Barclays Investment Banking Deep Dive

Analyst and Investor Presentation

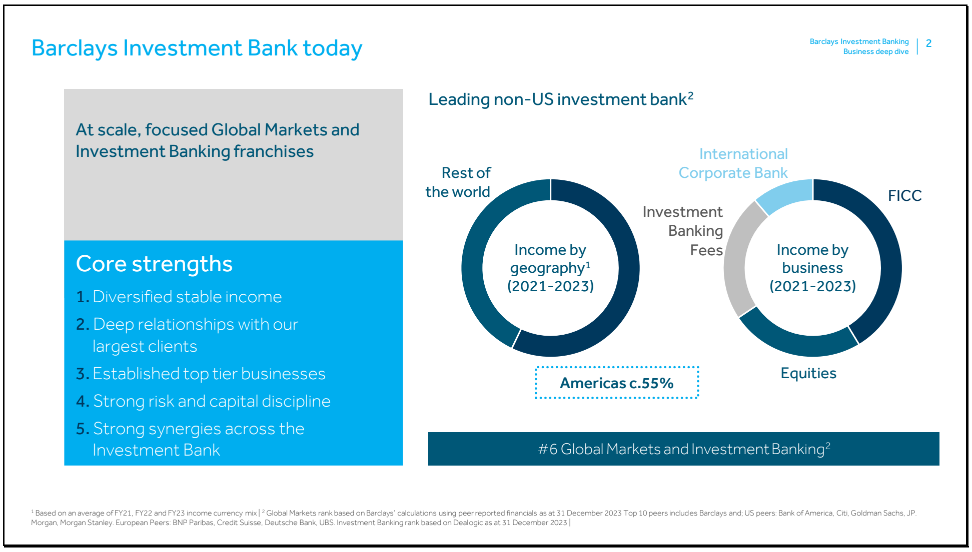
C.S. Venkatakrishnan, Barclays Group Chief Executive

Cathal Deasy and Taylor Wright, Global Co-Heads of Investment Banking

C. S. Venkatakrishnan, Chief Executive

Good afternoon everyone and thank you for joining us today, in person and on webcast for the Investment Banking Deep Dive.

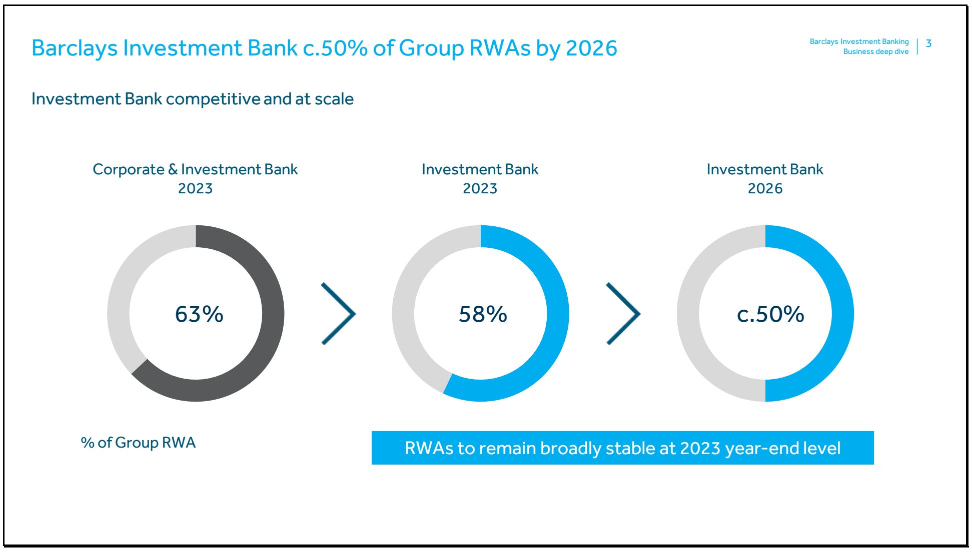
I'm joined today by our two co-heads of the Investment Banking division, Cathal Deasy and Taylor Wright, to whom I'll hand over shortly.



Before that, I want to remind you of the key messages from our Investor Update in February as it concerns both this business and how it fits into the overall Investment Bank.

Our Investment Bank has strong foundations, with the right scale and breadth to succeed amongst the largest global peers. We are very focused on our core strengths, driving diversified income across different products and geographies. Around 55% of our income comes from the Americas, which is the biggest financial market in the world.

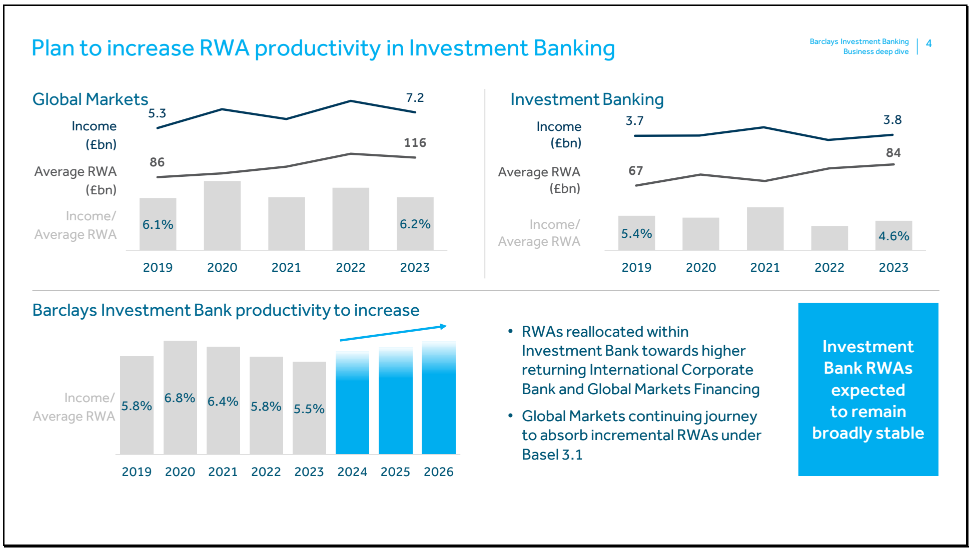
We have top-tier businesses, and our strong global ranking reflects our status as the only non-US domiciled Investment Bank that can consistently compete with the US peers.



We believe that our Investment Bank is both competitive and at the right scale.

The re-segmented Investment Bank as we presented to you accounted for 58% of Group RWAs at the end of 2023 and is expected to reduce to about 50% of Group RWAs by 2026.

We will achieve this by growing capital allocation to other areas of the Barclays Group. The Investment Bank's RWAs are expected to remain broadly stable at the 2023 year-end level, absorbing regulatory RWA inflation.

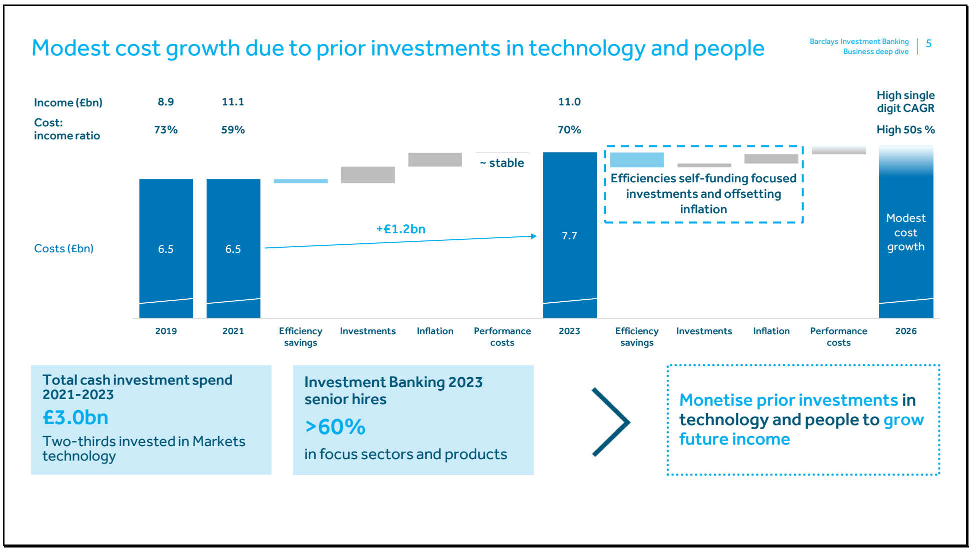


A key priority for the Investment Bank is to improve RWA productivity.

