

Barclays Bank Ireland PLC

Interim Pillar 3 Report

30 June 2022

Table of Contents

Barclays Bank Ireland PLC Pillar 3	Page
Notes	4
Introduction	5
KM1 - Key metrics	6
Capital	
CC1 – Composition of regulatory own funds	7
CC2 – Reconciliation of regulatory capital to balance sheet	9
IFRS 9	
IFRS 9-FL – Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs	10
Risk weighted assets	
Risk weighted assets by risk type	12
OV1 - Overview of risk weighted assets by risk type and capital requirements	12
CR8 - RWA flow statement of credit risk exposures under the IRB approach	13
CCR7 - RWA flow statement of counterparty credit risk exposures under the IMM	13
MR2-B - RWA flow statement of market risk exposures under the IMA	14
Leverage	
LR1 - Summary of reconciliation of accounting assets and leverage ratio exposures	15
LR2 - Leverage ratio common disclosure	16
LR3 - Split-up of on balance sheet exposures (excluding derivatives, SFTs, and exempted exposures)	18
Minimum Requirements for own funds and Eligible Liabilities (MREL)	
iLAC - Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs	19
TLAC2 - Creditor ranking - Entity that is not a resolution entity	20
Liquidity	
LIQ1 - Liquidity Coverage ratio	21
LIQ2 - Net Stable Funding Ratio	23
Interest Rate Risk in the Banking Book	
Change in Economic Value of Equity and Net Interest Income under the supervisory shock scenarios	25
Analysis of credit risk	
CR4 - Standardised – Credit Risk exposure and CRM effect	26
CR5 - Analysis of exposures by asset classes and risk weight under the standardised approach	27
CR7 - Effect on RWA of credit derivatives used as CRM techniques (IRB)	29
CR7-A – Disclosure of the extent of the use of CRM techniques (IRB)	30
CR6-B – IRB approach – Credit risk exposures by exposure class and PD range for secured retail	32
CR6-B – IRB approach – Credit risk exposures by exposure class and PD range for revolving retail	34
CR10 – Specialised lending and equity exposures under the simple riskweighted approach	36
CR1-A – Maturity of exposures	37
CR2 - Changes in the stock of non-performing loans and advances	37
CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques	38

Table of Contents

CR1 - Performing and non-performing exposures	39
CQ1 - Credit quality of forborne exposures	41
CQ4 - Quality of non-performing exposures by geography	42
CQ5 - Credit quality of loans and advances to non-financial corporations by industry	44
Loans and advances subject to legislative and non-legislative moratoria	46
Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria	47
Newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis	47
Analysis of counterparty credit risk	
CCR1 – Analysis of CCR exposure by approach	48
CCR3 - Counterparty credit risk exposures by regulatory exposure class and risk weight under standardised approach	49
CCR4 - Counterparty credit risk exposures by portfolio and PD range for central governments and central banks	50
CCR4 - Counterparty credit risk exposures by portfolio and PD range for corporates	51
CCR5 - Composition of collateral for exposures to CCR	52
CCR6 - Credit derivatives exposures	53
CCR8 - Exposures to CCPs	53
CCR2 - Transactions subject to own funds requirements for CVA risk	54
Analysis of securitisation	
SEC1 - Securitisation exposures in the non-trading book	55
SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor	56
SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor	57
SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments	58
Analysis of market risk	
MR3 - IMA values for trading portfolios	59
Breakdown of the major regulatory risk measures by portfolio	59
MR1 - Market risk under standardised approach	60
MR2-A - Market risk under internal models approach	60
MR4-Comparison of VaR estimates with gains/losses	61
Countercyclical capital Buffer	
CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer	62
CCyB2 - Amount of institution-specific countercyclical capital buffer	63
Disclosures that are not included in this report	64

Notes

Barclays Bank Ireland PLC is referred to as 'BBI' or 'the Bank' in this report. The abbreviation '€m' represents millions of euros. The legal entity identifier (LEI code) of BBI is 2G5BKIC2CB69PRJH1W31.

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. Please note the figures in this report are primarily compiled from information reported to supervisors in units of euro and may contain rounding differences when presented in millions of euro.

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.

Forward-looking statements

This document contains certain forward-looking statements with respect to the Bank.

The Bank cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning.

Forward-looking statements can be made in writing but also may be made verbally by members of the management of the Bank (including, without limitation, during management presentations to financial analysts) in connection with this document. Examples of forward-looking statements include, among others, statements or guidance regarding or relating to the Bank's future financial position, income growth, assets, impairment charges, provisions, business strategy, capital, leverage and other regulatory ratios, capital distributions (including dividend payout ratios and expected payment strategies), projected levels of growth in the banking and financial markets, projected costs or savings, any commitments and targets, (including, without limitation, environmental, social and governance (ESG) commitments and targets), estimates of capital expenditures, plans and objectives for future operations, projected employee numbers, IFRS impacts and other statements that are not historical fact.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. The forward-looking statements speak only as at the date on which they are made. Forward looking statements may be affected by a number of factors, including, without limitation: changes in legislation, the development of standards and interpretations under IFRS, including evolving practices with regard to the interpretation and application of accounting and regulatory standards, emerging and developing ESG reporting standards, the outcome of current and future legal proceedings and regulatory investigations, future levels of conduct provisions, the policies and actions of governmental and regulatory authorities, the Bank'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 the impact of competition. In addition, factors including (but not limited to) the following may have an effect: capital, leverage and other regulatory rules applicable to past, current and future periods; macroeconomic and business conditions in Ireland and the European Union ("EU") and any systemically important economy which impacts Ireland and the EU; the effects of any volatility in credit markets; market related risks such as changes in interest rates and foreign exchange rates; effects of changes in valuation of credit market exposures; changes in valuation of issued securities; volatility in capital markets; changes in credit ratings of the Bank or any securities issued by the Bank; the direct and indirect consequences of the Russia-Ukraine War on European and global macroeconomic conditions, political stability and financial markets; direct and indirect impacts of the coronavirus (COVID-19) pandemic; instability as a result of the UK's exit from the EU, the effects of the EU-UK Trade and Cooperation Agreement and the disruption that may subsequently result in Ireland and in the EU; the risk of cyber-attacks, information or security breaches or technology failures on the Bank's reputation, business or operations; and the success of future acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Bank's control. As a result, the Bank actual financial position, future results, capital distributions, capital, leverage or other regulatory ratios or other financial and non-financial metrics or performance measures or ability to meet commitments and targets may differ materially from the statements or guidance set forth in the Bank's forward-looking statements. Additional risks and factors which may impact the Bank's future financial condition and performance are identified in the Bank's 2021 Annual Report and 2022 Interim Results Announcement which are available on Barclays' website at <https://home.barclays/investor-relations/>.

Subject to the Bank's obligations under the applicable laws and regulations of any relevant jurisdiction, (including, without limitation, Ireland), 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.

Introduction

Disclosure Background

Barclays Bank Ireland PLC's Pillar 3 interim disclosures for the six months ended 30 June 2022 complement those disclosed in the BBI 2022 Interim Results Announcement and provide additional information about BBI's risk profile, including its regulatory capital, risk weighted assets (RWAs), liquidity and leverage exposures. The Pillar 3 report is prepared in accordance with the Capital Requirements Regulation and Capital Requirements Directive ('CRR' and 'CRD IV' respectively, also known as the 'CRDIV legislative package'). In particular, Part Eight of the CRR specifies the Pillar 3 framework requirements.

On 27 June 2019, CRR II came into force amending CRR. As an amending regulation, the existing provisions of CRR apply unless they are amended by CRR II. Certain aspects of CRR II are dependent on final technical standards to be issued by the European Banking Authority (EBA) and adopted by the European Commission.

On 19 June 2020, CRR was further amended to accelerate specific CRR II provisions, previously due to be implemented in June 2021. These accelerated provisions, most of which came into force on 27 June 2020, primarily relate to the IFRS 9 transitional relief calculation impacting own funds, CRR leverage to include additional settlement netting and exclude qualifying claims on central banks, and immaterial changes to the calculation of risk weighted assets. The exclusion of qualifying claims on central banks from the CRR leverage exposure is subject to ECB notification which the ECB published on 16 September 2020 in Decision (EU) 2020/1306 of the European Central Bank.

The Bank is an Other-Systematically Important Institution and is considered as the highest level of consolidation within a member state following the end of Brexit transitional arrangements on 31 December 2020.

The Single Resolution Board (SRB) has advised BBI in relation to the individual MREL requirements for both risk weighted and leverage exposures which must be met by 1 January 2024. In anticipation of this requirement the SRB has also set interim targets for 1 January 2022. As a material subsidiary of a non-EU G-SII, the Bank is also subject to the requirements of Article 92b of the CRR to satisfy, at all times, 90% of the requirements for own funds and eligible liabilities in Article 92a, i.e. 90% of the 18% total risk exposures requirement and 90% of the 6.75% total exposures requirement.

The IFRS 9 transitional arrangements have been extended by two years and a new modified calculation has been introduced allowing 100% relief throughout 2020 and 2021 on increases in stage 1 and stage 2 provisions from 1 January 2020 throughout 2020 and 2021; 75% in 2022; 50% in 2023; 25% in 2024 with no relief applied from 2025. The phasing out of transitional relief on the "day 1" impact of IFRS 9 as well as increases in stage 1 and stage 2 provisions between 1 January 2018 and 31 December 2019 under the modified calculation remain unchanged and continue to be subject to 70% transitional relief throughout 2020; 50% for 2021; 25% for 2022 and with no relief applied from 2023.

Previously, intangible assets had to be deducted from Common Equity Tier 1 (CET1) capital. Regulation (EU) 2019/876 and Regulation (EU) 2020/873 state that certain software assets do not have to be deducted from CET1 capital from 23 December 2020, which was the date of entry into force of the amended Regulatory Technical Standard. This amended Regulatory Technical Standard was applied for the first time in our 31 December 2020 Pillar 3 report.

In response to the COVID-19 pandemic, the EBA also introduced additional disclosure requirements in relation to the application of payment moratoria to existing loans as well as new lending subject to public guarantees schemes. These disclosures are included within tables 32 to 34 of this document.

The Pillar 3 disclosures have also been prepared in accordance with Part Eight of the CRR in effect at the reporting date and Commission Delegated Regulation (EU) 2021/637, published in April 2021, which prescribes the format of the quantitative templates disclosed in this report. The disclosures included in this report reflect the Bank's interpretation of the current rules and guidance.

BBI's approach to managing risk, including its internal ratings-based approach, is described within its 2021 Pillar 3 year-end disclosures.

Introduction

Table 1: KM1 - Key metrics

This table shows key metrics and their components on a transitional basis as at 30 June 2022.

	As at 30 June 2022	As at 31 March 2022	As at 31 December 2021	As at 30 September 2021	As at 30 June 2021	
	€m	€m	€m	€m	€m	
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) ^{a,b}	5,242	5,137	5,182	4,718	4,218
2	Tier 1 ^b	6,047	5,942	5,987	5,523	4,883
3	Total capital ^b	6,935	6,830	6,867	6,404	5,763
Risk-weighted exposure amounts (RWEA)						
4	Total risk-weighted assets (RWEA)	31,683	30,727	32,120	30,679	28,038
Capital ratios (as a percentage of RWEA)						
5	Common Equity Tier 1 ratio (%) ^b	16.5 %	16.7 %	16.1 %	15.4 %	15.0 %
6	Tier 1 ratio (%) ^b	19.1 %	19.3 %	18.6 %	18.0 %	17.4 %
7	Total capital ratio (%) ^b	21.9 %	22.2 %	21.4 %	20.9 %	20.6 %
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)						
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	3.3 %	3.3 %	3.3 %	3.3 %	3.4 %
EU 7b	of which: to be made up of CET1 capital (percentage points)	1.9 %	1.9 %	1.9 %	1.9 %	1.9 %
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %
EU 7d	Total SREP own funds requirements (%)	11.3 %	11.3 %	11.3 %	11.3 %	11.4 %
Combined buffer requirement (as a percentage of RWEA)						
8	Capital conservation buffer (%)	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	—	—	—	—	—
9	Institution specific countercyclical capital buffer (%)	0.1 %	—	—	—	—
EU 9a	Systemic risk buffer (%)	—	—	—	—	—
10	Global Systemically Important Institution buffer (%)	—	—	—	—	—
EU 10a	Other Systemically Important Institution buffer	1.0 %	1.0 %	0.8 %	0.8 %	0.5 %
11	Combined buffer requirement (%)	3.6 %	3.5 %	3.3 %	3.3 %	3.1 %
EU 11a	Overall capital requirements (%)	14.9 %	14.9 %	14.6 %	14.6 %	14.4 %
12	CET1 available after meeting the total SREP own funds requirements (%) ^c	10.2 %	10.3 %	9.8 %	10.7 %	10.9 %
Leverage ratio						
13	Leverage ratio total exposure measure	119,041	108,604	89,998	98,117	93,036
13a	Fully loaded leverage ratio total exposure measure	119,006	108,584	89,957	98,071	92,982
14	Leverage ratio ^b	5.1 %	5.5 %	6.7 %	5.6 %	5.2 %
14a	Fully loaded leverage ratio ^b	5.0 %	5.4 %	6.6 %	5.6 %	5.2 %
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)						
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	—	—	—	—	—
EU 14b	of which: to be made up of CET1 capital (percentage points)	—	—	—	—	—
EU 14c	Total SREP leverage ratio requirements (%)	3.0 %	3.3 %	3.3 %	3.4 %	3.3 %
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)						
EU 14d	Leverage ratio buffer requirement (%)	—	—	—	—	—
EU 14e	Overall leverage ratio requirements (%)	3.0 %	3.3 %	3.3 %	3.4 %	3.3 %
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	25,890	24,945	23,603	22,744	22,065
EU 16a	Cash outflows - Total weighted value	22,094	22,318	21,846	20,209	18,568
EU 16b	Cash inflows - Total weighted value	6,601	7,505	7,986	7,459	6,729
16	Total net cash outflows (adjusted value)	15,493	14,813	13,860	12,750	11,839
17	Liquidity coverage ratio (%) (average)	167 %	169 %	170 %	180 %	188 %
17a	Liquidity coverage ratio (%) (spot)	157 %	169 %	171 %	175 %	168 %
Net Stable Funding Ratio						
18	Total available stable funding	30,380	32,715	30,356	28,550	26,068
19	Total required stable funding	20,907	21,954	20,545	18,903	17,774
20	NSFR ratio (%)	145 %	149 %	148 %	151 %	154 %

