Barclays Bank PLC

Interim Results Announcement

30 June 2024

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Notes

Barclays Bank PLC is a wholly-owned subsidiary of Barclays PLC. The consolidation of Barclays Bank PLC and its subsidiaries is referred to as the Barclays Bank Group. The consolidation of Barclays PLC and its subsidiaries is referred to as the Barclays Group or Barclays. Unless otherwise stated, the income statement analysis compares the six months ended 30 June 2024 to the corresponding six months of 2023 and the balance sheet analysis is as at 30 June 2024 with comparatives relating to 31 December 2023. The abbreviations '£m' and '£bn' represent millions and thousands of millions of Pounds Sterling respectively; the abbreviations '$m' and '$bn' represent millions and thousands of millions of US Dollars respectively; and the abbreviations '€m' and '€bn' represent millions and thousands of millions of Euros respectively.

There are a number of key judgement areas, for example impairment calculations, which are based on models and which are subject to ongoing adjustment and modifications. Reported numbers reflect best estimates and judgements at the given point in time.

Relevant terms that are used in this document but are not defined under applicable regulatory guidance or International Financial Reporting Standards (IFRS) are explained in the results glossary that can be accessed at home.barclays/investor-relations/reports-and-events/latest-financial-results.

The information in this announcement, which was approved by the Board of Directors on 31 July 2024, does not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2023, which contained an unmodified audit report under Section 495 of the Companies Act 2006 (which did not make any statements under Section 498 of the Companies Act 2006) have been delivered to the Registrar of Companies in accordance with Section 441 of the Companies Act 2006.

These results will be furnished as a Form 6-K to the US Securities and Exchange Commission (SEC) as soon as practicable following their publication. Once furnished with the SEC, a copy of the Form 6-K will be available from the SEC's website at www.sec.gov.

The Barclays Bank Group is a frequent issuer in the debt capital markets, including in the US and the EU, and regularly meets with investors via formal road-shows and other ad hoc meetings. Consistent with its usual practice, the Barclays Bank Group expects that from time to time over the coming half year it will meet with investors globally to discuss these results and other matters relating to the Barclays Bank Group.

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 Barclays Bank Group. The Barclays Bank Group 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 Barclays Bank Group (including during management presentations) in connection with this document. Examples of forward-looking statements include, among others, statements or guidance regarding or relating to the Barclays Bank Group's future financial position, business strategy, income levels, costs, assets and liabilities, impairment charges, provisions, capital leverage and other regulatory ratios, capital distributions (including policy on dividends and share buybacks), return on tangible equity, projected levels of growth in banking and financial markets, industry trends, any commitments and targets (including environmental, social and governance (ESG) commitments and targets), plans and objectives for future operations, International Financial Reporting Standards ("IFRS") and other statements that are not historical or current facts. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements speak only as at the date on which they are made. Forward-looking statements may be affected by a number of factors, including, without limitation: changes in legislation, regulations, governmental and regulatory policies, expectations and actions, voluntary codes of practices and the interpretation thereof, changes in 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 Barclays Bank 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 Barclays Bank Group's control; the impact of competition in the banking and financial services industry; capital, liquidity, leverage and other regulatory rules and requirements applicable to past, current and future periods; UK, US, Eurozone and global macroeconomic and business conditions, including inflation; volatility in credit and capital markets; market related risks such as changes in interest rates and foreign exchange rates reforms to benchmark interest rates and indices; higher or lower asset valuations; changes in credit ratings of any entity within the Barclays Bank Group or any securities issued by it; changes in counterparty risk; changes in consumer behaviour; the direct and indirect consequences of the conflicts in Ukraine and the Middle East on European and global macroeconomic conditions, political stability and financial markets; political elections, including the impact of the UK, European and US elections in 2024; developments in the UK's relationship with the European Union ("EU"); the risk of cyberattacks, information or security breaches, technology failures or operational disruptions and any subsequent impact on the Barclays Bank Group's reputation, business or operations; the Barclays Bank Group's ability to access funding; and the success of acquisitions, disposals and other strategic transactions. A number of these factors are beyond the Barclays Bank Group's control. As a result, the Barclays Bank 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 Barclays Bank Group's forward-looking statements. Additional risks and factors which may impact the Barclays Bank Group's future financial condition and performance are identified in Barclays Bank PLC's filings with the US Securities and Exchange Commission ("SEC") (including, without limitation, Barclays Bank PLC's Annual Report on Form 20-F for the financial year ended 31 December 2023), which are available on the SEC's website at www.sec.gov.

Subject to Barclays Bank 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.

Barclays Bank Group Overview

Barclays Bank PLC is the non-ring-fenced bank within the Barclays Group. The Barclays Bank Group comprises the Barclays UK Corporate Bank, Barclays Private Bank and Wealth Management, Barclays Investment Bank and Barclays US Consumer Bank businesses. Barclays Bank PLC offers customers and clients a range of products and services spanning consumer and wholesale banking.

Barclays Bank Group performance

The 2023 Barclays Bank Group results comprised the reporting segments Corporate and Investment Bank (CIB), Consumer, Cards and Payments (CC&P) and Head Office.

As part of the 20 February 2024 Investor Update, Barclays announced changes to its operating divisions which impacts segmental reporting going forward. These changes do not affect legal entities nor do they impact the Barclays Bank Group's consolidated financials.

From 2024, the Barclays Bank Group presents its reporting segments through the following operating divisions, in addition to Head Office:

Barclays UK Corporate Bank (UKCB)
This includes a large part of the Corporate Lending and Transaction Banking businesses previously reported within the CIB, and the Payments issuing business previously reported within CC&P.

Barclays Private Bank and Wealth Management (PBWM)
This includes the Private Bank business in addition to the Wealth Management & Investments (WM&I) portfolio transferred from Barclays UK in May 2023, providing holistic wealth and private banking solutions. This was previously reported within CC&P.

Barclays Investment Bank (IB)
This includes the Global Markets, Investment Banking and International Corporate Banking businesses, serving FTSE 350, multinationals and financial institution clients that are regular users of Investment Bank services. These businesses were previously reported within the CIB.

Barclays US Consumer Bank (USCB)
This includes the US credit card business, particularly focused in the partnership market as well as an online deposit franchise. This was previously reported within CC&P.

Prior period comparators shown in this document have been re-presented based on the above reporting segments. Head Office now includes the held for sale German consumer finance business and the Merchant Acquiring component of the Payments business which were both previously reported within CC&P.

Barclays Bank Group results for the half year ended

	30.06.24 £m	30.06.23 £m	% Change
Total income	**9,694**	**9,804**	**(1)**
Operating costs	(6,065)	(5,952)	(2)
UK regulatory levies[1]	(66)	—	
Litigation and conduct	(56)	(34)	(65)
Total operating expenses	**(6,187)**	**(5,986)**	**(3)**
Other net income	1	2	
Profit before impairment	**3,508**	**3,820**	**(8)**
Credit impairment charge	(831)	(688)	(21)
Profit before tax	**2,677**	**3,132**	**(15)**
Tax charge	(520)	(525)	1
Profit after tax	**2,157**	**2,607**	**(17)**
Attributable to:			
Equity holders of the parent	1,735	2,188	(21)
Other equity instrument holders	422	419	1
Attributable profit	**2,157**	**2,607**	**(17)**

Balance sheet information	As at 30.06.24 £bn	As at 31.12.23 £bn	% Change
Cash and balances at central banks	212.1	189.7	12
Loans and advances at amortised cost to customers	137.2	137.2	—
Trading portfolio assets	197.3	174.6	13
Financial assets at fair value through the income statement	213.3	204.2	4
Derivative financial instrument assets	252.2	256.1	(2)
Total assets	1,284.0	1,185.2	8
Deposits at amortised cost from customers	304.4	287.2	6
Financial liabilities designated at fair value	321.1	298.6	8
Derivative financial instrument liabilities	242.1	249.9	(3)

Capital and liquidity metrics	As at 30.06.24 £bn	As at 31.12.23 £bn
Common equity tier 1 (CET1) ratio[2,3]	11.7 %	12.1 %
Barclays Bank PLC DoLSub Liquidity Coverage Ratio[4]	152.6 %	150.7 %
Barclays Bank PLC DoLSub Liquidity Pool	205.2	176.3
Total risk weighted assets (RWAs)[2]	216.1	211.2
UK leverage ratio (sub-consolidated)[5]	5.6 %	6.0 %
Net stable funding ratio	110.9 %	110.1 %

1 *Comprises the impact of the BoE levy scheme and the UK bank levy.*
2 *Barclays Bank PLC's capital and RWAs are regulated by the Prudential Regulation Authority (PRA) on a solo-consolidated basis. The disclosure above provides a capital metric for Barclays Bank PLC solo-consolidated. For further information, refer to Treasury and Capital Risk on page 22.*
3 *The CET1 ratio is calculated applying the IFRS 9 transitional arrangements under Regulation (EU) No 575/2013 (the Capital Requirements Regulation), as amended, as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended (UK CRR). For further detail on the application of UK CRR, refer to Treasury and Capital Risk on page 22.*
4 *Represents the average of the last 12 spot month end ratios.*
5 *Leverage minimum requirements for Barclays Bank PLC are set at sub-consolidated level and as a result, the leverage disclosure above is for Barclays Bank PLC sub-consolidated. For further information, refer to Treasury and Capital Risk on page 22.*

Income Statement - H124 compared to H123

The Barclays Bank Group's profit before tax decreased 15% to £2,677m which includes the impact of the £220m loss on sale of the performing Italian mortgage portfolio and the £20m loss on disposal from the German consumer finance business.

The Barclays Bank Group has a diverse income profile across businesses and geographies including a significant presence in the US.

Refer to Note 2 Segmental Reporting for the Barclays Bank Group results by reporting segments.

- **Total income decreased 1% to £9,694m (H123: £9,804m)**
  - IB income increased 1% to £6,559m (H123: £6,499m)
    - Global Markets income decreased 2% to £4,264m as increased income in Equities was more than offset by lower income in Fixed Income, Currencies and Commodities (FICC). Equities income increased driven by growth across products reflecting increased client activity in derivatives and growth in financing balances, additionally supported by a £125m fair value gain on Visa B shares in Q124. FICC income decreased, reflecting lower client activity in Macro and the non-repeat of the inflation benefit from prior year, partially offset by strong performance in securitised products
    - Banking fees and underwriting increased 19% to £1,337m. Equity Capital Markets fees increased reflecting strong Q224 performance including fees booked on a large UK rights issue. Debt Capital Markets fees increased driven by higher deal activity in leverage finance and investment grade issuance, partially offset by lower Advisory fee income
    - International Corporate Bank income decreased 7% to £959m, mainly driven by Transaction banking as a result of margin compression as customers migrate to higher interest returning products and lower liquidity pool income. Corporate lending income is broadly stable
  - UKCB income decreased 6% to £912m (H123: £974m) as increased deposit income in the higher interest rate environment was more than offset by lower liquidity pool income
  - USCB income increased 6% to £1,691m (H123: £1,599m). Net interest income (NII) increased reflecting higher cards balances. Net fee, commission and other income increased reflecting higher purchases and account growth[1]
  - PBWM income increased 14% to £648m (H123: £569m). NII decreased mainly due to adverse deposit dynamics reflecting wider market trends, partially offset by higher deposit balances and the benefit from the higher interest rate environment. Net fee, commission and other income increased reflecting the transfer of WM&I from Barclays Bank UK PLC in May 2023 and invested assets growth
  - Head Office income was a net expense of £116m (H123: £163m income) mainly driven by the loss on sale of the performing Italian mortgage portfolio and the impact of the disposal of the German consumer finance business

- **Total operating expenses increased 3% to £6,187m (H123: £5,986m)**, and includes the transfer of WM&I, Q224 structural cost actions in the Investment Bank, inflation and the estimated impact of Bank of England (BoE) levy scheme in Q124, partially offset by efficiency savings

- **Credit impairment charges were £831m (H123: £688m),** driven by the anticipated higher delinquencies in US cards and single name charges in Investment Bank. The USCB total coverage ratio increased to 11.0% (December 2023: 10.1%)

- The effective tax rate (ETR) was 19.4% (H123: 16.8%)

1 *Includes Barclays Bank Group accounts and those serviced for third parties*

Balance sheet, capital and liquidity

30 June 2024 compared to 31 December 2023

- Cash and balances at central banks increased £22.4bn to £212.1bn driven by customer deposit growth from £287.2bn to £304.4bn

- Loans and advances at amortised cost to customers remained broadly flat with increased lending in the IB and USCB being offset by the sale of the Italian mortgages and sale of credit card receivables within USCB

- Trading portfolio assets increased £22.7bn to £197.3bn driven by increased trading in debt securities as we facilitate client demand in Global Markets

- Financial assets at fair value through the income statement increased £9.1bn to £213.3bn driven by increased secured lending. Financial liabilities designated at fair value increased £22.5bn to £321.1bn driven by increased secured borrowing

- Derivative financial instrument assets and liabilities decreased £3.9bn to £252.2bn and £7.8bn to £242.1bn respectively reflecting a decrease in Macro due to lower market volatility, offset by increased client activity in Equities

- The Barclays Bank PLC solo-consolidated CET1 ratio as at 30 June 2024 was 11.7% (December 2023: 12.1%), which is above regulatory capital minimum requirements

- RWAs increased to £216.1bn (December 2023: £211.2bn) driven by seasonal increases relative to FY23 and elevated client trading activity in the Investment Bank

- The Liquidity Pool increased to £205.2bn (December 2023: £176.3bn) driven primarily by deposit growth. The Barclays Bank PLC Domestic Liquidity Subgroup ('DoLSub') liquidity coverage ratio (LCR) remained well above the 100% regulatory requirement at 152.6% (December 2023: 150.7%)

Other matters

- **FCA motor finance review**: in January 2024, the UK's Financial Conduct Authority (FCA) announced that it was appointing a skilled person to undertake a review of the historical use of discretionary commission arrangements and sales in the motor finance market across several firms. This follows two final decisions by the UK Financial Ombudsman Service (FOS), including one upholding a complaint against Clydesdale Financial Services Limited (CFS) (a subsidiary of Barclays PLC) in relation to commission arrangements and disclosure in the sale of motor finance products and a number of complaints and court claims, including some against CFS. We have commenced a judicial review challenge against the FOS in the High Court in relation to this decision. Barclays will co-operate fully with the FCA's skilled person review, the outcome of which is unknown, including any potential financial impact. The FCA currently plans to set out next steps on this matter in May 2025. Barclays ceased operating in the motor finance market in late 2019 whilst CFS was a subsidiary of the Barclays Bank Group.

- **BoE levy scheme**: following parliamentary approval, the new levy process commenced in Q124 replacing the Cash Ratio Deposit scheme as a means of funding the Bank of England's monetary policy and financial stability operations. This change in scheme moves the charge from negative income recognised over the course of the year to an annual operating expense at the start of the levy year (running from 1 March to 28 February). The final charge for the 2024/2025 financial year is expected to be confirmed during Q324

- **Disposal of Italian retail mortgages**: on 24 April 2024, Barclays announced a transaction under which Barclays Bank Ireland PLC intended to dispose of its performing Italian retail mortgage portfolio, held in Head Office. The sale completed in Q224, generating a loss on disposal of £220m and reduced RWAs by £0.8bn. Barclays remains in discussion with respect to the disposals of the remaining non-performing and Swiss-Franc linked Italian retail mortgage portfolios. Should such sales occur, they are together expected to generate a further small loss on sale.

- **Sale of German consumer finance business:** on 4 July 2024, Barclays Bank Ireland PLC agreed the sale of its German consumer finance business (comprising of credit cards, unsecured personal loans and deposits) to BAWAG P.S.K., a wholly-owned subsidiary of BAWAG Group AG, for a small premium to net assets. When including disposal costs and accounting adjustments as required by IFRS 5 (Non-Current Assets Held for Sale and Discontinued Operations), Barclays has recorded a £20m loss on the transaction within Head Office in Q224. Completion of the sale, which is subject to certain conditions including regulatory approvals and the sanction of the relevant courts, is expected to occur in Q424 or Q125.