As you can see from the top left on this page, over the last few years, we've increased RWAs in the Global Markets business, and kept the ratio of income to RWA relatively constant.

In contrast on the top right, RWA productivity declined as RWAs grew in Investment Banking due to income mix and other factors which Cathal and Taylor will address.

Going forward, we expect to deliver a high single digit income annual growth rate through 2026 in the Investment Bank. We expect over half of this to come from execution of initiatives that we control, including over £700m of additional income from Investment Banking. We expect the remainder to come from a normalisation of the industry wallet, where we believe our assumptions are realistic.



Over the past three years, we have invested deliberately in the Investment Bank, both in Markets and in Investment Banking, to the tune of about £3 billion of cash investment.

In Markets, the vast majority of this was in technology spend. Investment Banking, of course, is much more of a human capital business. In 2023, we took advantage of a quieter business environment to reposition the business and invest in talent in our focus sectors and products.

We are now monetising these investments and intend to grow future income, with modest cost growth expected across the Investment Bank over the three-year period. We will continue to make focused investments in our client franchise, and expect this to be self-funded by efficiency savings.

Overall we expect to deliver an improved cost: income ratio for the Investment Bank from 70% at the end of 2023 to the high 50s by 2026.

Investment Bank financials and 2026 targets

Financials	2021	2022	2023	H124	2026 Targets
RoTE	14%	9%	7%	11%	In line with Group
Income (£bn)	11.1	11.9[1]	11.0	6.3	High single digit CAGR
Cost: income	59%	69%	70%	61%	High 50s %
RWA (£bn)	182	196	197	203	Broadly stable c.50% of Group RWA
Income / Average RWA	6.4%	5.8%	5.5%	6.2%	Increase vs. 2023

[1] Excluding Over-issuance of Securities, income was £11.6bn |

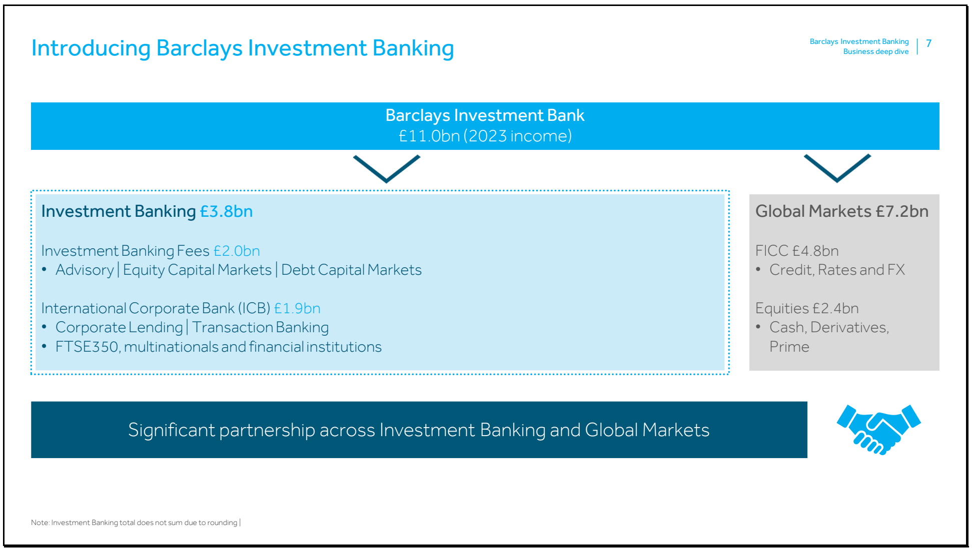
Let me now take a moment to remind you of our targets at the Investment Bank level, providing further context for Cathal and Taylor's presentation. We intend to improve the Investment Bank's RoTE to be in-line with the Group target of above 12% by 2026.

Our high single-digit annual income growth target is firmly predicated on well-defined initiatives which are in our control. The income growth target monetises investments in cost and capital that we have already made, driving positive operating jaws and resulting in a cost to income ratio in the high 50s.

We are keeping RWAs broadly stable over the life of this plan thus limiting the proportion of the Investment Bank's RWAs to the rest of the Group to around 50% by 2026. As you see in the first half of this year, and as Cathal and Taylor will talk through in the presentation, we have already made progress on this, through discipline management of the business.

So, with that, I would like to introduce our co-heads of Investment Banking, Cathal Deasy and Taylor Wright to take you through the remainder of the presentation. Cathal and Taylor are deeply experienced leaders, with M&A and ECM heritage, who have a disciplined and clear view of the steps which we need to take to run this business to meet our commitments to you, our shareholders. Cathal, over to you.

BARCLAYS



Cathal Deasy, Global Co-Head of Investment Banking

Thank you Venkat, Good afternoon and thank you for joining us today. Taylor and I look forward to updating you on the Investment Banking franchise.

There are two key messages we would like you to take away from today's presentation:

- Number 1: we are disciplined stewards of capital; and
- Number 2: the actions we are taking will increase the returns of the Investment Banking franchise sustainably and importantly in support of our Investment Bank and Group targets.

From the slide, you can see our Investment Bank generated £11bn of income in 2023; £7.2bn from Global Markets and £3.8bn from Investment Banking, which is the topic we will cover today.

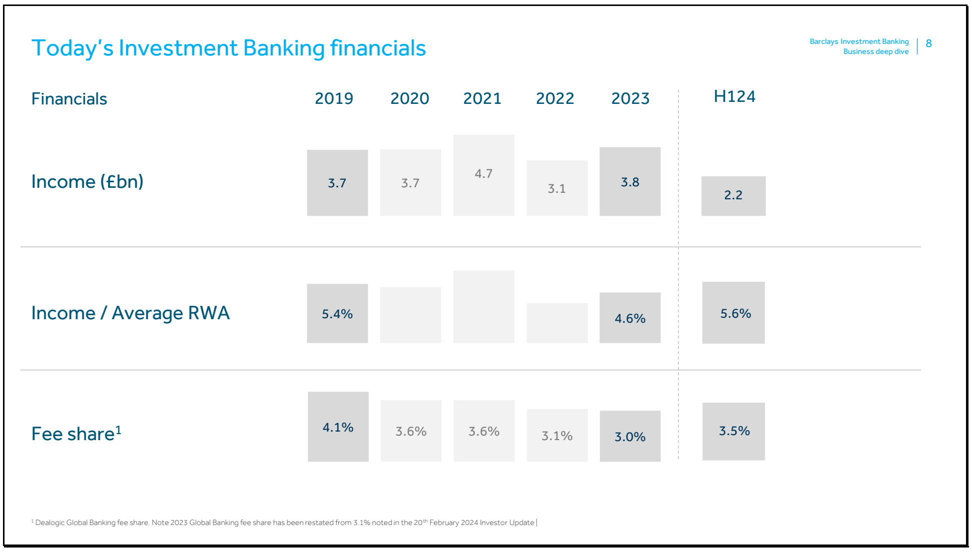
Let me draw your attention to the words at the bottom of the slide. I cannot emphasise enough the significant and accelerating partnership we see every day across Investment Banking and Global Markets, in support of our clients. You will see the 'handshake' icon throughout our presentation, reflecting how fundamental this is to the success of our business and how deeply ingrained the partnership is across the Investment Bank.

Taylor and I are focused on delivering for our three key stakeholders:

- Our clients – being clear on who they are; and being relentless in serving them by aligning the full capabilities of the firm behind them.
- Our colleagues – they allow us to differentiate with our clients; we want to provide them with a franchise that allows them to do so consistently; while also supporting them to grow and develop successful careers at Barclays.
- And importantly, our shareholders – for us, this defines our north star of delivering attractive returns on a sustainable basis.

Just a word on terminology, we're going to use the term 'Investment Banking' in a couple of different ways during the course of today's presentation. First, in referring to the business that Taylor and I are responsible for, Investment Banking, and second, the activity of investment banking which are the fee-based businesses of the firm.

Taylor will take you through where we have come from as a business, as well as the challenges that we are proactively addressing.