Introduction

- a. From 31 December 2021 and onwards CET1 and associated ratios are reported inclusive of €189.5m of certain equity reserves which also increase the Bank's CET1 capital by an equivalent amount.
- b. September and June 2021 comparatives for capital resources, capital ratios and leverage ratios reported in this table exclude €189.5m of certain equity reserves, which have been subsequently included from 31 December 2021 (see note a above) and onwards. The effect of including €189.5m of certain equity reserves would have resulted in the following prior period comparatives:
- September 2021 CET1 capital €4,908m, T1 capital €5,713m, Total regulatory capital €6,593m, CET 1 ratio 16.0%, T1 ratio 18.6%, Total regulatory capital ratio 21.5%, leverage ratio 5.8%, fully loaded leverage ratio 5.8%.
 - June 2021 CET1 capital €4,408m, T1 capital €5,073m, Total regulatory capital €5,953m, CET 1 ratio 15.7%, T1 ratio 18.1%, Total regulatory capital ratio 21.2%, leverage ratio 5.5%, fully loaded leverage ratio 5.4%.
- c. CET1 available after meeting the total SREP own funds requirements were restated to reflect the percentage value of the RWEA.

The CET1 ratio increased to 16.5% (December 2021: 16.1%). This increase is driven by a €60m increase in CET1 capital predominantly due to the inclusion of profits during 2022 (for 2021 the profits were included in retained earnings) and €0.4bn decrease in risk weighted assets.

RWA decreased by €437m to €31.7bn (December 2021: €32.1bn) primarily due to a reduction in market risk and counterparty credit risk which has been partially offset by an increase in credit risk RWAs.

Table 2: CC1 – Composition of regulatory own funds

This table shows the components of regulatory capital presented on both a transitional and fully loaded basis as at 30 June 2022.

As at 30 June 2022		Ref†	Transitional approach €m	Fully Loaded approach €m
Common Equity Tier 1 (CET1) capital: instruments and reserves				
1	Capital instruments and the related share premium accounts	a	3,247	3,247
1a	of which: Ordinary Shares		3,247	3,247
2	Retained earnings	d	111	111
3	Accumulated other comprehensive income (and other reserves)	c, d	1,704	1,704
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend		119	119
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments		5,181	5,181
Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (negative amount)		(61)	(61)
8	Intangible assets (net of related tax liability) (negative amount)	e	(36)	(36)
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	c	105	105
12	Negative amounts resulting from the calculation of expected loss amounts		(29)	(29)
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	c	60	60
27a	Other regulatory adjustments	g	22	(18)
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)		61	21
29	Common Equity Tier 1 (CET1) capital		5,242	5,202
Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts	b	805	805
36	Additional Tier 1 (AT1) capital before regulatory adjustments		805	805
Additional Tier 1 (AT1) capital: regulatory adjustments				
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital		—	—
44	Additional Tier 1 (AT1) capital		805	805
45	Tier 1 capital (T1 = CET1 + AT1)		6,047	6,007
Tier 2 (T2) capital: instruments				
46	Capital instruments and the related share premium accounts	f	895	895
51	Tier 2 (T2) capital before regulatory adjustments		895	895
Tier 2 (T2) capital: regulatory adjustments				
56b	Other regulatory adjustments to T2 capital (including IFRS 9 transitional adjustments when relevant)		(7)	—
57	Total regulatory adjustments to Tier 2 (T2) capital		(7)	—
58	Tier 2 (T2) capital		888	895
59	Total capital (TC = T1 + T2)		6,935	6,902
60	Total risk exposure amount		31,683	31,648
Capital ratios and requirements including buffers				
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)		16.55 %	16.44 %

Introduction

As at 30 June 2022		Ref†	Transitional approach €m	Fully Loaded approach €m
62	Tier 1 (as a percentage of total risk exposure amount)		19.09 %	18.98 %
63	Total capital (as a percentage of total risk exposure amount)		21.89 %	21.81 %
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)		9.92 %	9.92 %
65	of which: capital conservation buffer requirement		2.50 %	2.50 %
66	of which: countercyclical buffer requirement		0.05 %	0.05 %
EU-67a	of which: Other Systemically Important Institution (O-SII) buffer		1.00 %	1.00 %
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage		1.87 %	1.87 %
68	Common Equity Tier 1 available to meet buffer (as a percentage of risk exposure amount)		10.18 %	10.07 %
Amounts below the thresholds for deduction (before risk weighting)				
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)		99	99
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) are met)		80	80
Applicable caps on the inclusion of provisions in Tier 2				
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach		238	238
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach		33	33

† The references (a) - (g) identify balance sheet components in Table 3: CC2 – Reconciliation of regulatory capital to balance sheet on page 9 which are used in the calculation of regulatory capital.

Introduction

Table 3: CC2 – Reconciliation of regulatory capital to balance sheet

This table shows that the balance sheet prepared for statutory and regulatory scope of consolidation are the same. The amounts shown are not a risk weighted asset measure; they are based on an accounting measure and cannot be directly reconciled to other tables in this report.

	Reft	As at Accounting balance sheet per published financial statements and per regulatory scope of consolidation	
		As at 30 June 2022 €m	As at 31 December 2021 €m
Assets			
Cash and balances at central banks		24,756	24,125
Cash collateral and settlement balances		25,821	17,651
Loans and advances at amortised cost		14,329	13,986
Reverse repurchase agreements and other similar secured lending		3,276	3,228
Trading portfolio assets		11,608	8,204
Financial assets at fair value through the income statement		21,862	15,352
Derivative financial instruments		38,095	33,875
Goodwill and intangible assets		59	59
<i>Of which: other intangibles (excluding MSRs)</i>	<i>e</i>	59	59
Property, plant and equipment		102	90
Current tax assets		8	27
Deferred tax assets	<i>g</i>	174	178
Other assets		495	337
Total assets		140,593	117,112
Liabilities			
Deposits at amortised cost		26,749	25,634
Cash collateral and settlement balances		29,778	17,125
Repurchase agreements and other similar secured borrowing		4,377	3,596
Debt securities in issue		3,222	3,397
Subordinated liabilities	<i>f</i>	3,472	3,171
Trading portfolio liabilities		10,878	10,286
Financial liabilities designated at FV		24,763	13,843
Derivative financial instruments		30,397	33,517
Current tax liabilities		39	32
Retirement benefit liabilities		15	21
Other liabilities		834	512
Provisions		70	79
Total liabilities		134,595	111,213
Total Equity			
Called up share capital and share premium		3,247	3,247
<i>Of which: amount eligible for CET1</i>	<i>a</i>	3,247	3,247
Other equity instruments	<i>b</i>	805	805
Other reserves	<i>c, i</i>	(210)	(196)
Retained earnings	<i>d</i>	2,156	2,043
Total equity excluding non-controlling interest		5,998	5,899
Total equity		5,998	5,899
Total liability and equity		140,593	117,112

† The references (a) – (g) identify balance sheet components that are used in the calculation of regulatory capital in Table 2: CC1 – Composition of regulatory own funds on page 7.

IFRS 9 – Transitional capital arrangements

On 1 January 2018, IFRS 9 transitional capital arrangements were implemented by Regulation (EU) 2017/2395. The Bank elected to apply the transitional arrangements and will disclose both transitional and fully loaded CET1 ratios until the end of the transitional period. On 27 June 2020, CRR was further amended to extend the transitional period by two years and to introduce a new modified calculation.

The transitional arrangements, implemented under a modified static approach, allow for (i) transitional relief on the “day 1” impact on adoption of IFRS 9 (static element) and for (ii) transitional relief on the increase between “day 1” and the reporting date (modified element), subject to eligibility.

The transitional relief applied to the static element is phased out over a 5-year period with 95% applicable for 2018; 85% for 2019; 70% for 2020; 50% for 2021; 25% for 2022 and with no transitional relief from 2023.

The transitional relief applied to the modified element for increases between “day 1” and 31 December 2019 is phased out in line with the static element. From 27 June 2020, under new legislation, the transitional relief applied to the modified element for increases between 1 January 2020 and the reporting date is phased out over a 5 year period with 100% applicable for 2020 and 2021; 75% for 2022; 50% for 2023; 25% for 2024 and with no transitional relief from 2025.

For the static element, stage 1, stage 2 and stage 3 provisions are eligible for transition, whereas for the modified element, stage 3 provisions are excluded.

Total increases in impairment allowances as a result of IFRS 9, net of tax, decreases shareholders' equity through retained earnings and decreases standardised Risk Weighted Assets (RWAs) due to the increase in impairment being offset against the standardised Credit Risk exposures. This is somewhat reversed by the transitional relief applied on eligible impairment.

Separate calculations are performed for standardised and advanced IRB portfolios, reflecting the different ways these frameworks take account of provisions.

Under the standardised approach, increases in provisions for both the static and modified elements are eligible for transition. Under the advanced approach, for both the static and modified elements, provisions are only eligible for transitional relief to the extent that they exceed regulatory expected loss.

For advanced Internal Ratings Based (IRB) exposures, the calculation of capital takes account of the expected loss via a comparison with the impairment allowances. Where regulatory expected losses exceed impairment allowances, the shortfall is deducted from CET1 capital. Where the impairment allowance is higher than expected loss, the excess is added back to tier 2 capital and capped at an amount of 0.6% of IRB RWAs. For both the static and modified elements, provisions are only eligible for transitional relief to the extent that they exceed regulatory expected loss.

The DTAs created from the increase of impairment are also accounted for in the CET1 ratio. When DTAs arising from temporary differences are above the 10% CET1 capital threshold, any excess above the threshold is deducted and those below the threshold are risk weighted at 250% up to the point they reach the 10% CET1 capital threshold. DTAs that rely on future profitability excluding temporary differences are deducted from CET1 capital. To the extent that DTAs have arisen as a result of increases in eligible impairment, the impacts may also be reversed by the transitional relief applied.

