



Barclays PLC

Q4 2022 Fixed Income Investor Call

15 February 2023





Anna Cross

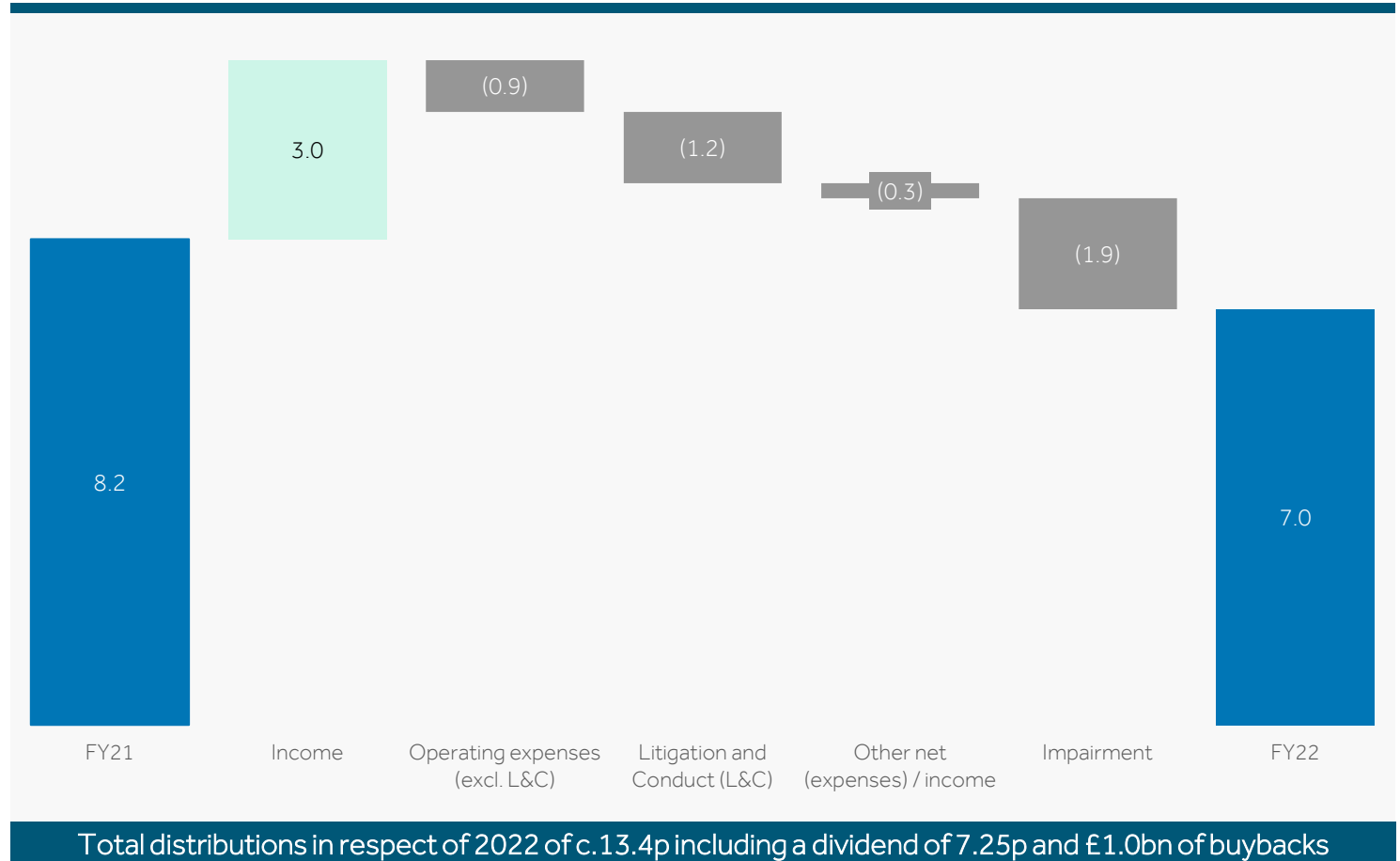
Group Finance Director

Group RoTE of 10.4% with profit before impairment up 9%

Performance

<p>£25.0bn Income FY21: £21.9bn</p>	<p>£16.7bn Costs FY21: £14.7bn</p>
<p>67% Cost: Income ratio FY21: 67%</p>	<p>£8.2bn Profit before impairment FY21: £7.5bn</p>
<p>£1.2bn Impairment FY21: £(0.7)bn release</p>	<p>30bps Loan loss rate FY21: (18)bps</p>
<p>30.8p EPS FY21: 36.5p</p>	<p>10.4% RoTE FY21: 13.1%</p>
<p>13.9% CET1 ratio Sep-22: 13.8%</p>	<p>295p TNAV per share Sep-22: 286p</p>

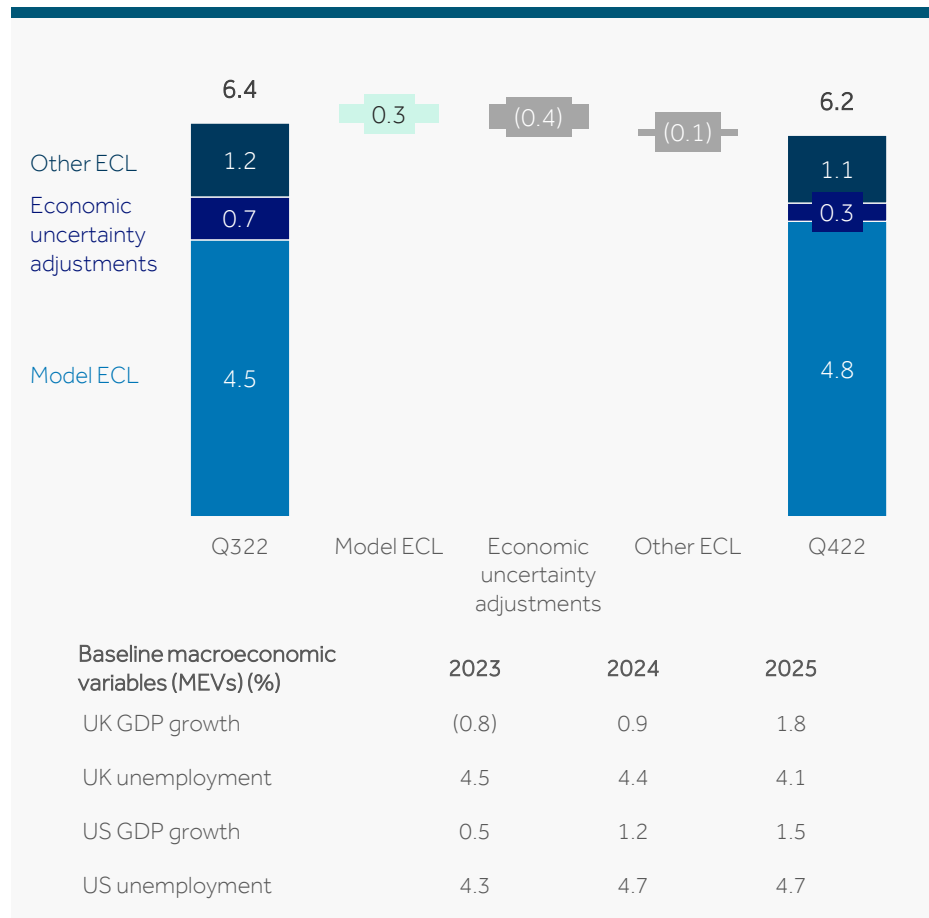
Reported profit before tax (£bn)



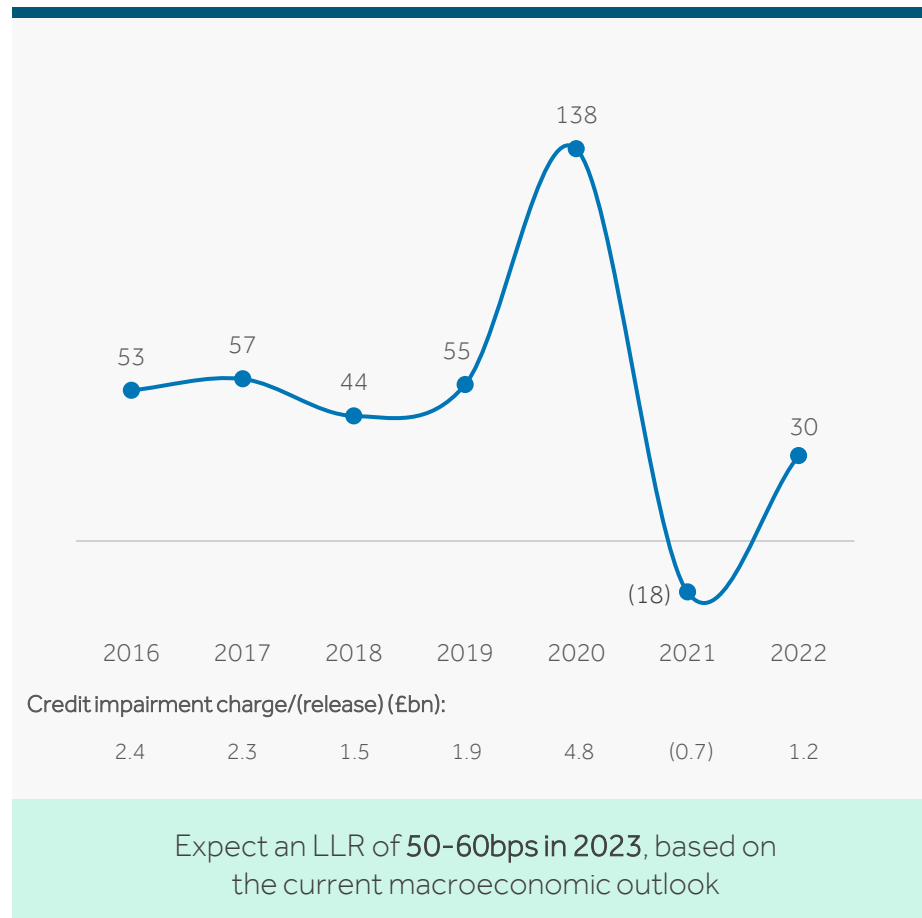
Note: Charts may not sum due to rounding |