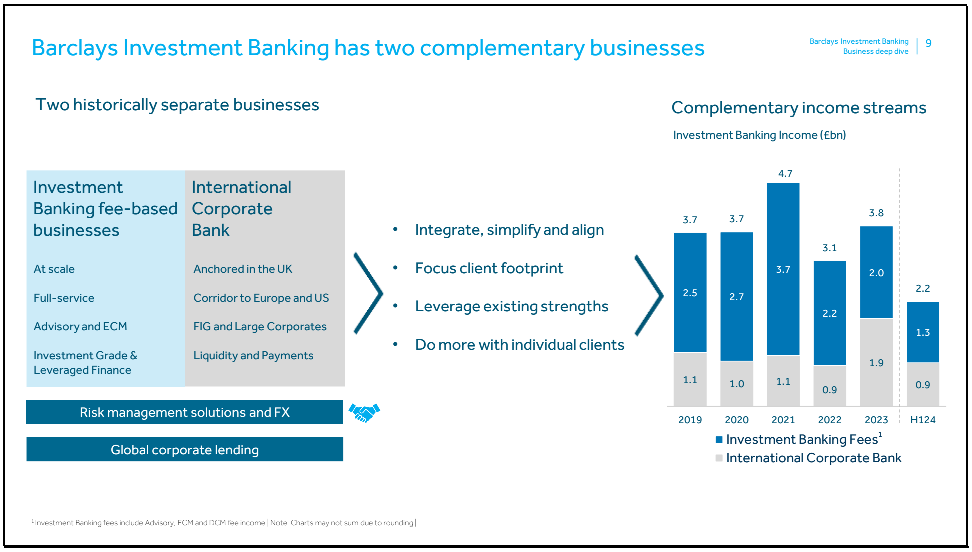


Taylor Wright, Global Co-Head of Investment Banking

Thank you Cathal. Before we get into the detail of the presentation, I want to direct your attention to slide 8, here you can see that between 2019 and 2023, while the revenues in Investment Banking remained relatively consistent, income over average RWAs and investment banking fee share declined.

During today's presentation we are going to discuss how we intend to reverse these trends. In fact, over the past 18 months we've already made many of the changes required to do so. We are also encouraged by our first half performance as well as some of the early proven points that we are seeing, and Cathal will take you through some of those as we go through today's discussion. That said, we have a lot more work ahead of us.

When Cathal and I started as co-heads of Investment Banking in March 2023, we inherited two businesses that historically were managed independently.

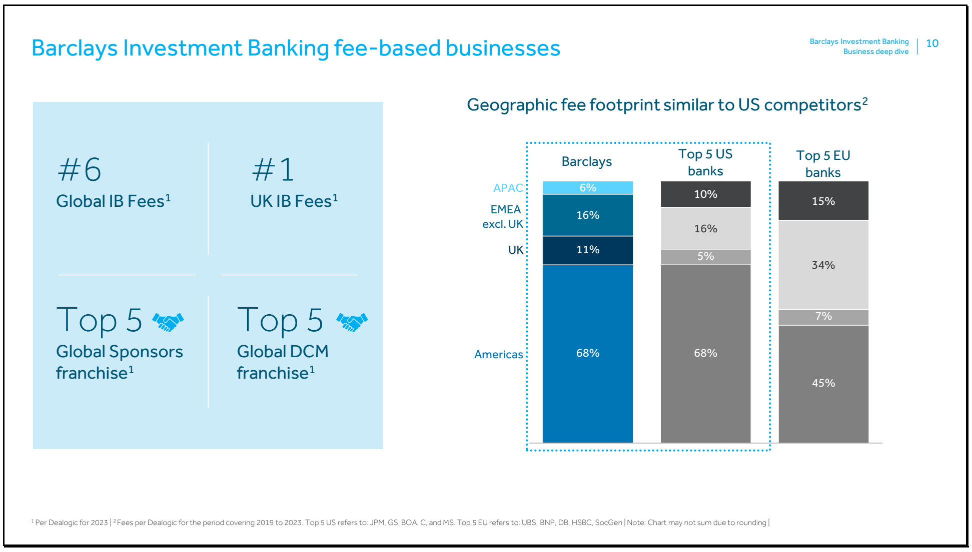


The first is a full-service, scaled investment bank that provides advisory, capital markets and risk management services to our clients, globally. The second is an international corporate bank, or ICB, anchored in the UK, with a global footprint serving financial institutions and large corporate clients. Each, is a good business in its own right. But they were siloed, as an example each business had its own set of priority clients, investment priorities and balance sheet commitments.

We have now brought these two businesses together, and by orienting around a defined set of shared priority clients enables us to ensure that we are allocating our human, intellectual and financial resources appropriately. It also makes it simpler for clients to interact with Barclays and over time will enable us to deliver more solutions, further deepening those client relationships.

So, our clients enjoy coordinated delivery of complementary products and services. And our shareholders will also benefit from growth in complementary income streams, consisting of the highly re-occurring income from the ICB and the fee-based income from Investment Banking, which, when paired together reduce the overall volatility of the business as you can see from the right side of this slide.

Now, let's look a bit more closely at these two individual components, beginning with Barclays' traditional, fee-based Investment Banking business.

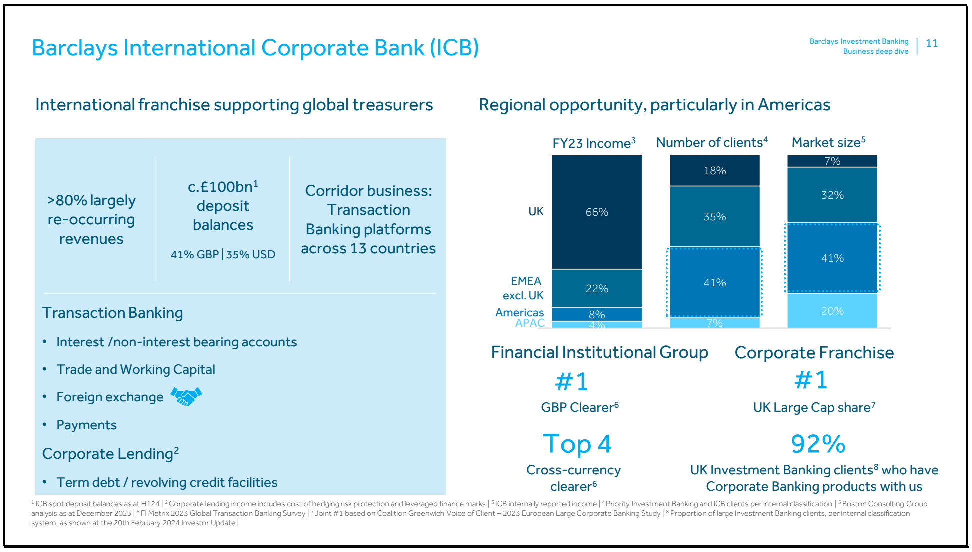


Our geographic fee footprint is oriented towards the most profitable market for investment banking globally, namely the US, where we earn about two thirds of our revenue. As you can see on the right side of slide 10. On this basis we look very similar to the Top 5 US investment banks.

Moving back to the left side, you can also see that we consistently have the highest fee share of any global investment bank outside of these US competitors. At the product level we have a Top 5 DCM franchise and have continued that momentum in 2024 with Top 5 positions in both Investment Grade and Leveraged Finance. We also have as a Top 5 Financial Sponsors Franchise.

Maintaining leading positions in these areas is core to our strategy, but we need to grow other products around them. Specifically our rankings of #8 in announced M&A, and #7 in ECM year-to-date will need to improve as we aim to rebalance our business mix. Importantly, as you heard from Cathal, and you can see from the handshake icons on the side, the Investment Banking business is underpinned by a strong and collaborative relationship with Markets. Markets distributes the loans and securities that Investment Banking originates, and we jointly originate equity, rates and FX derivatives, as well as equity financing transactions.

Now let's look at the International Corporate Bank.