Introduction

Table 4: IFRS 9^e / Article 468 -FL – Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs, and with and without the application of the temporary treatment in accordance with Article 468 of the CRR^f

		As at 30 June 2022	As at 31 March 2022	As at 31 December 2021	As at 30 September 2021	As at 30 June 2022
		€m	€m	€m	€m	€m
Available capital (amounts)^c						
1	Common Equity Tier 1 (CET1) capital ^a	5,242	5,137	5,182	4,718	4,218
2	Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	5,202	5,112	5,130	4,661	4,154
3	Tier 1 capital ^b	6,047	5,942	5,987	5,523	4,883
4	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	6,007	5,917	5,935	5,466	4,819
5	Total capital ^b	6,935	6,830	6,867	6,404	5,763
6	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	6,902	6,812	6,830	6,361	5,714
Risk-weighted assets (amounts)						
7	Total risk-weighted assets ^a	31,683	30,727	32,120	30,679	28,038
8	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	31,648	30,707	32,078	30,632	27,985
Capital ratios^c						
9	Common Equity Tier 1 (as a percentage of risk exposure amount) ^a	16.5 %	16.7%	16.1%	15.4%	15.0%
10	Common Equity Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	16.4 %	16.6%	16.0%	15.2%	14.8%
11	Tier 1 (as a percentage of risk exposure amount) ^{a, b}	19.1 %	19.3%	18.6%	18.0%	17.4%
12	Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	19.0 %	19.3%	18.5%	17.8%	17.2%
13	Total capital (as a percentage of risk exposure amount) ^{a, b}	21.9 %	22.2%	21.4%	20.9%	20.6%
14	Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	21.8 %	22.2%	21.3%	20.8%	20.4%
Leverage ratio						
15	Leverage ratio total exposure measure ^d	119,041	108,604	89,998	98,117	93,036
16	Leverage ratio ^{a, c}	5.1 %	5.5%	6.7%	5.6%	5.2%
17	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied ^c	5.0 %	5.4%	6.6%	5.6%	5.2%

a Transitional CET1 capital, RWAs and leverage ratio are calculated applying the IFRS 9 transitional arrangements of the CRR as amended by CRR II.

b Transitional T1 and Total capital are calculated applying the transitional arrangements of the CRR. This includes IFRS 9 transitional arrangements.

c From 31 December 2021 and onwards CET1 and associated ratios are reported inclusive of €189.5m of certain equity reserves which also increase the Bank's CET1 capital by an equivalent amount.

d Leverage ratio total exposure measures are calculated applying the IFRS 9 transitional arrangements of the CRR as amended by CRR II. The prior period comparatives for year 2021 have been restated to reflect transitional arrangements, whereas previously these were disclosed on a fully loaded basis.

e From 1 January 2018, the Bank elected to apply the IFRS 9 transitional arrangements of the CRR. The transitional relief on the "day 1" impact on adoption of IFRS 9 and on increases in non-defaulted provisions between "day 1" and 31 December 2019 is phased out over a 5 year period with 25% applicable for 2022 and with no transitional relief from 2023. On 27 June 2020, CRR was amended to extend the transitional period by two years and to introduce a new modified calculation. The transitional relief for increases in non-defaulted provisions between 1 January 2020 and the reporting date is also phased out over a 5 year period with 75% applicable for 2022; 50% for 2023; 25% for 2024 and with no transitional relief from 2025.

f As at 30 June 2022, the Bank had not elected to apply the temporary treatment specified in Article 468 of the CRR, amended by Regulation EU 2020/873, resulting in capital and leverage ratios reflecting the full impact of unrealised gains and losses measured at fair value through other comprehensive income.

Risk Weighted Assets

Table 5: Risk weighted assets by risk type

This table shows risk weighted assets by risk type.

	Credit risk		Counterparty credit risk				Securitisation risk			Market risk		Operational risk	Total RWAs	
	Std	A-IRB	Std	A-IRB	CCP ^a	Settlement risk	CVA	Std	Deduction	A-IRB	Std	IMA		TSA
	€m	€m	€m	€m	€m	€m	€m	€m		€m	€m	€m		€m
As at 30 June 2022	13,091	5,111	6,307	456	36	50	864	40	—	—	22	3,541	2,165	31,683
As at 31 December 2021	11,988	4,312	5,544	369	38	13	2,125	29	5	—	38	5,494	2,165	32,120

a Risk exposure amount for contributions to the default fund of a CCP.

Table 6: OV1 - Overview of risk weighted assets by risk type and capital requirements

The table shows RWAs and minimum capital requirement by risk type and approach.

	Risk weighted exposure amounts (RWEAs)						Total own funds requirements		
	As at 30 June 2022	As at 31 March 2022	As at 31 December 2021	As at 30 June 2022	As at 31 March 2022	As at 31 December 2021	As at 30 June 2022	As at 31 March 2022	As at 31 December 2021
	€m	€m	€m	€m	€m	€m	€m	€m	€m
1	Credit risk (excluding CCR)	18,202	17,852	16,300	1,457	1,428	1,304		
2	Of which the standardised approach	13,091	12,889	11,988	1,048	1,031	959		
4	Of which: slotting approach	203	177	153	16	14	12		
5	Of which the advanced IRB (AIRB) approach	4,908	4,786	4,159	393	383	333		
6	Counterparty credit risk - CCR	7,663	7,242	8,076	613	579	646		
7	Of which the standardised approach	308	315	307	25	25	25		
8	Of which internal model method (IMM)	5,745	5,191	4,940	460	415	395		
EU 8a	Of which exposures to a CCP	55	80	55	4	6	4		
EU 8b	Of which credit valuation adjustment - CVA	864	1,029	2,125	69	82	170		
9	Of which other CCR	691	627	649	55	51	52		
15	Settlement risk	50	61	13	4	5	1		
16	Securitisation exposures in the non-trading book (after the cap)	40	33	34	3	3	3		
19	Of which SEC-SA approach	40	33	29	3	3	2		
EU 19a	Of which 1250%/ deduction	—	—	5	—	—	1		
20	Position, foreign exchange and commodities risks (Market risk)	3,563	3,374	5,532	285	270	443		
21	Of which the standardised approach	22	26	38	2	2	3		
22	Of which IMA	3,541	3,348	5,494	283	268	440		
23	Operational risk	2,165	2,165	2,165	173	173	173		
EU 23b	Of which standardised approach	2,165	2,165	2,165	173	173	173		
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	200	200	200	16	16	16		
29	Total	31,683	30,727	32,120	2,535	2,458	2,570		

Overall RWAs decreased by €0.4bn to €31.7bn (December 2021: €32.1bn) primarily due to:

- Credit risk RWAs increased €1.9bn to €18.2bn (December 2021: €16.3) primarily due to an increase in business activity for CIB undrawn facilities and Consumer Bank Europe loan balances and the implementation of €0.4bn post model adjustment (PMA) on Italy mortgage portfolio.
- Counterparty Credit risk RWAs decreased by €0.4bn to €7.7bn (December 2021: €8.1) primarily driven by a reduction in Barclays Bank PLC credit valuation adjustment (CVA) exposure, as certain trades return to primary model valuation and are measured on a Settled to Market (STM) basis, whereas previously they were measured on a Collateralised to Market (CTM) basis, partially offset by an increase in internal model method due to alpha factor change from 1.4 to 1.55.
- Market risk RWAs decreased €2.0bn to €3.6bn (December 2021: €5.5bn) primarily driven by a reduction in SVaR and the SVaR post model adjustment as a result of changes in the portfolio composition.

Risk Weighted Assets

Table 7: CR8 - RWA flow statement of credit risk exposures under the IRB approach

The total in this table shows the contribution of credit risk RWAs under the AIRB approach and will not directly reconcile to the CR AIRB RWAs in table 5.

	Three months ended 30 June 2022	Six months ended 30 June 2022
	€m	€m
1 Risk weighted exposure amount as at the end of the previous reporting period^a	4,386	3,834
2 Asset size	68	36
3 Asset quality	—	—
4 Model updates	—	—
5 Methodology and policy	—	583
6 Acquisitions and disposals	—	—
7 Foreign exchange movements	4	5
8 Other	—	—
9 Risk weighted exposure amount as at the end of the reporting period	4,458	4,458

a. Opening balances exclude Securitisation, non-credit obligation assets and deferred tax assets as per CRR II guidelines.

Three months advanced credit risk RWAs increased by €72m to €4.4bn primarily driven by:

- A €68m increase in asset size mainly driven by revolving loans in the Consumer Bank Europe.

Six months advanced credit risk RWAs increased €0.6bn to €4.4bn primarily driven by:

- A €36m increase in asset size mainly driven by revolving loans increase in the Consumer Bank Europe, offset by a decrease on Italian mortgage portfolio balances.
- A €0.6bn increase in methodology and policy as a result of regulatory changes that took effect from 1 January 2022, relating to implementation of IRB roadmap changes.

Table 8: CCR7 - RWA flow statement of counterparty credit risk exposures under the IMM

The total in this table shows the contribution of Internal Model Method (IMM) exposures to CCR RWAs (under both standardised and AIRB) and will not directly reconcile to the CCR AIRB RWAs in table 5.

	Three months ended 30 June 2022	Six months ended 30 June 2022 ^a
	€m	€m
1 Risk weighted exposure amount as at the end of the previous reporting period	5,191	4,940
2 Asset size	161	408
3 Credit quality of counterparties	(77)	(47)
4 Model updates (IMM only)	—	—
5 Methodology and policy (IMM only)	560	560
6 Acquisitions and disposals	—	—
7 Foreign exchange movements	(90)	(116)
8 Other	—	—
9 Risk weighted exposure amount as at the end of the reporting period	5,745	5,745

a. Opening balance has been updated to exclude the exposure to central counterparties as per CRR II guidelines.

Three months Internal Model Method RWAs increased by €0.6bn to €5.7bn primarily driven by:

- €161m increase in asset size primarily due to increase in trading activities in derivatives and SFTs.
- €560m increase in methodology and policy primarily due to alpha factor change from 1.4 to 1.55.

Six months Internal Model Method RWAs increased by €0.8bn to €5.7bn primarily driven by:

- €408m increase in asset size primarily due to increase in trading activities in derivatives and SFTs.
- €560m increase in methodology and policy primarily due to alpha factor change from 1.4 to 1.55.

Risk Weighted Assets

Table 9: MR2-B - RWA flow statement of market risk exposures under the IMA

This table shows the contribution of market risk RWA covered by internal models (i.e. value at risk, stressed value at risk and incremental risk charge).

							Three months ended 30 June 2022
		VaR	SVaR	IRC	Other	Total RWA	Total own funds requirements
		€m	€m	€m	€m	€m	€m
1	RWAs at the end of the previous reporting period	532	1,442	750	624	3,348	268
<i>1a</i>	<i>Regulatory adjustment^a</i>	(318)	(204)	—	—	(522)	(42)
<i>1b</i>	<i>RWAs at the previous quarter-end (end of the day)</i>	214	1,238	750	624	2,826	226
2	Movement in risk levels	188	(580)	(274)	213	(453)	(36)
3	Model updates/changes	—	—	—	—	—	—
4	Methodology and policy	—	—	—	—	—	—
5	Acquisitions and disposals	—	—	—	—	—	—
6	Foreign exchange movements	—	—	—	—	—	—
7	Other	—	—	—	—	—	—
<i>8a</i>	<i>RWAs at the end of the reporting period (end of the day)</i>	402	658	476	837	2,373	190
<i>8b</i>	<i>Regulatory adjustment^b</i>	371	634	163	—	1,168	93
8	RWAs at the end of the reporting period	773	1,292	639	837	3,541	283

Modelled market risk RWAs remain comparable to 31 March levels increasing by €0.2bn to €3.5bn.

							Six months ended 30 June 2022
		VaR	SVaR	IRC	Other	Total RWA	Total own funds requirements
		€m	€m	€m	€m	€m	€m
1	RWAs at the end of the previous reporting period	613	2,019	1,004	1,858	5,494	440
<i>1a</i>	<i>Regulatory adjustment^a</i>	(474)	(1,801)	(475)	—	(2,750)	(220)
<i>1b</i>	<i>RWAs at the previous quarter-end (end of the day)</i>	139	218	529	1,858	2,744	220
2	Movement in risk levels	263	440	(53)	(1,021)	(371)	(30)
3	Model updates/changes	—	—	—	—	—	—
4	Methodology and policy	—	—	—	—	—	—
5	Acquisitions and disposals	—	—	—	—	—	—
6	Foreign exchange movements	—	—	—	—	—	—
7	Other	—	—	—	—	—	—
<i>8a</i>	<i>RWAs at the end of the reporting period (end of the day)</i>	402	658	476	837	2,373	190
<i>8b</i>	<i>Regulatory adjustment^b</i>	371	634	163	—	1,168	93
8	RWAs at the end of the reporting period	773	1,292	639	837	3,541	283

a Row 1a reflects the difference between reported RWA (row 1) and the relevant spot measure (row 1b) for the previous period.

b Row 8b reflects the difference between the relevant spot measure (row 8a) and reported RWA (row 8) for the current period.

Modelled market risk RWAs decreased €1.9bn to €3.5bn primarily driven by a reduction in SVaR and the SVaR post model adjustment as a result of changes in the portfolio composition.

Leverage

Leverage ratio and exposures

BBI is required to disclose a Capital Requirements Regulation (CRR) leverage ratio, which is based on the end point CRR definition of tier 1 capital and the CRR definition of leverage exposure.

The following leverage tables show the components of the leverage ratio using the CRR definition for the leverage exposure and Tier 1 capital, on a transitional basis as at 30 June 2022.

Table 10: LR1 - Summary of reconciliation of accounting assets and leverage ratio exposures

This table is a summary of the total leverage exposure and comprises of total IFRS assets used for statutory purposes, regulatory consolidation and other leverage adjustments.

		As at 30 June 2022	As at 31 December 2021
		€m	€m
1	Total assets as per published financial statements	140,593	117,112
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	—	—
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	—	—
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	—	(11,278)
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	—	—
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	(14,315)	(3,809)
7	Adjustment for eligible cash pooling transactions	—	—
8	Adjustments for derivative financial instruments	(14,082)	(14,672)
9	Adjustment for securities financing transactions (SFTs)	1,498	1,100
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures) ^a	15,370	14,314
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital) ^b	(90)	(58)
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	—	—
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	—	—
12	Other adjustments ^c	(9,933)	(12,712)
13	Total exposure measure	119,041	89,998

a As at 30 June 2022 adjustment for off-balance sheet items excludes certain off-balance sheet provisions of €(29)m. Values as at 31 December 2021 were restated to exclude certain off-balance sheet provisions of €(25)m.

b As at 30 June 2022 adjustment which have reduced Tier 1 capital includes certain off-balance sheet provisions of €(29)m and adjustments of €(61)m due to the requirements for prudent valuation. Values as at 31 December 2021 were restated to include certain off-balance sheet provisions of €(25)m and adjustments of €(33)m due to the requirements for prudent valuation.

c As at 30 June 2022 other adjustments exclude adjustments of €(61)m due to the requirements for prudent valuation. Values as at 31 December 2021 were restated to exclude adjustments of €(33)m due to the requirements for prudent valuation.