Impairment expected to normalise towards historical LLRs

Balance sheet provisions for ECL¹ (£bn)



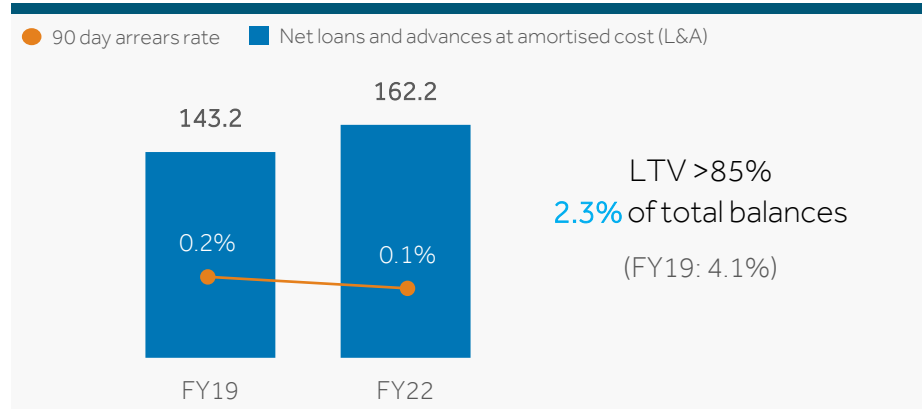
LLR² (bps)



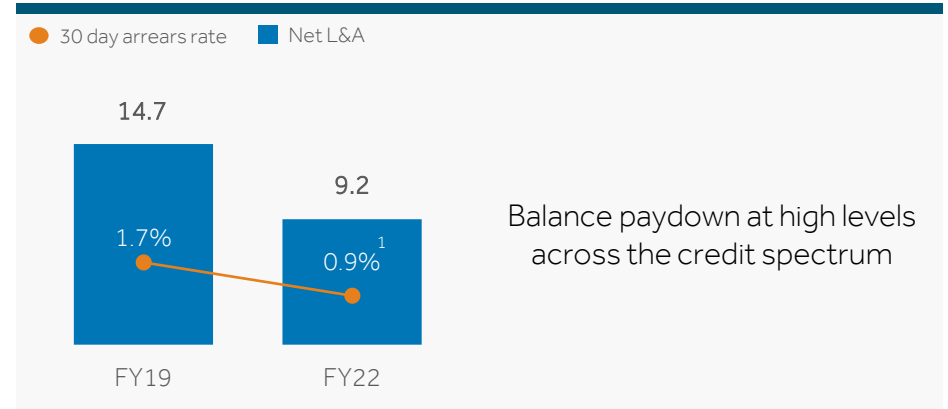
¹ Expected Credit Losses (ECL) ² Loan Loss Rate (LLR) is quoted in basis points and represents total impairment charges divided by gross loans and advances held at amortised cost at the balance sheet date |

Consumer loan book resilient for economic uncertainty

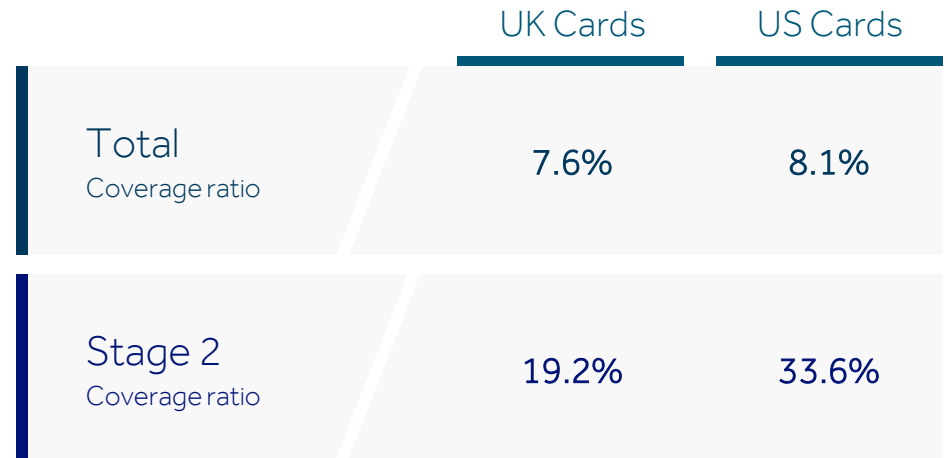
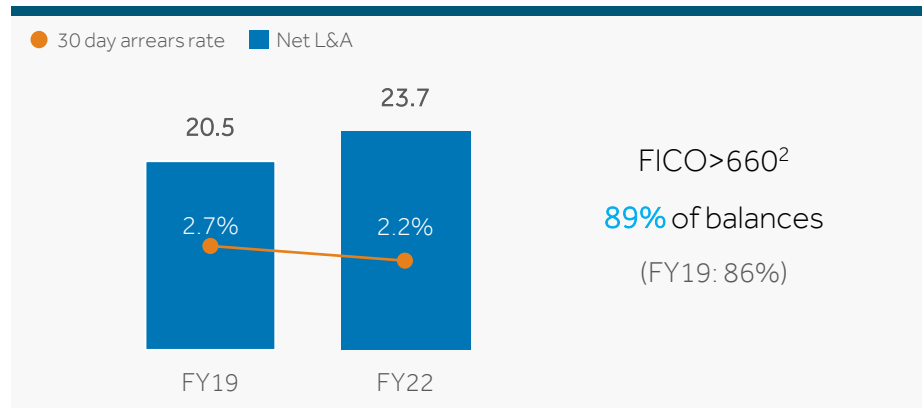
UK Mortgages (£bn)



UK Cards (£bn)



US Cards (£bn)

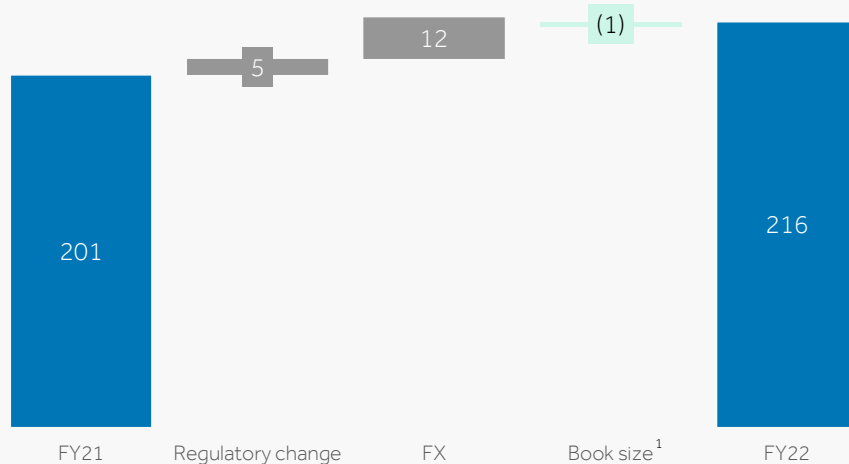


¹ The reduction in 30 days delinquency for UK cards includes the impact of a change in charge off policy; notably changing the point of charge off from 180 to 120 days | ² The FICO Score is used by lenders to help make accurate, reliable, and fast credit risk decisions across the customer lifecycle. A FICO score >660 is defined as "Prime+", which includes "Prime" and "Superprime" |

Disciplined approach to risk in the CIB

CIB RWAs up £15bn driven by FX and regulation

Revenue growth whilst managing RWA footprint



CIB loans & advances

- Loans and advances to customers and banks: £99bn
 - £54bn corporate lending exposures; **first loss protection on 32%** of these loans^{2,3}

Group real estate lending

- Real estate lending: £17bn, **c.4% of total group loans**
 - £10bn UK Commercial Real Estate (CRE) lending⁴, stable vs. FY21 and **well collateralised**

Leverage finance

- Leverage lending commitments **down 50% since H122**

¹ For further details please refer to page 58 of the Barclays PLC 2022 Results Announcement | ² Refers to synthetic credit protection from first loss guarantees within the Corporate lending portfolio (FY21: c. £47bn). In terms of credit protection, individual asset level hedges may vary, but cover a significant and diverse portion of our lending portfolio, with higher average levels of protection for selected vulnerable sectors, lower quality credits and unsecured exposure | ³ Remaining non-Corporate Lending balances largely relate to Global Markets business exposures which are well collateralised | ⁴ c.35% of UK CRE exposure is within Barclays UK | Note: Charts may not sum due to rounding |