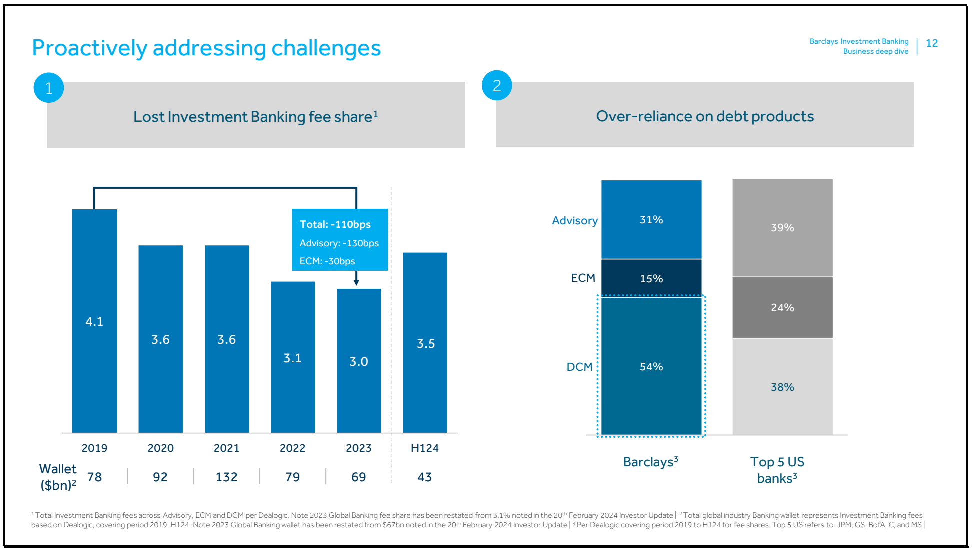
The ICB provides Corporate Lending and Transaction Banking services to our financial institution and corporate clients globally. These products and services are core to how our clients manage, operate and finance their businesses each and every day. They promote long-term, sticky relationships and over 80% of the related revenues are stable and re-occurring.

ICB's footprint is global and aligned with that of our Investment Banking business. In the UK, where we serve FTSE 350 companies and multinational subsidiaries, the business is at-scale and has the full suite of capabilities that our sophisticated clients both require and expect. In Europe and Asia, which are both much bigger wallets than the UK, we are expanding our presence, growing regional capability and scale. And in the US, which is the largest addressable global market and where over 40% of our priority clients are based, we presently generate less than 10% of our ICB income.

This is a real focus area for us over the three year plan. Here we are building out our Transaction Banking capabilities to enable us to do more for our existing lending clients, delivering them more products, and thereby improving returns. These capabilities also will help us win new clients, driving further income growth more generally.

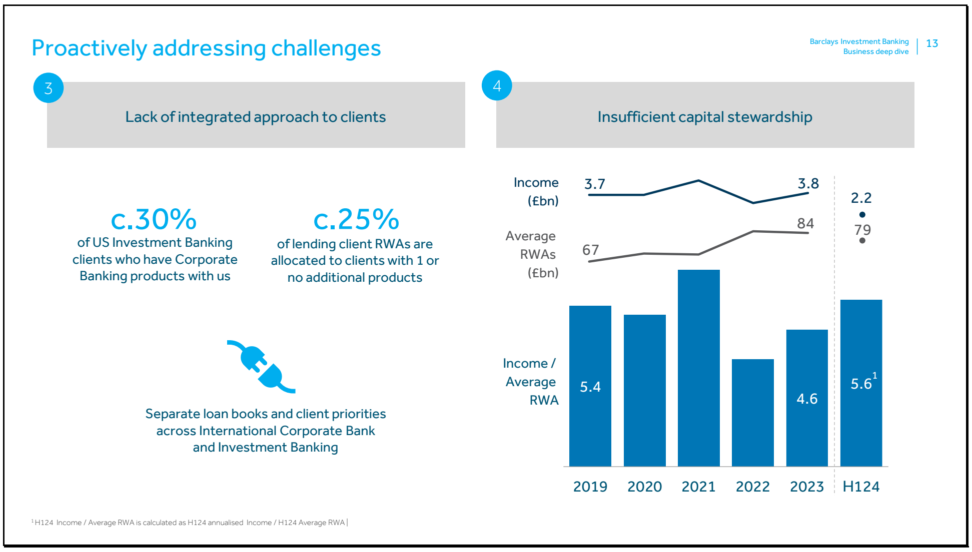
And finally, our Transaction Banking capabilities span both the ICB and the UK Corporate Bank, creating platform synergies from shared technology and infrastructure across these two businesses.

I'm now going to turn to the four key historical challenges that we are focused on addressing starting on slide 12.



While we are presently at scale in the right markets, and have strong foundational capabilities, the business has underperformed in recent years. First, from 2019 to 2023, we lost 110 bps of global fee share. Over that period M&A fee share declined by 130 bps as a result of a combination of attrition and inconsistent prioritisation of advisory services. ECM share also declined by 30 bps, as our sponsor business was insufficiently integrated with our individual coverage teams, leading to less success than we would like in sponsor exits and in particular, via IPOs.

Second, while we are proud of the strength of our DCM franchise, our Investment Banking fees are too skewed toward balance-sheet driven products. Although we earn our revenues in the same markets as the top 5 US peers, our 54% share of revenues from DCM versus their 38% means we are earning those revenues in a less capital-efficient way.



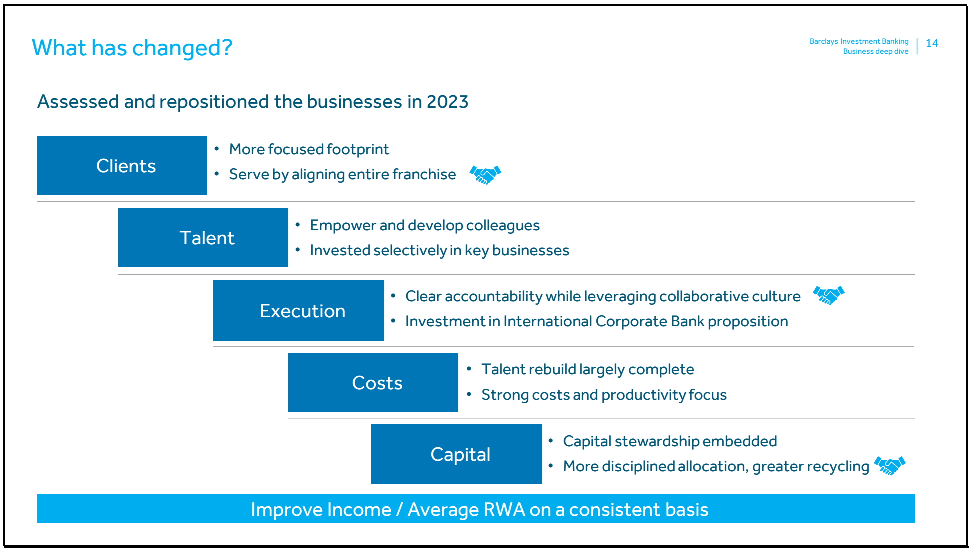
Third, and moving to slide 13, we have not been sufficiently coordinated across clients. Today only around one third of US Investment Banking priority clients also use us for ICB products and services.

Additionally, about one quarter of Investment Banking lending RWAs are currently allocated to clients who use one or no additional product beyond the loan itself, and this typically yields an insufficient return.

Separately managed loan books and client priorities across ICB and Investment Banking have also created unnecessary inefficiencies.

Fourth and finally, as you heard from Venkat and as you can see from the right side of this slide the business has lacked consistent capital discipline with RWAs increasing 25% and RWA productivity declining 80 bps between 2019 and 2023.

So what has changed in the way that this division is now operating?