Total leverage exposure measure increased by €29.0bn to €119.0 bn primarily due to increased total assets per published financial statements and the removal of the EUR11.3bn adjustment for temporary exemption of exposures to central banks.

Leverage

Table 11: LR2 - Leverage ratio common disclosure

This table shows the leverage ratio calculation and includes additional breakdowns for the leverage exposure measure.

	As at 30 June 2022	As at 31 December 2021
	€m	€m
On-balance sheet exposures (excluding derivatives and SFTs)		
1	64,462	50,322
3	(6,811)	(10,578)
6	(91)	(79)
7	57,561	39,666
Derivative exposures		
8	13,419	6,320
9	15,604	14,400
10	(8,865)	(4,248)
11	47,490	33,211
12	(46,727)	(32,568)
13	20,921	17,115
Securities financing transaction (SFT) exposures		
14	46,935	46,448
15	(23,214)	(28,619)
16	1,498	1,100
18	25,219	18,929
Other off-balance sheet exposures		
19	36,467	33,059
20	(21,097)	(18,745)
21	(29)	(25)
22	15,341	14,289
Capital and total exposure measure		
23	6,047	5,987
24	119,041	89,998
Leverage ratio		
25	5.1 %	6.7 %
EU-25	5.1 %	6.7 %
25a	5.1 %	5.9 %
26	3.0 %	3.3 %
EU-27a	3.0 %	3.3 %
Choice on transitional arrangements and relevant exposures		
EU-27b	Transitional	Transitional
Disclosure of mean values		
28	32,148	21,275
29	23,721	17,829
30	127,468	93,444
30a	127,468	104,722

Leverage

31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	4.7 %	6.4 %
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	4.7 %	5.7 %

a As at 30 June 2022 on-balance sheet exposures excludes initial margin of €(3,093)m. Values as at 31 December 2021 were restated to exclude initial margin of €(2,088)m.

b As at 30 June 2022 derivative exposures includes initial margin of €(3,093)m. Values as at 31 December 2021 were restated to include initial margin of €(2,088)m.

c As at 30 June 2022 adjustments for conversion to credit equivalent amounts excludes certain off-balance sheet provisions of €(29)m. Values as at 31 December 2021 were restated to exclude certain off-balance sheet provisions of €(25)m.

d As at 30 June 2022 general provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures includes certain off-balance sheet provisions of €(29)m. Values as at 31 December 2021 were restated to include certain off-balance sheet provisions of €(25)m.

e As at 30 June 2022 Tier 1 capital is calculated applying the transitional arrangements of the CRR. This includes IFRS 9 transitional arrangements. Values as at 31 December 2021 have been restated to reflect transitional arrangements, whereas previously these were disclosed on a fully loaded basis.

The decrease in the CRR leverage ratio was driven by a €29.0bn increase in the leverage exposure partially offset by a €60m increase in tier 1 capital.

The CRR leverage exposure increased by €29.0bn during 2022, attributable for the most part to an increase in total on-balance sheet, SFT's and derivative exposures due to a change in methodology and lower deduction and exemption opportunities.

Leverage

Table 12: LR3 - Split-up of on balance sheet exposures (excluding derivatives, SFTs, and exempted exposures)

The table shows a breakdown of the on-balance sheet exposures excluding derivatives, SFTs and exempted exposures, by regulatory asset class.

		As at 30 June 2022	As at 31 December 2021
		€m	€m
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	53,264	37,075
EU-2	Trading book exposures	12,552	8,332
EU-3	Banking book exposures, of which:	40,712	28,743
EU-4	Covered bonds	—	—
EU-5	Exposures treated as sovereigns	24,862	12,997
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as	168	73
EU-7	Institutions	919	946
EU-8	Secured by mortgages of immovable properties	5,067	5,721
EU-9	Retail exposures	4,444	4,194
EU-10	Corporates	4,129	3,903
EU-11	Exposures in default	281	315
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	841	594

Total on-balance sheet exposures increased by €16.2bn to €53.3bn primarily due to an increase in banking book sovereign exposures following the end of the temporary exemption of central bank reserves from the total exposure measure on 1 April 2022.

Minimum requirement for own funds and eligible liabilities (MREL)

Table 13: iLAC - Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs

The Bank is a material subsidiary of a Non-EU Globally Systemic International Institution, i.e. the Barclays Group, therefore it is subject to Article 92b of the Capital Requirements Regulation to satisfy at all times 90% of the own funds and eligible liabilities requirement in Article 92a. This requirement is applicable on an individual basis.

The Single Resolution Board has set an Internal MREL requirement for the Bank. The Internal MREL requirement is effective from 1 January 2024. The Bank is on course to meet these requirements. The SRB has also set an interim Internal MREL requirement, effective from 1 January 2022.

		Minimum requirement for own funds and eligible liabilities (internal MREL)	Non-EU G-SII requirement for own funds and eligible liabilities (internal TLAC)
		€m	€m
As at 30 June 2022			
Own funds and eligible liabilities			
EU-3	Common Equity Tier 1 capital (CET1)	5,242	5,242
EU-4	Eligible Additional Tier 1 instruments	805	805
EU-5	Eligible Tier 2 instruments	888	888
EU-6	Eligible own funds ^a	6,935	6,935
EU-7	Eligible liabilities	2,575	2,575
EU-8	Of which permitted guarantees	—	
EU-9a	(Adjustments)	—	
EU-9b	Own funds and eligible liabilities items after adjustments ^a	9,510	9,510
Total risk exposure amount and total exposure measure			
EU-10	Total risk exposure amount	31,683	31,683
EU-11	Total exposure measure	119,041	119,041
Ratio of own funds and eligible liabilities			
EU-12	Own funds and eligible liabilities (as a percentage of TREA) ^a	30.02 %	30.02 %
EU-13	of which permitted guarantees	—	
EU-14	Own funds and eligible liabilities (as a percentage of leverage exposure) ^a	7.99 %	7.99 %
EU-15	of which permitted guarantees	—	
EU-16	CET1 (as a percentage of TREA) available after meeting the entity's requirements ^a	9.57 %	9.57 %
EU-17	Institution-specific combined buffer requirement		3.55 %
Requirements			
EU-18	Requirement expressed as a percentage of the total risk exposure amount ^a	20.45 %	16.20 %
EU-19	of which may be met with guarantees	—	
EU-20	Internal MREL expressed as percentage of the total exposure measure ^a	5.93 %	6.08 %
EU-21	of which may be met with guarantees	—	
Memorandum items			
EU-22	Total amount of excluded liabilities referred to in Article 72a(2) CRR		62,860

a. The SRB has set an interim Internal MREL requirement, effective from 1 January 2022.

Minimum requirement for own funds and eligible liabilities (MREL)

Table 14: TLAC2 - Creditor ranking - Entity that is not a resolution entity

This template provides information on the insolvency ranking and on the creditors' ranking in the liabilities structure, showing the distribution of liabilities across the hierarchy of claims, from own funds to the highest ranking eligible liabilities instruments. The amount attributable to each rank is further broken down into amounts owned by the resolution entity, including amounts owned directly or indirectly by the resolution entity through entities along the chain of ownership, where applicable; and other amounts not owned by the resolution entity, where applicable.

	Insolvency ranking								Total €m
	1 (most junior) resolution entity €m	2 resolution entity €m	3 resolution entity €m	3 other €m	5 other €m	6 other €m	11 (most senior) resolution entity €m	11 (most senior) other €m	
	Equity	Subordinated Claims	Unsecured claims	Unsecured claims	Certain deposit claims	Certain claims owing by preferential creditors	Certain claims owing by preferential creditors	Claims secured by fixed security, financial collateral arrangements or where a right or set-off / netting arises	
As at 30 June 2022									
2 Description of insolvency rank									
3 Liabilities and own funds including derivative liabilities	5,242	4,268	10,307	16,618	53,629	1,208	2,416	46,948	140,635
4 o/w excluded liabilities	—	—	10,093	16,101	23,747	1,208	2,416	9,296	62,860
5 Liabilities and own funds less excluded liabilities	5,242	4,268	214	517	29,882	—	—	37,652	77,775
6 Subset of liabilities and own funds less excluded liabilities that are own funds and eligible liabilities for the purpose of internal MREL	5,242	4,268	—	—	—	—	—	—	9,510
7 o/w residual maturity ≥ 1 year < 2 years	—	125	—	—	—	—	—	—	125
8 o/w residual maturity ≥ 2 year < 5 years	—	—	—	—	—	—	—	—	—
9 o/w residual maturity ≥ 5 years < 10 years	—	3,145	—	—	—	—	—	—	3,145
10 o/w residual maturity ≥ 10 years, but excluding perpetual securities	—	200	—	—	—	—	—	—	200
11 o/w perpetual securities	5,242	805	—	—	—	—	—	—	6,047

Liquidity

Table 15: LIQ1 - Liquidity Coverage ratio

This table shows the level and components of the Liquidity Coverage Ratio. This disclosure has been prepared in accordance with the requirements set out in Commission Delegated Regulation (EU) 2021/637.

Liquidity coverage ratio (period end)	Total period end value			
	30.06.22 €m	31.03.22 €m	31.12.21 €m	30.09.21 €m
Liquidity buffer	25,403	26,656	25,445	23,458
Total net cash outflows	16,171	15,792	14,853	13,391
Liquidity coverage ratio (%) (period end)	157 %	169 %	171%	175%

LIQ1 - Liquidity coverage ratio (average)	Total unweighted value (average)				Total weighted value (average)			
	30.06.22	31.03.22	31.12.21	30.09.21	30.06.22	31.03.22	31.12.21	30.09.21
Number of data points used in calculation of averages	12	12	12	12	12	12	12	12
High-quality liquid assets	€m	€m	€m	€m	€m	€m	€m	€m
1 Total high-quality liquid assets (HQLA)					25,890	24,945	23,603	22,744
Cash outflows								
2 Retail deposits and deposits from small business customers, of which:								
3 <i>Stable deposits</i>	1,864	1,824	1,781	1,723	223	204	185	170
4 <i>Less stable deposits</i>	40	40	41	42	2	2	2	2
5 Unsecured wholesale funding, of which:								
6 <i>Operational deposits (all counterparties) and deposits in networks of cooperative banks</i>	1,824	1,783	1,740	1,681	221	202	183	168
7 <i>Non-operational deposits (all counterparties)</i>	17,719	17,557	17,256	16,454	9,949	9,690	9,366	8,704
8 <i>Unsecured debt</i>	4,679	4,616	4,458	4,182	1,167	1,149	1,110	1,041
9 Secured wholesale funding					3,996	4,103	3,607	2,840
10 Additional requirements, of which:	25,645	25,375	25,383	24,002	7,451	7,805	8,142	7,949
11 <i>Outflows related to derivative exposures and other collateral requirements</i>	3,543	4,431	5,186	5,198	3,543	4,431	5,186	5,198
12 <i>Outflows related to loss of funding on debt products</i>	32	52	143	265	32	52	143	265
13 <i>Credit and liquidity facilities</i>	22,070	20,892	20,054	18,538	3,877	3,322	2,813	2,486
14 Other contractual funding obligations	—	—	—	—	—	—	—	—
15 Other contingent funding obligations	10,084	9,857	9,566	9,294	475	516	545	545
16 Total cash outflows					22,094	22,318	21,846	20,209
Cash inflows								
17 Secured lending (e.g. reverse repos)	37,805	36,653	33,391	30,451	3,293	3,295	2,840	2,142
18 Inflows from fully performing exposures	1,313	1,513	1,722	1,786	1,085	1,201	1,345	1,394
19 Other cash inflows	2,597	3,220	3,858	3,924	2,223	3,009	3,801	3,924
EU-19a (Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					—	—	—	—
(Excess inflows from a related specialised credit institution)					—	—	—	—
EU-19b					—	—	—	—
20 Total cash inflows	41,715	41,386	38,971	36,160	6,601	7,505	7,986	7,459
EU-20a <i>Fully exempt inflows</i>	—	—	—	—	—	—	—	—
EU-20b <i>Inflows subject to 90% cap</i>	—	—	—	—	—	—	—	—
EU-20c <i>Inflows subject to 75% cap</i>	41,715	41,386	38,971	36,160	6,601	7,505	7,986	7,459
21 Liquidity buffer					25,890	24,945	23,603	22,744
22 Total net cash outflows					15,493	14,813	13,860	12,750
23 Liquidity coverage ratio (%) (average)					167 %	169 %	170 %	180 %

As at 30 June 2022, BBI's LCR was 157%, equivalent to a surplus of €7.6bn to 110% regulatory requirement, as shown on Table 15. The Net Stable Funding Ratio ('NSFR') at 30 June 2022 was 145%, which was above the regulatory minimum (100%), details are included on Table 16. The strong liquidity position reflects BBI's prudent approach given the continued macroeconomic uncertainty. The Bank also continued to maintain surpluses to its internal liquidity requirements.