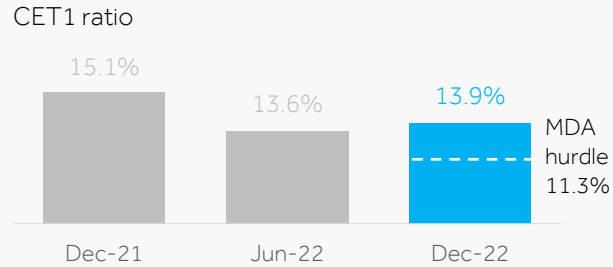
Daniel Fairclough

Group Treasurer

FY22 highlights¹

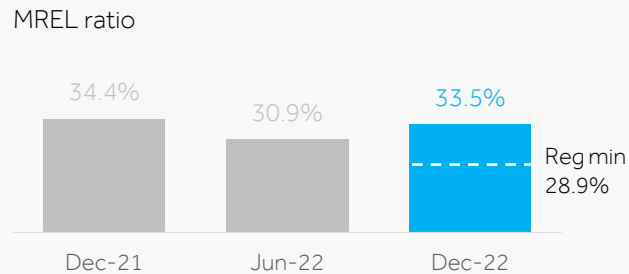
Strong balance sheet evidenced across key metrics

Capital



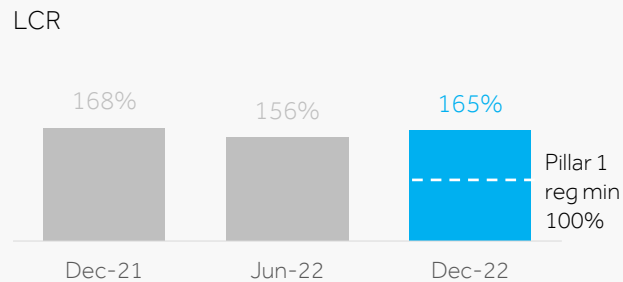
Prudently managed capital position;
CET1 ratio of 13.9% vs. 13-14% target range

Funding



MREL position of £112.8bn,
with MREL ratio of 33.5%

Liquidity

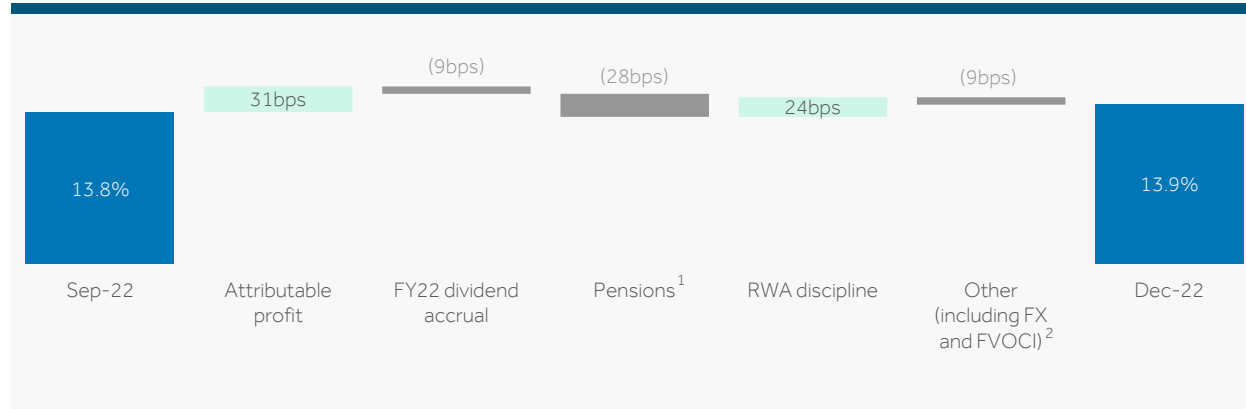


Robust liquidity levels;
Liquidity pool of £318bn,
with LCR of 165%

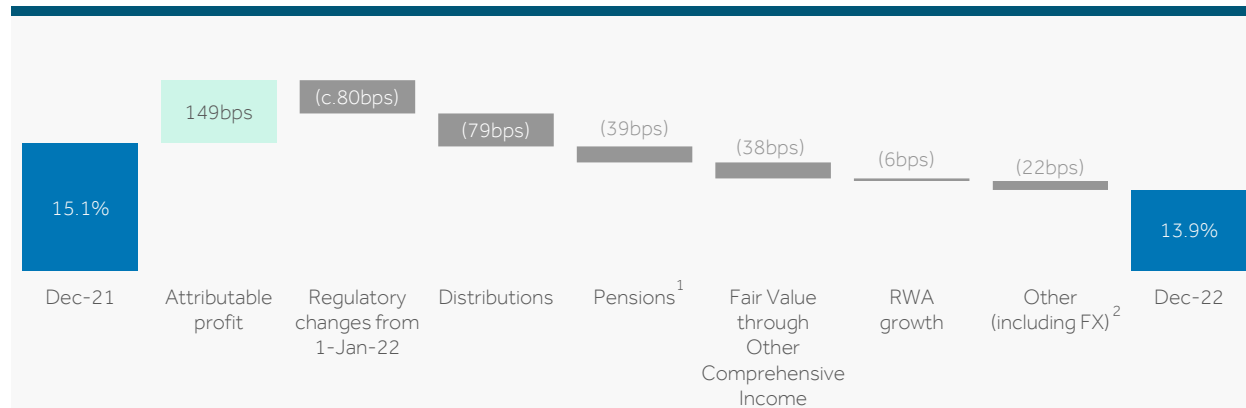
¹ The comparative capital metrics relating to Q421 have been restated to reflect the impact of the Over-issuance of Securities |

Disciplined capital management

Q422 CET1 ratio movements



FY22 CET1 ratio movements



¹ Includes acceleration of capital impacts of 33bps related to pension transactions unwind | ² FX on credit risk, counterparty credit risk and standardised market risk RWAs. FVOCI impact of (1)bp in Q422 | ³ Kensington Mortgage Company | Note: The fully loaded CET1 ratio was 13.7% as at 31 December 2022 (13.6% as at 30 September 2022) | Note: Charts may not sum due to rounding |

Future considerations

Q123

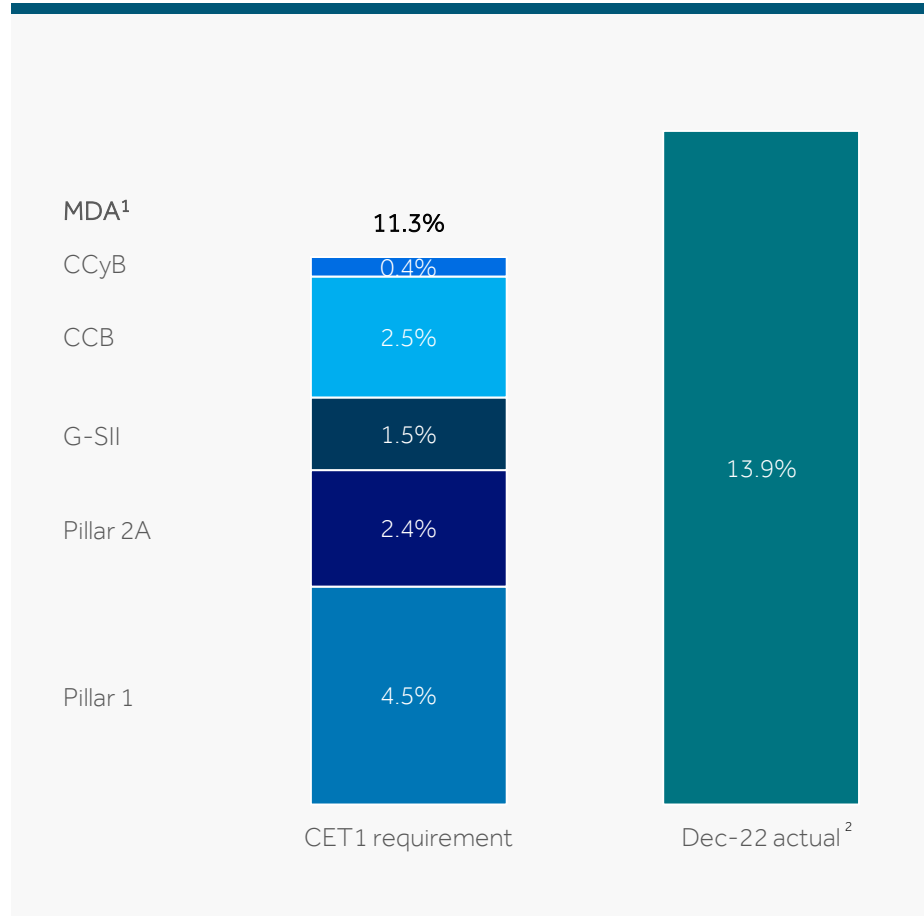
- Share buyback £0.5bn: c.(15)bps
- IFRS 9: c.(13)bps reduction in transitional relief on 1-Jan-23
- Kensington³: c.(12)bps on completion in Q123
- RWA seasonality: increased business activity