Risk management and principal risks

The roles and responsibilities of the business groups, Risk and Compliance in the management of risk in the Barclays Bank Group are defined in the Enterprise Risk Management Framework (ERMF). The purpose of the ERMF is to identify the principal risks of the Barclays Bank Group, the process by which the Barclays Bank Group sets its appetite for these risks in its business activities, and the consequent limits which it places on related risk taking.

The ERMF identifies nine principal risks: credit risk, market risk, treasury and capital risk, climate risk, operational risk, model risk, compliance risk, reputation risk and legal risk. Further detail on these principal risks and material existing and emerging risks and how such risks are managed is available in the Barclays Bank PLC Annual Report 2023, which can be accessed at home.barclays/annualreport. There have been no significant changes to these principal risks or previously identified material existing and emerging risks in the period and these risks are expected to be relevant for the remaining six months of this year.

The following sections give an overview of credit risk, market risk, and treasury and capital risk for the period.

Loans and advances at amortised cost by product

Total loans and advances at amortised cost in the credit risk performance section includes loans and advances at amortised cost to banks and loans and advances at amortised cost to customers.

The table below presents a product breakdown by stages of loans and advances at amortised cost and the impairment allowance. Also included are stage allocation of debt securities by gross exposure, impairment allowance and coverage ratio.

Impairment allowance under IFRS 9 considers both the drawn and the undrawn counterparty exposure. For retail portfolios, the total impairment allowance is allocated to gross loans and advances to the extent allowance does not exceed the drawn exposure and any excess is reported on the liabilities side of the balance sheet as a provision. For corporate portfolios, impairment allowance on undrawn exposure is reported on the liability side of the balance sheet as a provision.

		Stage 2					
As at 30.06.24	Stage 1	Not past due	<=30 days past due	>30 days past due	Total	Stage 3	Total[1]
Gross exposure	£m	£m	£m	£m	£m	£m	£m
Retail mortgages	4,587	15	3	51	69	601	5,257
Retail credit cards	21,766	2,747	316	262	3,325	1,844	26,935
Retail other	3,017	239	51	107	397	222	3,636
Corporate loans	103,960	8,505	49	243	8,797	1,328	114,085
Total loans and advances at amortised cost	**133,330**	**11,506**	**419**	**663**	**12,588**	**3,995**	**149,913**
Debt securities at amortised cost	41,261	3,556	—	—	3,556	—	44,817
Total loans and advances at amortised cost including debt securities	**174,591**	**15,062**	**419**	**663**	**16,144**	**3,995**	**194,730**
Impairment allowance							
Retail mortgages	6	—	—	—	—	283	289
Retail credit cards	399	771	140	164	1,075	1,507	2,981
Retail other	6	3	—	—	3	29	38
Corporate loans	168	250	7	8	265	399	832
Total loans and advances at amortised cost	**579**	**1,024**	**147**	**172**	**1,343**	**2,218**	**4,140**
Debt securities at amortised cost	8	10	—	—	10	—	18
Total loans and advances at amortised cost including debt securities	**587**	**1,034**	**147**	**172**	**1,353**	**2,218**	**4,158**
Net exposure							
Retail mortgages	4,581	15	3	51	69	318	4,968
Retail credit cards	21,367	1,976	176	98	2,250	337	23,954
Retail other	3,011	236	51	107	394	193	3,598
Corporate loans	103,792	8,255	42	235	8,532	929	113,253
Total loans and advances at amortised cost	**132,751**	**10,482**	**272**	**491**	**11,245**	**1,777**	**145,773**
Debt securities at amortised cost	41,253	3,546	—	—	3,546	—	44,799
Total loans and advances at amortised cost including debt securities	**174,004**	**14,028**	**272**	**491**	**14,791**	**1,777**	**190,572**
Coverage ratio	%	%	%	%	%	%	%
Retail mortgages	0.1	—	—	—	—	47.1	5.5
Retail credit cards	1.8	28.1	44.3	62.6	32.3	81.7	11.1
Retail other	0.2	1.3	—	—	0.8	13.1	1.0
Corporate loans	0.2	2.9	14.3	3.3	3.0	30.0	0.7
Total loans and advances at amortised cost	**0.4**	**8.9**	**35.1**	**25.9**	**10.7**	**55.5**	**2.8**
Debt securities at amortised cost	—	0.3	—	—	0.3	—	—
Total loans and advances at amortised cost including debt securities	**0.3**	**6.9**	**35.1**	**25.9**	**8.4**	**55.5**	**2.1**

1 *Other financial assets subject to impairment excluded in the table above include cash collateral and settlement balances, financial assets at fair value through other comprehensive income and other assets. These have a total gross exposure of £193.9bn and an impairment allowance of £149m. This comprises £16m impairment allowance on £192.8bn Stage 1 exposure, £3m on £1.0bn Stage 2 exposure and £130m on £136m Stage 3 exposure. Loan commitments and financial guarantee contracts have total impairment allowance of £452m.*

As at 31.12.23	Stage 1	Stage 2 Not past due	Stage 2 <=30 days past due	Stage 2 >30 days past due	Stage 2 Total	Stage 3	Total[1]
Gross exposure	£m	£m	£m	£m	£m	£m	£m
Retail mortgages	7,257	342	14	33	389	716	8,362
Retail credit cards	22,315	2,818	339	293	3,450	1,522	27,287
Retail other	2,734	210	71	88	369	308	3,411
Corporate loans	100,956	8,642	166	159	8,967	1,235	111,158
Total loans and advances at amortised cost	**133,262**	**12,012**	**590**	**573**	**13,175**	**3,781**	**150,218**
Debt securities at amortised cost	35,321	3,749	—	—	3,749	—	39,070
Total loans and advances at amortised cost including debt securities	**168,583**	**15,761**	**590**	**573**	**16,924**	**3,781**	**189,288**
Impairment allowance							
Retail mortgages	11	23	3	2	28	321	360
Retail credit cards	412	805	145	188	1,138	1,226	2,776
Retail other	8	2	—	—	2	35	45
Corporate loans	179	295	7	7	309	348	836
Total loans and advances at amortised cost	**610**	**1,125**	**155**	**197**	**1,477**	**1,930**	**4,017**
Debt securities at amortised cost	7	17	—	—	17	—	24
Total loans and advances at amortised cost including debt securities	**617**	**1,142**	**155**	**197**	**1,494**	**1,930**	**4,041**
Net exposure							
Retail mortgages	7,246	319	11	31	361	395	8,002
Retail credit cards	21,903	2,013	194	105	2,312	296	24,511
Retail other	2,726	208	71	88	367	273	3,366
Corporate loans	100,777	8,347	159	152	8,658	887	110,322
Total loans and advances at amortised cost	**132,652**	**10,887**	**435**	**376**	**11,698**	**1,851**	**146,201**
Debt securities at amortised cost	35,314	3,732	—	—	3,732	—	39,046
Total loans and advances at amortised cost including debt securities	**167,966**	**14,619**	**435**	**376**	**15,430**	**1,851**	**185,247**
Coverage ratio	%	%	%	%	%	%	%
Retail mortgages	0.2	6.7	21.4	6.1	7.2	44.8	4.3
Retail credit cards	1.8	28.6	42.8	64.2	33.0	80.6	10.2
Retail other	0.3	1.0	—	—	0.5	11.4	1.3
Corporate loans	0.2	3.4	4.2	4.4	3.4	28.2	0.8
Total loans and advances at amortised cost	**0.5**	**9.4**	**26.3**	**34.4**	**11.2**	**51.0**	**2.7**
Debt securities at amortised cost	—	0.5	—	—	0.5	—	0.1
Total loans and advances at amortised cost including debt securities	**0.4**	**7.2**	**26.3**	**34.4**	**8.8**	**51.0**	**2.1**

1 *Other financial assets subject to impairment excluded in the table above include cash collateral and settlement balances, financial assets at fair value through other comprehensive income, accrued income and sundry debtors. These have a total gross exposure of £157.7bn and an impairment allowance of £145m. This comprises £14m impairment allowance on £157.3bn Stage 1 exposure, £1m on £243m Stage 2 exposure and £130m on £136m Stage 3 exposure. Loan commitments and financial guarantee contracts have total impairment allowance of £473m.*

Assets held for sale

During 2023, gross loans and advances and related impairment allowances for the German consumer finance business portfolio were reclassified from loans and advances to customers to assets held for sale in the balance sheet.

Loans and advances to customers classified as assets held for sale

	Stage 1			Stage 2			Stage 3			Total		
	Gross	ECL	Coverage	Gross	ECL	Coverage	Gross	ECL	Coverage	Gross	ECL	Coverage
As at 30.06.24	£m	£m	%	£m	£m	%	£m	£m	%	£m	£m	%
Retail credit cards	1,660	17	1.0	453	41	9.1	93	68	73.1	2,206	126	5.7
Retail other	1,361	18	1.3	259	35	13.5	79	55	69.6	1,699	108	6.4
Total	**3,021**	**35**	**1.2**	**712**	**76**	**10.7**	**172**	**123**	**71.5**	**3,905**	**234**	**6.0**
As at 31.12.23												
Retail credit cards	1,621	15	0.9	445	41	9.2	92	68	73.9	2,158	124	5.7
Retail other	1,561	20	1.3	288	32	11.1	84	60	71.4	1,933	112	5.8
Total	**3,182**	**35**	**1.1**	**733**	**73**	**10.0**	**176**	**128**	**72.7**	**4,091**	**236**	**5.8**

Movement in gross exposures and impairment allowance including provisions for loan commitments and financial guarantees

The following tables present a reconciliation of the opening to the closing balance of the exposure and impairment allowance.

Transfers between stages in the tables have been reflected as if they had taken place at the beginning of the period. 'Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes' includes additional drawdowns and partial repayments from existing facilities. Additionally, the below tables do not include other financial assets subject to impairment such as debt securities at amortised cost, cash collateral and settlement balances, financial assets at fair value through other comprehensive income and other assets.

The movements are measured over a six-month period.

Loans and advances at amortised cost

	Stage 1		Stage 2		Stage 3		Total	
	Gross exposure £m	ECL £m	Gross exposure £m	ECL £m	Gross exposure £m	ECL £m	Gross exposure £m	ECL £m
Retail mortgages								
As at 1 January 2024	7,257	11	389	28	716	321	8,362	360
Transfers from Stage 1 to Stage 2	(136)	—	136	—	—	—	—	—
Transfers from Stage 2 to Stage 1	90	3	(90)	(3)	—	—	—	—
Transfers to Stage 3	(34)	—	(30)	(3)	64	3	—	—
Transfers from Stage 3	18	1	18	1	(36)	(2)	—	—
Business activity in the period	247	—	—	—	—	—	247	—
Refinements to models used for calculation	—	—	—	—	—	—	—	—
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	127	(3)	(7)	7	47	3	167	7
Final repayments	(505)	(1)	(31)	(1)	(53)	(2)	(589)	(4)
Disposals[1]	(2,477)	(5)	(316)	(29)	(129)	(32)	(2,922)	(66)
Write-offs	—	—	—	—	(8)	(8)	(8)	(8)
As at 30 June 2024	**4,587**	**6**	**69**	**—**	**601**	**283**	**5,257**	**289**
Retail credit cards								
As at 1 January 2024	22,315	412	3,450	1,138	1,522	1,226	27,287	2,776
Transfers from Stage 1 to Stage 2	(1,358)	(49)	1,358	49	—	—	—	—
Transfers from Stage 2 to Stage 1	1,038	285	(1,038)	(285)	—	—	—	—
Transfers to Stage 3	(211)	(9)	(600)	(296)	811	305	—	—
Transfers from Stage 3	5	4	5	3	(10)	(7)	—	—
Business activity in the period	715	16	34	13	1	—	750	29
Refinements to models used for calculation[2]	—	27	—	5	—	11	—	43
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	22	(263)	309	525	(8)	444	323	706
Final repayments	(61)	(4)	(17)	(7)	—	—	(78)	(11)
Disposals[1]	(699)	(20)	(176)	(70)	(1)	(1)	(876)	(91)
Write-offs	—	—	—	—	(471)	(471)	(471)	(471)
As at 30 June 2024	**21,766**	**399**	**3,325**	**1,075**	**1,844**	**1,507**	**26,935**	**2,981**

1 *The £2.9bn of gross disposals reported within Retail mortgages relate to sale of the performing Italian mortgage portfolio. The £876m of gross disposals reported within Retail credit cards relate to sale of the outstanding US Cards receivables to Blackstone.*

2 *Refinements to models used for calculation reported within Retail credit cards include a £43m movement in the calculated ECL for the US Cards portfolio. These reflect model enhancements made during the period. Barclays continually reviews the output of models to determine accuracy of the ECL calculation including review of model monitoring, external benchmarking and experience of model operation over an extended period of time. This helps to ensure that the models used continue to reflect the risks inherent across the businesses.*

	Stage 1		Stage 2		Stage 3		Total	
	Gross exposure £m	ECL £m	Gross exposure £m	ECL £m	Gross exposure £m	ECL £m	Gross exposure £m	ECL £m
Retail other								
As at 1 January 2024	2,734	8	369	2	308	35	3,411	45
Transfers from Stage 1 to Stage 2	(162)	—	162	—	—	—	—	—
Transfers from Stage 2 to Stage 1	83	—	(83)	—	—	—	—	—
Transfers to Stage 3	(69)	—	(54)	—	123	—	—	—
Transfers from Stage 3	25	—	45	—	(70)	—	—	—
Business activity in the period	717	1	44	—	—	—	761	1
Refinements to models used for calculation	—	—	—	—	—	—	—	—
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	874	(1)	(6)	2	1	4	869	5
Final repayments	(1,185)	(2)	(80)	(1)	(132)	(2)	(1,397)	(5)
Disposals	—	—	—	—	—	—	—	—
Write-offs	—	—	—	—	(8)	(8)	(8)	(8)
As at 30 June 2024	**3,017**	**6**	**397**	**3**	**222**	**29**	**3,636**	**38**
Corporate loans								
As at 1 January 2024	100,956	179	8,967	309	1,235	348	111,158	836
Transfers from Stage 1 to Stage 2	(2,083)	(11)	2,083	11	—	—	—	—
Transfers from Stage 2 to Stage 1	1,742	49	(1,742)	(49)	—	—	—	—
Transfers to Stage 3	(59)	(1)	(317)	(16)	376	17	—	—
Transfers from Stage 3	94	1	7	1	(101)	(2)	—	—
Business activity in the period	15,771	24	586	15	50	1	16,407	40
Refinements to models used for calculation[1]	—	3	—	18	—	—	—	21
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	5,039	(55)	229	24	(27)	135	5,241	104
Final repayments	(17,470)	(20)	(1,011)	(47)	(107)	(2)	(18,588)	(69)
Disposals[2]	(30)	(1)	(5)	(1)	—	—	(35)	(2)
Write-offs	—	—	—	—	(98)	(98)	(98)	(98)
As at 30 June 2024	**103,960**	**168**	**8,797**	**265**	**1,328**	**399**	**114,085**	**832**

1 *Refinements to models used for calculation reported within Corporate loans include a £21m movement in the calculated ECL for the IB portfolio. These reflect model enhancements made during the period. Barclays continually reviews the output of models to determine accuracy of the ECL calculation including review of model monitoring, external benchmarking and experience of model operation over an extended period of time. This helps to ensure that the models used continue to reflect the risks inherent across the businesses.*
2 *The £35m of gross disposals reported within Corporate loans relate to debt sales undertaken during the period.*

Reconciliation of ECL movement to impairment charge/(release) for the period

	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m
Retail mortgages	—	*1*	*2*	3
Retail credit cards	*7*	*7*	*753*	*767*
Retail other	*(2)*	*1*	*2*	*1*
Corporate loans	*(10)*	*(43)*	*149*	96
ECL movement excluding disposals and write-offs[1]	*(5)*	*(34)*	*906*	867
ECL movement on loan commitments and other financial guarantees	*15*	*(23)*	*(13)*	(21)
ECL movement on other financial assets	*2*	*2*	—	4
ECL movement on debt securities at amortised cost	*1*	*(7)*	—	(6)
Recoveries and reimbursements[2]	*(31)*	*25*	*(26)*	(32)
ECL charge on assets held for sale				44
Total exchange and other adjustments				(25)
Total income statement charge for the period				**831**