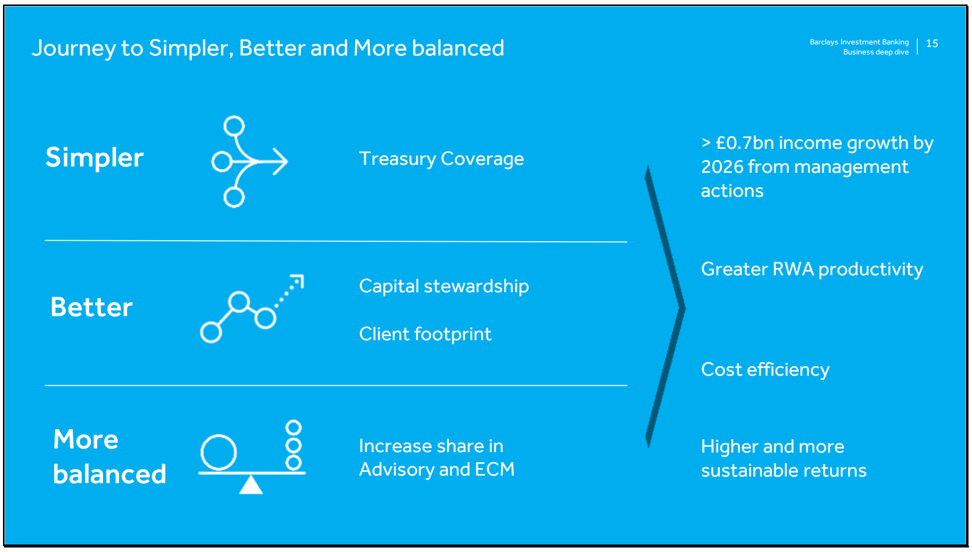


The starting point when Cathal and I took over as co-heads was the opportunity we saw to bring these two businesses together. We have now done that. Aligning the business across a shared set of priority clients allows us to put the full capabilities of Barclays behind them.

We have hired strategically in areas where we want to grow, and that's a process that is largely complete, while also focusing on retaining our top talent within the organisation. We have empowered our bankers to succeed, while also giving them tools to more effectively measure their progress and performance against our targets.

Importantly we have a more disciplined and accountable approach towards how we allocate capital. And, we are running the business more efficiently from a cost perspective, while also investing selectively in our ICB product offering and appropriately rewarding performance.

Our north star is delivering higher returns on a sustainable basis. I'm now going to turn it back to Cathal who is going to spend about 20 minutes taking you through the detail of our key initiatives before handing it back to me to wrap up.



Cathal Deasy

Great, thank you Taylor.

So building on the changes Taylor has described let me take a moment to set out the four key execution initiatives we are implementing to achieve our objectives in Investment Banking. I'm going to describe those through the familiar lenses of Simpler, Better, and More Balanced.

First, we are simplifying our engagement with our clients through the creation of something we call 'Treasury Coverage'. We have brought together DCM and risk management coverage with the ICB, while also further investing in our ICB product proposition.

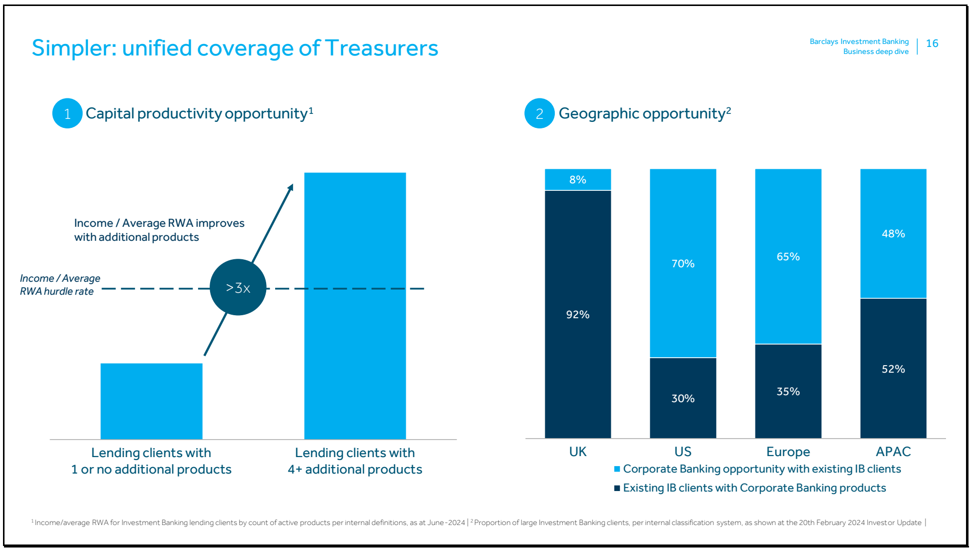
Then, through the lens of 'Better', the second initiative is to improve capital stewardship across the organisation. Next is to better focus our client footprint to allow us to consistently align the full capability of the firm behind our priority clients.

And finally, we expect our revenue mix to become 'More Balanced' by increasing our share in Advisory and ECM.

These execution initiatives underpin the delivery of our financial targets:

- Income growth of above 700 million pounds, excluding moves in the wallet. This income growth comes primarily from capital light fee-based businesses and incremental revenue from existing clients.
- We will be better stewards of capital, and together with higher revenue, this will drive higher RWA productivity. Coupled with strong cost discipline, we expect this to drive higher, and more sustainable, returns in support of the Investment Bank and Group target of above 12% by 2026.

Now taking each one of these initiatives in turn, starting with Simpler.

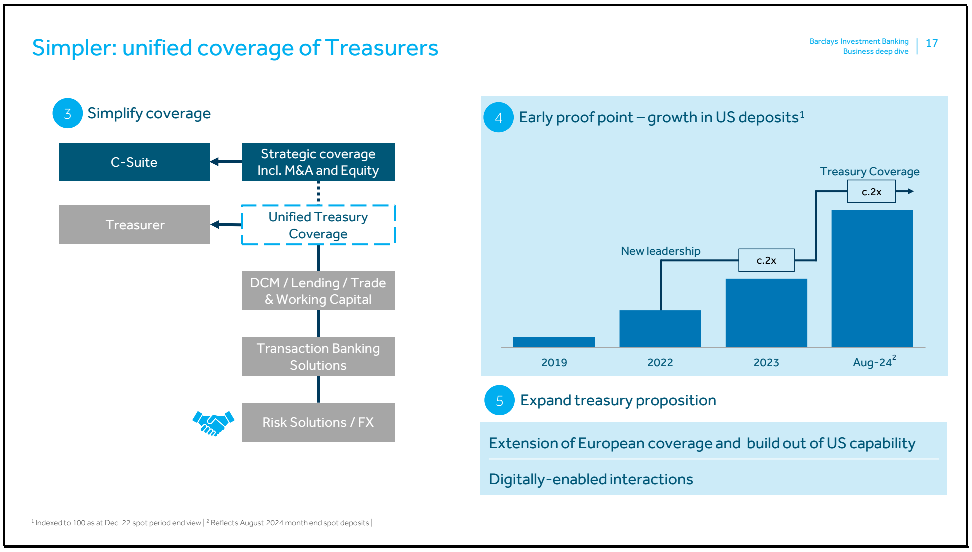


The rationale for an integrated Treasury coverage is compelling. Given the breadth of our capabilities and our trusted relationships, we should be doing more with our clients. As you can see from the slide, when our lending clients take one product, on average, they fall below hurdle rate. As Taylor said earlier, this currently comprises about one quarter of our client lending portfolio, so there is a clear opportunity to do better.

In contrast, a significant proportion of our clients already have four or more products. On average, this results in over three times higher income over RWA.

As you can see on the right of the slide, there is also a geographic opportunity. Only one third of our US Investment Banking priority clients take Transaction Banking services from us. This represents an attractive opportunity and meaningful upside. As you would expect, we do this well in the UK. We also do it well in Asia, where our capital markets and ICB colleagues work closely together, albeit with a smaller client base.

On the next slide, let me explain how Treasury coverage is simplifying our organisation, and delivering positive client outcomes.

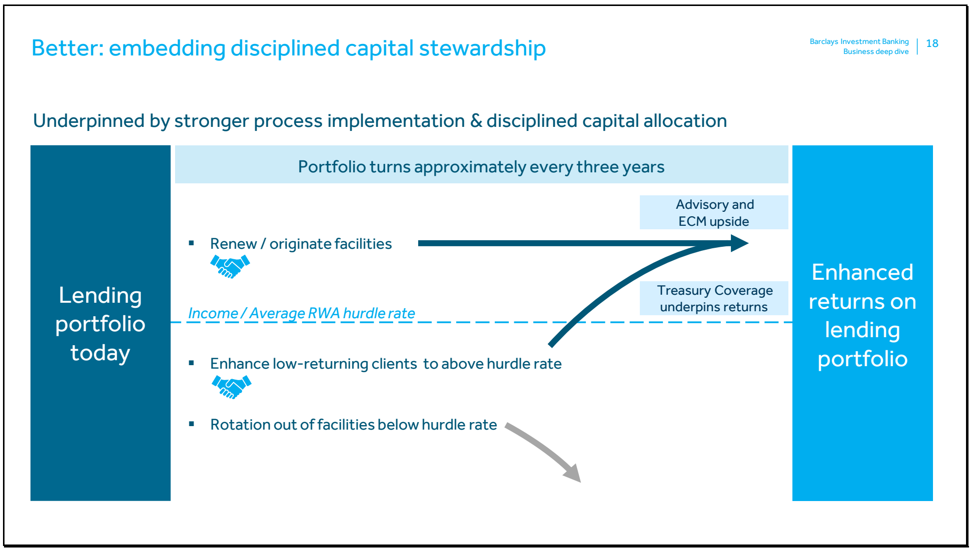


Historically, each product team covered the Treasurer separately or in a silo, and now coverage is coordinated through the lead treasury banker. It is simpler for the client to have a single point of contact. And rather than focusing only on one product, our lead treasury bankers are empowered, and also accountable, to deliver the entire franchise and deliver more products to our existing clients.