Medium/long-term

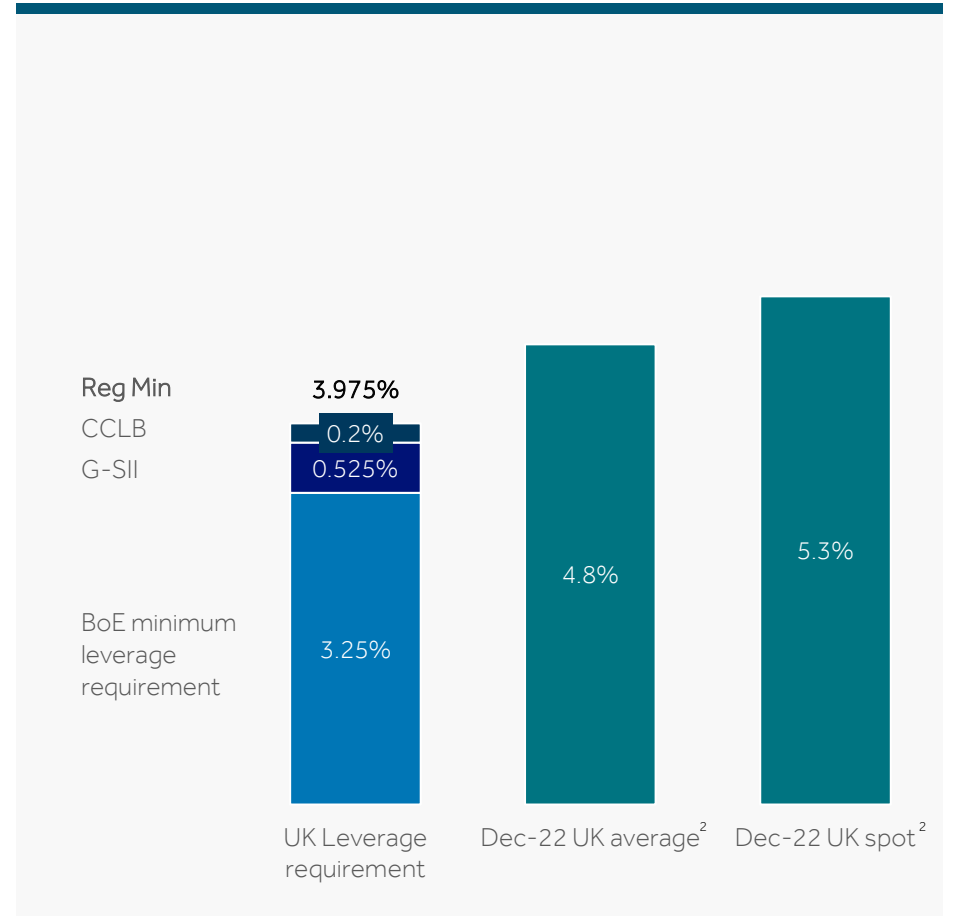
- Target RoTE of >10%: translates to c.150bps of annual CET1 ratio accretion
- UK countercyclical buffer (CCyB): increase to 2%, adds c.40bps to MDA in Q323
- Basel 3.1: lower end of 5-10% RWA inflation on 1-Jan-25, pre-mitigation

CET1 ratio within 13-14% target range and above requirements

CET1 minimum requirements



UK leverage minimum requirements



¹ Barclays' MDA hurdle at 11.3% reflecting the Pillar 2A requirement as per the PRA's Individual Capital Requirement | ² Capital and leverage ratio calculated applying the transitional arrangements of the CRR as amended by CRR II. This includes IFRS 9 transitional arrangements |

Prior capital drag from pensions eliminated

Triennial actuarial valuation

✓ Completed

UKRF triennial actuarial valuation¹
£2bn funding surplus (vs. £2.3bn
 funding deficit in 2019)

✓ Deficit reduction contributions
 in 2023 no longer required

In prior plan a £0.3bn deficit reduction
 contribution was scheduled for 2023

Pension transaction unwind

✓ Completed

Pension transaction unwind²

£1.25bn

Accelerated 33bps CET1 impact
 absorbed in Q422³

Pension portfolio position

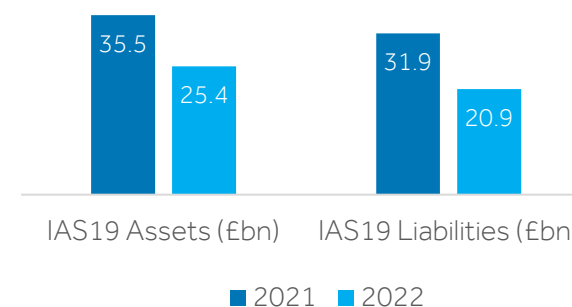
✓ UKRF well positioned with a
balanced portfolio

Robust hedging and liquidity stood up to
 2022 bond yield increases

✓ UKRF surplus improved by **£0.9bn**
 £10bn reduction in assets more than
 offset by £10.9bn reduction in liabilities

Capital impact schedule

Capital impact of deficit reduction contributions (£bn)	As at FY21 results		As at FY22 results	
	2022	2023-25	2022	2023-25
Based on triennial actuarial valuation	(0.3)	(0.3)	(0.3)	-
Dec-2019 £500m and Jun-2020 £750m Senior Notes	-	(1.25)	(1.25)	-
Capital impact (pre-tax)	(0.3)	(1.55)	(1.55)	-
Capital impact (pre-tax bps) ⁴	(9)bps	(46)bps	(46)bps	-



¹ With an effective date of 30 September 2022 | ² During 2019 and 2020, the UKRF subscribed for non-transferable listed senior fixed rate notes for £1.25bn, deferring the CET1 impact of pension contributions made by Barclays until 2023, 2024 and 2025. Following the PRA's statement on 13 April 2022, Barclays unwound these transactions as part of the 2022 triennial actuarial valuation | ³ Post-tax impact | ⁴ Based on Dec-22 RWAs | Note: tables may not sum due to rounding |

Basel 3.1 day one impact expected to be at lower end of prior 5-10% RWA guidance

Timeline

- Nov-22**
PRA released Consultation Paper 16/22 on Basel 3.1 standards
- Mar-23**
Consultation period closes
- H123**
Quantitative Impact Study (QIS) submission
- 2024**
Expected review of Pillar 2A by the PRA
- Jan-25**
Implementation of Basel 3.1 with transitional arrangements
- Jan-30**
Fully phased-in Basel 3.1 implementation

Current view of impacts from Basel 3.1 implementation

Day one Pillar 1 inflation

From the finalisation of the Basel framework (3.1), RWAs are expected to inflate in the following areas:

- Fundamental Review of the Trading Book (FRTB)
- Operational risk
- Credit Valuation Adjustment (CVA)

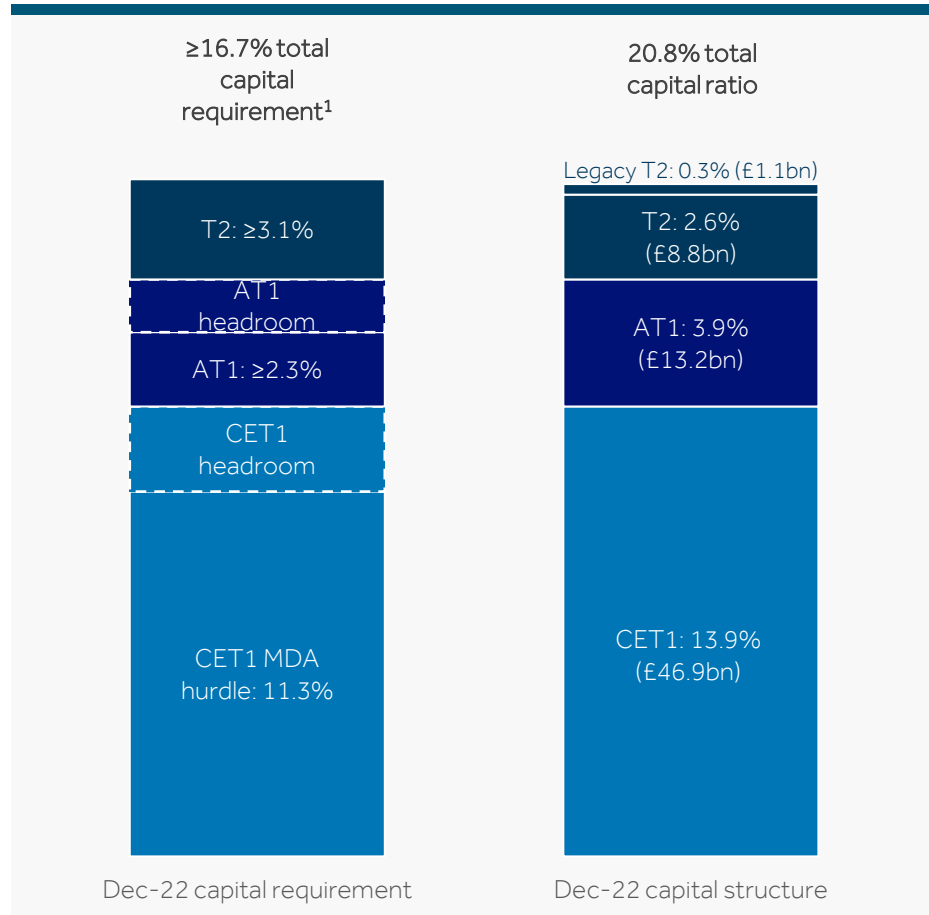
Potential offsets

- Expected review of Pillar 2A by the PRA
- Internal refinements and mitigation actions
- Final rules post consultation