Liquidity

The composition of the liquidity pool is subject to caps set by the Risk team designed to monitor and control concentration risk by issuer, currency and asset type.

As at 30 June 2022, the liquidity pool consisted of a mix of EUR cash (€24.2bn) and HQLA Securities (€1.2bn).

The strong deposit franchise in BBI is a primary funding source for the Bank. The BBI Structured and Medium Term Notes programmes, along with the portfolio of Schuldschein notes, European commercial paper and unsecured intragroup funding facilities complement the well diversified and stable sources of funding for BBI. BBI also has access to ECB monetary policy operations such as Main Refinancing Operations ('MRO') and Targeted Long Term Refinancing Operations ('TLTRO').

The Bank maintains access to a variety of sources of wholesale funding in major currencies, including those available from term investors across a range of distribution channels and geographies, short-term funding markets and repo markets. In addition, BBI has access to US, European and Asian capital markets directly or through Barclays Group. As a result, wholesale funding is well diversified by product, maturity, geography and currency.

Liquidity

Table 16: LIQ2 - Net Stable Funding Ratio

		Unweighted value by residual maturity				Weighted value €m
		No maturity ^a €m	< 6 months €m	6 months to < 1yr €m	≥ 1yr €m	
As at 30 June 2022						
Available stable funding (ASF) Items						
1	Capital items and instruments	5,850	—	—	3,470	9,320
2	Own funds	5,850	—	—	895	6,745
3	Other capital instruments		—	—	2,575	2,575
4	Retail deposits		1,827	147	—	1,787
5	Stable deposits		194	8	—	192
6	Less stable deposits		1,634	139	—	1,595
7	Wholesale funding:		41,018	5,820	10,540	19,273
8	Operational deposits		4,521	—	—	2,260
9	Other wholesale funding		36,497	5,820	10,540	17,012
10	Interdependent liabilities		—	—	—	—
11	Other liabilities:		11,615	—	—	—
12	NSFR derivative liabilities		—	—	—	—
13	All other liabilities and capital instruments not included in the above categories		11,615	—	—	—
14	Total available stable funding (ASF)					30,380
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					371
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		—	—	—	—
16	Deposits held at other financial institutions for operational purposes		—	—	—	—
17	Performing loans and securities:		21,982	1,709	14,183	15,332
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		7,716	323	2,888	3,049
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		11,134	223	1,961	2,729
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		1,286	827	5,487	4,938
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		718	228	2,663	2,204
22	Performing residential mortgages, of which:		826	337	3,848	4,107
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		790	321	3,668	2,940
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		1,020	—	—	510
25	Interdependent assets		—	—	—	—
26	Other assets:		14,147	—	1,352	3,857
27	Physical traded commodities		—	—	—	—
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		2,247	—	—	1,910
29	NSFR derivative assets		—	—	—	—
30	NSFR derivative liabilities before deduction of variation margin posted		11,900	—	—	595
31	All other assets not included in the above categories		—	—	1,352	1,352
32	Off-balance sheet items		26,941	—	—	1,347
33	Total RSF					20,907
Net Stable Funding Ratio (NSFR)						
34	Net Stable Funding Ratio (%)					145 %

a Items disclosed in the "no maturity" time bucket do not have a stated maturity or are perpetual including CET1 and AT1 items. In the case of AT1 items that have a call option, the maturity bucket of an instrument is determined by the date of the next call option.

NSFR decreased by 3% to 145% primarily due to an increase in RSF on Committed facilities and Trading Assets Portfolio.

Liquidity

Table 16: LIQ2 - Net Stable Funding Ratio continued

	Unweighted value by residual maturity				Weighted value €m
	No maturity ^a €m	< 6 months €m	6 months to < 1yr €m	≥ 1yr €m	
As at 31 December 2021					
Available stable funding (ASF) Items					
1 Capital items and instruments	5,893	—	—	3,140	9,033
2 <i>Own funds</i>	5,893	—	—	620	6,513
3 <i>Other capital instruments</i>		—	—	2,520	2,520
4 Retail deposits		1,830	—	—	1,653
5 <i>Stable deposits</i>		128	—	—	121
6 <i>Less stable deposits</i>		1,702	—	—	1,532
7 Wholesale funding:		29,322	4,102	11,101	19,670
8 <i>Operational deposits</i>		5,481	—	—	2,741
9 <i>Other wholesale funding</i>		23,841	4,102	11,101	16,929
10 Interdependent liabilities		—	—	—	—
11 Other liabilities:	—	10,869	—	—	—
12 <i>NSFR derivative liabilities</i>	—				
13 <i>All other liabilities and capital instruments not included in the above categories</i>		10,869	—	—	—
14 Total available stable funding (ASF)					30,356
Required stable funding (RSF) Items					
15 Total high-quality liquid assets (HQLA)					321
EU-15a Assets encumbered for more than 12m in cover pool		—	—	—	—
16 Deposits held at other financial institutions for operational purposes		—	—	—	—
17 Performing loans and securities:		12,887	2,896	14,370	15,390
18 <i>Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut</i>		2,555	925	2,806	3,268
19 <i>Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions</i>		7,490	1,069	1,257	2,228
20 <i>Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:</i>		1,147	542	6,263	5,201
21 <i>With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk</i>		828	247	3,663	2,918
22 <i>Performing residential mortgages, of which:</i>		868	354	4,045	4,290
23 <i>With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk</i>		831	338	3,856	3,090
24 <i>Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products</i>		826	7	—	402
25 Interdependent assets		—	—	—	—
26 Other assets:	—	14,800	—	1,332	3,631
27 <i>Physical traded commodities</i>				—	—
28 <i>Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs</i>		1,576			1,339
29 <i>NSFR derivative assets</i>		314			314
30 <i>NSFR derivative liabilities before deduction of variation margin posted</i>		12,910			646
31 <i>All other assets not included in the above categories</i>		—	—	1,332	1,332
32 Off-balance sheet items		24,075	—	—	1,204
33 Total RSF					20,545
34 Net Stable Funding Ratio (NSFR)					148 %

Interest rate risk in the banking book

Table 17: Change in Economic Value of Equity and Net Interest Income under the supervisory shock scenarios

The table below shows the impact on the Bank's economic value of equity (EVE) and net interest income (NII) from the six standardised interest rate shock scenarios defined by the European Banking Authority (EBA), in their guidelines on the management of interest rate risk arising from non-trading book activities. These sensitivities are calculated in line with the EBA guidelines, in particular with the exclusion of equity from EVE cash flows and the application of a rate floor, which limits the absolute impact of downward shocks.

Supervisory shock scenarios	Change in Economic Value of Equity		Change in Net Interest Income		Tier 1 capital	
	As at 30 June 2022	As at 31 December 2021	As at 30 June 2022	As at 31 December 2021	As at 30 June 2022	As at 31 December 2021
	€m	€m	€m	€m	€m	€m
1 Parallel up	(408)	(396)	80	36		
2 Parallel down	121	(16)	(27)	(58)		
3 Steepener	(15)	(45)				
4 Flattener	(61)	(65)				
5 Short rates up	(178)	(170)				
6 Short rates down	45	(3)				
7 Maximum	(408)	(396)				
8 Tier 1 capital					6,047	5,987

The maximum EVE loss under the six scenarios was -€408m under the parallel up scenario as of June 2022, compared to -€396m under the same scenario as of December 2021. The material driver of the parallel up scenario is the sensitivity of the Bank's structural hedging of its equity position, with the hedged notional increasing in the first half of the year. The change in EVE sensitivity to down shock scenarios is also driven by the change in the Bank's equity structural hedge position and the impact of steeper EUR curves on the applied shocks, when compared to December 2021.

The maximum one-year loss in NII was -€27m as of June 2022, compared to -€58m as of December 2021. This reduction in NII sensitivity from a parallel down shock is materially derived from the Bank's expanded coverage of negative rate pricing on deposits in the Corporate and Private Banking businesses. When compared to December 2021, NII sensitivity to a parallel up shock increased. This was predominantly driven by revised modelling assumptions to reflect expected behaviour changes on EUR non-maturity deposits as a result of the change in outlook for ECB policy rates.

Analysis of credit risk

Table 18: CR4 - Standardised – Credit Risk exposure and CRM effect

This table shows the impact of CRM and credit conversion factors (CCF) on exposure values, broken down by credit exposure class. This table includes exposures subject to the Standardised approach only, nor does it include securitisation exposures.

The term 'before CCF and CRM' means the original gross exposures before the application of credit conversion factor and before the application of risk mitigation techniques.

	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
	On-balance sheet exposures	Off-balance sheet exposures	On-balance sheet exposures	Off-balance sheet exposures	RWA	RWA density
	€m	€m	€m	€m	€m	%
As at 30 June 2022						
1 Central governments or central banks	24,862	11	24,956	—	11	—
2 Regional governments or local authorities	—	—	—	—	—	—
3 Public sector entities	168	1,630	209	608	317	39 %
4 Multilateral development banks	—	—	—	—	—	—
5 International Organisations	—	—	—	—	—	—
6 Institutions	919	2,758	495	524	398	39 %
7 Corporates	3,870	25,875	2,561	9,147	10,199	87 %
8 Retail	2,445	192	2,370	—	1,778	75 %
9 Secured by mortgages on immovable property	122	—	122	—	61	50 %
10 Exposures in default	127	115	124	52	233	132 %
11 Items associated with particularly high risk	—	—	—	—	—	—
12 Covered Bonds	—	—	—	—	—	—
13 Claims on institutions and corporate with a short-term credit assessment	—	—	—	—	—	—
14 Claims in the form of collective investment undertakings	—	—	—	—	—	—
15 Equity exposures	—	—	—	—	—	—
16 Other items	120	—	120	—	94	79 %
17 Total	32,633	30,581	30,957	10,331	13,091	32 %
As at 31 December 2021						
1 Central governments or central banks	24,276	12	24,315	—	21	—
2 Regional governments or local authorities	—	—	—	—	—	—
3 Public sector entities	73	604	65	132	89	45 %
4 Multilateral development banks	—	—	—	—	—	—
5 International Organisations	—	—	—	—	—	—
6 Institutions	946	2,621	469	458	365	39 %
7 Corporates	3,719	23,937	2,371	8,103	8,945	85 %
8 Retail	2,168	309	2,093	117	1,657	75 %
9 Secured by mortgages on immovable property	67	1,285	67	1,261	499	38 %
10 Exposures in default	150	133	147	103	315	126 %
11 Items associated with particularly high risk	—	—	—	—	—	—
12 Covered Bonds	—	—	—	—	—	—
13 Claims on institutions and corporate with a short-term credit assessment	—	—	—	—	—	—
14 Claims in the form of collective investment undertakings	—	—	—	—	—	—
15 Equity exposures	—	—	—	—	—	—
16 Other items	128	—	128	—	97	75 %
17 Total	31,527	28,901	29,655	10,174	11,988	30 %

Off-Balance sheet exposure increased by €1.7bn to €30.6bn mostly driven by increase in corporates exposures, secured by mortgages exposures and public sector entities exposures primarily due to introduction of a new facility and due to a Property Guaranteed Debt Securities (PGDS) deal for which Significant Risk Transfer (SRT) notifications had been made to the European regulators.

On-Balance sheet exposure increased by €1.1bn to €32.6bn mostly driven by increase in retail, corporates and central governments and central bank exposures due to movements in book size and the introduction of new customers.

Analysis of Credit Risk

Table 19: CR5 - Analysis of exposures by asset classes and risk weight under the standardised approach

This table shows exposure at default post-CCF and CRM, broken down by Credit Exposure Class and risk weight. This table includes exposures subject to the Standardised approach only.