1 *In H124, gross write-offs amounted to £585m (H123: £404m). Post write-off recoveries amounted to £14m (H123: £7m). Net write-offs represent gross write-offs less post write-off recoveries and amounted to £571m (H123: £397m).*
2 *Recoveries and reimbursements include £18m (H123 loss: £7m) for reimbursements expected to be received under the arrangement where Barclays Bank Group has entered into financial guarantee contracts which provide credit protection over certain assets with third parties and cash recoveries of previously written off amounts £14m (H123: £7m).*

Loan commitments and financial guarantees

	Stage 1		Stage 2		Stage 3		Total	
	Gross exposure £m	ECL £m	Gross exposure £m	ECL £m	Gross exposure £m	ECL £m	Gross exposure £m	ECL £m
Retail mortgages								
As at 1 January 2024	41	—	—	—	1	—	42	—
Net transfers between stages	—	—	—	—	—	—	—	—
Business activity in the year	—	—	—	—	—	—	—	—
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	5	—	—	—	—	—	5	—
Limit management and final repayments	(7)	—	—	—	—	—	(7)	—
As at 30 June 2024	**39**	**—**	**—**	**—**	**1**	**—**	**40**	**—**
Retail credit cards[1]								
As at 1 January 2024	109,634	48	1,767	36	10	1	111,411	85
Net transfers between stages	(920)	21	918	(21)	2	—	—	—
Business activity in the year	7,550	7	48	3	1	—	7,599	10
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	2,935	(16)	(774)	20	(3)	—	2,158	4
Limit management and final repayments	(5,567)	(5)	(239)	(10)	—	—	(5,806)	(15)
As at 30 June 2024	**113,632**	**55**	**1,720**	**28**	**10**	**1**	**115,362**	**84**
Retail other[1]								
As at 1 January 2024	3,446	5	116	2	29	—	3,591	7
Net transfers between stages	(4)	—	(2)	—	6	—	—	—
Business activity in the year	442	1	84	—	—	—	526	1
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	316	(1)	(35)	(2)	1	—	282	(3)
Limit management and final repayments	(540)	—	(7)	—	(16)	—	(563)	—
As at 30 June 2024	**3,660**	**5**	**156**	**—**	**20**	**—**	**3,836**	**5**
Corporate loans								
As at 1 January 2024	212,414	114	20,035	225	802	42	233,251	381
Net transfers between stages	2,335	35	(2,482)	(37)	147	2	—	—
Business activity in the year	48,333	19	2,364	20	72	—	50,769	39
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	5,058	(34)	552	40	(97)	(10)	5,513	(4)
Limit management and final repayments	(46,540)	(12)	(4,533)	(36)	(104)	(5)	(51,177)	(53)
As at 30 June 2024	**221,600**	**122**	**15,936**	**212**	**820**	**29**	**238,356**	**363**

1 Loan commitments reported within Retail credit cards and Retail other also include financial assets classified as held for sale.

Management adjustments to models for impairment

Management adjustments to impairment models are applied in order to factor in certain conditions or changes in policy that are not fully incorporated into the impairment models, or to reflect additional facts and circumstances at the period end. Management adjustments are reviewed and incorporated into future model development where applicable.

Management adjustments are captured through "Economic uncertainty" and "Other" adjustments, and are presented by product below:

Management adjustments to models for impairment allowance presented by product[1]

	Impairment allowance pre management adjustments[2]	Economic uncertainty adjustments (a)	Other adjustments[3] (b)	Management adjustments (a+b)	Total impairment allowance[4]	Proportion of Management adjustments to total impairment allowance
As at 30.06.2024	£m	£m	£m	£m	£m	%
Retail mortgages	292	—	(3)	(3)	289	(1.0)
Retail credit cards	3,065	—	—	—	3,065	—
Retail other	42	—	1	1	43	2.3
Corporate loans	1,163	—	32	32	1,195	2.7
Total	**4,562**	**—**	**30**	**30**	**4,592**	**0.7**
Debt securities at amortised cost	27	—	(9)	(9)	18	(50.0)
Total including debt securities at amortised cost	**4,589**	**—**	**21**	**21**	**4,610**	**0.5**
As at 31.12.2023	£m	£m	£m	£m	£m	%
Retail mortgages	363	—	(3)	(3)	360	(0.8)
Retail credit cards	2,852	—	9	9	2,861	0.3
Retail other	62	—	(10)	(10)	52	(19.2)
Corporate loans	1,231	16	(30)	(14)	1,217	(1.2)
Total	**4,508**	**16**	**(34)**	**(18)**	**4,490**	**(0.4)**
Debt securities at amortised cost	24	—	—	—	24	—
Total including debt securities at amortised cost	**4,532**	**16**	**(34)**	**(18)**	**4,514**	**(0.4)**

Economic uncertainty adjustments presented by stage

As at 31.12.2023	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m
Retail mortgages	—	—	—	—
Retail credit cards	—	—	—	—
Retail other	—	—	—	—
Corporate loans	4	12	—	16
Total	**4**	**12**	**—**	**16**

1 *Positive values reflect an increase in impairment allowance and negative values reflect a reduction in the impairment allowance.*
2 *Includes £4.1bn (December 2023: £4.0bn) of modelled ECL, £0.3bn (December 2023: £0.3bn) of individually assessed impairments and £0.2bn (December 2023: £0.2bn) of ECL from non-modelled exposures and debt securities.*
3 *Management adjustments related to other financial assets subject to impairment not included in the table above include cash collateral and settlement balances £(2)m and financial assets at fair value through other comprehensive income £(2)m within the IB portfolio.*
4 *Total impairment allowance consists of ECL stock on drawn and undrawn exposure.*

Economic Uncertainty adjustments

Economic uncertainty adjustments are captured in two ways. Firstly, customer uncertainty: the identification of customers and clients who may be more vulnerable to economic instability; and secondly, model uncertainty: to capture the impact from model limitations and sensitivities to specific macroeconomic parameters which are applied at a portfolio level.

The previously held customer and client uncertainty provision to provide for expected downside uncertainties on European Corporates has been retired following a resilient credit performance and updated macroeconomic outlook.

Other adjustments

Other adjustments are operational in nature and are expected to remain in place until they can be reflected in the underlying models. These adjustments result from data limitations and model performance related issues identified through model monitoring and other established governance processes.

Other adjustments of £21m (December 2023: £(34)m) includes:

- **Corporate loans £32m (December 2023: £(30)m):** The movement is driven by an adjustment introduced to align the credit conversion factor on revolving credit facilities within the IB portfolio to Basel 3.1.
- **Debt securities £(9)m:** This reflects an adjustment applied to Exposure at Default (EAD) within the IB portfolio to remediate an overly conservative modelled amortisation expectation.

Measurement uncertainty

Scenarios used to calculate the Barclays Bank Group's expected credit losses charge were refreshed in Q224 with the Baseline scenario reflecting the latest consensus macroeconomic forecasts available at the time of the scenario refresh. In the Baseline scenario, the UK economy is gradually recovering and is further stimulated as restrictive monetary policy starts loosening. US GDP growth falls to 1.7% in 2025 but then stabilises at 2.0%. Labour markets remain resilient. The average UK and US unemployment rates peak at 4.4% and 4.1% respectively in 2025 and remain at these levels for the rest of the 5-year projection period. With the significant decline in inflationary pressures, major central banks begin to cut rates in 2024. UK house prices keep falling in 2024 before stabilising and resuming the upward trend from 2025. The housing market in the US remains more resilient, with house prices continuing to grow.

In the Downside 2 scenario, inflationary pressures are assumed to intensify again, mainly driven by strong wage growth. Central banks raise rates further, with the UK bank rate and the US federal funds rate each reaching 8.5% in Q125. Major economies experience a rapid tightening of financial conditions alongside a significant increase in market volatility resulting in a sharp repricing of assets and higher credit losses. Central banks are forced to cut interest rates aggressively. Falling demand reduces UK and US GDP and headline inflation drops significantly. In the Upside 2 scenario, a rise in labour force participation and higher productivity contribute to accelerated economic growth without creating new inflationary pressures. With inflation continuing to fall, central banks lower interest rates, further stimulating aggregate demand, leading to reduced unemployment and healthy GDP growth.

The methodology for estimating scenario probability weights involves simulating a range of future paths for UK and US GDP using historical data with the five scenarios mapped against the distribution of these future paths. The median is centred around the Baseline with scenarios further from the Baseline attracting a lower weighting before the five weights are normalised to total 100%. The increases in the Upside scenario weightings were driven by the improvement in GDP in the Baseline scenario, bringing the Baseline scenario closer to the Upside scenarios. For further details see page 18.

The tables on the following pages show the key macroeconomic variables used in the five scenarios (5-year annual paths) and the probability weights applied to each scenario.

Macroeconomic variables used in the calculation of ECL

As at 30 June 2024	2024	2025	2026	2027	2028
Baseline	%	%	%	%	%
UK GDP[1]	0.7	1.2	1.6	1.7	1.6
UK unemployment[2]	4.3	4.4	4.4	4.4	4.4
UK HPI[3]	(1.2)	1.6	3.0	4.4	3.2
UK bank rate[6]	5.0	4.3	3.8	3.6	3.5
US GDP[1]	2.3	1.7	2.0	2.0	2.0
US unemployment[4]	4.0	4.1	4.1	4.1	4.1
US HPI[5]	3.3	3.0	3.3	3.3	3.3
US federal funds rate[6]	5.3	4.4	4.0	3.8	3.8
Downside 2					
UK GDP[1]	0.2	(3.2)	0.5	2.1	1.3
UK unemployment[2]	4.4	6.4	6.9	5.3	4.7
UK HPI[3]	(3.6)	(23.3)	2.8	15.6	7.7
UK bank rate[6]	5.9	4.0	1.0	1.0	1.0
US GDP[1]	1.8	(2.9)	1.2	2.8	1.6
US unemployment[4]	4.2	6.3	6.4	5.3	4.9
US HPI[5]	0.9	(10.7)	2.0	8.0	5.3
US federal funds rate[6]	5.9	4.1	1.5	1.5	1.5
Downside 1					
UK GDP[1]	0.4	(1.0)	1.0	1.9	1.5
UK unemployment[2]	4.3	5.4	5.6	4.9	4.6
UK HPI[3]	(2.4)	(11.5)	2.9	9.9	5.5
UK bank rate[6]	5.5	4.1	2.4	2.3	2.3
US GDP[1]	2.0	(0.6)	1.6	2.4	1.8
US unemployment[4]	4.1	5.2	5.3	4.7	4.5
US HPI[5]	2.1	(4.0)	2.7	5.6	4.3
US federal funds rate[6]	5.6	4.3	2.8	2.6	2.6
Upside 2					
UK GDP[1]	1.1	3.9	3.2	2.6	2.3
UK unemployment[2]	4.1	3.4	3.4	3.3	3.2
UK HPI[3]	4.9	14.2	6.8	2.7	3.8
UK bank rate[6]	4.9	3.4	2.6	2.6	2.5
US GDP[1]	2.6	3.2	2.9	2.8	2.8
US unemployment[4]	3.7	3.5	3.4	3.4	3.4
US HPI[5]	5.3	3.9	5.0	4.6	4.6
US federal funds rate[6]	5.2	3.7	3.1	2.8	2.8
Upside 1					
UK GDP[1]	0.9	2.5	2.4	2.2	2.0
UK unemployment[2]	4.2	3.9	3.9	3.9	3.8
UK HPI[3]	1.8	7.8	4.9	3.6	3.5
UK bank rate[6]	5.0	3.8	3.2	3.1	3.0
US GDP[1]	2.4	2.5	2.4	2.4	2.4
US unemployment[4]	3.8	3.8	3.8	3.8	3.8
US HPI[5]	4.3	3.5	4.2	3.9	3.9
US federal funds rate[6]	5.3	4.1	3.5	3.3	3.3

1. *Average Real GDP seasonally adjusted change in year.*
2. *Average UK unemployment rate 16-year+.*
3. *Change in year end UK HPI = Halifax All Houses, All Buyers index, relative to prior year end.*
4. *Average US civilian unemployment rate 16-year+.*
5. *Change in year end US HPI = FHFA House Price Index, relative to prior year end.*
6. *Average rate.*

Macroeconomic variables used in the calculation of ECL

As at 31 December 2023	2023	2024	2025	2026	2027
Baseline	%	%	%	%	%
UK GDP[1]	0.5	0.3	1.2	1.6	1.6
UK unemployment[2]	4.2	4.7	4.7	4.8	5.0
UK HPI[3]	(3.3)	(5.1)	0.7	3.1	5.3
UK bank rate[6]	4.7	4.9	4.1	3.8	3.5
US GDP[1]	2.4	1.3	1.7	1.9	1.9
US unemployment[4]	3.7	4.3	4.3	4.3	4.3
US HPI[5]	5.4	3.4	3.0	3.3	3.3
US federal funds rate[6]	5.1	5.0	3.9	3.8	3.8
Downside 2					
UK GDP[1]	0.5	(1.5)	(2.6)	2.4	1.6
UK unemployment[2]	4.2	5.2	7.9	6.3	5.5
UK HPI[3]	(3.3)	(19.3)	(16.8)	14.5	12.4
UK bank rate[6]	4.7	6.6	1.3	1.0	1.0
US GDP[1]	2.4	(0.6)	(2.0)	3.1	2.0
US unemployment[4]	3.7	5.2	7.2	5.9	5.2
US HPI[5]	5.4	(6.5)	(5.7)	7.2	6.4
US federal funds rate[6]	5.1	6.3	1.8	1.5	1.5
Downside 1					
UK GDP[1]	0.5	(0.6)	(0.7)	2.0	1.6
UK unemployment[2]	4.2	4.9	6.3	5.6	5.2
UK HPI[3]	(3.3)	(12.4)	(8.3)	8.7	8.8
UK bank rate[6]	4.7	5.8	2.7	2.5	2.3
US GDP[1]	2.4	0.3	(0.2)	2.5	1.9
US unemployment[4]	3.7	4.7	5.8	5.1	4.8
US HPI[5]	5.4	(1.7)	(1.4)	5.2	4.8
US federal funds rate[6]	5.1	5.7	2.9	2.8	2.8
Upside 2					
UK GDP[1]	0.5	2.4	3.7	2.9	2.4
UK unemployment[2]	4.2	3.9	3.5	3.6	3.6
UK HPI[3]	(3.3)	7.8	7.6	4.5	5.6
UK bank rate[6]	4.7	4.3	2.7	2.5	2.5
US GDP[1]	2.4	2.8	3.1	2.8	2.8
US unemployment[4]	3.7	3.5	3.6	3.6	3.6
US HPI[5]	5.4	6.1	4.3	4.5	4.6
US federal funds rate[6]	5.1	4.3	2.9	2.8	2.8
Upside 1					
UK GDP[1]	0.5	1.4	2.5	2.3	2.0
UK unemployment[2]	4.2	4.3	4.1	4.2	4.3
UK HPI[3]	(3.3)	1.2	4.1	3.8	5.4
UK bank rate[6]	4.7	4.6	3.4	3.3	3.0
US GDP[1]	2.4	2.0	2.4	2.4	2.4
US unemployment[4]	3.7	3.9	3.9	4.0	4.0
US HPI[5]	5.4	4.7	3.7	3.9	3.9
US federal funds rate[6]	5.1	4.7	3.5	3.3	3.3

1. *Average Real GDP seasonally adjusted change in year.*
2. *Average UK unemployment rate 16-year+.*
3. *Change in year end UK HPI = Halifax All Houses, All Buyers index, relative to prior year end.*
4. *Average US civilian unemployment rate 16-year+.*
5. *Change in year end US HPI = FHFA House Price Index, relative to prior year end.*
6. *Average rate.*

Scenario probability weighting

	Upside 2 %	Upside 1 %	Baseline %	Downside 1 %	Downside 2 %
As at 30 June 2024					
Scenario probability weighting	16.5	26.1	32.6	16.2	8.6
As at 31 December 2023					
Scenario probability weighting	13.8	24.7	32.4	18.3	10.8

Specific bases show the most extreme position of each variable in the context of the downside/upside scenarios, for example, the highest unemployment for downside scenarios, average unemployment for baseline scenarios and lowest unemployment for upside scenarios. GDP and HPI downside and upside scenario data represents the lowest and highest cumulative position relative to the start point in the 20 quarter period.