It also helps our teams to be more solutions driven. We are early on this journey but I wanted to provide one example of progress. We started expanding our liquidity offering in the US in 2019. However, through Treasury Coverage the interaction between our investment grade team and ICB team in the US really came to life. After implementing Treasury Coverage, we doubled our US dollar deposits in our New York branch in 2023, and we have doubled them again in the eight months to the end August of this year. This is an early proof point, and for us it shows that US Treasurers want to do more with Barclays; they know and trust our teams.

As you heard earlier, over 40% of our clients are US based, so this is a significant growth opportunity. There is one further benefit I would like to highlight. Our bankers who cover the C-suite at a client now know that their lead treasury banker is delivering for the Treasurer, so they can focus their full attention on providing strategic advice and thereby drive our Advisory and ECM ambitions.

So let's now turn to how we are embedding disciplined capital stewardship.



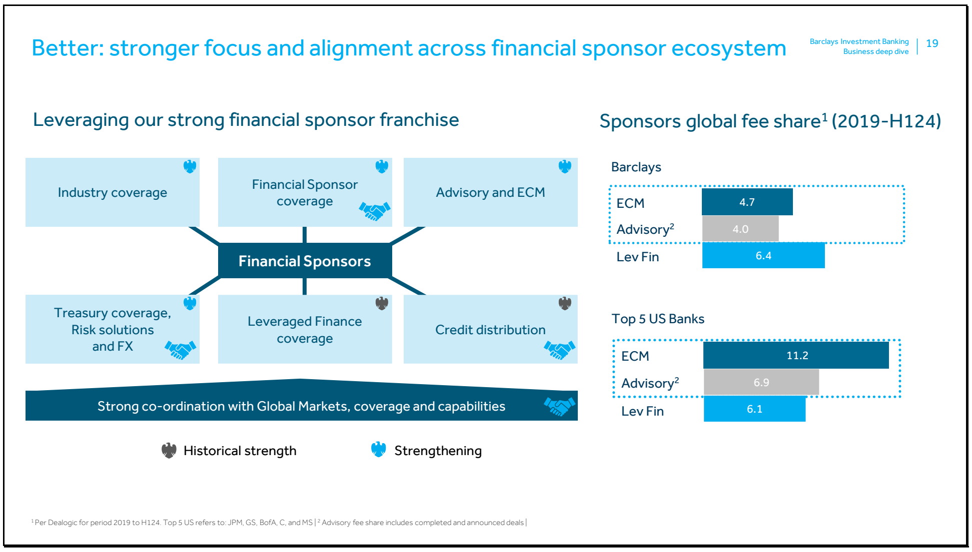
Capital discipline is very important to Taylor and myself, and slide 18 outlines the steps that we have taken that are already changing behaviours across the business. A focus on returns and improved execution means our colleagues are becoming better stewards of capital. So what's changed?

We've tightened the approval process and raised return expectations within the organisation. As you can see on the bottom of the slide, if the hurdle rate is not met, we are saying 'no'; and we recycle capital to higher returns elsewhere. If the business case is above hurdle as you can see on the top of the slide, the client team is still challenged on the robustness of future revenues. This is resulting in a higher proportion of treasury coverage revenues, which are more stable and re-occurring.

By aligning the full firm behind the client, when the more episodic Advisory and ECM transactions land, the client returns move well above hurdle rate, rather than relying on these deals to earn an acceptable return, as we did historically. Each of these individually enhances returns of the loan portfolio. Together, they make a meaningful difference.

Our lending portfolio has an average life of about three years, so about one-third turns over each year. Of the commitments we have reviewed this year, we have observed an increase in expected client returns. These changes are also impacting behaviours, with client teams being more proactive in engaging with their clients to identify incremental revenue opportunities in the ordinary course of business.

Now moving to financial sponsors, an important client base and a position of strength for us.



We have a Top 5 global position with Financial Sponsors. Historically, this has been underpinned by the strength of our Leveraged Finance franchise and our leading credit business in Markets. As you can see on the right of the slide, over the past five years, our Leveraged Finance fee share with Sponsors was 6.4%, broadly in line with US peers, but our Advisory and ECM share has lagged. Given the strong connectivity we have with these clients, the opportunity is to grow share in these areas. However, we need to improve and deliver a holistic coverage across the entire bank - what we call our 'Sponsor eco-system'.

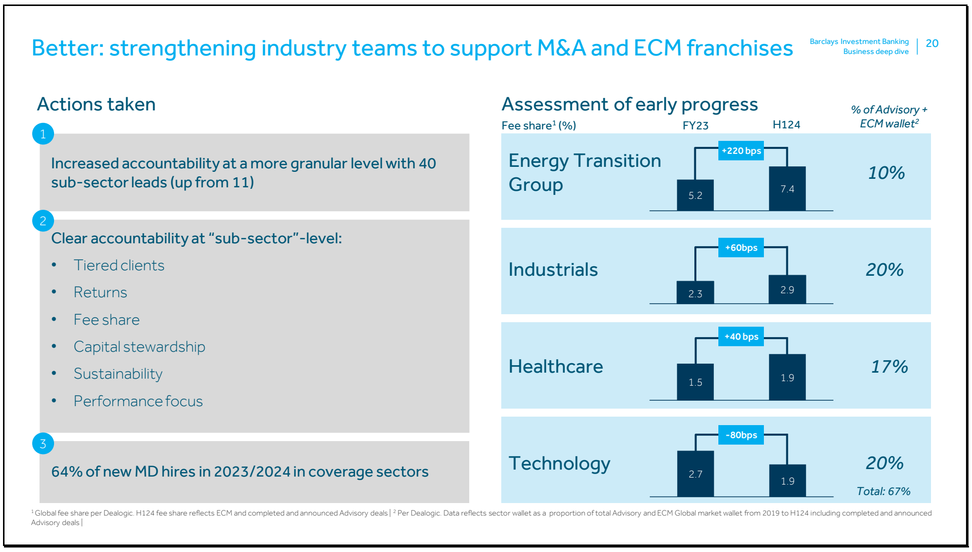
Let me outline what we have implemented. First, we changed the leadership of the Sponsors group globally and in the US, while adding to the leadership in Europe. Second, these individuals have reorientated the strategy of the sponsor group to focus on the deal partners, to deliver differentiated industry insight, investment opportunities and advice on transaction and process structures. This is to assist the partners at our Sponsor clients to deploy their capital and realise attractive returns. Our sponsor team is at the fulcrum of the relationship, ensuring Barclays consistently delivers across the eco-system, leveraging industry, Advisory and ECM teams which have also been strengthened to service this client base.

So let me give you an example. Blackstone is the largest alternative asset manager globally. So far this year we have announced 7 M&A transaction and 5 ECM transactions with them, including two sell-downs of their stake in the London Stock Exchange Group. It's worth noting that Barclays was the only lead bank on all five LSE sell-downs, three of which were completed last year.

This coverage also extends beyond Investment Banking to the entire firm. We have completed a series of transactions across syndicate, equity derivatives and financing in Global Markets, and partnered with Blackstone to execute the first credit card risk transfer transaction in the industry, for our US Consumer Bank. This demonstrates why unified coverage with Markets is increasingly important, as these clients become more diverse and sophisticated.

We believe our alignment across the 'eco-system' and coordinated coverage by the newly cast financial sponsors team will deepen our value proposition with financial sponsors and grow our share in Advisory and ECM.