	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Total	of which: Unrated
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
As at 30 June 2022																	
1 Central governments or central banks	24,946	—	—	—	—	—	—	—	—	11	—	—	—	—	—	24,957	13
2 Regional governments or local authorities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3 Public sector entities	48	—	—	—	226	—	543	—	—	—	—	—	—	—	—	817	69
4 Multilateral development banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5 International Organisations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6 Institutions	—	—	—	—	417	—	576	—	—	26	—	—	—	—	—	1,019	204
7 Corporates	—	—	—	—	305	—	2,689	—	—	8,541	173	—	—	—	—	11,708	5,220
8 Retail	—	—	—	—	—	—	—	—	2,370	—	—	—	—	—	—	2,370	2,370
9 Secured by mortgages on immovable property	—	—	—	—	—	93	—	—	—	29	—	—	—	—	—	122	122
10 Exposures in default	—	—	—	—	—	—	—	—	—	62	114	—	—	—	—	176	176
11 Exposures associated with particularly high risk	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12 Covered Bonds	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13 Institutions and corporate with a short-term credit assessment	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14 Unit or shares in collective investment undertakings	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15 Equity exposures	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16 Other items	24	—	—	—	2	—	—	—	—	94	—	—	—	—	—	120	120
17 Total	25,018	—	—	—	950	93	3,808	—	2,370	8,763	287	—	—	—	—	41,289	8,294

Analysis of Credit Risk

Table 19: CR5 - Analysis of exposures by asset classes and risk weight under the standardised approach continued

	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Total	of which: Unrated
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
As at 31 December 2021																	
1 Central governments or central banks	24,294	—	—	—	—	—	—	—	—	21	—	—	—	—	—	24,315	84
2 Regional governments or local authorities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3 Public sector entities	—	—	—	—	30	—	167	—	—	—	—	—	—	—	—	197	—
4 Multilateral development banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5 International Organisations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6 Institutions	—	—	—	—	368	—	535	—	—	24	—	—	—	—	—	927	227
7 Corporates	—	—	—	—	357	—	2,738	—	—	7,118	261	—	—	—	—	10,474	4,815
8 Retail	—	—	—	—	—	—	—	—	2,210	—	—	—	—	—	—	2,210	2,210
9 Secured by mortgages on immovable property	—	—	—	—	—	1,275	—	—	—	53	—	—	—	—	—	1,328	1,328
10 Exposures in default	—	—	—	—	—	—	—	—	—	119	131	—	—	—	—	250	250
11 Exposures associated with particularly high risk	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12 Covered Bonds	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13 Institutions and corporate with a short-term credit assessment	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14 Unit or shares in collective investment undertakings	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15 Equity exposures	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16 Other items	30	—	—	—	3	—	—	—	—	95	—	—	—	—	—	128	128
17 Total	24,324	—	—	—	758	1,275	3,440	—	2,210	7,430	392	—	—	—	—	39,829	9,042

Standardised Credit Risk Exposure Post-CCF and CRM increased by €1.5bn to €41.3bn primarily driven by an increase in corporates, central governments and central banks (CGCB) due to introduction of new facilities within 100% Risk Weight (RW) for corporates asset class and within 0% RW for CGCB asset class partially offset by a reduction in secured by mortgages on immovable property exposures within 35% RW.

Analysis of Credit Risk

Table 20: CR7 - Effect on RWA of credit derivatives used as CRM techniques (IRB)

This table shows the effect of credit derivatives on the AIRB credit risk approach to capital requirements' calculations and will not directly reconcile to CR AIRB RWAs in Table 5. It assumes the absence of recognition of credit derivatives as a CRM technique (pre – credit derivatives RWAs).

	Pre-credit derivatives RWAs		Actual RWAs	
	As at 30 June 2022	As at 31 December 2021	As at 30 June 2022	As at 31 December 2021
	€m	€m	€m	€m
5 Exposures under Advanced IRB	4,255	3,681	4,255	3,681
6 Central governments and central banks	—	—	—	—
7 Institutions	—	—	—	—
8 Corporates ^a	—	—	—	—
8.1 of which Corporates - SMEs	—	—	—	—
9 Retail	4,255	3,681	4,255	3,681
9.1 of which Retail – SMEs - Secured by immovable property collateral	—	—	—	—
9.2 of which Retail – non-SMEs - Secured by immovable property collateral	2,277	2,005	2,277	2,005
9.3 of which Retail – Qualifying revolving	1,978	1,676	1,978	1,676
9.4 of which Retail – SMEs - Other	—	—	—	—
9.5 of which Retail – Non-SMEs- Other	—	—	—	—
10 Total^b	4,255	3,681	4,255	3,681

a Corporate specialised lending exposures under the slotting approach is excluded from this table and disclosed separately in Table 24.

b 'Other non credit-obligation assets' were excluded from the total RWA under Chapter 6 of Title II of Part Three CRR.

The increase in pre-credit derivatives RWAs and Actual RWAs by €0.6bn to €4.3bn were primarily driven by increases in IRB Residential Mortgages, and in the qualifying revolving retail book due to increase in balances and introduction of Post Model Adjustments (PMA) as per Article 146 of CRR II.

Analysis of Credit Risk

Table 21: CR7-A – Disclosure of the extent of the use of CRM techniques (IRB)

This table shows the extent of the use of CRM techniques broken down by exposure classes under the IRB approach. The exposure classes capture both secured and unsecured balances, resulting in the CRM coverage percentages being calculated on an aggregate basis.

A-IRB		Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs			
		Funded credit Protection (FCP)											Unfunded credit Protection (UFCP)		RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)
		Total exposures	Financial Collaterals	Other eligible collaterals				Other funded credit protection				Guarantees	Credit Derivatives			
				Total	Immovable property Collaterals	Receivables	Other physical collateral	Total	Cash on deposit	Life insurance policies	Instruments held by a third party					
As at 30 June 2022		€m	%	%	%	%	%	%	%	%	%	%	€m	€m		
1	Central governments and central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
2	Institutions	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
3	Corporates	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
3.1	Of which Corporates – SMEs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
3.2	Of which Corporates – Specialised lending ^a	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
3.3	Of which Corporates – Other	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
4	Retail	10,237	—	130 %	130 %	—	—	—	—	—	—	27 %	—	4,255	4,255	
4.1	Of which Retail – Immovable property SMEs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
4.2	Of which Retail – Immovable property non-SMEs	5,151	—	258 %	258 %	—	—	—	—	—	—	53 %	—	2,277	2,277	
4.3	Of which Retail – Qualifying revolving	5,086	—	—	—	—	—	—	—	—	—	—	—	1,978	1,978	
4.4	Of which Retail – Other SMEs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
4.5	Of which Retail – Other non-SMEs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
5	Total	10,237	—	130 %	130 %	—	—	—	—	—	—	27 %	—	4,255	4,255	

a The Bank exposures to corporates are all registered under specialised lending. These were not included under Article 147(8) CRR as at 30 June 2022.

Analysis of Credit Risk

Table 21: CR7-A – Disclosure of the extent of the use of CRM techniques (IRB) continued

A-IRB		Total exposures	Credit risk Mitigation techniques										Credit risk Mitigation methods in the calculation of RWEAs			
			Funded credit Protection (FCP)										Unfunded credit Protection (UFCP)		RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)
			Financial Collaterals	Other eligible collaterals				Other funded credit protection					Guarantees	Credit Derivatives		
				Total	Immovable property Collaterals	Receivables	Other physical collateral	Total	Cash on deposit	Life insurance policies	Instruments held by a third party					
€m	%	%	%	%	%	%	%	%	%	%	%	€m	€m			
1	Central governments and central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
2	Institutions	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
3	Corporates	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
3.1	Of which Corporates – SMEs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
3.2	Of which Corporates – Specialised lending	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
3.3	Of which Corporates – Other	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
4	Retail	10,318	—	133 %	133 %	—	—	—	—	—	—	28 %	—	3,681	3,681	
4.1	Of which Retail – Immovable property SMEs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
4.2	Of which Retail – Immovable property non-SMEs	5,442	—	252 %	252 %	—	—	—	—	—	—	53 %	—	2,005	2,005	
4.3	Of which Retail – Qualifying revolving	4,876	—	—	—	—	—	—	—	—	—	—	—	1,676	1,676	
4.4	Of which Retail – Other SMEs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
4.5	Of which Retail – Other non-SMEs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
5	Total	10,318	—	133 %	133 %	—	—	—	—	—	—	28 %	—	3,681	3,681	

The increase in RWAs by €0.6bn to €4.3bn were primarily driven by an increase in IRB Residential Mortgages, and in the qualifying revolving retail book due to increase in balances and introduction of Post Model Adjustments (PMA) as per Article 146 of CRR II.

Analysis of Credit Risk

AIRB obligor grade disclosure

The following tables show credit risk exposure at default post-CRM for the advanced IRB approach and foundation IRB approach for portfolios within both the trading and banking books. Separate tables are provided for the following credit exposure classes: secured retail (Table 22) and revolving retail (Table 23).

BBI's Model Risk Management group reviews and approves the application of post model adjustments to models that do not fully reflect the risk of the underlying exposures.

Table 22: CR6-B – IRB approach – Credit risk exposures by exposure class and PD range for secured retail

	Original on- balance sheet gross exposure €m	Off-balance sheet exposures pre CCF €m	Average CCF %	EAD post CRM and post CCF €m	Average PD %	Number of obligors	Average LGD %	Average Maturity Years	RWA €m	RWA Density %	EL €m	Value Adjustment and Provisions €m
As at 30 June 2022												
0.00 to < 0.15	3,360	—	—	3,393	0.1 %	41,934	21.2 %	—	1,200	35.3 %	4	(3)
0.00 to <0.10	843	—	—	851	0.1 %	10,769	19.6 %	—	267	31.4 %	1	(1)
0.10 to <0.15	2,517	—	—	2,542	0.1 %	31,165	21.7 %	—	931	36.6 %	3	(2)
0.15 to < 0.25	985	—	—	995	0.2 %	13,603	21.1 %	—	446	44.8 %	3	(2)
0.25 to < 0.50	239	—	—	241	0.3 %	3,155	22.1 %	—	138	57.3 %	3	(3)
0.50 to < 0.75	98	—	—	99	0.6 %	1,232	25.9 %	—	60	61.0 %	2	(1)
0.75 to < 2.50	155	—	—	156	1.1 %	1,921	27.0 %	—	114	73.2 %	4	(3)
0.75 to <1.75	147	—	—	148	1.0 %	1,801	27.1 %	—	105	71.0 %	3	(3)
1.75 to <2.5	8	—	—	8	2.1 %	120	25.2 %	—	9	113.0 %	1	(1)
2.50 to < 10.00	30	—	—	31	5.1 %	409	23.9 %	—	33	109.4 %	3	(2)
2.5 to <5	18	—	—	18	3.5 %	225	24.0 %	—	20	112.8 %	1	(1)
5 to <10	13	—	—	13	7.3 %	184	23.9 %	—	13	104.7 %	1	(1)
10.00 to < 100.00	40	—	—	41	33.2 %	499	24.4 %	—	52	129.2 %	6	(5)
10 to <20	10	—	—	10	14.5 %	119	24.5 %	—	10	104.7 %	1	—
20 to <30	9	—	—	9	26.4 %	121	22.7 %	—	14	145.1 %	1	(1)
30.00 to <100.00	21	—	—	22	44.6 %	259	25.1 %	—	29	133.2 %	3	(3)
100.00 (Default)	193	—	—	195	100.0 %	2,649	27.4 %	—	234	119.7 %	63	(42)
Total	5,100	—	—	5,151	4.3 %	65,402	21.7 %	—	2,277	44.2 %	88	(61)

Analysis of Credit Risk

Table 22: CR6-B – IRB approach – Credit risk exposures by exposure class and PD range for secured retail continued

	Original on- balance sheet gross exposure €m	Off-balance sheet exposures pre CCF €m	Average CCF %	EAD post CRM and post CCF €m	Average PD %	Number of obligors	Average LGD %	Average Maturity Years	RWA €m	RWA Density %	EL €m	Value Adjustment and Provisions €m
As at 31 December 2021												
0.00 to < 0.15	3,521	—	—	3,557	0.1 %	43,504	21.4 %	—	1,272	35.8 %	10	(12)
0.00 to <0.10	874	—	—	883	0.1 %	11,016	19.8 %	—	307	34.8 %	2	(3)
0.10 to <0.15	2,647	—	—	2,674	0.1 %	32,488	22.0 %	—	965	36.1 %	8	(10)
0.15 to < 0.25	1,078	—	—	1,088	0.2 %	14,486	21.5 %	—	397	36.5 %	5	(6)
0.25 to < 0.50	253	—	—	255	0.3 %	3,265	22.4 %	—	93	36.3 %	2	(5)
0.50 to < 0.75	101	—	—	102	0.6 %	1,246	26.0 %	—	34	33.8 %	1	(2)
0.75 to < 2.50	174	—	—	176	1.1 %	2,110	27.3 %	—	61	34.4 %	3	(7)
0.75 to <1.75	165	—	—	166	1.0 %	1,957	27.5 %	—	58	34.7 %	3	(6)
1.75 to <2.5	9	—	—	10	2.1 %	153	24.6 %	—	3	30.1 %	—	(1)
2.50 to < 10.00	33	—	—	33	5.2 %	453	24.6 %	—	10	29.4 %	4	(4)
2.5 to <5	17	—	—	17	3.5 %	259	24.0 %	—	5	29.9 %	1	(2)
5 to <10	16	—	—	16	7.1 %	194	25.2 %	—	5	28.9 %	3	(2)
10.00 to < 100.00	40	—	—	41	33.4 %	515	24.6 %	—	12	28.4 %	31	(6)
10 to <20	9	—	—	9	14.5 %	127	24.4 %	—	3	29.0 %	3	—
20 to <30	9	—	—	9	26.2 %	129	21.9 %	—	3	28.4 %	6	(2)
30.00 to <100.00	22	—	—	23	44.6 %	259	25.9 %	—	6	28.1 %	22	(4)
100.00 (Default)	188	—	—	190	100.0 %	2,508	27.4 %	—	126	66.3 %	62	(41)
Total	5,388	—	—	5,442	4.0 %	68,087	22.0 %	—	2,005	36.8 %	118	(85)

The RWA density associated with advanced IRB exposures to secured retail increased by 7.4% to 44.2% (December 2021: 36.8%) primarily due to the introduction of Post Model Adjustments (PMA) as per Article 146 of CRR II.