Macroeconomic variables (specific bases)[1]

	Upside 2 %	Upside 1 %	Baseline %	Downside 1 %	Downside 2 %
As at 30 June 2024					
UK GDP[2]	15.1	11.5	1.4	(0.7)	(3.7)
UK unemployment[3]	3.1	3.8	4.4	6.2	8.0
UK HPI[4]	36.5	23.4	2.2	(14.6)	(28.2)
UK bank rate[3]	2.5	3.0	4.0	6.5	8.5
US GDP[2]	14.8	12.3	2.0	(0.2)	(3.3)
US unemployment[3]	3.4	3.8	4.1	5.7	7.3
US HPI[4]	25.7	21.5	3.2	(2.0)	(10.6)
US federal funds rate[3]	2.8	3.3	4.3	6.6	8.5
As at 31 December 2023					
UK GDP[2]	13.4	9.6	1.1	(1.3)	(4.1)
UK unemployment[3]	3.5	3.9	4.7	6.5	8.3
UK HPI[4]	23.8	11.5	0.1	(22.5)	(35.0)
UK bank rate[3]	2.5	3.0	4.2	6.8	8.5
US GDP[2]	15.1	12.3	1.8	0.6	(1.7)
US unemployment[3]	3.4	3.5	4.2	5.9	7.5
US HPI[4]	27.4	23.5	3.7	0.4	(7.6)
US federal funds rate[3]	2.8	3.3	4.3	6.8	8.5

1 *UK GDP = Real GDP growth seasonally adjusted; UK unemployment = UK unemployment rate 16-year+; UK HI = Halifax All Houses, All Buyers Index; US GDP = Real GDP growth seasonally adjusted; US unemployment = US civilian unemployment rate 16-year+; US HPI = FHFA House Price Index. 20 quarter period starts from Q124 (2023: Q123).*

2 *Maximum growth relative to Q423 (2023: Q422), based on 20 quarter period in Upside scenarios; 5-year yearly average Compound Annual Growth Rate (CAGR) in Baseline; minimum growth relative to Q423 (2023: Q422), based on 20 quarter period in Downside scenarios.*

3 *Lowest quarter in 20 quarter period in Upside scenarios; 5-year average in Baseline; highest quarter 20 quarter period in Downside scenarios.*

4 *Maximum growth relative to Q423 (2023: Q422), based on 20 quarter period in Upside scenarios; 5-year quarter end CAGR in Baseline; minimum growth relative to Q423 (2023: Q422), based on 20 quarter period in Downside scenarios.*

Average basis represents the average quarterly value of variables in the 20 quarter period with GDP and HPI based on yearly average and quarterly CAGRs respectively.

Macroeconomic variables (5-year averages)[1]

	Upside 2	Upside 1	Baseline	Downside 1	Downside 2
As at 30 June 2024	%	%	%	%	%
UK GDP[2]	2.6	2.0	1.4	0.8	0.2
UK unemployment[3]	3.5	3.9	4.4	5.0	5.5
UK HPI[4]	6.4	4.3	2.2	0.6	(1.1)
UK bank rate[3]	3.2	3.6	4.0	3.3	2.6
US GDP[2]	2.9	2.4	2.0	1.5	0.9
US unemployment[3]	3.5	3.8	4.1	4.7	5.4
US HPI[4]	4.7	4.0	3.2	2.1	0.9
US federal funds rate[3]	3.5	3.9	4.3	3.6	2.9
As at 31 December 2023					
UK GDP[2]	2.4	1.7	1.1	0.6	0.1
UK unemployment[3]	3.7	4.2	4.7	5.2	5.8
UK HPI[4]	4.4	2.2	0.1	(1.7)	(3.5)
UK bank rate[3]	3.3	3.8	4.2	3.6	2.9
US GDP[2]	2.8	2.3	1.8	1.4	0.9
US unemployment[3]	3.6	3.9	4.2	4.8	5.4
US HPI[4]	5.0	4.3	3.7	2.4	1.2
US federal funds rate[3]	3.6	4.0	4.3	3.9	3.2

1 *UK GDP = Real GDP growth seasonally adjusted; UK unemployment = UK unemployment rate 16-year+; UK HPI = Halifax All Houses, All Buyers Index; US GDP = Real GDP growth seasonally adjusted; US unemployment = US civilian unemployment rate 16-year+; US HPI = FHFA House Price Index.*
2 *5-year yearly average CAGR, starting 2023 (2023: 2022).*
3 *5-year average. Period based on 20 quarters from Q124 (2023: Q123).*
4 *5-year quarter end CAGR, starting Q423 (2023: Q422).*

Analysis of management value at risk (VaR)

The table below shows the total management VaR on a diversified basis by asset class. Total management VaR includes all trading positions in IB and Treasury and it is calculated with a one-day holding period. VaR limits are applied to total management VaR and by asset class. Additionally, the market risk management function applies VaR sub-limits to material businesses and trading desks.

Management VaR (95%) by asset class

	Half year ended 30.06.24			Half year ended 31.12.23			Half year ended 30.06.23		
	Average	High	Low	Average	High	Low	Average	High	Low
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Credit risk	22	27	19	32	40	22	48	57	38
Interest rate risk	16	25	9	15	24	10	16	25	9
Equity risk	6	9	4	5	9	3	6	10	3
Basis risk	6	8	4	10	13	8	15	24	11
Spread risk	5	7	4	7	10	6	10	14	7
Foreign exchange risk	4	9	2	4	9	1	3	6	1
Commodity risk	—	1	—	—	1	—	—	1	—
Inflation risk	4	5	2	4	6	2	9	11	6
Diversification effect[1]	(34)	n/a	n/a	(38)	n/a	n/a	(62)	n/a	n/a
Total management VaR	**29**	**36**	**20**	**39**	**55**	**24**	**45**	**60**	**35**

1 *Diversification effects recognise that forecast losses from different assets or businesses are unlikely to occur concurrently, hence the expected aggregate loss is lower than the sum of the expected losses from each area. Historical correlations between losses are taken into account in making these assessments. The high and low VaR figures reported for each category did not necessarily occur on the same day as the high and low total management VaR. Consequently, a diversification effect balance for the high and low VaR figures would not be meaningful and is therefore omitted from the above table.*

Average Management VaR decreased 26% to £29m (H223: £39m). The decrease was mainly driven by lower market volatility and credit spread levels in H1 2024, as geopolitical tensions eased (relative to H223), inflation continued to decline and central banks started to cut rates.

Funding and liquidity

Overview
The Liquidity pool increased to £205.2bn (December 2023: £176.3bn) driven by deposit growth. The Barclays Bank PLC Domestic Liquidity Subgroup ('DoLSub') Liquidity Coverage Ratio (LCR) remained well above the 100% regulatory requirement at 152.6% (December 2023: 150.7%), reflecting the increase in High Quality Liquid Assets (HQLA) relative to net cash outflows versus the year-end position.

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

Liquidity risk stress testing
The Internal Liquidity Stress Tests (ILST) measure the potential contractual and contingent stress outflows under a range of scenarios, which are then used to determine the size of the liquidity pool that is immediately available to meet anticipated outflows if a stress occurs. The scenarios include a 30 day Barclays-specific stress event, a 90 day market-wide stress event and a 30 day combined scenario consisting of both a Barclays-specific and market-wide stress event.

The LCR requirement takes into account the relative stability of different sources of funding and potential incremental funding requirements in a stress. The LCR is designed to promote short-term resilience of a bank's liquidity risk profile by holding sufficient high quality liquid assets to survive an acute stress scenario lasting for 30 days.

As at 30 June 2024, Barclays Bank PLC DoLSub held eligible liquid assets well above 100% of the net cash outflows to its internal and regulatory requirements. The proportional split of the liquidity pool between cash and deposits with central banks, government bonds and other eligible securities is broadly similar to the Barclays Group. The Barclays Bank PLC DoLSub liquidity pool was held entirely within Barclays Bank PLC.

	As at 30.06.24	As at 31.12.23
	£bn	£bn
Barclays Bank PLC DoLSub Liquidity Pool	205.2	176.3
	%	%
Barclays Bank PLC DoLSub Liquidity Coverage Ratio[1]	152.6	150.7

1 *Represents the average of the last 12 spot month end ratios*

Net Stable Funding Ratio (NSFR)
The external NSFR metric requires banks to maintain a stable funding profile taking into account both on and certain off-balance sheet exposures over a medium to long term period. The ratio is defined as the Available Stable Funding (capital and certain liabilities which are defined as stable sources of funding) relative to the Required Stable Funding (a measure of assets on balance sheet and certain off-balance sheet exposures which may require longer term funding). The NSFR (average of last four quarter end ratios) was 110.9% at June 2024, equivalent to a surplus of £35.1bn above the regulatory requirement and demonstrates Barclays Bank PLC's stable balance sheet funding profile.

	As at 30.06.24	As at 31.12.23
Net Stable Funding Ratio[1]	£bn	£bn
Total Available Stable Funding	359.8	338.8
Total Required Stable Funding	324.7	307.6
Surplus	**35.1**	31.2
Net Stable Funding Ratio	**110.9 %**	110.1 %

Note
1 *Average represents the last four spot quarter end ratios.*

As part of the liquidity risk appetite, Barclays Bank PLC DoLSub establishes minimum LCR, NSFR and internal liquidity stress test limits. Barclays Bank PLC DoLSub plans to maintain its surplus to the internal and regulatory requirements at an efficient level. Risks to market funding conditions, the Barclays Bank Group's liquidity position and funding profile are assessed continuously, and actions are taken to manage the size of the liquidity pool and the funding profile as appropriate.

Capital and leverage

Barclays Bank PLC capital requirements are set by the PRA at a solo-consolidated level. Barclays Bank PLC solo-consolidated comprises Barclays Bank PLC plus certain additional subsidiaries, whose inclusion within the consolidation is subject to PRA approval.

Further information on the risk profile will be included in the Barclays Bank PLC Interim 2024 Pillar 3 Report, expected to be published on 9 August 2024, and which will be available at home.barclays/investor-relations/reports-and-events.

As at 30 June 2024, the Barclays Bank PLC solo-consolidated CET1 ratio was 11.7% which is above its minimum regulatory requirement of 10.6%.

Capital ratios[1,2,4]	As at 30.06.24	As at 31.12.23
CET1	11.7%	12.1%
Tier 1 (T1)	15.1%	16.0%
Total regulatory capital	18.6%	19.2%

Capital resources	As at 30.06.24 £m	As at 31.12.23 £m
CET1 capital	25,223	25,470
T1 capital	32,693	33,864
Total regulatory capital	40,183	40,530
Risk weighted assets (RWAs)	216,117	211,193

Leverage minimum requirements are set at the sub-consolidated level for Barclays Bank PLC. The sub-consolidated group represents the Barclays Bank Group on a regulatory scope of consolidation, as approved by the PRA. As a result, the Barclays Bank PLC leverage disclosures contained within this document are presented at Barclays Bank PLC sub-consolidated level, based on capital and exposure on the last day of the quarter.

Additionally, it is also required to disclose an average UK leverage ratio based on capital on the last day of each month in the quarter and an exposure measure for each day in the quarter.

Leverage ratio BBPLC sub-consolidated[1,3,4,5]	As at 30.06.24 £m	As at 31.12.23 £m
UK leverage ratio	5.6 %	6.0 %
T1 capital	54,709	55,560
UK leverage exposure	973,952	924,826
Average UK leverage ratio	5.2 %	5.4 %
Average T1 Capital	55,121	55,681
Average UK leverage exposure	1,052,407	1,022,824

1 *CET1, T1 and T2 capital, and RWAs are calculated applying the transitional arrangements in accordance with UK CRR. This includes IFRS 9 transitional arrangements and the grandfathering of certain capital instruments until 28 June 2025.*
2 *The fully loaded CET1 ratio was 11.7%, with £25.2bn of CET1 capital and £216.1bn of RWAs calculated without applying the transitional arrangements in accordance with UK CRR.*
3 *Fully loaded UK leverage ratio was 5.6%, with £54.6bn of T1 capital and £973.8bn of leverage exposure. Fully loaded average UK leverage ratio was 5.2% with £55bn of T1 capital and £1,052.3bn of leverage exposure. Fully loaded UK leverage ratios are calculated without applying the transitional arrangements under UK CRR.*
4 *The fully loaded Barclays Bank PLC Solo-consolidated and Barclays Bank PLC sub-consolidated CET1 ratios, as are relevant for assessing against the conversion triggers in Barclays Bank PLC AT1 securities (all of which are held by Barclays PLC), were 11.7% and 16.2% respectively calculated without applying the transitional arrangements under UK CRR.*
5 *Although the leverage ratio is expressed in terms of T1 capital, the countercyclical leverage ratio buffer (CCLB) and 75% of the minimum requirement must be covered solely with CET1 capital. The CET1 capital held against the 0.2% countercyclical leverage ratio buffer was £1.9bn.*

Statement of Directors' Responsibilities

The Directors (the names of whom are set out below) are required to prepare the financial statements on a going concern basis unless it is not appropriate to do so. In making this assessment, the Directors have considered information relating to present and future conditions. Each of the Directors confirm that, to the best of their knowledge, the condensed consolidated interim financial statements set out on pages 26 to 31 have been prepared in accordance with (a) UK-adopted International Accounting Standard 34, Interim Financial Reporting, (b) International Accounting Standard 34, Interim Financial Reporting, as published by the International Accounting Standards Board (IASB) and (c) International Accounting Standard 34, Interim Financial Reporting, as adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union (EU) and that the interim management report herein includes a fair review of the following information:

- *an indication of important events that have occurred during the six months ended 30 June 2024 and their impact on the condensed consolidated interim financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year, and*
- *any related party transactions in the six months ended 30 June 2024 that have materially affected the financial position or performance of the Barclays Bank Group during that period and any changes in the related party transactions described in the last Annual Report that could have a material effect on the financial position or performance of the Barclays Bank Group in the six months ended 30 June 2024,*

in accordance with (i) Rule 4.2.7 of the Disclosure Guidance and Transparency Rules of the UK's Financial Conduct Authority, and (ii) Regulations 8(2) and (3) of the Transparency (Directive 2004/109/EC) Regulations 2007 of Ireland (as amended).

Signed on 31 July 2024 on behalf of the Board by

C.S. Venkatakrishnan
Chief Executive

Aunoy Banerjee
Chief Financial Officer

Barclays Bank PLC - Board of Directors:

Chairman
Nigel Higgins

Executive Directors
C.S. Venkatakrishnan
Anna Cross

Non-Executive Directors
Robert Berry
Mohamed A. El-Erian
Dawn Fitzpatrick
Mary Francis CBE
Marc Moses
Diane Schueneman
Brian Shea
Julia Wilson

Conclusion

We have been engaged by Barclays Bank PLC ("the Company" or "Group") to review the condensed set of financial statements in the Interim Results Announcement for the six months ended 30 June 2024 which comprises:

- the condensed consolidated income statement and condensed consolidated statement of comprehensive income for the period then ended;
- the condensed consolidated balance sheet as at 30 June 2024;
- the condensed consolidated statement of changes in equity for the period then ended;
- the condensed consolidated cash flow statement for the period then ended; and
- the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the Interim Results Announcement for the six months ended 30 June 2024 is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting* as adopted for use in the UK, the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA") and the Transparency (Directive 2004/109/EC) Regulations 2007 of Ireland (as amended).