Lower end of 5-10% RWA inflation
on 1-Jan-25, pre-mitigation

Capital structure well managed

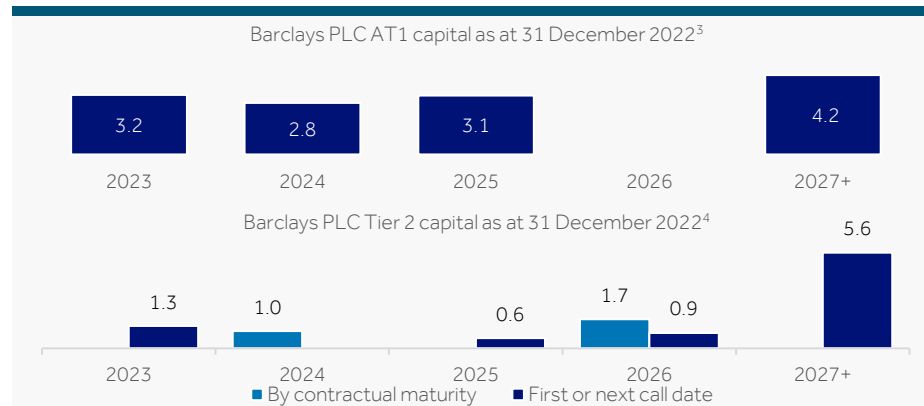
Capital structure and requirements



Balanced total capital structure

- Continue to run a robust level of AT1 capital and maintain conservative headroom
- AT1 as a proportion of RWAs may vary due to seasonal and FX driven fluctuations, in addition to potential issuance and redemptions
- Expect to hold an appropriate level of Tier 2 to meet our total capital requirement
- Following £2.4bn of maturities/calls in 2022, £1.5bn notional of BBPLC legacy capital instruments remain outstanding, of which c.£1.4bn continues to qualify as either Tier 2 until maturity/call or CRR II grandfathered Tier 2 to Jun-25

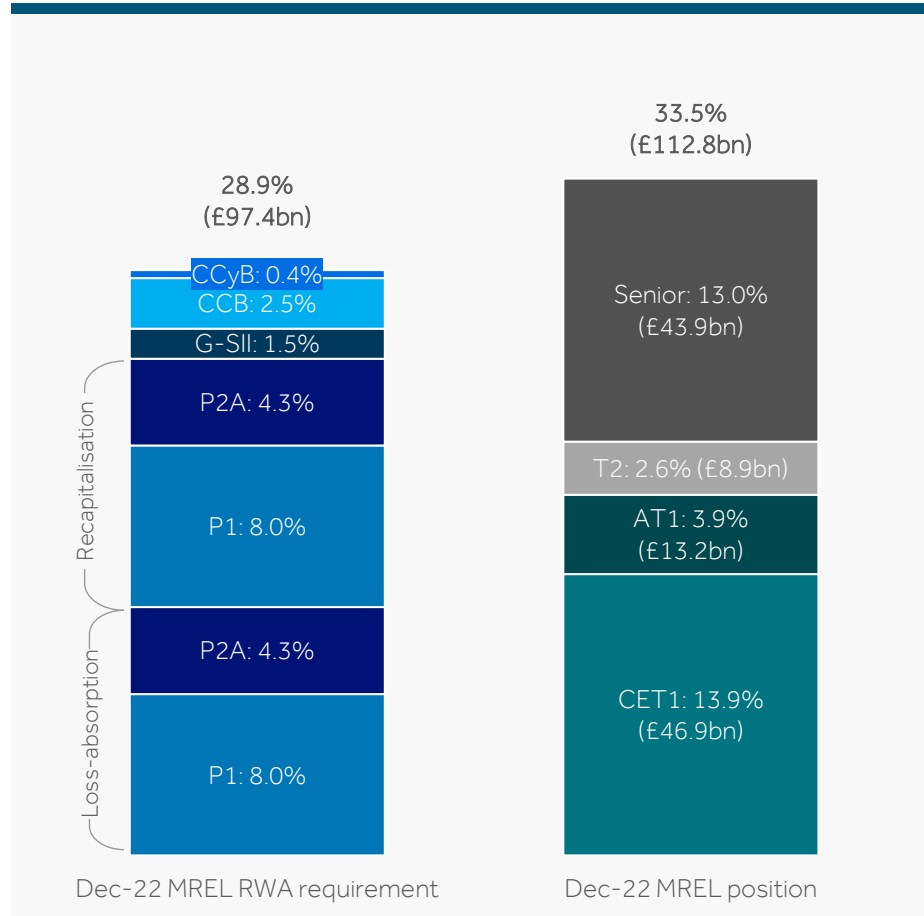
Barclays PLC capital call and maturity profile (£bn)²



¹ Excludes headrooms and minimum requirement excludes the confidential institution-specific PRA buffer | ² Prepared on nominal basis which will not reconcile with regulatory or accounting bases due to adjustments | ³ The redemption notice relating to the Barclays PLC GBP 1.25bn 7.25% AT1, which forms part of the total, was published on 2 February 2023 ([link](#)) | ⁴ The redemption notice relating to the Barclays PLC EUR 1.5bn 2.0% T2 Notes was published on 5 January 2023 ([link](#)) | Note: Charts may not sum due to rounding

MREL position well established

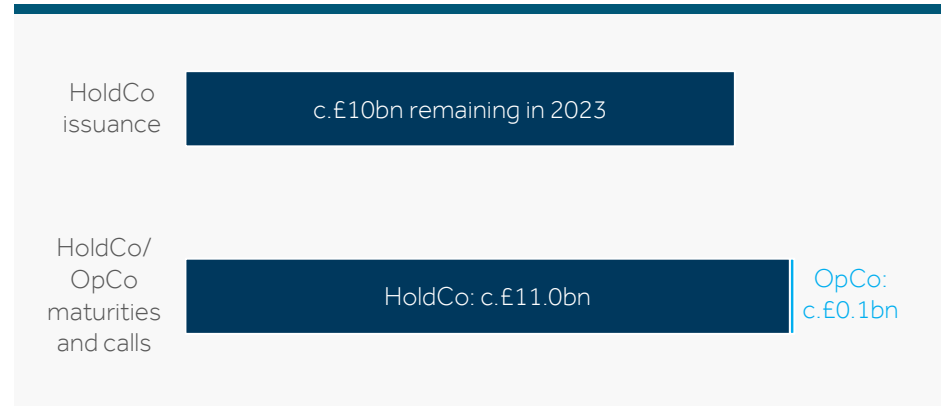
MREL position of £112.8bn as at Dec-22¹



HoldCo issuance

- Successfully executed c.£15bn of MREL issuance in 2022
- c.£10bn of MREL issuance across Senior, Tier 2 and AT1 remaining in 2023
- MREL issuance plan calibrated to meet requirements and allow for a prudent headroom

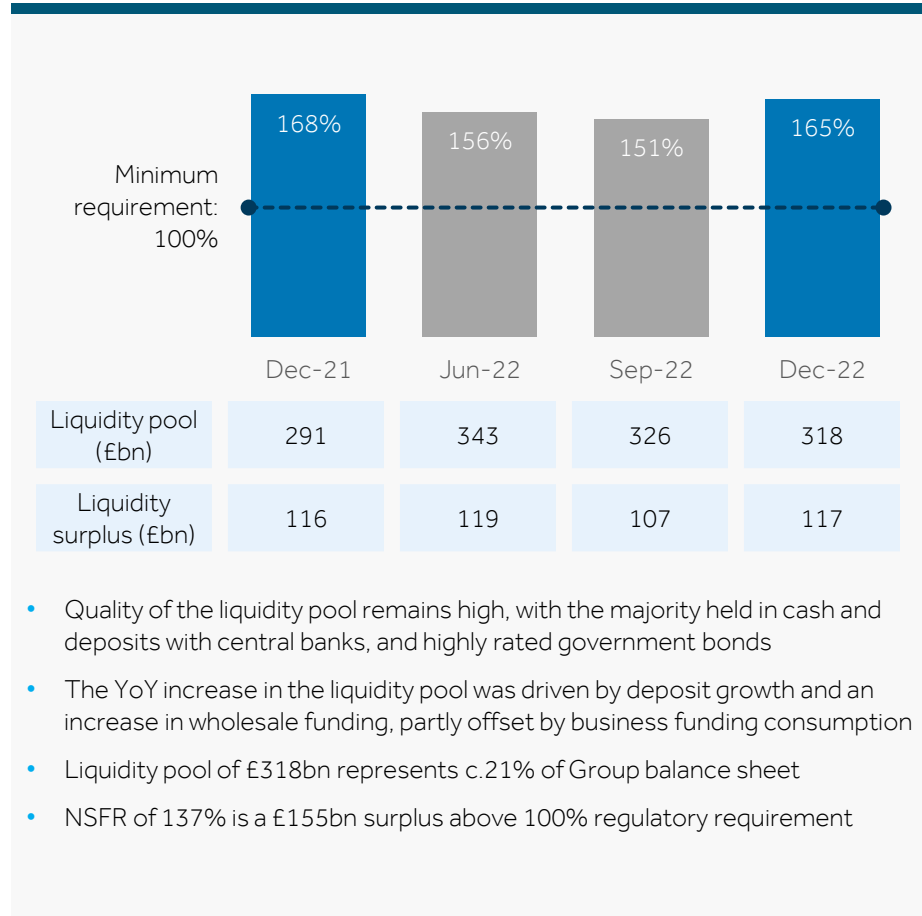
2023 MREL issuance, maturities and calls