Analysis of Credit Risk

Table 23: CR6-B – IRB approach – Credit risk exposures by exposure class and PD range for revolving retail

	Original on- balance sheet gross exposure €m	Off-balance sheet exposures pre CCF €m	Average CCF ^a %	EAD post CRM and post CCF €m	Average PD %	Number of obligors	Average LGD %	Average Maturity Years	RWA €m	RWA Density %	EL €m	Value Adjustment and Provisions €m
As at 30 June 2022												
0.00 to < 0.15	484	4,682	60.6 %	2,921	—	1,082,403	75.8 %	—	162	5.6 %	4	(3)
0.00 to <0.10	456	4,617	60.8 %	2,869	—	1,066,342	75.8 %	—	156	5.5 %	4	(3)
0.10 to <0.15	29	64	42.1 %	52	0.1 %	16,061	75.8 %	—	6	11.9 %	—	—
0.15 to < 0.25	108	238	50.1 %	211	0.2 %	68,141	75.9 %	—	44	21.0 %	2	(1)
0.25 to < 0.50	449	420	49.0 %	626	0.4 %	137,734	78.6 %	—	216	34.5 %	8	(11)
0.50 to < 0.75	159	47	56.1 %	182	0.5 %	26,239	81.4 %	—	88	48.2 %	4	(7)
0.75 to < 2.50	705	180	103.7 %	865	1.2 %	138,312	82.4 %	—	757	87.4 %	38	(58)
0.75 to <1.75	611	166	103.8 %	759	1.0 %	119,494	82.5 %	—	624	82.2 %	30	(48)
1.75 to <2.5	93	15	103.3 %	106	2.1 %	18,818	81.8 %	—	133	124.9 %	7	(10)
2.50 to < 10.00	146	19	95.7 %	161	4.8 %	37,306	78.5 %	—	362	224.3 %	28	(26)
2.5 to <5	96	15	91.0 %	107	3.6 %	24,771	78.9 %	—	221	206.0 %	16	(17)
5 to <10	51	4	113.9 %	54	7.2 %	12,535	77.7 %	—	141	260.4 %	12	(9)
10.00 to < 100.00	34	3	77.7 %	36	26.8 %	11,405	76.4 %	—	161	443.5 %	32	(11)
10 to <20	17	2	93.2 %	18	13.2 %	5,916	76.1 %	—	62	344.5 %	7	(5)
20 to <30	6	1	58.8 %	6	23.7 %	1,946	76.4 %	—	27	436.5 %	4	(2)
30.00 to <100.00	12	1	55.2	12	48.5 %	3,543	76.9 %	—	72	594.8 %	22	(4)
100.00 (Default)	84	42	—	84	100.0 %	18,882	49.2 %	—	188	225.5 %	76	(75)
Total	2,169	5,631	51.8 %	5,086	2.3 %	1,520,422	77.1 %	—	1,978	38.9 %	192	(192)

a. At 30 June 2022 Average CCF is calculated on a weighted average basis in line with revised disclosure requirements that took effect from 1 January 2022 and also reflects where the modelled EAD is higher than the original on and off balance sheet exposures pre CCF.

Analysis of Credit Risk

Table 23: CR6-B – IRB approach – Credit risk exposures by exposure class and PD range for revolving retail continued

	Original on- balance sheet gross exposure €m	Off-balance sheet exposures pre CCF €m	Average CCF %	EAD post CRM and post CCF €m	Average PD %	Number of obligors	Average LGD %	Average Maturity Years	RWA €m	RWA Density %	EL €m	Value Adjustment and Provisions €m
As at 31 December 2021												
0.00 to < 0.15	395	4,555	32.6 %	2,794	—	1,030,765	75.8 %	—	142	5.1 %	4	(2)
0.00 to <0.10	370	4,496	33.0 %	2,750	—	1,017,241	75.8 %	—	137	5.0 %	4	(2)
0.10 to <0.15	25	59	3.6 %	44	0.1 %	13,524	75.8 %	—	5	11.2 %	—	—
0.15 to < 0.25	93	208	9.2 %	174	0.2 %	54,518	75.9 %	—	34	19.7 %	1	(1)
0.25 to < 0.50	414	385	5.7 %	567	0.4 %	121,359	78.8 %	—	185	32.7 %	8	(6)
0.50 to < 0.75	153	45	2.6 %	175	0.5 %	24,930	81.5 %	—	79	45.4 %	4	(4)
0.75 to < 2.50	717	162	16.7 %	867	1.1 %	147,107	82.4 %	—	712	82.1 %	38	(52)
0.75 to <1.75	627	145	18.1 %	762	1.0 %	126,087	82.5 %	—	588	77.1 %	30	(42)
1.75 to <2.5	90	17	4.7 %	105	2.1 %	21,020	81.5 %	—	124	118.8 %	8	(10)
2.50 to < 10.00	151	22	5.2 %	174	4.7 %	46,487	78.2 %	—	358	205.9 %	29	(31)
2.5 to <5	100	18	4.8 %	117	3.6 %	30,825	78.7 %	—	225	192.9 %	17	(18)
5 to <10	51	4	6.9 %	57	7.0 %	15,662	77.2 %	—	133	232.3 %	12	(12)
10.00 to < 100.00	30	3	4.7 %	32	25.2 %	10,797	76.2 %	—	134	414.3 %	27	(10)
10 to <20	16	1	6.6 %	18	13.6 %	6,302	75.7 %	—	60	334.3 %	7	(4)
20 to <30	5	1	1.6 %	5	23.8 %	1,681	76.7 %	—	22	412.1 %	3	(1)
30.00 to <100.00	9	1	1.0	9	48.4 %	2,814	76.8 %	—	52	569.5 %	17	(4)
100.00 (Default)	93	47	—	93	100.0 %	20,669	48.4 %	—	32	34.1 %	80	(76)
Total	2,046	5,427	24.1 %	4,876	2.5 %	1,456,632	77.1 %	—	1,676	34.4 %	191	(182)

The RWA density associated with advanced IRB exposures to revolving retail increased by 4.5% to 38.9% (December 2021: 34.4%) primarily due to the introduction of Post Model Adjustments (PMA) as per Article 146 of CRR II.

Analysis of Credit Risk

Table 24: CR10 – Specialised lending and equity exposures under the simple riskweighted approach

Slotting, also known as specialised lending, is an approach that is applied to financing of individual projects where the repayment is highly dependent on the performance of the underlying pool of collateral. It uses a standard set of rules for the calculation of RWAs, based upon an assessment of factors such as the financial strength of the counterparty. The requirements for the application of the Slotting approach are detailed in CRR article 153.

Specialised lending : Income-producing real estate and high volatility commercial real estate (Slotting approach)								
Regulatory categories	Remaining maturity		On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWA	Expected losses
As at 30 June 2022			€m	€m	%	€m	€m	€m
Category 1	Strong	Less than 2.5 years	49	22	50 %	78	37	—
		Equal to or more than 2.5 years	163	42	70 %	192	134	1
Category 2	Good	Less than 2.5 years	45	—	70 %	45	32	—
		Equal to or more than 2.5 years	—	—	90 %	—	—	—
Category 3	Satisfactory	Less than 2.5 years	—	—	115 %	—	—	—
		Equal to or more than 2.5 years	—	—	115 %	—	—	—
Category 4	Weak	Less than 2.5 years	—	—	250 %	—	—	—
		Equal to or more than 2.5 years	—	—	250 %	—	—	—
Category 5	Default	Less than 2.5 years	—	—	—	—	—	—
		Equal to or more than 2.5 years	—	—	—	—	—	—
Total	Less than 2.5 years		94	22		123	69	—
	Equal to or more than 2.5 years		163	42		192	134	1
As at 31 December 2021								
Category 1	Strong	Less than 2.5 years	18	5	50 %	23	10	—
		Equal to or more than 2.5 years	105	59	70 %	150	105	1
Category 2	Good	Less than 2.5 years	14	—	70 %	14	10	—
		Equal to or more than 2.5 years	31	—	90 %	31	28	—
Category 3	Satisfactory	Less than 2.5 years	—	—	115 %	—	—	—
		Equal to or more than 2.5 years	—	—	115 %	—	—	—
Category 4	Weak	Less than 2.5 years	—	—	250 %	—	—	—
		Equal to or more than 2.5 years	—	—	250 %	—	—	—
Category 5	Default	Less than 2.5 years	—	—	—	—	—	—
		Equal to or more than 2.5 years	—	—	—	—	—	—
Total	Less than 2.5 years		32	5		37	20	—
	Equal to or more than 2.5 years		136	59		181	133	1

RWA increased by €50m to €203m primarily due to book size movements in the 'Strong' category.

Analysis of Credit Risk

Table 25: CR1-A – Maturity of exposures

This table represents a breakdown of loans and debt securities by residual maturity. For on-balance-sheet items, the net exposure value is the gross carrying value of exposure less allowances/impairments. For off-balance-sheet items, the net value is the gross carrying value of exposure less provisions. The amounts shown are based on IFRS accounting values according to the regulatory scope of consolidation.

	Net Exposure Values					Total €m
	On demand €m	<= 1 year €m	> 1 year <= 5 years €m	> 5 years €m	No stated maturity €m	
As at 30 June 2022						
1 Loans and advances	37,129	50,698	8,041	5,139	—	101,007
2 Debt securities	—	11	46	41	—	98
3 Total	37,129	50,709	8,087	5,180	—	101,105
As at 31 December 2021						
1 Loans and advances	32,788	35,399	8,157	5,227	—	81,571
2 Debt securities	—	11	48	44	—	103
3 Total	32,788	35,410	8,205	5,271	—	81,674

Loans and advances increased by €19.4b to €101.0bn primarily due to an increase in cash collateral and settlement balances as well as reverse repos and commitments as a result of increased trading activity.

Table 26: CR2 - Changes in the stock of non-performing loans and advances

This table shows information on changes in the institutions stock of on balance sheet non-performing loans and advances. The amounts shown are based on IFRS accounting values according to the regulatory scope of consolidation.

	Gross carrying amount	
	As at 30 June 2022	As at 31 December 2021
	€m	€m
1 Initial stock of non-performing loans and advances	678	736
2 Inflows to non-performing portfolios	79	203
3 Outflows from non-performing portfolios	(21)	(59)
4 Outflows due to write-offs	(28)	(39)
5 Outflow due to other situations ^a	(122)	(164)
6 Final stock of non-performing loans and advances	586	678

^a Other changes include repayments and disposals and other adjustments, partly offset by a net increase in the exposure in default on existing loans and debt securities.

Analysis of credit risk

Table 27: CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

This table shows a breakdown of on balance sheet unsecured and secured credit risk exposures secured by various methods of collateral for both loans and advances and debt securities. The amounts shown are based on IFRS accounting values according to the regulatory scope of consolidation.

	Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
	€m	€m	€m	€m	€m
As at 30 June 2022					
1 Total loans and advances	59,959	30,394	29,343	1,051	—
2 Total debt securities	75	23	23	—	—
3 Total exposures	60,034	30,417	29,366	1,051	—
4 Of which non-performing exposures	339	247	246	—	—
5 Of which defaulted	321	233			
As at 31 December 2021					
1 Total loans and advances	49,959	24,701	23,569	1,132	—
2 Total debt securities	79	24	24	—	—
3 Total exposures	50,038	24,725	23,593	1,132	—
4 Of which non-performing exposures	421	257	256	1	—
5 Of which defaulted	402	249			

The total unsecured and secured exposure increased by €15.7bn to €90.4bn primarily due to an increase in cash balances with central bank driven by change in liquidity pool requirement, increase in loans balances due to increase in settlement balances and reverse repos. This was partially offset by a decrease in cash collateral and loan repayments.

Analysis of credit risk

Table 28: CR1 - Performing and non-performing exposures

This table provides an overview of the credit quality of on and off balance sheet performing and non-performing exposures and related impairments, provisions and valuation adjustments by portfolio and exposure class.