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity ("ISRE (UK) 2410")* issued for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the Interim Results Announcement and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention that causes us to believe that the directors have inappropriately adopted the going concern basis of accounting, or that the directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the Group to cease to continue as a going concern, and the above conclusions are not a guarantee that the Group will continue in operation.

Directors' responsibilities

The Interim Results Announcement is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the Interim Results Announcement in accordance with the DTR of the UK FCA and the Transparency (Directive 2004/109/EC) Regulations 2007 of Ireland (as amended).

As disclosed in note 1, the annual financial statements of the Barclays Bank PLC Group are prepared in accordance with UK-adopted international accounting standards.

The directors are responsible for preparing the condensed set of financial statements included in the Interim Results Announcement in accordance with IAS 34 as adopted for use in the UK.

In preparing the condensed set of financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the Interim Results Announcement based on our review. Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion section of this report.

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the DTR of the UK FCA and the Transparency (Directive 2004/109/EC) Regulations 2007 of Ireland (as amended). Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

Stuart Crisp
for and on behalf of KPMG LLP
Chartered Accountants
15 Canada Square
London, E14 5GL
31 July 2024

Condensed consolidated income statement (unaudited)

	Notes[1]	Half year ended 30.06.24 £m	Half year ended 30.06.23 £m
Interest and similar income		12,772	10,692
Interest and similar expense		(9,657)	(7,572)
Net interest income		**3,115**	**3,120**
Fee and commission income	3	4,775	4,527
Fee and commission expense	3	(1,527)	(1,721)
Net fee and commission income	3	**3,248**	**2,806**
Net trading income		3,302	3,853
Net investment income/(expense)		15	(14)
Other income		14	39
Total income		**9,694**	**9,804**
Staff costs		(2,866)	(2,827)
Infrastructure, administration and general expenses		(3,199)	(3,125)
UK regulatory levies[2]		(66)	—
Litigation and conduct		(56)	(34)
Operating expenses		**(6,187)**	**(5,986)**
Share of post-tax results of associates and joint ventures		1	2
Profit before Impairment		**3,508**	**3,820**
Credit impairment charge		(831)	(688)
Profit before tax		**2,677**	**3,132**
Tax charge		(520)	(525)
Profit after tax		**2,157**	**2,607**
Attributable to:			
Equity holders of the parent		1,735	2,188
Other equity instrument holders		422	419
Profit after tax		**2,157**	**2,607**

1 *For notes to the Financial Statements see pages 32 to 49.*
2 *Comprises the impact of the BoE levy scheme. Please refer to Financial Review, Other matters for details.*

Condensed consolidated statement of comprehensive income (unaudited)

	Notes[1]	Half year ended 30.06.24 £m	Half year ended 30.06.23 £m
Profit after tax		**2,157**	**2,607**
Other comprehensive (loss)/income that may be recycled to profit or loss[2]			
Currency translation reserve	9	(107)	(1,325)
Fair value through other comprehensive income reserve	9	(286)	58
Cash flow hedging reserve	9	(169)	(383)
Other comprehensive loss that may be recycled to profit or loss		**(562)**	**(1,650)**
Other comprehensive loss not recycled to profit or loss			
Retirement benefit remeasurements	8	(97)	(476)
Own credit	9	(462)	(494)
Other comprehensive loss not recycled to profit or loss		**(559)**	**(970)**
Other comprehensive loss for the period		**(1,121)**	**(2,620)**
Total comprehensive income/(loss) for the period		**1,036**	**(13)**

1 *For notes to the Financial Statements see pages 32 to 49.*
2 *Reported net of tax.*

Condensed consolidated balance sheet (unaudited)

Assets	Notes[1]	As at 30.06.24 £m	As at 31.12.23 £m
Cash and balances at central banks		212,127	189,686
Cash collateral and settlement balances		141,368	103,708
Debt securities at amortised cost		44,799	39,046
Loans and advances at amortised cost to banks		8,565	9,024
Loans and advances at amortised cost to customers		137,208	137,177
Reverse repurchase agreements and other similar secured lending		2,980	1,103
Trading portfolio assets		197,281	174,566
Financial assets at fair value through the income statement		213,305	204,236
Derivative financial instruments		252,244	256,111
Financial assets at fair value through other comprehensive income		54,022	51,423
Investments in associates and joint ventures		15	22
Goodwill and intangible assets		1,035	1,084
Property, plant and equipment		1,546	1,262
Current tax assets		427	546
Deferred tax assets		4,291	3,888
Retirement benefit assets	8	3,541	3,667
Assets included in disposal groups classified as held for sale		3,725	3,916
Other assets		5,485	4,701
Total assets		**1,283,964**	**1,185,166**
Liabilities			
Deposits at amortised cost from banks		19,588	14,598
Deposits at amortised cost from customers		304,424	287,200
Cash collateral and settlement balances		142,670	92,988
Repurchase agreements and other similar secured borrowing		39,533	28,554
Debt securities in issue		43,078	45,653
Subordinated liabilities	6	37,849	35,903
Trading portfolio liabilities		58,672	57,761
Financial liabilities designated at fair value		321,082	298,573
Derivative financial instruments		242,065	249,880
Current tax liabilities		683	411
Deferred tax liabilities		3	3
Retirement benefit liabilities	8	167	173
Provisions	7	757	817
Liabilities included in disposal groups classified as held for sale		3,984	3,164
Other liabilities		10,299	8,984
Total liabilities		**1,224,854**	**1,124,662**
Equity			
Called up share capital and share premium		2,348	2,348
Other equity instruments		9,875	10,765
Other reserves	9	(1,387)	(363)
Retained earnings		48,274	47,754
Total equity		**59,110**	**60,504**
Total liabilities and equity		**1,283,964**	**1,185,166**

1 *For notes to the Financial Statements see pages 32 to 49.*

Condensed consolidated statement of changes in equity (unaudited)

Half year ended 30.06.24	Called up share capital and share premium £m	Other equity instruments[1] £m	Other reserves[2] £m	Retained earnings £m	Total equity £m
Balance as at 1 January 2024	**2,348**	**10,765**	**(363)**	**47,754**	**60,504**
Profit after tax	—	422	—	1,735	2,157
Currency translation movements	—	—	(107)	—	(107)
Fair value through other comprehensive income reserve	—	—	(286)	—	(286)
Cash flow hedges	—	—	(169)	—	(169)
Retirement benefit remeasurements	—	—	—	(97)	(97)
Own credit	—	—	(462)	—	(462)
Total comprehensive income for the period	**—**	**422**	**(1,024)**	**1,638**	**1,036**
Issue and exchange of equity instruments	—	(890)	—	(92)	(982)
Other equity instruments coupons paid	—	(422)	—	—	(422)
Employee settled Barclays PLC shares scheme	—	—	—	289	289
Vesting of Barclays PLC shares under share based payment schemes	—	—	—	(432)	(432)
Dividends paid on ordinary shares	—	—	—	(852)	(852)
Dividends paid on preference shares and other shareholders equity	—	—	—	(21)	(21)
Other reserve movements	—	—	—	(10)	(10)
Balance as at 30 June 2024	**2,348**	**9,875**	**(1,387)**	**48,274**	**59,110**

Half year ended 31.12.23	Called up share capital and share premium £m	Other equity instruments[1] £m	Other reserves[2] £m	Retained earnings £m	Total equity £m
Balance as at 1 July 2023	**2,348**	**11,304**	**(3,388)**	**48,084**	**58,348**
Profit after tax	—	389	—	565	954
Currency translation movements	—	—	116	—	116
Fair value through other comprehensive income reserve	—	—	77	—	77
Cash flow hedges	—	—	3,045	—	3,045
Retirement benefit remeasurements	—	—	—	(370)	(370)
Own credit	—	—	(216)	—	(216)
Total comprehensive income for the period	**—**	**389**	**3,022**	**195**	**3,606**
Issue and exchange of other equity instruments	—	(539)	—	(12)	(551)
Other equity instruments coupons paid	—	(389)	—	—	(389)
Employee settled Barclays PLC share schemes	—	—	—	168	168
Vesting of Barclays PLC shares under share based payment schemes	—	—	—	(12)	(12)
Dividends paid on ordinary shares	—	—	—	(648)	(648)
Dividends paid on preference shares and other shareholders equity	—	—	—	(21)	(21)
Other reserve movements	—	—	3	—	3
Balance as at 31 December 2023	**2,348**	**10,765**	**(363)**	**47,754**	**60,504**

Condensed consolidated statement of changes in equity (unaudited)

Half year ended 30.06.23	Called up share capital and share premium £m	Other equity instruments[1] £m	Other reserves[2] £m	Retained earnings £m	Total equity £m
Balance as at 1 January 2023	**2,348**	**10,691**	**(1,464)**	**47,378**	**58,953**
Profit after tax	—	419	—	2,188	2,607
Currency translation movements	—	—	(1,325)	—	(1,325)
Fair value through other comprehensive income reserve	—	—	58	—	58
Cash flow hedges	—	—	(383)	—	(383)
Retirement benefit remeasurements	—	—	—	(476)	(476)
Own credit	—	—	(494)	—	(494)
Total comprehensive income for the period	**—**	**419**	**(2,144)**	**1,712**	**(13)**
Issue and exchange of other equity instruments	—	613	—	—	613
Other equity instruments coupon paid	—	(419)	—	—	(419)
Employee settled Barclays PLC share schemes	—	—	—	241	241
Vesting of Barclays PLC shares under share based payment schemes	—	—	—	(430)	(430)
Dividends paid on ordinary shares	—	—	—	(700)	(700)
Dividends paid on preference shares and other shareholders equity	—	—	—	(19)	(19)
Net equity impact on intra group transfers	—	—	220	(96)	124
Other reserve movements	—	—	—	(2)	(2)
Balance as at 30 June 2023	**2,348**	**11,304**	**(3,388)**	**48,084**	**58,348**

1 *Other equity instruments of £9,875m (December 2023: £10,765m) comprise AT1 securities issued to Barclays PLC. Barclays PLC uses funds from market issuances to purchase AT1 securities from Barclays Bank PLC. There was one issuance in the form of Fixed Rate Resetting Perpetual Subordinated Contingent Convertible Securities totalling £619m (net of issuance cost of £6m) and one redemption for £1,509m (net of £6m issuance cost, transferred to retained earnings on redemption) for the period ended 30 June 2024. During the period ended 31 December 2023, there were three issuances in the form of Fixed Rate Resetting Perpetual Subordinated Contingent Convertible Securities totalling £2,499m, which includes issuance costs of £26m and two redemptions totalling £2,425m.*

2 *Details of other reserves are shown on pages 44.*

Condensed consolidated cash flow statement (unaudited)

	Half year ended 30.06.24 £m	Half year ended 30.06.23 £m
Profit before tax	2,677	3,132
Adjustment for non-cash items	2,586	5,832
Net (increase)/decrease in loans and advances at amortised cost	(2,723)	8,081
Net increase in deposits at amortised cost	22,214	16,241
Net decrease in debt securities in issue	(2,575)	(1,635)
Changes in other operating assets and liabilities	10,137	308
Corporate income tax (paid)/received	(66)	174
Net cash from operating activities	**32,250**	**32,133**
Net cash from investing activities	(7,383)	(11,947)
Net cash from financing activities	(67)	(1,114)
Effect of exchange rates on cash and cash equivalents	(1,622)	(6,546)
Net increase in cash and cash equivalents	**23,178**	**12,526**
Cash and cash equivalents at beginning of the period	208,412	219,854
Cash and cash equivalents at end of the period	**231,590**	**232,380**

1. Basis of preparation

These condensed consolidated interim financial statements ("the financial statements") for the six months ended 30 June 2024 have been prepared in accordance with (a) the Disclosure Guidance and Transparency Rules (DTR) of the UK's Financial Conduct Authority (FCA), (b) the Transparency (Directive 2004/109/EC) Regulations 2007 of Ireland (as amended), and (c) (i) UK adopted IAS 34, Interim Financial Reporting (ii) IAS 34, Interim Financial Reporting, as published by the International Accounting Standards Board (IASB), and (iii) IAS 34, Interim Financial Reporting as adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union (EU). UK adopted IAS 34 and EU adopted IAS 34 are currently the same and were the same as at 31 December 2023.

The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2023. The annual financial statements for the year ended 31 December 2023 were prepared in accordance with the requirements of the Companies Act 2006 and in accordance with (i) UK-adopted international accounting standards (ii) International Financial Reporting Standards (IFRS) and interpretations (IFRICs) as issued by the IASB, and (iii) IFRS adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the EU. UK adopted IFRS and EU adopted IFRS are currently the same and were the same as at 31 December 2023.

The accounting policies and methods of computation used in these condensed consolidated interim financial statements are the same as those used in the Barclays Bank PLC Annual Report 2023.

1. Going concern

The financial statements are prepared on a going concern basis, as the Directors are satisfied that the Barclays Bank Group and parent company have the resources to continue in business for a period of at least 12 months from approval of the interim financial statements. In making this assessment, the Directors have considered a wide range of information relating to present and future conditions which includes a review of a working capital report (WCR). The WCR is used by the Directors to assess the future performance of the Barclays Bank Group and that it has the resources in place that are required to meet its ongoing regulatory requirements. The WCR includes an assessment of the impact of internally generated stress testing scenarios on the liquidity and capital requirements forecasts. The stress tests used were based upon an assessment of reasonably possible downside economic scenarios that the Barclays Bank Group could experience.

The WCR indicated that the Barclays Bank Group had sufficient capital in place to support its future business requirements and remained above its regulatory minimum requirements in the internal stress scenarios.

2. Other disclosures

The Credit risk disclosures on pages 7 to 19 form part of these interim financial statements.

2. Segmental reporting

From 2024, the Barclays Bank Group presents its reporting segments through the following operating divisions, in addition to Head Office:

- Barclays UK Corporate Bank
- Barclays Private Bank and Wealth Management
- Barclays Investment Bank
- Barclays US Consumer Bank

For more information about each reporting segment, refer to page 2.