Now let me talk about how we have changed processes and made investments to strengthen our industry teams to support our Advisory and ECM franchises.



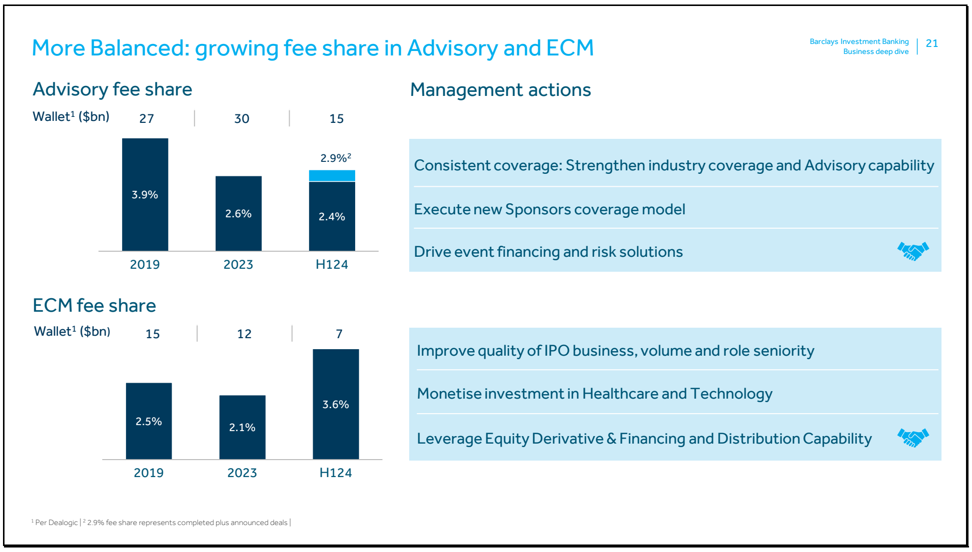
Across our sector coverage, we have created 40 sub-verticals for planning and review purposes, versus 11 previously, focusing on clients, revenue, fee share, capital, and returns. This is to drive empowerment and accountability deeper into the organisation.

Over 60% of the managing director hires we've made since the beginning of last year have been to strengthen coverage and in particular industry coverage. The remaining hires have been primarily in Advisory and ECM.

We are particularly focused on the four industry groups shown on the right of the slide which represent almost 70% of the global Advisory and ECM wallet. The Energy Transition Group, which we created early this year by combining our energy, power and clean tech, has grown share by 220 bps since full year 2023. Industrials share has grown by 60bps and healthcare by 40bps, although there is more work to be done to increase our absolute share. In technology, we changed the leadership and have strengthened the team by adding several proven coverage and M&A bankers across a number of the tech sub-verticals. These teams are gaining traction with clients, and we are confident in their future performance.

It is also worth noting that each one of these industries is a collection of sub-sectors. We enjoy leading positions in many of these, such as mid-stream energy, power, transportation, semiconductors and healthcare services – to mention just a few.

Now turning to Advisory and ECM, where increasing our share is one of our key execution initiatives.



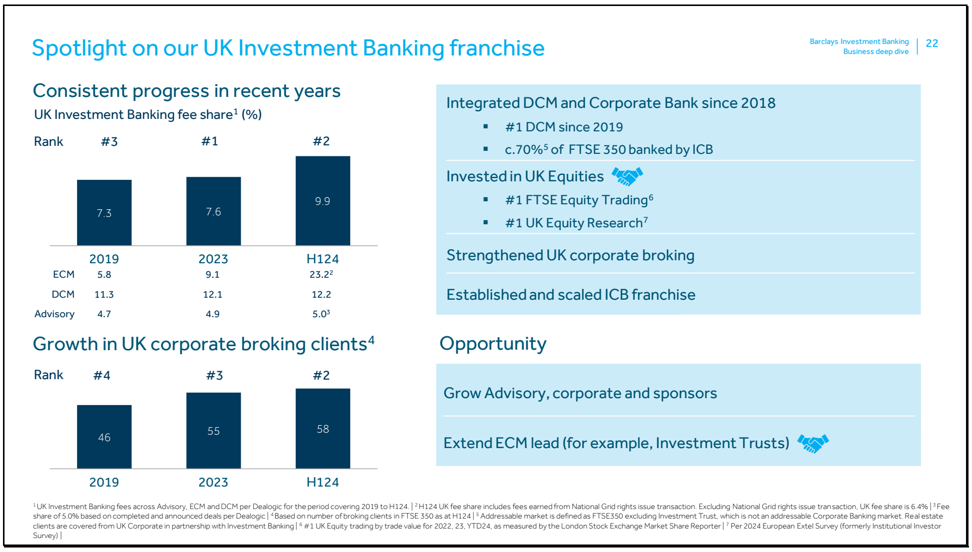
This year M&A activity started much like 2023 ended – large corporate transactions driving volume, particularly in the US. As we progressed through the year, activity broadened to transaction sizes of less than $10bn, and activity rebounded in Europe.

We consider the Advisory wallet to still be below what we would expect as 'mid-cycle', particularly given sponsor activity is yet to fully recover. Our Advisory revenues in H1 are up on the second half of last year and our share of 2.9%, as you can see on the slide, has grown from last year, taking into account deals that have been announced, but are yet to close.

It is important to acknowledge that we are early in the journey to improve our Advisory franchise, it will require sustained and consistent execution. We are confident we have the right strategy, people and processes in place to win with our clients, and to drive the necessary gains.

In ECM, the annualised wallet is ahead of last year, but remains below 2019. IPO volumes, which disproportionately drive revenue, remain materially below recent years and our expectations. As also shown on the slide, year to date we're have taken 150bps in share versus 2023. Our IPO franchise will benefit from our investments in industry coverage, particularly in tech and healthcare which represent around 45% of the global ECM wallet.

ECM and Advisory are both capital-light businesses, so driving share and revenue gains disproportionally enhances returns of the business. Importantly these businesses also drive additional opportunities across event financing, deal contingent FX and other risk management solutions, as well as equity derivatives and margin loans, all of which are executed in partnership with Markets.

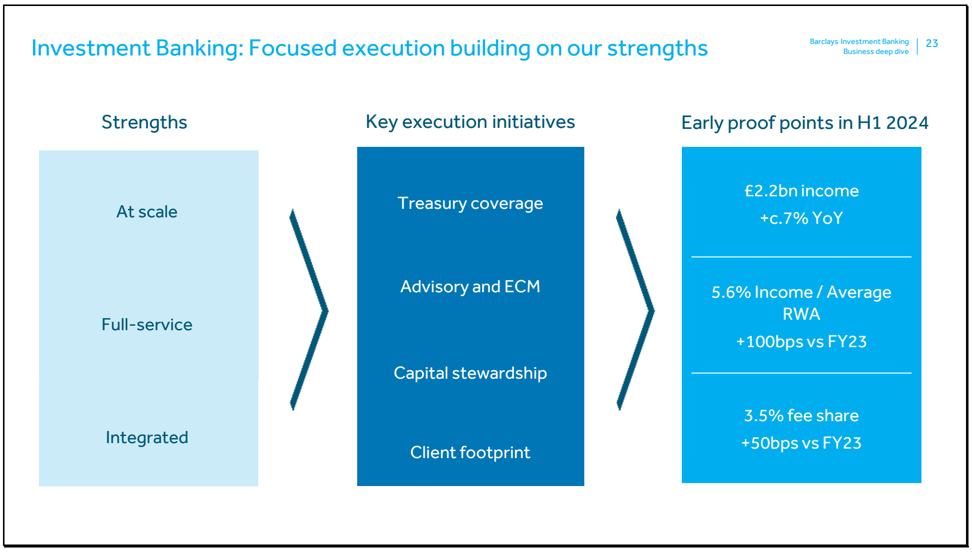


Before handing back to Taylor, let me highlight our UK Investment Banking franchise as a proof point of success, and where key elements of what we have discussed today, have been embedded for many years.

We integrated our Treasury model back in 2018. We pivoted our UK advisory team to be more origination focused aided by the strength of our leading corporate broking franchise, which is now ranked #2 in the FTSE 350. Our total UK Investment Banking fee share has increased from 7.3% in 2019 to around 10% in the first half of this year and, importantly, our rank has remained consistent through this period.

