3p buyback] as opposed to [1p dividend, 4p buyback]. When we were considering that buyback, you'll also remember the stock price was significantly lower than it is now and at some point, when you're trading at 30% to 40% of book value, I think it's very hard to not recognise the economic reality of the force of the buyback as opposed to a dividend.

It was a very tough decision taken last March around suspending the 6p dividend. You want dividends to be predictable, and you want them to I think, improve progressively over time. We need to reset that plan. So, I would say, as we continue to generate excess capital, we are going to look to return that capital to shareholders. We want to increase the size of our dividend in a way that it remains secure and that we continue to support it but, as long as we're trading that at discount to book value, we will [also] use buybacks.

You can't deny how the US bank stocks are trading versus the European bank stocks. Clearly, the US banks made a decision [...], to quite robustly use stock buybacks, and have done so consistently for the last couple of years. So, it'll be a combination, and hopefully, in talking with people like you and our shareholders on the call, we get the balance between dividends and buybacks right but, we will look at both as we seek to return capital to shareholders.

Alvaro Serrano

We'll start with the questions from the audience, one on the IB. "Your market share is 35% higher in investment banking, but it's still relatively small. Do you have the right size to earn a good return in a sustainable way?"

Jes Staley

Yes, I think I've always believed this. I think you need to be in the top six, or in shooting distance of the top six to generate the right level of profitability. That's where we are. I've always felt this, and I did a lot of work on this when I was running JPMorgan's investment bank. Investment banking is not like a lot of industries where, if you're not in the top two, or maybe top three, the economics aren't there. The buy side needs counterparties, and the buy side will not work itself towards a level of concentration so that the profits sit with the top two players. We have the size, and market share, to deliver to our clients, and underwrite the securities that we want to underwrite.

You can just look at the last couple of months and public deals that we've been associated with. Last year, we underwrote during the pandemic c.£1.5 trillion of debt and equity. That's a staggering number. So, we talk to the companies that we want to talk to. We engage with the buy side that we want to. We have tremendous staff both in the markets, as well as in the primary side. So, yes, I feel very comfortable about where this bank is. I think we have the size to generate the levels of profitability that we want to. We did it in 2020 at over 13% [RoTE]. As I said before, if you get too focused on market share, you end up doing things that you don't want to do, or that you shouldn't do.

So, I'm very comfortable with the size and scale of our IB. The only think that I would tweak is one of the difficult decisions that we took to manage the restructuring of 2016 and 2017; we pulled pretty heavily back on Asia. We have a fabulous head, Vanessa Koo, who runs the IB in Asia. We did make a starting capital investment in I think what will be a very successful investment bank in Australia, Barrenjoey. We have a very unique relationship with Barrenjoey that I think will help Barclays.

But, [...] we'd like to put more into China, and, ultimately, I think, like a lot of foreign banks, one has to consider, do you open a broker-dealer in mainland China? However, we like the position that we have. We've got a great position in Japan. I think we're the second most active trader on the Tokyo Stock Exchange. We've got a very strong footprint in Singapore and in Hong Kong. We like this investment with Barrenjoey. We want to continue to invest in Europe, particularly with our corporate bank, which we are doing. We're going to continue to invest in our business. We're pivoting the bank, away from what's the next restructuring, what's the next place where we can cut costs, to now, where can we invest our cost base in order to grow revenues.

You look at things like payments, and you look at things like transactional banking. And we have this management team now focused on growing revenues, not restructuring.

Alvaro Serrano

There's a question around the size of the European business versus the US business, and particularly also the FICC and [Banking] mix.

Jes Staley

I think at the margin, where I'd like to see us do a little bit better would include M&A Advisory, particularly in Europe. I think we've made a significant move in ECM, as I mentioned, and sustaining that would be very healthy. We have a very strong platform in credit. I think we have one of the best credit trading teams on the Street. In there, we're anywhere from a [top 3 to top 4] player. We've made some good improvements in our rates and currencies business but we'd like to do a little bit better there. Equities in 2020 made a very significant move, and I feel really good about that team.