Analysis of results by business

Half year ended 30.06.24	Barclays UK Corporate Bank £m	Barclays Private Bank and Wealth Management £m	Barclays Investment Bank £m	Barclays US Consumer Bank £m	Head Office £m	Barclays Bank Group £m
Net interest income	604	376	654	1,347	134	3,115
Non-interest income / (expense)	308	272	5,905	344	(250)	6,579
Total income	**912**	**648**	**6,559**	**1,691**	**(116)**	**9,694**
Operating costs	(492)	(454)	(3,963)	(807)	(349)	(6,065)
UK regulatory levies[1]	(30)	(3)	(33)	—	—	(66)
Litigation and conduct	—	1	(11)	(4)	(42)	(56)
Total operating expenses	**(522)**	**(456)**	**(4,007)**	**(811)**	**(391)**	**(6,187)**
Other net income[2]	—	—	—	—	1	1
Profit/(loss) before impairment	**390**	**192**	**2,552**	**880**	**(506)**	**3,508**
Credit impairment (charge)/release	(23)	3	(34)	(719)	(58)	(831)
Profit/(loss) before tax	**367**	**195**	**2,518**	**161**	**(564)**	**2,677**

As at 30.06.24	£bn	£bn	£bn	£bn	£bn	£bn
Total assets	**64.0**	**35.8**	**1,121.9**	**32.0**	**30.3**	**1,284.0**
Total liabilities	**87.3**	**65.3**	**1,043.1**	**21.5**	**7.7**	**1,224.9**

Half year ended 30.06.23	Barclays UK Corporate Bank £m	Barclays Private Bank and Wealth Management £m	Barclays Investment Bank £m	Barclays US Consumer Bank £m	Head Office £m	Barclays Bank Group £m
Net interest income	644	377	863	1,262	(26)	3,120
Non-interest income	330	192	5,636	337	189	6,684
Total income	**974**	**569**	**6,499**	**1,599**	**163**	**9,804**
Operating costs	(457)	(340)	(3,956)	(837)	(362)	(5,952)
UK regulatory levies[1]	—	—	—	—	—	—
Litigation and conduct	—	—	2	(4)	(32)	(34)
Total operating expenses	**(457)**	**(340)**	**(3,954)**	**(841)**	**(394)**	**(5,986)**
Other net (expense)/income[2]	2	—	—	1	(1)	2
Profit/(loss) before impairment	**519**	**229**	**2,545**	**759**	**(232)**	**3,820**
Credit impairment (charge)/release	60	(10)	(102)	(585)	(51)	(688)
Profit/(loss) before tax	**579**	**219**	**2,443**	**174**	**(283)**	**3,132**

As at 31.12.23	£bn	£bn	£bn	£bn	£bn	£bn
Total assets	**61.6**	**32.1**	**1,027.6**	**33.4**	**30.5**	**1,185.2**
Total liabilities	**86.8**	**61.0**	**948.9**	**21.2**	**6.8**	**1,124.7**

1 *Comprises the impact of the BoE levy scheme and the UK bank levy.*
2 *Other net income represents the share of post-tax results of associates and joint ventures.*

Split of income by geographic region[1]

	Half year ended 30.06.24 £m	Half year ended 30.06.23 £m
United Kingdom	3,185	3,555
Europe	1,190	1,255
Americas	4,617	4,234
Africa and Middle East	39	42
Asia	663	718
Total	**9,694**	**9,804**

1 *The geographical analysis is based on the location of the office where the transactions are recorded.*

3. Net fee and commission income

Fee and commission income is disaggregated below and includes a total for fees in scope of IFRS 15, Revenue from Contracts with Customers:

Half year ended 30.06.24	Barclays UK Corporate Bank £m	Barclays Private Bank and Wealth Management £m	Barclays Investment Bank £m	Barclays US Consumer Bank £m	Head Office £m	Barclays Bank Group £m
Fee type						
Transactional	228	16	171	1,320	160	1,895
Advisory	—	156	325	—	—	481
Brokerage and execution	—	62	777	—	—	839
Underwriting and syndication	46	—	1,391	—	—	1,437
Other	6	2	35	—	11	54
Total revenue from contracts with customers	**280**	**236**	**2,699**	**1,320**	**171**	**4,706**
Other non-contract fee income	11	—	58	—	—	69
Fee and commission income	**291**	**236**	**2,757**	**1,320**	**171**	**4,775**
Fee and commission expense	(46)	(19)	(520)	(893)	(49)	(1,527)
Net fee and commission income	**245**	**217**	**2,237**	**427**	**122**	**3,248**

Half year ended 30.06.23	Barclays UK Corporate Bank £m	Barclays Private Bank and Wealth Management £m	Barclays Investment Bank £m	Barclays US Consumer Bank £m	Head Office £m	Barclays Bank Group £m
Fee type						
Transactional	212	13	160	1,290	150	1,825
Advisory	—	94	363	—	—	457
Brokerage and execution	—	44	998	—	—	1,042
Underwriting and syndication	39	—	997	—	—	1,036
Other	8	2	43	5	35	93
Total revenue from contracts with customers	**259**	**153**	**2,561**	**1,295**	**185**	**4,453**
Other non-contract fee income	15	3	56	—	—	74
Fee and commission income	**274**	**156**	**2,617**	**1,295**	**185**	**4,527**
Fee and commission expense	(50)	(15)	(742)	(870)	(44)	(1,721)
Net fee and commission income	**224**	**141**	**1,875**	**425**	**141**	**2,806**

Transactional fees are service charges on deposit accounts, cash management services and transactional processing fees. These include interchange and merchant fee income generated from credit and bank card usage.

Advisory fees are generated from wealth management services and investment banking advisory services related to mergers, acquisitions and financial restructurings.

Brokerage and execution fees are earned for executing client transactions with various exchanges and over-the-counter markets and assisting clients in clearing transactions and facilitating foreign exchange transactions for spot/forward contracts.

Underwriting and syndication fees are earned for the distribution of client equity or debt securities and the arrangement and administration of a loan syndication. These include commitment fees to provide loan financing.

4. Dividends on ordinary shares and preference shares

Dividends paid during the period	Half year ended 30.06.24 £m	Half year ended 30.06.23 £m
Ordinary shares	852	700
Preference shares	21	19
Total	**873**	**719**

No interim dividend in respect of the six months ended 30 June 2024 was proposed.

5. Fair value of financial instruments

This section should be read in conjunction with Note 16, Fair value of financial instruments of the Barclays Bank PLC Annual Report 2023, which provides more detail about accounting policies adopted, valuation methodologies used in calculating fair value and the valuation control framework which governs oversight of valuations. There have been no changes in the accounting policies adopted or the valuation methodologies used.

Valuation

The following table shows the Barclays Bank Group's assets and liabilities that are held at fair value disaggregated by valuation technique (fair value hierarchy) and balance sheet classification:

	Valuation technique using			
	Quoted market prices (Level 1)	Observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
As at 30.06.24	£m	£m	£m	£m
Trading portfolio assets	98,942	89,613	8,726	197,281
Financial assets at fair value through the income statement	7,416	198,865	7,024	213,305
Derivative financial instruments	86	249,337	2,821	252,244
Financial assets at fair value through other comprehensive income	21,930	29,692	2,400	54,022
Investment property	—	—	1	1
Total assets	**128,374**	**567,507**	**20,972**	**716,853**
Trading portfolio liabilities	(32,666)	(25,621)	(385)	(58,672)
Financial liabilities designated at fair value	(182)	(318,426)	(2,474)	(321,082)
Derivative financial instruments	(66)	(237,664)	(4,335)	(242,065)
Total liabilities	**(32,914)**	**(581,711)**	**(7,194)**	**(621,819)**
As at 31.12.23				
Trading portfolio assets	94,615	73,442	6,509	174,566
Financial assets at fair value through the income statement	5,747	193,121	5,368	204,236
Derivative financial instruments	107	252,464	3,540	256,111
Financial assets at fair value through other comprehensive income	21,079	29,568	776	51,423
Investment property	—	—	2	2
Total assets	**121,548**	**548,595**	**16,195**	**686,338**
Trading portfolio liabilities	(28,380)	(29,013)	(368)	(57,761)
Financial liabilities designated at fair value	(117)	(297,244)	(1,212)	(298,573)
Derivative financial instruments	(81)	(245,146)	(4,653)	(249,880)
Total liabilities	**(28,578)**	**(571,403)**	**(6,233)**	**(606,214)**

The following table shows the Barclays Bank Group's Level 3 assets and liabilities that are held at fair value disaggregated by product type:

	As at 30.06.24		As at 31.12.23	
	Assets	Liabilities	Assets	Liabilities
	£m	£m	£m	£m
Interest rate derivatives	1,622	(1,538)	2,211	(1,701)
Foreign exchange derivatives	175	(118)	111	(91)
Credit derivatives	216	(798)	241	(820)
Equity derivatives	808	(1,881)	977	(2,041)
Corporate debt	2,211	(353)	1,568	(352)
Reverse repurchase and repurchase agreements	620	(934)	209	(517)
Loans	11,404	—	8,986	—
Private equity investments	183	—	145	—
Asset backed securities	2,145	(2)	605	—
Issued debt	—	(1,539)	—	(637)
Other[1]	1,588	(31)	1,142	(74)
Total	**20,972**	**(7,194)**	**16,195**	**(6,233)**

1 *Other includes funds and fund-linked products, Government and Government sponsored debt, equities cash products and investment property.*

Assets and liabilities reclassified between Level 1 and Level 2

During the six-month period ended 30 June 2024 there were no material transfers between Level 1 and Level 2 (year ended December 2023: no material transfers between Level 1 and Level 2).

Level 3 movement analysis

The following table summarises the movements in the balances of Level 3 assets and liabilities during the period. The table shows gains and losses and includes amounts for all financial assets and liabilities that are held at fair value transferred to and from Level 3 during the period. Transfers have been reflected as if they had taken place at the beginning of the period.

Asset and liability movements between Level 2 and Level 3 are primarily due to i) an increase or decrease in observable market activity related to an input or ii) a change in the significance of the unobservable input, with assets and liabilities classified as Level 3 if an unobservable input is deemed significant.

Level 3 movement analysis

						Total gains and (losses) in the period recognised in the income statement		Total gains or (losses)	Transfers		
	As at 01.01.24	Purchases	Sales	Issues	Settle-ments	Trading income	Other income	recognised in OCI	In	Out	As at 30.06.24
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Corporate debt	679	833	(225)	—	(49)	(56)	—	—	144	(21)	1,305
Loans	4,469	1,478	(247)	—	(661)	42	—	—	139	(10)	5,210
Asset backed securities	318	39	(196)	—	—	23	—	—	611	(65)	730
Other	1,043	763	(339)	—	(4)	(16)	—	—	152	(118)	1,481
Trading portfolio assets	**6,509**	**3,113**	**(1,007)**	**—**	**(714)**	**(7)**	**—**	**—**	**1,046**	**(214)**	**8,726**
Corporate debt	889	—	(3)	—	—	13	7	—	—	—	906
Loans	3,984	1,760	(1,000)	—	(266)	(21)	18	—	138	(61)	4,552
Private equity investments	145	37	(2)	—	(4)	2	5	—	—	—	183
Reverse repurchase and repurchase agreements	209	297	—	—	—	—	—	—	141	(27)	620
Asset backed securities	85	590	(1)	—	(12)	1	—	—	9	(14)	658
Other	56	48	—	—	—	(1)	4	—	2	(4)	105
Financial assets at fair value through the income statement	**5,368**	**2,732**	**(1,006)**	**—**	**(282)**	**(6)**	**34**	**—**	**290**	**(106)**	**7,024**
Loans	533	1,097	—	—	—	1	11	—	—	—	1,642
Asset backed securities	200	757	—	—	—	—	—	—	—	(200)	757
Other	43	—	(42)	—	—	—	—	—	—	—	1
Financial assets at fair value through other comprehensive income	**776**	**1,854**	**(42)**	**—**	**—**	**1**	**11**	**—**	**—**	**(200)**	**2,400**
Investment property	**2**	**—**	**(1)**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**1**
Trading portfolio liabilities	**(368)**	**(28)**	**17**	**—**	**—**	**18**	**—**	**—**	**(30)**	**6**	**(385)**
Financial liabilities designated at fair value	**(1,212)**	**1**	**9**	**(628)**	**16**	**(27)**	**—**	**—**	**(881)**	**248**	**(2,474)**
Interest rate derivatives	510	10	—	—	(136)	(158)	—	—	31	(173)	84
Foreign exchange derivatives	20	(1)	—	—	18	6	—	—	21	(7)	57
Credit derivatives	(579)	5	33	—	—	(22)	—	—	(22)	3	(582)
Equity derivatives	(1,064)	(195)	—	(19)	(53)	(19)	—	—	(9)	286	(1,073)
Net derivative financial instruments[1]	**(1,113)**	**(181)**	**33**	**(19)**	**(171)**	**(193)**	**—**	**—**	**21**	**109**	**(1,514)**
Total	**9,962**	**7,491**	**(1,997)**	**(647)**	**(1,151)**	**(214)**	**45**	**—**	**446**	**(157)**	**13,778**

1 *Derivative financial instruments are presented on a net basis. On a gross basis, derivative financial assets were £2,821m and derivative financial liabilities were £(4,335)m.*

Level 3 movement analysis

	As at 01.01.23	Purchases	Sales	Issues	Settle-ments	Total gains and (losses) in the period recognised in the income statement: Trading income	Total gains and (losses) in the period recognised in the income statement: Other income	Total gains or (losses) recognised in OCI	Transfers: In	Transfers: Out	As at 30.06.23
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Corporate debt	595	338	(118)	—	(53)	5	—	—	36	(29)	774
Loans	4,837	919	(1,152)	—	(311)	4	—	—	556	(334)	4,519
Asset backed securities	175	324	(278)	—	—	(11)	—	—	288	(60)	438
Other	873	704	(328)	—	(38)	(32)	—	—	142	(253)	1,068
Trading portfolio assets	**6,480**	**2,285**	**(1,876)**	**—**	**(402)**	**(34)**	**—**	**—**	**1,022**	**(676)**	**6,799**
Corporate debt	1,079	—	(120)	—	—	(20)	(3)	—	—	—	936
Loans	4,553	1,839	(823)	—	(613)	(44)	(42)	—	28	(106)	4,792
Private equity investments	140	—	—	—	(5)	(5)	8	—	—	—	138
Reverse repurchase and repurchase agreements	38	—	—	—	—	(11)	—	—	46	(29)	44
Asset backed securities	192	8	(2)	—	—	(13)	—	—	21	(16)	190
Other	109	—	(10)	—	(20)	1	(10)	—	1	—	71
Financial assets at fair value through the income statement	**6,111**	**1,847**	**(955)**	**—**	**(638)**	**(92)**	**(47)**	**—**	**96**	**(151)**	**6,171**
Loans	—	47	—	—	—	—	—	—	—	—	47
Asset backed securities	3	—	—	—	(1)	—	—	—	—	—	2
Other	1	—	—	—	—	—	—	—	—	—	1
Financial assets at fair value through other comprehensive income	**4**	**47**	**—**	**—**	**(1)**	**—**	**—**	**—**	**—**	**—**	**50**
Investment property	**5**	**—**	**—**	**—**	**—**	**—**	**(3)**	**—**	**—**	**—**	**2**
Trading portfolio liabilities	**(56)**	**(16)**	**4**	**—**	**—**	**15**	**—**	**—**	**(8)**	**9**	**(52)**
Financial liabilities designated at fair value	**(1,042)**	**—**	**—**	**(226)**	**—**	**4**	**(1)**	**—**	**(290)**	**463**	**(1,092)**
Interest rate derivatives	(497)	—	—	—	19	(35)	—	—	544	446	477
Foreign exchange derivatives	39	—	—	—	—	(31)	—	—	13	(15)	6
Credit derivatives	(313)	(191)	5	—	66	13	—	—	52	16	(352)
Equity derivatives	(419)	(90)	—	—	(132)	(135)	—	—	(104)	12	(868)
Net derivative financial instruments[1]	**(1,190)**	**(281)**	**5**	**—**	**(47)**	**(188)**	**—**	**—**	**505**	**459**	**(737)**
Total	**10,312**	**3,882**	**(2,822)**	**(226)**	**(1,088)**	**(295)**	**(51)**	**—**	**1,325**	**104**	**11,141**

1 *Derivative financial instruments are presented on a net basis. On a gross basis, derivative financial assets were £4,532m and derivative financial liabilities were £(5,269)m.*

Unrealised gains and losses on Level 3 financial assets and liabilities

The following table discloses the unrealised gains and losses recognised in the period arising on Level 3 financial assets and liabilities held at the period end.

	Half year ended 30.06.24				Half year ended 30.06.23			
	Income statement		Other compre-hensive income		Income statement		Other compre-hensive income	
	Trading income	Other income		Total	Trading income	Other income		Total
	£m	£m	£m	£m	£m	£m	£m	£m
Trading portfolio assets	(2)	—	—	(2)	(35)	—	—	(35)
Financial assets at fair value through the income statement	15	30	—	45	(87)	(50)	—	(137)
Financial assets at fair value through other comprehensive income	(2)	11	—	9	—	—	—	—
Investment properties	—	—	—	—	—	(3)	—	(3)
Trading portfolio liabilities	17	—	—	17	15	—	—	15
Financial liabilities designated at fair value	(29)	—	—	(29)	2	(1)	—	1
Net derivative financial instruments	(191)	—	—	(191)	(186)	—	—	(186)
Total	**(192)**	**41**	—	**(151)**	**(291)**	**(54)**	—	**(345)**

Valuation techniques and sensitivity analysis

Sensitivity analysis is performed on products with significant unobservable inputs (Level 3) to generate a range of reasonably possible alternative valuations. The sensitivity methodologies applied take account of the nature of valuation techniques used, as well as the availability and reliability of observable proxy and historical data and the impact of using alternative models.