Acting as only one of two underwriters on the National Grid £7bn rights issuance is a particular success for our UK franchise this year. National Grid is a good example of a long standing and trusted relationship in the UK. The relationship with the company goes all the way back to 1990. It started in the Corporate Bank and developed from there. In 2010, they appointed us their corporate broker and since then [have acted as financial advisor on two] multi-billion pound M&A transactions, as well as the rights issuance earlier this year.

Nonetheless, we continue to have opportunities to grow in the UK, particularly in M&A with sponsors and non-broking corporate clients. With that, let me hand back to Taylor to pull these initiatives together and conclude. Taylor.



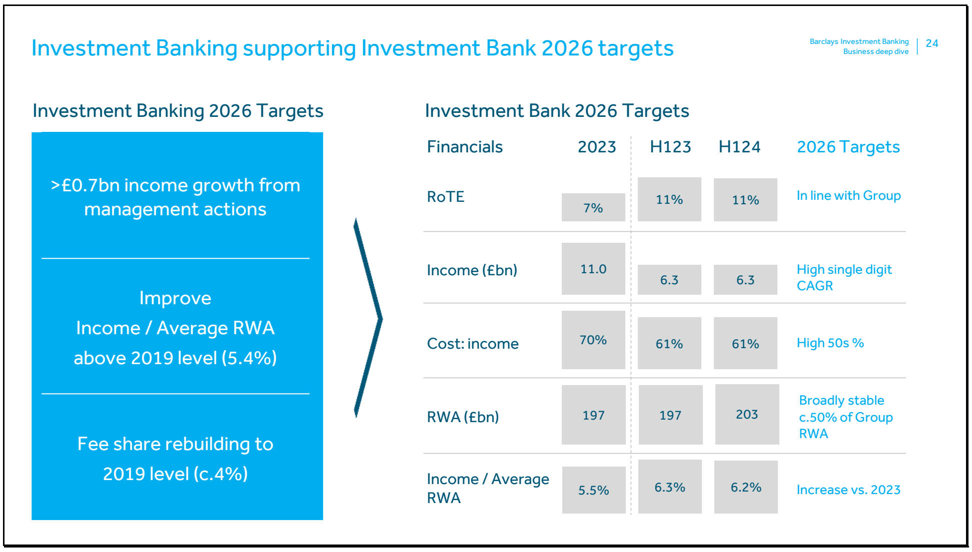
Thanks Cathal. I will just take a couple of minutes to summarise before we turn to questions.

Our journey for improving the Investment Bank begins with foundational strengths. We are an at scale and full-service platform in the right markets, now being managed and operating as an integrated business. As we have discussed in the presentation today we have taken deliberate actions, we have established Treasury Coverage, we have changed processes and made investments to drive increased M&A and ECM revenues with our sponsor and our corporate clients, and we have instilled capital stewardship at all levels of the organisation.

All of this is being done with a deliberate focus on alignment and execution, particularly around clients, while also embedding accountability at the banker level. These actions are all aimed at driving revenue growth, with cost discipline, to deliver higher returns on a sustainable basis. And while it's only been 6 months and there is some seasonality in the business we can see early evidence of the benefits of our approach in the first half results. During the first half of this year, investment banking revenue grew 7% year-on-year, of which fee-based Investment Banking was up 21%.

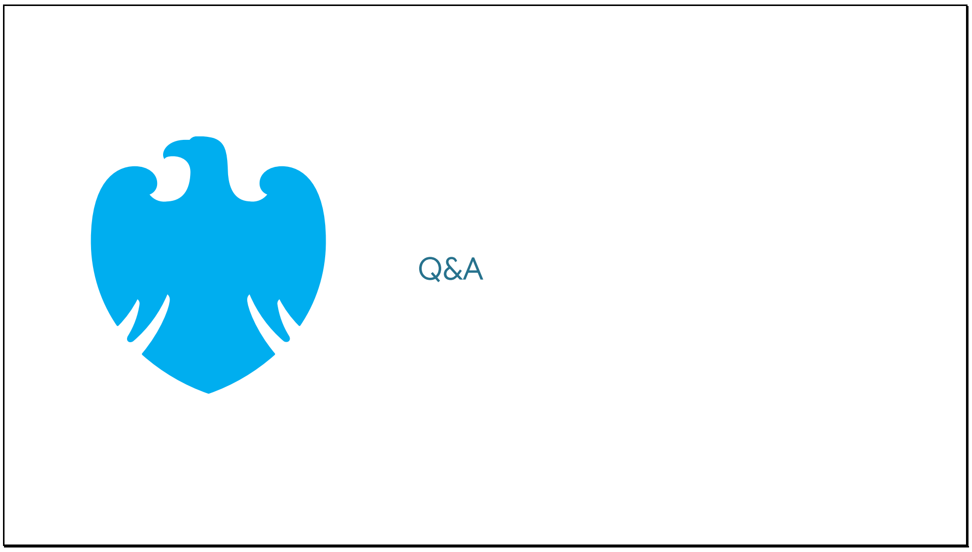
We generated 100 bps of improvement in income over average RWAs versus year-end 2023, and we gained 50 bps in global investment banking fee share again versus year-end 2023.

Cathal and I are confident that all these actions will enable us to deliver the targets that we have set for our division. These will in turn support the broader Investment Bank targets, that Venkat referenced at the start of this presentation.



And just to reiterate what they are. To generate over £700m incremental revenue, from management actions by 2026, so that's excluding movements in the wallet. To improve income over average RWA above the 2019 level of 5.4%. And to rebuild fee share back to the 2019 level of around 4%.

Importantly we have already made most of the operational changes and hires necessary to achieve that. It is all about executing consistently and we clearly have more work to do, but the improved first half performance, is an important first step as we continue our journey towards achieving the three-year plan.



Venkat

Thank you very much for your time, we look forward to speaking with many of you on our Q3 results call on 24th October and on the road in the days that follow.

Share and wallet assumptions

			Assumptions		
		2023	2024	2025	2026
Plan (unchanged from 20th February)	Global Markets Share %[1,2]	6.5	Recovery in 2024, with stability to 2026		
	Investment Banking Fee Share %[3]	3.0	Rebuilding to 2019 level of c.4%		
	Markets wallet	$111bn	$111bn	$111bn	$115bn
	Banking wallet[4]	$69bn[5]	$70bn	$80bn	$84bn

[1] Excluding the impact of Over-Issuance of securities in 2022 | [2] Global Markets share based on Barclays' calculations using peer reported financials, including restatements. Top 10 peers includes Barclays and; US peers: Bank of America, Citi, Goldman Sachs, JP. Morgan, Morgan Stanley. European Peers: BNP Paribas, Credit Suisse, Deutsche Bank, UBS | [3] Dealogic Banking fee share as at December 31st 2023 for the period covering 2019 to 2023. Note 2023 Global Banking fee share has been restated from 3.1% noted in the 20th February 2024 Investor Update | [4] Source: Dealogic wallet as at 31 December 2023 | Note: Group plan based on an average USD/GBP FX rate of 1.27 | Note: Markets 2023 wallet and forward-looking metrics based on internal Barclays estimates and are factored into the medium-term plan | [5] Total global industry Banking wallet represents Investment Banking fees based on Dealogic, covering period 2019-H124. Note 2023 Global Banking wallet has been restated from $67bn noted in the 20th February 2024 Investor Update |

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- MREL is based on Barclays' understanding of the Bank of England's policy statement on "The Bank of England's approach to setting a minimum requirement for own funds and eligible liabilities (MREL)" published in December 2021, updating the Bank of England's June 2018 policy statement, and its MREL requirements communicated to Barclays by the Bank of England. Binding future MREL requirements remain subject to change including at the conclusion of the transitional period, as determined by the Bank of England, taking into `flight path, end-state capital evolution and expectations and MREL build are based on certain assumptions applicable at the date of publication only which cannot be assured and are subject to change.

Non-IFRS performance measures

Barclays' management believes that the non-IFRS performance measures included in this presentation 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 presentation are not a substitute for IFRS measures and readers should consider the IFRS measures as well. Refer to the appendix of the Barclays PLC Results Announcement for financial year ended 31 December 2023, which is available at Barclays.com, for further information and calculations of non-IFRS performance measures included throughout this presentation, and the most directly comparable IFRS measures.

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