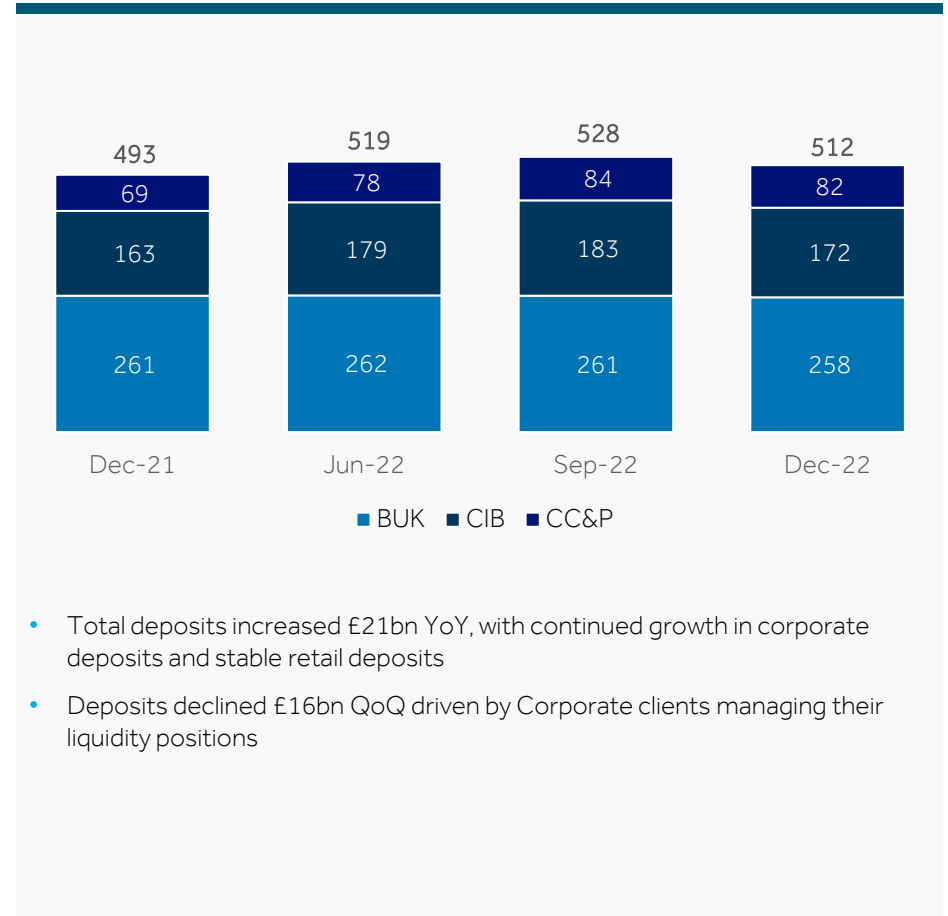
¹ MREL position has been calculated as a percentage of RWAs. The MREL requirement must meet the higher of the RWA or UK leverage bases. MREL position does not include subsidiary issuances that since 1 January 2022 have not counted towards MREL |

Strong liquidity position and deposit base

Liquidity comfortably exceeding minimum requirements



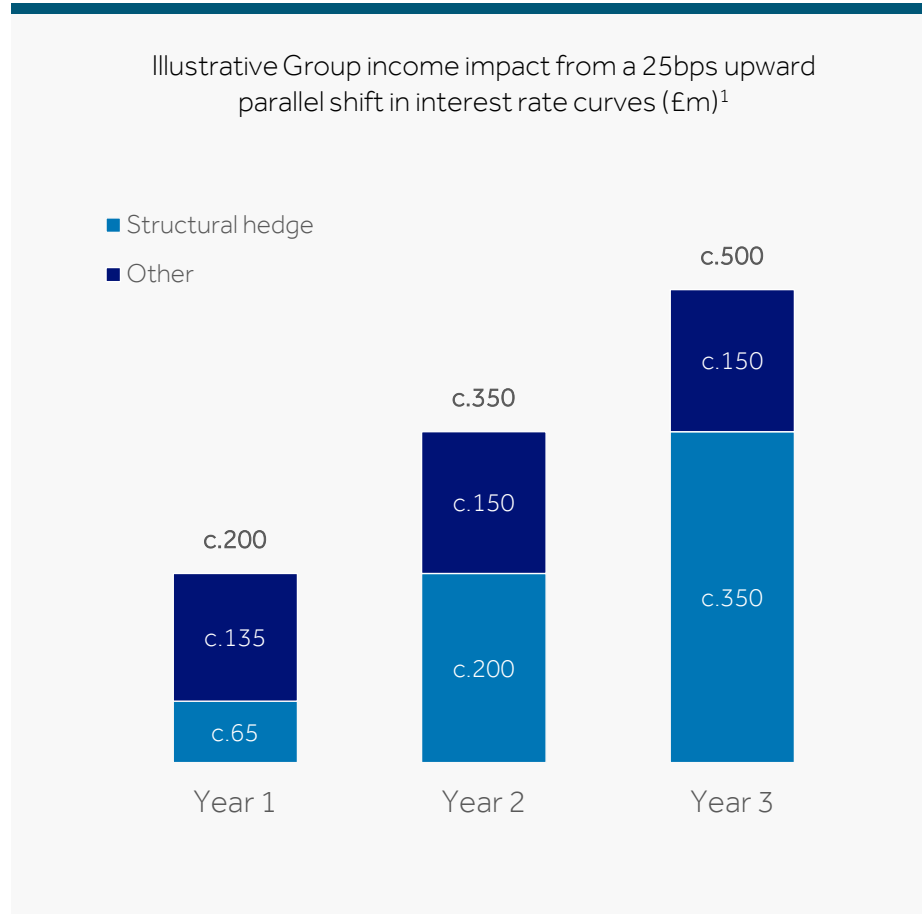
Deposits evolution (€bn)¹



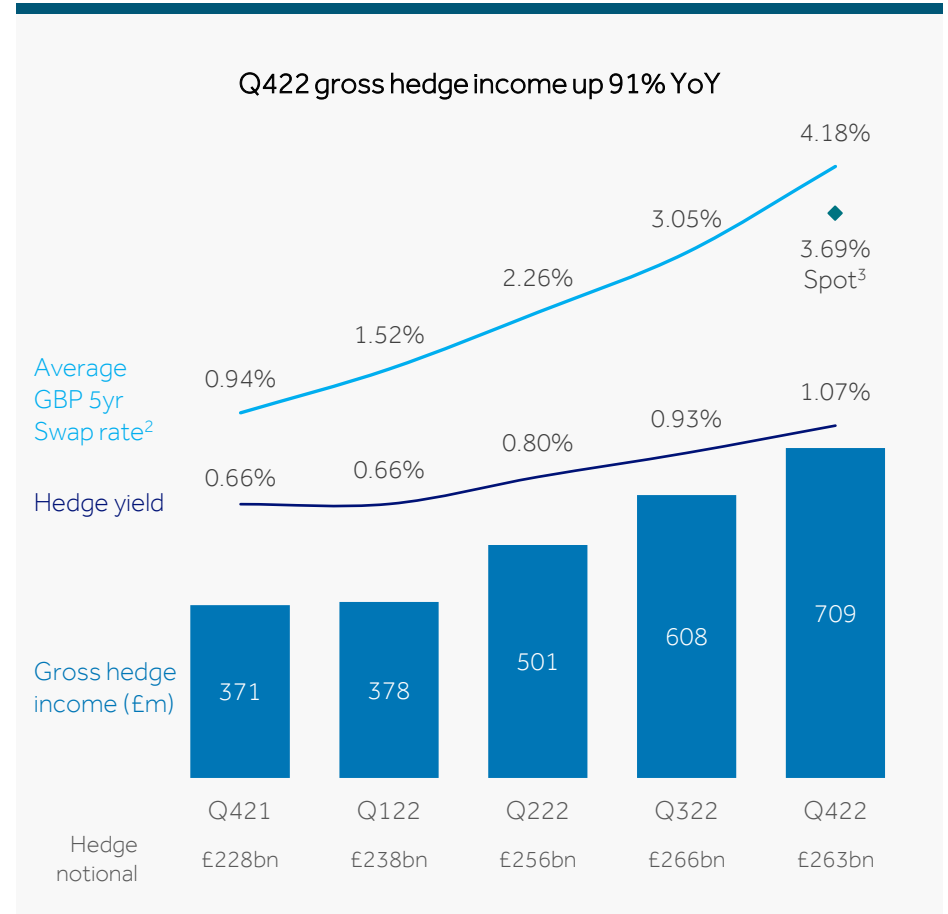
¹ Excluding short-term money market Treasury deposits | Note: Charts may not sum due to rounding |