Sensitivities are dynamically calculated on a monthly basis. The calculation is based on range or spread data of a reliable reference source or a scenario based on relevant market analysis alongside the impact of using alternative models. Sensitivities are calculated without reflecting the impact of any diversification in the portfolio.

Current period valuation and sensitivity methodologies are consistent with those described within Note 16, Fair value of financial instruments in the Barclays Bank PLC Annual Report 2023.

Sensitivity analysis of valuations using unobservable inputs (Relates to Level 3 Portfolios)

	As at 30.06.24				As at 31.12.23			
	Favourable changes		Unfavourable changes		Favourable changes		Unfavourable changes	
	Income statement	Equity	Income Statement	Equity	Income statement	Equity	Income Statement	Equity
	£m	£m	£m	£m	£m	£m	£m	£m
Interest rate derivatives	99	—	(170)	—	78	—	(158)	—
Foreign exchange derivatives	6	—	(10)	—	4	—	(9)	—
Credit derivatives	11	—	(15)	—	27	—	(32)	—
Equity derivatives	202	—	(289)	—	142	—	(226)	—
Corporate debt	55	—	(31)	—	34	—	(22)	—
Loans	633	32	(830)	(32)	545	2	(763)	(2)
Private equity investments	30	—	(30)	—	9	—	(9)	—
Asset Backed Securities	39	4	(29)	(4)	36	1	(27)	(1)
Other[1]	93	—	(106)	—	90	—	(91)	—
Total	**1,168**	**36**	**(1,510)**	**(36)**	**965**	**3**	**(1,337)**	**(3)**

1 *Other includes Equity cash products, Fund and fund-linked products, Issued debt, Commercial paper, Government and Government sponsored debt and Investment property.*

The effect of stressing unobservable inputs to a range of reasonably possible alternatives, alongside considering the impact of using alternative models, would be to increase fair values by up to £1,204m (December 2023: £968m) or to decrease fair values by up to £1,546m (December 2023: £1,340m) with substantially all the potential effect impacting profit and loss rather than reserves.

Significant unobservable inputs

The valuation techniques and significant unobservable inputs for assets and liabilities recognised at fair value and classified as Level 3 are consistent with those set out in Note 16, Fair value of financial instruments in the Barclays Bank PLC Annual Report 2023.

Fair value adjustments

Key balance sheet valuation adjustments are quantified below:

	As at 30.06.24	As at 31.12.23
	£m	£m
Exit price adjustments derived from market bid-offer spreads	(498)	(558)
Uncollateralised derivative funding	5	(4)
Derivative credit valuation adjustments	(190)	(209)
Derivative debit valuation adjustments	111	144

- Exit price adjustments derived from market bid-offer spreads decreased by £60m to £(498)m.
- Uncollateralised derivative funding moved marginally from £(4)m to £5m.
- Derivative credit valuation adjustments decreased by £19m to £(190)m as a result of reduced uncollateralised asset exposure profile.
- Derivative debit valuation adjustments decreased by £33m to £111m as a result of the tightening of input credit spreads.

Portfolio exemption

The Barclays Bank Group uses the portfolio exemption in IFRS 13, Fair Value Measurement to measure the fair value of groups of financial assets and liabilities. Financial instruments are measured using the price that would be received to sell a net long position (i.e., an asset) for a particular risk exposure or to transfer a net short position (i.e., a liability) for a particular risk exposure in an orderly transaction between market participants at the balance sheet date under current market conditions. Accordingly, the Barclays Bank Group measures the fair value of the group of financial assets and liabilities consistently with how market participants would price the net risk exposure at the measurement date.

Unrecognised gains as a result of the use of valuation models using unobservable inputs

The amount that is yet to be recognised in income that relates to the difference between the transaction price (the fair value at initial recognition) and the amount that would have arisen had valuation models using unobservable inputs been used on initial recognition, less amounts subsequently recognised, is £213m (December 2023: £194m) for financial instruments measured at fair value and £17m (December 2023: £18m) for financial instruments carried at amortised cost. There are additions and FX gains of £85m (December 2023: £136m) and amortisation and releases of £66m (December 2023: £48m) in amounts attributable to financial instruments measured at fair value and amortisation and releases of £1m (December 2023: £7m) and additions of £nil (December 2023: £nil) in amounts attributable to financial instruments carried at amortised cost.

Third party credit enhancements

Structured and brokered certificates of deposit issued by the Barclays Bank Group are insured up to $250,000 per depositor by the Federal Deposit Insurance Corporation (FDIC) in the United States. The FDIC is funded by premiums that the Barclays Bank Group and other banks pay for deposit insurance coverage. The carrying value of these issued certificates of deposit that are designated under the IFRS 9 fair value option includes this third-party credit enhancement. The on-balance sheet value of these brokered certificates of deposit amounted to £3,829m (December 2023: £5,162m).

Comparison of carrying amounts and fair values for assets and liabilities not held at fair value

Valuation methodologies employed in calculating the fair value of financial assets and liabilities measured at amortised cost are consistent with those described within Note 16, Fair value of financial instruments in the Barclays Bank PLC Annual Report 2023.

The following table summarises the fair value of financial assets and liabilities measured at amortised cost on the Barclays Bank Group's balance sheet:

	As at 30.06.24		As at 31.12.23	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets	£m	£m	£m	£m
Debt securities at amortised cost	44,799	43,887	39,046	37,807
Loans and advances at amortised cost	145,773	147,555	146,201	147,323
Reverse repurchase agreements and other similar secured lending	2,980	2,980	1,103	1,103
Financial liabilities				
Deposits at amortised cost	(324,012)	(324,092)	(301,798)	(301,851)
Repurchase agreements and other similar secured borrowing	(39,533)	(39,533)	(28,554)	(28,554)
Debt securities in issue	(43,078)	(42,994)	(45,653)	(45,557)
Subordinated liabilities	(37,849)	(39,602)	(35,903)	(37,295)

6. Subordinated liabilities

	Half year ended 30.06.24	Year ended 31.12.23
	£m	£m
Opening balance as at 1 January	35,903	38,253
Issuances	7,354	5,986
Redemptions	(4,804)	(7,431)
Other	(604)	(905)
Closing balance	**37,849**	**35,903**
Designated at fair value (Note 5)	543	579
Total subordinated liabilities	**38,392**	**36,482**

Issuances of £7,354m comprise £5,999m intra-group loans from Barclays PLC, £1,276m EUR 4.973% Fixed Rate Resetting Tier 2 Subordinated Callable Notes issued to Barclays PLC and £79m USD Floating Rate Notes issued externally by a Barclays Bank PLC subsidiary.

Redemptions of £4,804m comprise intra-group loans from Barclays PLC.

Other movements predominantly comprise foreign exchange movements and fair value hedge adjustments.

7. Provisions

	As at 30.06.24	As at 31.12.23
	£m	£m
Customer redress	18	21
Legal, competition and regulatory matters	54	59
Redundancy and restructuring	91	126
Undrawn contractually committed facilities and guarantees	452	473
Sundry provisions	142	138
Total	**757**	**817**

8. Retirement benefits

As at 30 June 2024, the Barclays Bank Group's IAS 19 net retirement benefit assets were £3.4bn (December 2023: £3.5bn). The UK Retirement Fund (UKRF), which is the Barclays Bank Group's main scheme, had an IAS 19 net surplus of £3.5bn (December 2023: £3.6bn).

The UKRF annual funding update as at 30 September 2023 showed a surplus of £2.02bn compared to £1.97bn at the 30 September 2022 triennial actuarial valuation.

9. Other reserves

	As at 30.06.24	As at 31.12.23
	£m	£m
Currency translation reserve	3,676	3,783
Fair value through other comprehensive income reserve	(1,493)	(1,207)
Cash flow hedging reserve	(3,064)	(2,895)
Own credit reserve	(702)	(240)
Other reserves	196	196
Total	**(1,387)**	**(363)**

Currency translation reserve
The currency translation reserve represents the cumulative gains and losses on the retranslation of the Barclays Bank Group's net investment in foreign operations, net of the effects of hedging.

As at 30 June 2024, there was a cumulative gain of £3,676m (December 2023: £3,783m gain) in the currency translation reserve, a loss during the period of £107m. This principally reflects the GBP depreciating against USD during the period.

Fair value through other comprehensive income reserve
The fair value through other comprehensive income reserve represents the cumulative unrealised gains and losses on fair value through other comprehensive income investments since initial recognition.

As at 30 June 2024, there was a cumulative loss of £1,493m (December 2023: £1,207m loss) in the fair value through other comprehensive income reserve. The loss during the period of £286m (2023: £135m gain) was principally driven by a £236m loss (2023: £293m gain) from the movement in fair value of bonds due to changes in bond yields and net gain of £158m (2023: £102m) transferred to the income statement and a tax credit of £107m (2023: tax charge £54m).

Cash flow hedging reserve
The cash flow hedging reserve represents the cumulative gains and losses on effective cash flow hedging instruments that will be recycled to the income statement when the hedged transactions affect profit or loss.

As at 30 June 2024, there was a cumulative loss of £3,064m (December 2023: £2,895m loss) in the cash flow hedging reserve. The £169m loss in the period (2023: £2,661m gain) is driven by £1,162m loss (2023: £1,999m gain) from fair value movements on interest rate swaps as major interest rate forward curves increased (2023: decreased), this was offset by £935m of accumulated losses transferred to the income statement (2023: £1,665m losses) and a tax benefit of £58m (2023: tax charge of £1,003m).

Own credit reserve
The own credit reserve reflects the cumulative own credit gains and losses on financial liabilities at fair value. Amounts in the own credit reserve are not recycled to profit or loss in future periods.

As at 30 June 2024, there was a cumulative loss of £702m (December 2023: £240m loss) in the own credit reserve and a loss during the period of £462m. This principally reflects a £635m loss from the tightening of credit spreads partially offset by a tax credit of £173m.

Other reserves
As at 30 June 2024, there was a cumulative gain of £196m (December 2023: £196m gain) in other reserves.

10. Contingent liabilities and commitments

Contingent liabilities and financial guarantees	As at 30.06.24 £m	As at 31.12.23 £m
Guarantees and letters of credit pledged as collateral security	17,272	17,578
Performance guarantees, acceptances and endorsements	9,553	9,251
Total	**26,825**	**26,829**

Commitments		
Documentary credits and other short-term trade related transactions	2,489	2,352
Standby facilities, credit lines and other commitments	347,530	335,583
Total	**350,019**	**337,935**

Further details on contingent liabilities, where it is not practicable to disclose an estimate of the potential financial effect on the Barclays Bank Group relating to legal and competition and regulatory matters can be found in Note 11 below.

11. Legal, competition and regulatory matters

The Barclays Bank Group faces legal, competition and regulatory challenges, many of which are beyond our control. The extent of the impact of these matters cannot always be predicted but may materially impact our operations, financial results, condition and prospects. Matters arising from a set of similar circumstances can give rise to either a contingent liability or a provision, or both, depending on the relevant facts and circumstances.

The recognition of provisions in relation to such matters involves critical accounting estimates and judgments in accordance with the relevant accounting policies applicable to Note 7, Provisions. We have not disclosed an estimate of the potential financial impact or effect on the Barclays Bank Group of contingent liabilities where it is not currently practicable to do so. Various matters detailed in this note seek damages of an unspecified amount. While certain matters specify the damages claimed, such claimed amounts do not necessarily reflect the Barclays Bank Group's potential financial exposure in respect of those matters.

Investigations into certain advisory services agreements and other proceedings

FCA proceedings

In 2008, Barclays Bank PLC and Qatar Holdings LLC entered into two advisory service agreements (the Agreements). The Financial Conduct Authority (FCA) conducted an investigation into whether the Agreements may have related to Barclays PLC's capital raisings in June and November 2008 (the Capital Raisings) and therefore should have been disclosed in the announcements or public documents relating to the Capital Raisings. In 2013, the FCA issued warning notices (the Warning Notices) finding that Barclays PLC and Barclays Bank PLC acted recklessly and in breach of certain disclosure-related listing rules, and that Barclays PLC was also in breach of Listing Principle 3. The financial penalty provided in the Warning Notices was £50m. Barclays PLC and Barclays Bank PLC contested the findings. In 2022, the FCA's Regulatory Decisions Committee (RDC) issued Decision Notices finding that Barclays PLC and Barclays Bank PLC breached certain disclosure-related listing rules. The RDC also found that in relation to the disclosures made in the Capital Raising of November 2008, Barclays PLC and Barclays Bank PLC acted recklessly, and that Barclays PLC breached Listing Principle 3. The RDC upheld the combined penalty of £50m on Barclays PLC and Barclays Bank PLC, the same penalty as in the Warning Notices. Barclays PLC and Barclays Bank PLC have referred the RDC's findings to the Upper Tribunal for reconsideration.

Other proceedings

In 2023, Barclays received requests for arbitration from two Jersey special purpose vehicles connected to PCP International Finance Limited asserting claims in relation to the October 2008 capital raising. Barclays is defending these claims.

Civil actions related to LIBOR and other benchmarks

Various individuals and corporates in a range of jurisdictions have threatened or brought civil actions against the Barclays Bank Group and other banks in relation to the alleged manipulation of LIBOR and/or other benchmarks.

USD LIBOR civil actions

The majority of the USD LIBOR cases, which have been filed in various US jurisdictions, have been consolidated for pre-trial purposes in the US District Court in the Southern District of New York (SDNY). The complaints are substantially similar and allege, among other things, that Barclays PLC, Barclays Bank PLC, Barclays Capital Inc. (BCI) and other financial institutions individually and collectively violated provisions of the US Sherman Antitrust Act (Antitrust Act), the US Commodity Exchange Act (CEA), the US Racketeer Influenced and Corrupt Organizations Act (RICO), the US Securities Exchange Act of 1934 and various state laws by manipulating USD LIBOR rates.

The remaining claims are individual actions seeking unspecified damages with the exception of one lawsuit, in which the plaintiffs sought no less than $100m in actual damages and additional punitive damages against all defendants, including Barclays Bank PLC. The parties have reached a settlement in principle in respect of such lawsuit. The financial impact of this settlement is not expected to be material to the Barclays Bank Group's operating results, cash flows or financial position. Some of the other lawsuits also seek trebling of damages under the Antitrust Act and RICO.

Sterling LIBOR civil actions
In 2016, two putative class actions filed in the SDNY against Barclays Bank PLC, BCI and other Sterling LIBOR panel banks alleging, among other things, that the defendants manipulated the Sterling LIBOR rate in violation of the Antitrust Act, CEA and RICO, were consolidated. The defendants' motion to dismiss the claims was granted in 2018. The plaintiffs have appealed the dismissal.

ICE LIBOR civil action
In 2020, an action related to the LIBOR benchmark administered by the Intercontinental Exchange Inc. and certain of its affiliates (ICE) was filed by a group of individual plaintiffs in the US District Court for the Northern District of California on behalf of individual borrowers and consumers of loans and credit cards with variable interest rates linked to USD ICE LIBOR. The defendants' motion to dismiss the case was granted in 2022. The plaintiffs filed an amended complaint, which was dismissed in 2023. The plaintiffs are appealing the dismissal.

Non-US benchmarks civil actions
There remains one claim, issued in 2017, against Barclays Bank PLC and other banks in the UK in connection with alleged manipulation of LIBOR. Proceedings have also been brought in a number of other jurisdictions in Europe, Argentina and Israel relating to alleged manipulation of LIBOR and EURIBOR. Additional proceedings in other jurisdictions may be brought in the future.

Foreign Exchange civil actions
Various individuals and corporates in a range of jurisdictions have threatened or brought civil actions against the Barclays Bank Group and other banks in relation to alleged manipulation of Foreign Exchange markets.

US retail basis civil action
In 2015, a putative class action was filed against several international banks, including Barclays PLC and BCI, on behalf of a proposed class of individuals who exchanged currencies on a retail basis at bank branches (Retail Basis Claims). The SDNY has ruled that the Retail Basis Claims are not covered by the settlement agreement in the Consolidated FX Action. The Court subsequently dismissed all Retail Basis Claims against the Barclays Bank Group and all other defendants. The plaintiffs filed an amended complaint. The defendants' motion for summary judgment was granted in 2023, dismissing the plaintiffs' remaining claims. The plaintiffs appealed the decision and the dismissal was upheld by the appellate court in May 2024. The plaintiffs' motion for reconsideration was denied.