So, there are places at the margin that we'd like to continue our momentum, but there's no gaping hole that needs to be filled for us to be a bulge bracket bank.

Alvaro Serrano

How do you assess the strength of the US consumer versus UK consumer? How do you expect the consumption in your credit card business to react to US stimulus?

Jes Staley

Well, the US has got the advantage of interchange fees. So, our US credit card business financials react more robustly to spend because of interchange fees than you would in your UK card business, which is relying more on balances and NIM. I think the consumer is going to respond significantly in both markets, and spend is going to respond in both markets. The US has not gone through the lockdown to the extent that was managed in the UK and is being managed today, and you can walk outside your office building in New York right now and go and have a hamburger in a restaurant. You can't do that in London yet.

But when the lockdown gets eased in the UK, I think the consumer has built up spending capability and I think has demonstrated a desire to spend such that a robust recovery in the UK will mirror what you started to see in the US now.

Alvaro Serrano

Maybe one from me related to that, on your CC&P division. The mix of the business is different – in the US, you're clearly more skewed to airlines. Does that change how quickly it can bounce back? And you also recently signed an interesting contract with Amazon in Germany. Maybe you can touch on those initiatives, as well. Is that going to mean a faster recovery in CC&P, on top of what you just mentioned versus the UK?

Jes Staley

Maybe three comments on that. One, we very much like the co-brand space. We signed up Emirates Airlines. We purchased the co-brand card from JPMorgan for AARP, and we are in robust discussions with a number of other companies to launch a co-brand card. We like that business. It allows our consumer lending capability to be leveraged off of the brand names of other major consumer companies.

We are very focused on expanding in the payment space and in the point-of-sale financing space. So, the Amazon contract in Germany is very important to us. That's the second largest market for Amazon. They have a 40% share of internet sales in Germany and we are the point-of-sale financier if you want to pay in instalments after you've purchased over €100 through Amazon. We're in conversations with Amazon with other ideas. One of the really important things for me about that contract particularly is to get through an API embedded in Amazon. What they judge on is not your financial wherewithal. It's your technology skills, how robust is your system, how quick is it, how easy is it to use. It's very important to them that they don't allow an API from an outside provider to get inside of Amazon.com, and then it brings Amazon.com down. So, I think it was a very strong statement about where we have got our technology platform to, the quality of our engineers, the quality of where we are around cybersecurity, all that feels quite good.

Then, a similar product. We are the main point-of-sale financier for Apple in the UK. We understand that to have been one of the best partnerships that Apple has experienced, and I think they believe that we have driven a significant improvement in their sales by the instalment lending that we do for Apple products in the UK.

But I go back to where we started. One of the challenges of a major bank, particularly Barclays, is as we've built out this bank over the last couple decades, it was extraordinary territorial. I remember when I first got this job, I went to speak at a town hall to our Barclaycard staff. I said it's great to be here as the CEO of Barclays, this institution has such a legacy, etc. When I was done, as I walked off the stage from this town hall, the head of Barclaycard pulled me aside and said, "You know, Jes, we don't use the word 'Barclays' here. We're Barclaycard. We're not Barclays."

That translated into the software that was written, the marketing that was done, the control systems that were built. If we are going to compete against Stripe, what we need to do is to have technology to focus on the delivery digitally of financial products, but we need to deliver digitally the overall banking offering of Barclays.

Going back to the merchant acquiring business, we have an enormous asset, which is we have a million small business clients in the UK. Generally, there's about a 12% to 15% annual turnover in small businesses. Your local restaurant, the guy closes down, and a woman opens another restaurant in its place. So, we have some 120,000 to 150,000 small businesses that open a small business banking account with Barclays every year.

What we need to do is offer digitally a seamless [service] where you can open a small business banking account with Barclays, and at the same time instantaneously open a merchant acquiring account. We do that – the two systems are connected now, but the on-boarding isn't where we need it to be – but once we get there, that's going to be a competitive advantage that we have as a bank that a standalone merchant acquirer is not going to have.

Alvaro Serrano

Do you have a view on [buy now pay later] and what Barclays can offer the merchants?