Interest rates tailwind likely to continue into FY23

Interest rate sensitivity



Structural hedge



¹ This sensitivity is based on the modelled performance of the consumer and corporate banking book only, including the impact of both the product and equity structural hedges. It provides the absolute annual impact of a 25bps shock on Group NII over the next three years, for illustrative purposes only, and is based on a number of assumptions regarding variables which are subject to change. Such assumptions might also differ from those underlying the AEaR calculation in the Barclays PLC Annual Report 2022 | ² UK Pound Sterling SONIA OIS Zero 5 Year Point (Refinitiv: GBPOIS5Y=R) | ³ Based on spot price of UK Pound Sterling SONIA OIS Zero 5 Year Point (Refinitiv: GBPOIS5Y=R) at the end of day on 10 February 2023 |

Strategic priority to maintain strong ratings

Current Senior long and short term ratings	Moody's	Standard & Poor's	Fitch
Barclays PLC	<p>Baa2 Review for Upgrade P-2</p>	<p>BBB Positive A-2</p>	<p>A Stable F1</p>
Barclays Bank PLC (BBPLC)	<p>A1 Negative P-1</p> <p>Counterparty risk assessment A1/P-1 (cr)</p>	<p>A Positive A-1</p> <p>Resolution counterparty rating A+/A-1</p>	<p>A+ Stable F1</p> <p>Derivative counterparty rating A+ (dcr)</p>
Barclays Bank UK PLC (BBUKPLC)	<p>A1¹ Stable P-1</p> <p>Counterparty risk assessment Aa3/P-1 (cr)</p>	<p>A Positive A-1</p>	<p>A+ Stable F1</p> <p>Derivative counterparty rating A+ (dcr)</p>

¹Deposit rating

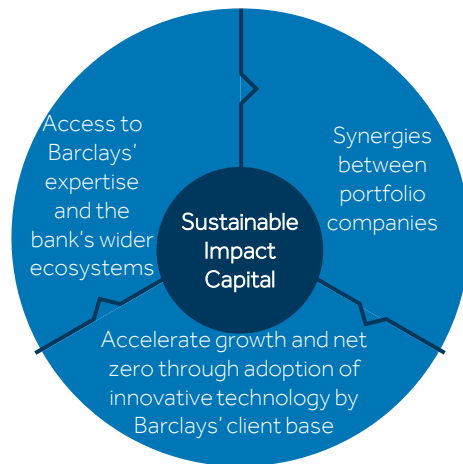
Sustainable Impact Capital's upsized target to £500m

Sustainable finance activities through Treasury

Mission

Accelerate the transition to a net zero future by investing £500m by the end of 2027 (£175m by 2025 previously) in global climate tech start-ups, including a focus on:

- Technologies that are enabling decarbonisation within carbon intensive sectors
- Carbon capture and hydrogen technologies



Portfolio as at FY22



£89m invested under Sustainable Impact Capital as at FY22, against a target of £500m by the end of 2027



Daniel Fairclough

Group Treasurer



Q&A



Appendix

Over-issuance of Securities¹

Context

- In March 2022, the Group became aware that BBPLC² had **issued securities materially in excess of the amount registered under its shelf registration statement** filed with the US Securities and Exchange Commission (SEC)
- To reflect the impact of the Over-issuance of Securities, Barclays PLC and BBPLC each **amended their annual report on Form 20-F**
- Barclays **conducted a rescission offer** to certain purchasers of affected securities, which completed in September 2022
- Barclays was subject to an investigation from the SEC and **paid a monetary penalty**
- Barclays **commissioned a review of the matter led by external counsel** which concluded that:
 - among the principal causes of the Over-issuance of Securities were, first, the failure to identify and escalate to senior executives the consequences of the loss of WKSI³ status and, secondly, a decentralised ownership structure for securities issuances; and
 - the incident was **not the result of a general lack of attention to controls** by Barclays, and that Barclays' management has **consistently emphasised the importance of maintaining effective controls**

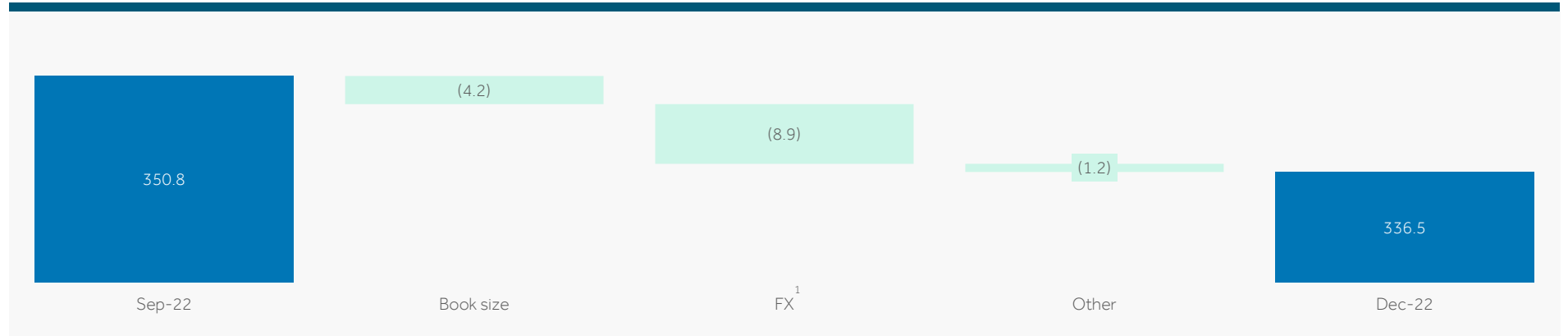
Financial impact (£m)

	FY21	FY22	Total Impact
Income from hedging arrangements	-	292	292
L&C charge for rescission offer losses ⁴	(220)	(801)	(1,021)
PBT impact from rescission offer losses ⁴	(220)	(509)	(729)
Attributable loss from rescission offer losses ⁵	(170)	(387)	(557)
Charge related to SEC monetary penalty	-	(165)	(165)
PBT impact from rescission offer losses and provision related to SEC monetary penalty ⁴	(220)	(674)	(894)
Attributable loss⁵	(170)	(552)	(722)
RoTE impact	(40)bps	(120)bps	

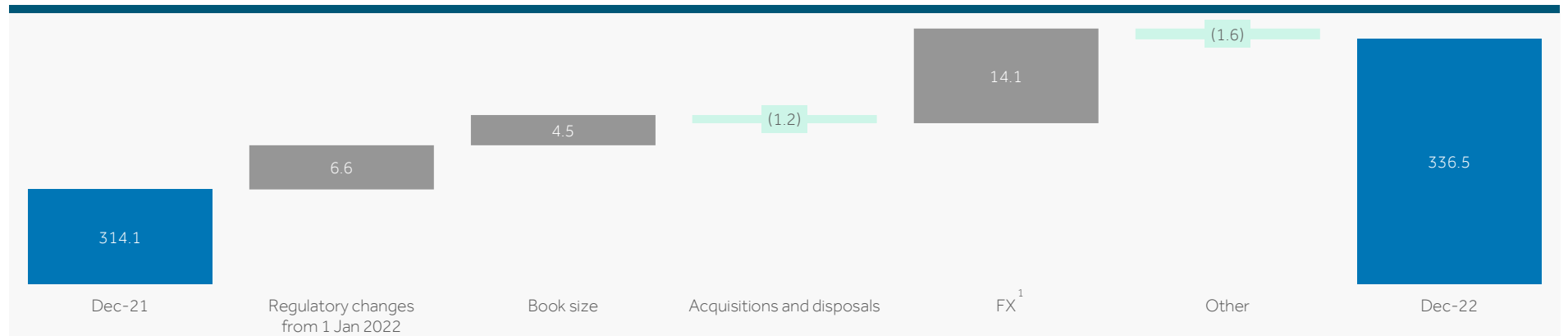
¹ Refers to the Over-issuance of Securities under Barclays Bank PLC's US shelf registration statements on Form F-3 filed with the SEC in 2018 and 2019. Please refer to the Barclays PLC FY22 Results Announcement for details | ² Barclays Bank PLC (BBPLC) | ³ "WKSI" refers to "well-known seasoned issuer", a type of issuer which, according to SEC rules, can use a more flexible shelf registration process to register an unlimited amount of securities | ⁴ Total impact in Q422: £0m (Q421: £46m) | ⁵ Total impact in Q422: £0m (Q421: £38m)

RWA

Q422 RWA movements (£bn)



FY22 RWA movements (£bn)