Non-US FX civil actions
Legal proceedings have been brought or are threatened against Barclays PLC, Barclays Bank PLC, BCI and Barclays Execution Services Limited (BX) in connection with alleged manipulation of Foreign Exchange in the UK, a number of other jurisdictions in Europe, Israel, Brazil and Australia. Additional proceedings may be brought in the future.

The above-mentioned proceedings include two purported class actions filed against Barclays PLC, Barclays Bank PLC, BX, BCI and other financial institutions in the UK Competition Appeal Tribunal (CAT) in 2019. The CAT refused to certify these claims in 2022 and in 2023, the Court of Appeal overturned the CAT's decision and found that the claims should be certified on an opt out basis. The Court of Appeal upheld the CAT's determination as to which of the two purported class representatives should be chosen to bring the claim. Barclays and the other financial institutions involved have obtained permission to appeal this decision to the UK Supreme Court.

Metals-related civil actions
A US civil complaint alleging manipulation of the price of silver in violation of the CEA, the Antitrust Act and state antitrust and consumer protection laws was brought by a proposed class of plaintiffs against a number of banks, including Barclays Bank PLC, BCI and BX, and transferred to the SDNY. The complaint was dismissed against these Barclays entities and certain other defendants in 2018, and against the remaining defendants in 2023. The plaintiffs have appealed the dismissal of the complaint against all defendants.

Civil actions have also been filed in Canadian courts against Barclays PLC, Barclays Bank PLC, Barclays Capital Canada Inc. and BCI on behalf of proposed classes of plaintiffs alleging manipulation of gold and silver prices.

US residential mortgage related civil action

There remains one US Residential Mortgage-Backed Securities (RMBS) related civil action arising from unresolved repurchase requests submitted by Trustees for certain RMBS, alleging breaches of various loan-level representations and warranties (R&Ws) made by Barclays Bank PLC and/or a subsidiary acquired in 2007. Barclays' motion to dismiss the action was denied in 2023. The parties are appealing the decision.

Government and agency securities civil actions

Treasury auction securities civil actions

Consolidated putative class action complaints filed in US federal court against Barclays Bank PLC, BCI and other financial institutions under the Antitrust Act and state common law allege that the defendants (i) conspired to manipulate the US Treasury securities market and/or (ii) conspired to prevent the creation of certain platforms by boycotting or threatening to boycott such trading platforms. The court dismissed the consolidated action in 2021. The plaintiffs filed an amended complaint. The defendants' motion to dismiss the amended complaint was granted in 2022. The plaintiffs appealed this decision, and in February 2024 the appellate court affirmed the dismissal. The plaintiffs did not seek US Supreme Court review, thereby concluding the matter.

In addition, certain plaintiffs have filed a related, direct action against BCI and certain other financial institutions, alleging that defendants conspired to fix and manipulate the US Treasury securities market in violation of the Antitrust Act, the CEA and state common law. This action remains stayed.

Supranational, Sovereign and Agency bonds civil actions

Civil antitrust actions have been filed in the Federal Court of Canada in Toronto against Barclays Bank PLC, BCI, BX, Barclays Capital Securities Limited and Barclays Capital Canada, Inc. and other financial institutions alleging that the defendants conspired to fix prices and restrain competition in the market for US dollar-denominated Supranational, Sovereign and Agency bonds.

The parties have reached a settlement, which has received preliminary court approval and has been paid. The financial impact of the settlement is not material to the Barclays Bank Group's operating results, cash flows or financial position.

Variable Rate Demand Obligations civil actions

Civil actions have been filed against Barclays Bank PLC and BCI and other financial institutions alleging the defendants conspired or colluded to artificially inflate interest rates set for Variable Rate Demand Obligations (VRDOs). VRDOs are municipal bonds with interest rates that reset on a periodic basis, most commonly weekly. An action in state court has been filed by private plaintiffs on behalf of the state of California. Three putative class action complaints have been consolidated in the SDNY. In the consolidated SDNY class action, certain of the plaintiffs' claims were dismissed in 2020 and 2022 and the plaintiffs' motion for class certification was granted in 2023, which means the case may proceed as a class action. The defendants are appealing this decision. In the California action, the California appeals court reversed the dismissal of the plaintiffs' claims in 2023.

Odd-lot corporate bonds antitrust class action

In 2020, BCI, together with other financial institutions, were named as defendants in a putative class action in the US. The complaint alleges a conspiracy to boycott developing electronic trading platforms for odd-lots and price fixing. The plaintiffs demand unspecified money damages. The defendants' motion to dismiss was granted in 2021, which the plaintiffs appealed. In July 2024, the Second Circuit vacated the judgment and remanded the case to the SDNY for further proceedings.

Credit Default Swap civil action

A putative antitrust class action is pending in New Mexico federal court against Barclays Bank PLC, BCI and various other financial institutions. The plaintiffs, the New Mexico State Investment Council and certain New Mexico pension funds, allege that the defendants conspired to manipulate the benchmark price used to value Credit Default Swap (CDS) contracts at settlement (i.e., the CDS final auction price). The plaintiffs allege violations of US antitrust laws and the CEA, and unjust enrichment under state law. The defendants' motion to dismiss was denied in 2023.

Interest rate swap and credit default swap US civil actions

Barclays PLC, Barclays Bank PLC and BCI, together with other financial institutions that act as market makers for interest rate swaps (IRS), are named as defendants in several antitrust actions, including one putative class action and individual actions brought by certain swap execution facilities, which are consolidated in the SDNY. The complaints allege the defendants conspired to prevent the development of exchanges for IRS and demand unspecified money damages. The parties have reached a settlement of the matter, which remains subject to final court approval. The financial impact of the settlement is not expected to be material to the Barclays Bank Group's operating results, cash flows or financial position.

In 2017, Tera Group Inc. (Tera) filed a separate civil antitrust action in the SDNY claiming that certain conduct alleged in the IRS cases also caused Tera to suffer harm with respect to the Credit Default Swaps market. In 2019, the court dismissed

Tera's claims for unjust enrichment and tortious interference but denied motions to dismiss the antitrust claims. Tera filed an amended complaint in 2020. Barclays' motion to dismiss all claims was granted in 2023. Tera is appealing the decision.

BDC Finance L.L.C.

In 2008, BDC Finance L.L.C. (BDC) filed a complaint in the Supreme Court of the State of New York (NY Supreme Court), demanding damages of $298m, alleging that Barclays Bank PLC had breached a contract in connection with a portfolio of total return swaps governed by an ISDA Master Agreement (the Master Agreement). Following a trial, the court ruled in 2018 that Barclays Bank PLC was not a defaulting party, which was affirmed on appeal. In 2021, the trial court entered judgment in favour of Barclays Bank PLC for $3.3m and as yet to be determined legal fees and costs. BDC appealed. In 2022, the appellate court reversed the trial court's summary judgment decision in favour of Barclays Bank PLC and remanded the case to the lower court for further proceedings. The parties filed cross-motions on the scope of trial. In January 2024, the court ruled in Barclays' favour. BDC is appealing, and the trial is adjourned until the appeal is decided.

Civil actions in respect of the US Anti-Terrorism Act

Eight civil actions, on behalf of more than 4,000 plaintiffs, were filed in US federal courts in the US District Court in the Eastern District of New York (EDNY) and SDNY against Barclays Bank PLC and a number of other banks. The complaints generally allege that Barclays Bank PLC and those banks engaged in a conspiracy to facilitate US dollar-denominated transactions for the Iranian Government and various Iranian banks, which in turn funded acts of terrorism that injured or killed the plaintiffs or the plaintiffs' family members. The plaintiffs seek to recover damages for pain, suffering and mental anguish under the provisions of the US Anti-Terrorism Act, which allow for the trebling of any proven damages.

The court granted the defendants' motions to dismiss three out of the six actions in the EDNY. The plaintiffs appealed in one action and the dismissal was affirmed, and judgment was entered, in 2023. The plaintiffs' motion to vacate the judgment is fully briefed. The other two dismissed actions in the EDNY were consolidated into one action. The plaintiffs in that action, and in one other action in the EDNY, filed amended complaints in 2023. The two other actions in the EDNY are currently stayed. Out of the two actions in the SDNY, the court granted the defendants' motion to dismiss the first action. That action is stayed, and the second SDNY action is stayed pending any appeal on the dismissal of the first.

Shareholder derivative action

In 2020, a purported Barclays shareholder filed a putative derivative action in New York state court against BCI and a number of current and former members of the Board of Directors of Barclays PLC and senior executives or employees of the Barclays Bank Group. The shareholder filed the claim on behalf of nominal defendant Barclays PLC, alleging that the individual defendants harmed the company through breaches of their duties, including under the Companies Act 2006. The plaintiff seeks damages on behalf of Barclays PLC for the losses that Barclays PLC allegedly suffered as a result of these alleged breaches. An amended complaint was filed in 2021, which BCI and certain other defendants moved to dismiss. The motion to dismiss was granted in 2022. The plaintiff appealed the decision, and the dismissal was unanimously affirmed in 2023 by the First Judicial Department in New York. The plaintiff is appealing the First Judicial Department's decision to the New York Court of Appeals.

Derivative transactions civil action

In 2021, Vestia, a Dutch housing association, brought a claim against Barclays Bank PLC in the UK in the High Court in relation to a series of derivative transactions entered into with Barclays Bank PLC between 2008 and 2011, seeking damages of £329m. In May 2024, Barclays Bank PLC reached a settlement whereby Barclays paid €43.5m with no acknowledgement of liability. This matter is now closed.

Skilled person review in relation to historic timeshare loans and associated matters

Clydesdale Financial Services Limited (CFS), which trades as Barclays Partner Finance and houses Barclays' point-of-sale finance business, was required by the FCA to undertake a skilled person review in 2020 following concerns about historic affordability assessments for certain loans to customers in connection with timeshare purchases. The skilled person review was concluded in 2021. CFS complied fully with the skilled person review requirements, including carrying out certain remediation measures. CFS was not required to conduct a full back book review. Instead, CFS reviewed limited historic lending to ascertain whether its practices caused customer harm and is remediating any examples of harm. This work was substantially completed during 2023, utilising provisions booked to account for any remediations.

Motor finance commission arrangements

In January 2024, the FCA announced that it was appointing a skilled person to undertake a review of the historical use of discretionary commission arrangements and sales in the motor finance market across several firms. This follows two final decisions by the UK Financial Ombudsman Service (FOS), including one upholding a complaint against CFS (a subsidiary of Barclays PLC) in relation to commission arrangements and disclosure in the sale of motor finance products and a number of complaints and court claims, including some against CFS. We have commenced a judicial review challenge against the FOS in the High Court in relation to this decision. Barclays will co-operate fully with the FCA's skilled person review, the outcome of which is unknown, including any potential financial impact. The FCA currently plans to set out next steps on this matter in May 2025. Barclays ceased operating in the motor finance market in late 2019 whilst CFS was a subsidiary of the Barclays Bank Group.

Over-issuance of securities in the US

In 2022, executive management became aware that Barclays Bank PLC had issued securities materially in excess of the set amount under its US shelf registration statements.

In 2022, a purported class action claim was filed in the US District Court in Manhattan seeking to hold Barclays PLC, Barclays Bank PLC and former and current executives responsible for declines in the price of Barclays PLC's American depositary receipts, which the plaintiffs claim occurred as a result of alleged misstatements and omissions in its public disclosures. The defendants' motion to dismiss the case was granted in part and denied in part in February 2024. Barclays has filed a motion for reconsideration or, alternatively, permission to appeal the decision.

In addition, holders of a series of ETNs have brought a purported class action in federal court in New York against Barclays PLC, Barclays Bank PLC, and former and current executives and board members in the US alleging, among other things, that Barclays' failure to disclose that these ETNs were unregistered securities misled investors and that, as a result, Barclays is liable for the holders' alleged losses following the suspension of further sales and issuances of such series of ETNs. The plaintiffs were granted leave to amend and filed a new complaint in March 2024. Barclays has filed a motion to dismiss.

In March 2024, a putative class action was filed in federal court in New York against Barclays PLC, Barclays Bank PLC and former and current executives. The plaintiff purports to bring claims on behalf of a class of short sellers, alleging that their short positions suffered substantial losses when Barclays suspended new issuances and sales of VXX ETNs as a result of the over-issuance of securities.

HM Revenue & Customs (HMRC) assessments concerning UK Value Added Tax

In 2018, HMRC issued notices that have the effect of either removing certain Barclays overseas subsidiaries that have operations in the UK from Barclays' UK VAT group or preventing them from joining it. Supplies between members of a UK VAT group are generally free from VAT. The notices had both retrospective and prospective effect. Barclays has appealed HMRC's decisions to the First Tier Tribunal (Tax Chamber) in relation to both the retrospective VAT assessments and the on-going VAT payments made since 2018. £181m of VAT (inclusive of interest) was assessed retrospectively by HMRC covering the periods 2014 to 2018, of which approximately £128m is expected to be attributed to Barclays Bank UK PLC and £53m to Barclays Bank PLC. This retrospectively assessed VAT was paid in 2018 and an asset, adjusted to reflect expected eventual recovery, is recognised. Since 2018 Barclays has paid, and recognised as an expense, VAT on intra-group supplies from the relevant subsidiaries to the members of the VAT group. Trial was completed in Q2 2024 in respect of the ongoing VAT payments. Judgment is awaited.

General

The Barclays Bank Group is engaged in various other legal, competition and regulatory matters in the UK, the US and a number of other overseas jurisdictions. It is subject to legal proceedings brought by and against the Barclays Bank Group which arise in the ordinary course of business from time to time, including (but not limited to) disputes in relation to contracts, securities, guarantees, debt collection, consumer credit, fraud, trusts, client assets, competition, data management and protection, intellectual property, money laundering, financial crime, employment, environmental and other statutory and common law issues.

The Barclays Bank Group is also subject to enquiries and examinations, requests for information, audits, investigations and legal and other proceedings by regulators, governmental and other public bodies in connection with (but not limited to) consumer protection measures, measures to combat money laundering and financial crime, compliance with legislation and regulation, wholesale trading activity and other areas of banking and business activities in which the Barclays Bank Group is or has been engaged. The Barclays Bank Group is cooperating with the relevant authorities and keeping all relevant agencies briefed as appropriate in relation to these matters and others described in this note on an ongoing basis.

At the present time, the Barclays Bank Group does not expect the ultimate resolution of any of these other matters to have a material adverse effect on its financial position. However, in light of the uncertainties involved in such matters and the matters specifically described in this note, there can be no assurance that the outcome of a particular matter or matters (including formerly active matters or those matters arising after the date of this note) will not be material to Barclays Bank PLC's results, operations or cash flows for a particular period, depending on, among other things, the amount of the loss resulting from the matter(s) and the amount of profit otherwise reported for the reporting period.

12. Related party transactions

Related party transactions in the half year ended 30 June 2024 were similar in nature to those disclosed in the Barclays Bank PLC Annual Report 2023. No related party transactions that have taken place in the half year ended 30 June 2024 have materially affected the financial position or performance of the Barclays Bank Group during this period.

Other Information

Exchange rates[1]	30.06.24	31.12.23	30.06.23	% Change[2] 31.12.23	% Change[2] 30.06.23
Period end - USD/GBP	1.26	1.28	1.27	(2)%	(1)%
6 month average - USD/GBP	1.30	1.24	1.23	5 %	6 %
3 month average - USD/GBP	1.26	1.24	1.25	2 %	1 %
Period end - EUR/GBP	1.18	1.15	1.16	3 %	2 %
6 month average - EUR/GBP	1.19	1.15	1.14	3%	4%
3 month average - EUR/GBP	1.18	1.15	1.15	3 %	3%

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1 *The average rates shown above are derived from daily spot rates during the period.*
2 *The change is the impact to GBP reported information.*