Jes Staley

We've made a small business loan, supported by the government, to over 350,000 small businesses on the Bounce Back Loan Programme. It's quite remarkable the number of letters and e-mails that I've gotten from small businesses that believe that they survived, or will survive the pandemic because of the partnership that Barclays has managed with the UK government. Those are 350,000 businesses which will have an immense amount of loyalty to this bank.

We have to make sure that we're prudent. We have to make sure that we're respecting the credit risk being taken by the government, and we have to make sure that we're prudent to our shareholders. As I said, we did waive over £100 million of overdraft interest last year. We want our small businesses to stay in business and to recover from this pandemic, whilst being prudent. We're going to work to that end.

Alvaro Serrano

Sorry, I think the question was also related as well to the buy now, pay later offering, together with the merchant acquiring offering.

Jes Staley

There's also a very interesting article again today in the press. Two years ago, or maybe a little bit more, the FCA came to us and said, Barclays, you are going to be held responsible for the appropriateness of buy now, pay later, or point-of-sale financing, however you want to call it. The big case for us that I sort of cut my teeth on is we were the major financier for a large provider of solar panels in the UK. It turned out that they were selling solar panels that had a 20-year payback to people that were over 65. The FCA fined us, and we had to remediate everyone who bought a solar panel that was over 65. There are many other cases like that.

So now, when we do point-of-sale financing, we do it for a very small number of companies, like Amazon, like Apple, where we are highly confident in their sales process, highly confident that they are extending credit where it is prudent and it makes sense. They are mindful of those that are vulnerable, because we are liable as the financial arm to that business. [...] As we pulled out of certain markets, they got into it, and without liability. I think, as you read in the press today, I think that's going to start to change for the whole industry.

Alvaro Serrano

Is Barclays exposed to supply chain finance, Greensill, Gupta etc.? Without being specific, any comments you can say on that?

Jes Staley

No, we're not.

Alvaro Serrano

Maybe one last question from me. You said quite a few times the years of restructuring at Barclays are over. You're clearly on the front foot in CIB. But when I look at the UK, what do you think are the levers to recover double-digit RoTE? It does look like normalising provisions might not be enough, given the

depressed consumer revenues that we've already touched on. Should we expect more focus on costs in some of the retail businesses?

Jes Staley

In my mind, there's no doubt, if we had the credit card balances today that we had two years ago, we would be printing a double-digit return. So, one very simple answer is the business hasn't changed that much. It's just those balances that are weighing on us, and they will come back. That franchise will come back.

We need to incrementally move on a variety of fronts. I do think that the UK banking industry has to start to charge for certain products. We give too much away for free now. I fly out to San Francisco, I take my Barclays card, I put it into Wells Fargo ATM machine, and my dear friend, Charlie Scharf, he charges me a lot of money to take my own cash out. If Charlie's on vacation in London and he takes his Wells Fargo card and he puts it into a Barclays ATM machine, we happily give him his cash for free.

I think there's a dynamic in the UK that we need to understand and manage. But fundamentally, it's a very strong franchise. It's demonstrated the ability to generate strong profits. We've met the biggest economic contraction in our lifetimes. It still remained profitable in 2020, and I look forward to its profitability recovering. And you're right, the impairment numbers were higher last year.

Alvaro Serrano

The budget speech from Rishi Sunak was, for me, sort of positive apart from the stimulus measures that indirectly I think we've touched on, but also the fact that the banking corporations surcharge is going to be reviewed this August to pretty much avoid any significant increase in the corporate tax rate for banks. Apart from the non-impact of the corporate tax rate, what do you think that speaks to about how the regulators and how the policymakers are looking at banks today versus post the global financial crisis? Obviously, it's good for business, but beyond the numbers, what do you see from the policy making changes to support the banks versus being sort of hostile for the last decade?

Jes Staley

I think that's a great point you make, and a great end to the conversation in the sense that I think Number 10 Downing Street and the Prime Minister and the Chancellor in that budget showed tremendous resolve and courage, quite frankly in pointing out that the surcharge is roughly the size of the increase in the corporate tax rate that's now anticipated, and yet they added that immediately with the comment that they think the banks have been contributing their fair share in corporate taxes already.