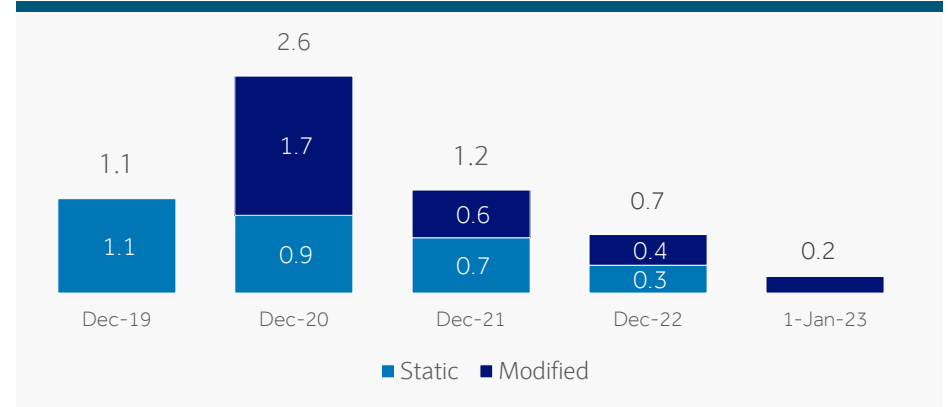
¹FX on credit risk, counterparty credit risk and standardised market risk RWAs | Note: Charts may not sum due to rounding |

IFRS 9 transitional relief of c.20bps as at Dec-22

2020 regulatory action gave further relief for impairments

- 75% transitional relief for modified impairment post Dec-19 applied in 2022
- Transitional relief schedule for static component per original schedule
- Total post-tax IFRS 9 transitional relief as at Dec-22 is c.£0.7bn or c.20bps capital, broadly flat vs. Q322 and down c.20bps compared to Dec-21
 - IFRS 9 modified transitional relief applies to Stage 1 and 2 impairments
 - Transitional basis of capital remains the relevant measure for our capital adequacy assessment by regulators
- Total post-tax IFRS 9 transitional relief is expected to reduce by c.13bps from 1-Jan-23

IFRS 9 transitional relief CET1 add-back (£bn)



Relief schedule

Year	Pre-2020 (static)	2020 onwards (modified)
2020	70%	100%
2021	50%	100%
2022	25%	75%
2023		50%
2024		25%

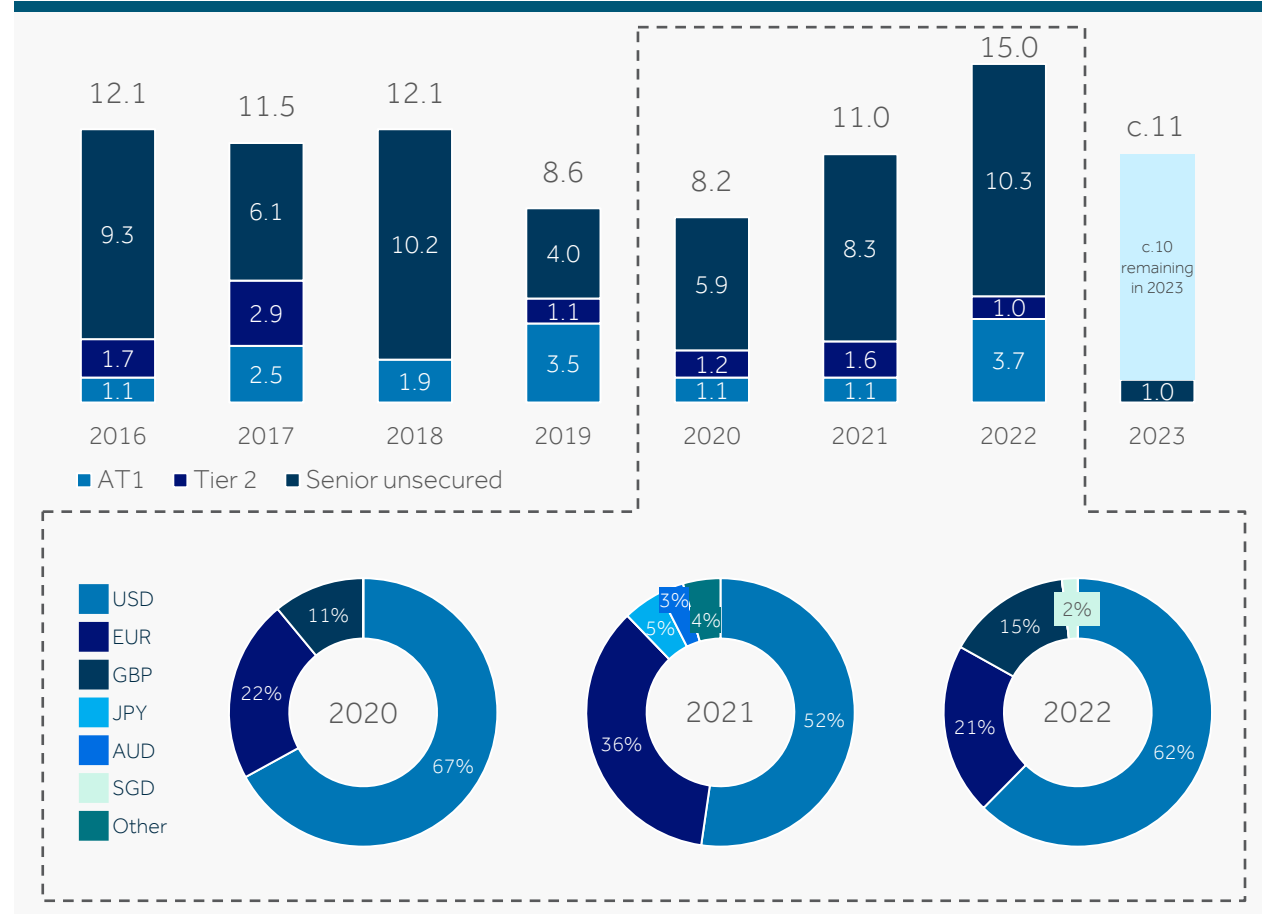
Note: Charts may not sum due to rounding |

Successful execution of 2022 funding plan

2022-23 HoldCo issuance¹



Annual HoldCo issuance volume (£bn) and currency¹



¹ Annual issuance balances based on FX rate at end of respective periods for debt accounted instruments and historical transaction rates for equity accounted instruments | Note: Charts may not sum due to rounding |

Disclaimer

Important Notice

The terms Barclays or Group refer to Barclays PLC together with its subsidiaries. The information, statements and opinions contained in this presentation do not constitute a public offer under any applicable legislation, an offer to sell or solicitation of any offer to buy any securities or financial instruments, or any advice or recommendation with respect to such securities or other financial instruments.

Information relating to:

- regulatory capital, leverage, liquidity and resolution is based on Barclays' interpretation of applicable rules and regulations as currently in force and implemented in the UK, including, but not limited to, CRD IV (as amended by CRD V applicable as at the reporting date) and CRR (as amended by CRR II applicable as at the reporting date) texts and any applicable delegated acts, implementing acts or technical standards and as such rules and regulations form part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended. All such regulatory requirements are subject to change and disclosures made by the Group will be subject to any resulting changes as at the applicable reporting date;
- 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 account a number of factors as described in the policy, along with international developments. The Pillar 2A requirement is also subject to at least annual review;
- future regulatory capital, liquidity, funding and/or MREL, including forward-looking illustrations, are provided for illustrative purposes only and are not forecasts of Barclays' results of operations or capital position or otherwise. Illustrations regarding the capital 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.

Important information

In preparing the ESG information in this FY22 Fixed Income Call Presentation:

- we have made a number of key judgements, estimations and assumptions, and the processes and issues involved are complex. This is, for example, the case in relation to financed emissions, portfolio alignment, classification of environmental and social financing, operational emissions and measurement of climate risk.
- we have used ESG and climate data, models and methodologies that we consider to be appropriate and suitable for these purposes as at the date on which they were deployed. However, these data, models and methodologies are not of the same standard as those available in the context of other financial information, nor subject to the same or equivalent disclosure standards, historical reference points, benchmarks or globally accepted accounting principles. There is an inability to rely on historical data as a strong indicator of future trajectories in the case of climate change and its evolution. Outputs of models, processed data and methodologies will also be affected by underlying data quality which can be hard to assess. There is currently no globally accepted framework or definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, an "ESG", "green", "sustainable", "climate-friendly" or an equivalently-labelled product, or as to what precise attributes are required for a particular investment, product or asset to be defined as "ESG", "green", "sustainable", "climate-friendly" or such other equivalent label, nor can any assurance be given that such a clear definition or consensus will develop over time.
- we note that the data, models and methodologies used, and the judgements, estimates or assumptions made, are rapidly evolving and this may directly or indirectly affect the metrics, data points and targets contained in this FY22 Fixed Income Call Presentation. We continue to review and develop our approach to data, models and methodologies in line with market principles and standards as this subject area matures. Further development of accounting and/or reporting standards could impact (potentially materially) the performance metrics, data points and targets contained in this FY22 Fixed Income Presentation. In future reports or presentations we may present some or all of the information for FY22 using updated or more granular data or improved models, methodologies, market practices or standards. Such re-presented information may result in different outcomes than those included in this FY22 Fixed Income Presentation. Where information is re-presented from time to time, we will identify this and (where we think it is appropriate) include an explanation. It is important for readers and users of this FY22 Fixed Income Presentation to be aware that direct like-for-like comparisons of each piece of information disclosed may not always be possible from one reporting period to another.

Forward-looking Statements

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

Subject to Barclays PLC's obligations under the applicable laws and regulations of any relevant jurisdiction (including, without limitation, the UK and the US) in relation to disclosure and ongoing information, we undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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. Non-IFRS performance measures are defined and reconciliations are available on our results announcement for the period ended 31 December 2022.