So, they've given themselves the room to trade off that surcharge for a higher corporate tax rate, which I think is a very good sign as to their support for their major banks. I think it reflects the fact that we have tried to partnership with Her Majesty's Treasury and with 10 Downing Street as the UK manages this crisis. I think they recognise that having a strong Barclays is good for the UK. That's something that we deeply appreciate and have worked hard for.

Alvaro Serrano

Great. Once again, Jes, thank you very much for joining us. Thank you to everyone for listening and tuning in.

Important Notice

By reading this document, you agree to be bound by the limitations set out below. This presentation does not constitute or form part of, and should not be construed as, an offer, solicitation or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities or other financial instruments of Barclays PLC (the "Company") or any of its subsidiaries, nor shall any part of it nor the fact of its distribution form part of, or be relied on in connection with, any contract or investment decision relating thereto.

No representation or warranty, either express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness, correctness or reliability of the information contained herein. It should not be regarded by recipients as a substitute for the exercise of their own judgment. The Company accepts no responsibility for any losses howsoever arising, directly or indirectly, from this document or its contents. The material contained in this document is presented solely for information purposes and is not to be construed as providing investment advice. As such, it has no regard to the specific investment objectives, financial situation or particular needs of any recipient. There may be material variances between estimated data set forth in this presentation and actual results, and between the data set forth in this document and corresponding data previously published by or on behalf of the Company.

Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to the Company and its consolidated subsidiaries (the "Group"). Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements. These 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 members of the management of the Group (including, without limitation, during management presentations to financial analysts) in connection with this document. Examples of forward-looking statements include, among others, statements or guidance regarding or relating to the Group's future financial position, income growth, assets, impairment charges, provisions, business strategy, capital, leverage and other regulatory ratios, capital distributions (including dividend pay-out ratios and expected payment strategies), projected levels of growth in the banking and financial markets, projected costs or savings, any commitments and targets, estimates of capital expenditures, plans and objectives for future operations, projected employee numbers, International Financial Reporting Standards ("IFRS") impacts and other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. The forward-looking statements speak only as at the date on which they are made. Forward-looking statements may be affected by changes in legislation, the development of standards and interpretations under IFRS, including evolving practices with regard to the interpretation and application of accounting and regulatory standards, the outcome of current and future legal proceedings and regulatory investigations, future levels of conduct provisions, the policies and actions of governmental and regulatory authorities, the Group's ability along with government and other stakeholders to manage and mitigate the impacts of climate change effectively, geopolitical risks and the impact of competition. In addition, factors including (but not limited to) the following may have an effect: capital, leverage and other regulatory rules applicable to past, current and future periods; UK, US, Eurozone and global macroeconomic and business conditions; the effects of any volatility in credit markets; market related risks such as changes in interest rates and foreign exchange rates; effects of changes in valuation of credit market exposures; changes in valuation of issued securities; volatility in capital markets; changes in credit ratings of any entity within the Group or any securities issued by such entities; direct and indirect impacts of the coronavirus (COVID-19) pandemic; instability as a result of the UK's exit from the European Union ("EU"), the effects of the EU-UK Trade and Cooperation Agreement and the disruption that may subsequently result in the UK and globally; the risk of cyber-attacks, information or security breaches or technology failures on the Group's business or operations; and the success of future acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Group's control. As a result, the Group's actual financial position, future results, capital distributions, capital, leverage or other regulatory ratios or other financial and non-financial metrics or performance measures may differ materially from the statements or guidance set forth in the Group's forward-looking statements. Additional risks and factors which may impact the Group's future financial condition and performance are identified in Barclays PLC's filings with the US Securities Exchange Commission ("SEC") (including, without limitation, Barclays PLC's Annual Report on Form 20-F for the fiscal year ended 31 December 2020), which are available on the SEC's website at www.sec.gov.

Subject to Barclays' 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.

Non-IFRS performance measures

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