		Gross carrying amount/nominal						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Collateral and financial guarantees received		
		Performing exposures			Non-performing exposures			Performing exposures - accumulated impairment and provisions			Non-performing exposures - accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures
		Total	Of which stage 1	Of which stage 2	Total	Of which stage 2	Of which stage 3	Total	Of which stage 1	Of which stage 2	Total	Of which stage 2	Of which stage 3			
As at 30 June 2022		€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
0	Cash balances at central banks and other demand deposits	24,732	24,732	—	—	—	—	—	—	—	—	—	—	—	—	—
1	Loans and advances	65,035	41,156	2,066	586	34	524	(194)	(44)	(150)	(239)	(8)	(230)	—	30,147	247
2	Central banks	1,574	672	—	—	—	—	—	—	—	—	—	—	—	902	—
3	General governments	1,673	1,404	—	—	—	—	—	—	—	—	—	—	—	—	—
4	Credit institutions	21,544	11,138	6	—	—	—	—	—	—	—	—	—	—	12,920	—
5	Other financial corporations	27,474	17,430	100	13	—	13	(2)	(1)	—	(4)	—	(4)	—	10,273	9
6	Non-financial corporations	3,175	2,251	924	70	—	70	(30)	(14)	(16)	(27)	—	(27)	—	1,137	7
7	Of which SMEs	—	—	—	2	—	2	—	—	—	(2)	—	(2)	—	—	—
8	Households	9,595	8,261	1,036	503	34	441	(162)	(29)	(133)	(208)	(8)	(200)	—	4,915	230
9	Debt securities	98	75	—	—	—	—	—	—	—	—	—	—	—	23	—
10	Central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	General governments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12	Credit institutions	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Other financial corporations	98	75	—	—	—	—	—	—	—	—	—	—	—	23	—
14	Non-financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	Off-balance-sheet exposures	35,715	32,736	2,978	137	—	137	(32)	(20)	(12)	—	—	—	—	7,656	8
16	Central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	General governments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18	Credit institutions	949	948	1	—	—	—	—	—	—	—	—	—	—	193	—
19	Other financial corporations	3,610	3,558	52	—	—	—	(1)	(1)	—	—	—	—	—	482	—
20	Non-financial corporations	25,283	22,628	2,655	125	—	125	(31)	(19)	(12)	—	—	—	—	6,902	7
21	Households	5,873	5,603	271	12	—	12	—	—	—	—	—	—	—	78	1
22	Total	125,580	98,700	5,044	723	34	661	(226)	(64)	(162)	(239)	(8)	(230)	—	37,826	255

Analysis of credit risk

Table 28: CR1 - Performing and non-performing exposures continued

	Gross carrying amount/nominal						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Collateral and financial guarantees received			
	Performing exposures			Non-performing exposures			Performing exposures - accumulated impairment and provisions			Non-performing exposures - accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures	
	Total	Of which stage 1	Of which stage 2	Total	Of which stage 2	Of which stage 3	Total	Of which stage 1	Of which stage 2	Total	Of which stage 2	Of which stage 3				
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
As at 31 December 2021																
0 Cash balances at central banks and other demand deposits	24,096	24,096	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1 Loans and advances	49,885	32,702	1,883	678	32	619	(196)	(33)	(164)	(254)	(8)	(246)	—	24,443	257	
2 Central banks	992	96	—	—	—	—	—	—	—	—	—	—	—	896	—	
3 General governments	1,473	822	—	—	—	—	—	—	—	—	—	—	—	299	—	
4 Credit institutions	16,922	8,438	8	—	—	—	—	—	—	—	—	—	—	11,697	—	
5 Other financial corporations	17,923	12,743	204	13	—	13	—	—	—	(4)	—	(4)	—	5,203	9	
6 Non-financial corporations	3,127	2,644	483	151	—	151	(20)	(5)	(15)	(47)	—	(47)	—	1,158	10	
7 Of which SMEs	—	—	—	4	—	4	—	—	—	(4)	—	(4)	—	—	—	
8 Households	9,448	7,959	1,188	514	32	455	(176)	(28)	(149)	(203)	(8)	(195)	—	5,190	238	
9 Debt securities	103	79	—	—	—	—	—	—	—	—	—	—	—	24	—	
10 Central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
11 General governments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
12 Credit institutions	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
13 Other financial corporations	103	79	—	—	—	—	—	—	—	—	—	—	—	24	—	
14 Non-financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
15 Off-balance-sheet exposures	31,437	26,965	2,912	84	—	84	(26)	(17)	(9)	—	—	—	—	8,640	11	
16 Central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
17 General governments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
18 Credit institutions	635	635	—	—	—	—	—	—	—	—	—	—	—	157	—	
19 Other financial corporations	3,287	3,234	53	—	—	—	—	—	—	—	—	—	—	307	—	
20 Non-financial corporations	21,817	17,704	2,568	70	—	70	(26)	(17)	(9)	—	—	—	—	8,089	9	
21 Households	5,698	5,393	291	14	—	14	—	—	—	—	—	—	—	87	2	
22 Total	105,520	83,842	4,795	762	32	703	(222)	(50)	(173)	(254)	(8)	(246)	—	33,106	268	

Total exposures increased by €20.0bn to €126.3bn primarily due to:

- Increase in cash balances with central bank driven by change in liquidity pool requirement.
- Increase in loans balances is primarily due to increase in settlement balances and reverse repos partially offset by decrease in cash collateral driven by mark to market requirements.
- Decrease observed in non-performing loans is primarily due to loan repayments and sales.

Analysis of credit risk

Table 29: CQ1 - Credit quality of forborne exposures

This table provides an overview of the quality of on and off balance sheet forborne exposures. The amounts shown are based on IFRS accounting values according to the regulatory scope of consolidation.

		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions	Collateral received and financial guarantees received on forborne exposures		
		Non Performing forborne				On performing forborne exposures	On non-performing forborne exposures	Total	Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
		Performing forborne	Total	Of which defaulted	Of which impaired				
As at 30 June 2022		€m	€m	€m	€m	€m	€m	€m	€m
0	Cash balances at central banks and other demand deposits	—	—	—	—	—	—	—	—
1	Loans and Advances	45	187	179	178	(2)	(59)	115	77
2	Central banks	—	—	—	—	—	—	—	—
3	General governments	—	—	—	—	—	—	—	—
4	Credit institutions	—	—	—	—	—	—	—	—
5	Other financial corporations	—	—	—	—	—	—	—	—
6	Non-financial corporations	2	51	51	51	—	(15)	—	—
7	Households	42	136	128	127	(2)	(44)	115	77
8	Debt securities	—	—	—	—	—	—	—	—
9	Loan commitments given	—	68	—	—	—	—	—	—
10	Total	45	255	179	178	(2)	(59)	115	77
As at 31 December 2021									
0	Cash balances at central banks and other demand deposits	—	—	—	—	—	—	—	—
1	Loans and Advances	5	279	242	272	(1)	(77)	88	88
2	Central banks	—	—	—	—	—	—	—	—
3	General governments	—	—	—	—	—	—	—	—
4	Credit institutions	—	—	—	—	—	—	—	—
5	Other financial corporations	—	—	—	—	—	—	—	—
6	Non-financial corporations	2	123	121	121	—	(30)	—	—
7	Households	3	156	121	151	—	(47)	88	88
8	Debt securities	—	—	—	—	—	—	—	—
9	Loan commitments given	25	12	—	—	—	—	—	—
10	Total	30	291	242	272	(1)	(77)	88	88

Total performing forborne exposures increased by €15m to €45m primarily due to an increase in households as a result of the application of new risk reporting tool which improved the accuracy in tracking the evolution of forbearance measures over time.

Total non-performing exposures decreased by €36m to €255m primarily due to a decrease in non-financial corporations partially offset by an increase in loan commitments.

Total collateral received and financial guarantees received on forborne exposures increased by €27m to €115m primarily due to an increase in households as a result of the application of new risk reporting tool.

Analysis of credit risk

Table 30: CQ4 - Quality of non-performing exposures by geography

This table shows the credit quality of on balance sheet and off balance sheet exposure for loans and advances, debt securities, derivatives and equity instruments by geography. The amounts shown are based on IFRS accounting values according to the regulatory scope of consolidation.

As at 30 June 2022	Gross carrying / Nominal amount ^a				Accumulated impairment €m	Provisions on off-balance sheet commitments and financial guarantee given €m	Accumulated negative changes in fair value due to credit risk on non-performing exposures €m
	Total €m	of which: non-performing		of which: subject to impairment €m			
		€m	of which: defaulted €m				
On balance sheet exposures^b	90,458	586	554	68,590	(433)		—
Germany	33,876	215	197	31,591	(287)		—
United Kingdom	20,612	1	1	13,392	(1)		—
France	12,057	—	—	4,213	(6)		—
Italy	8,522	336	322	7,440	(115)		—
Ireland	3,727	1	1	3,695	(9)		—
Spain	2,449	—	—	1,744	(3)		—
Netherlands	2,443	22	22	1,253	(2)		—
Luxembourg	1,766	4	4	1,705	(5)		—
United States	1,214	—	—	1,214	(1)		—
Other countries	3,792	6	6	2,343	(4)		—
Off Balance Sheet Exposures	35,851	137	137			(32)	
Germany	11,353	116	116			(3)	
France	7,977	—	—			(6)	
Italy	3,526	8	8			(5)	
Spain	1,991	—	—			(4)	
Netherlands	1,934	10	10			(1)	
Ireland	1,583	—	—			(6)	
United States	1,458	—	—			(1)	
United Kingdom	1,349	—	—			(2)	
Norway	1,178	—	—			—	
Luxembourg	888	3	3			(1)	
Sweden	780	—	—			(1)	
Finland	573	—	—			—	
Austria	432	—	—			—	
Other countries	829	—	—			(2)	
Total	126,309	723	691	68,590	(433)	(32)	—

a Countries that have more than 1% of the total gross exposure are disclosed in the table and countries with <1% gross exposure are aggregated within "other countries".
b On balance sheet exposures includes derivatives, equity instruments and cash balances at central banks and other demand deposits.

Table 30: CQ4 - Quality of non-performing exposures by geography continued

	Total	Gross carrying / Nominal amount ^a			Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		of which: non-performing		of which: subject to impairment			
		€m	€m				
As at 31 December 2021							
1 On balance sheet exposures^b	74,764	678	651	59,411	(450)	—	
2 Germany	30,147	281	267	29,640	(287)	—	
3 United Kingdom	13,356	1	1	7,412	(2)	—	
4 France	7,520	2	2	2,243	(3)	—	
5 Italy	7,190	348	335	6,391	(138)	—	
6 Netherlands	5,926	21	21	5,540	—	—	
7 Ireland	3,960	1	1	3,936	(3)	—	
8 Spain	1,520	8	8	618	(4)	—	
9 Sweden	839	—	—	411	—	—	
17 Other countries	4,306	16	16	3,220	(13)	—	
18 Off Balance Sheet Exposures	31,484	83	83			(27)	
19 Germany	9,901	60	60			(3)	
20 France	7,643	—	—			(3)	
21 Italy	2,454	8	8			(2)	
22 Ireland	1,939	—	—			(4)	
23 Spain	1,765	—	—			(3)	
24 United States	1,329	—	—			(1)	
25 United Kingdom	1,316	4	4			(3)	
26 Netherlands	1,279	10	10			(1)	
27 Norway	1,095	—	—			(5)	
28 Luxembourg	681	1	1			(1)	
29 Sweden	670	—	—			—	
30 Austria	422	—	—			—	
33 Other countries	990	—	—			(1)	
34 Total	106,248	761	734	59,411	(450)	(27)	

a Countries that have more than 1% of the total gross exposure are disclosed in the table and countries with <1% gross exposure are aggregated within "other countries".

b On balance sheet exposures as at 31 December 2021 were restated to include derivatives, equity instruments and cash balances at central banks and other demand deposits.

On balance sheet exposures increased by €15.7bn to €90.5bn primarily due to:

- increase in loans and advances due to increase in reverse repos due to higher bond collateral requirements, in settlements driven by balances under Equity financing and Cash equities business, on account of lower netting opportunities with Repo at Fair Value, and in Cash at Central Banks due to increased Liquidity pool.
- increase in derivatives predominately due to mark to market increases on existing trades due to USD appreciation against EUR, as well as due to new derivative positions under Prime brokerage business within Equities.
- increase in debt securities driven by Third-Party Administrator debt securities increases in the Rates desk, which hold long positions in government bonds, partially offset by the unwinding of Total Return Swap positions.

Table 31: CQ5 - Credit quality of loans and advances to non-financial corporations by industry

This table shows the credit quality of loans and advances on balance sheet exposure to non-financial corporations by industry types. The amounts shown are based on IFRS accounting values according to the regulatory scope of consolidation.

		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Total €m	of which: non-performing		of which: loans and advances subject to impairment €m		
As at 30 June 2022			€m	€m		€m	€m
1	Agriculture, forestry and fishing	—	—	—	—	—	—
2	Mining and quarrying	126	22	22	126	—	—
3	Manufacturing	609	14	14	609	(22)	—
4	Electricity, gas, steam and air conditioning supply	401	—	—	401	—	—
5	Water supply	—	—	—	—	—	—
6	Construction	137	1	1	137	(1)	—
7	Wholesale and retail trade	540	—	—	540	(5)	—
8	Transport and storage	424	—	—	424	(2)	—
9	Accommodation and food service activities	183	—	—	183	(3)	—
10	Information and communication	380	2	2	380	(5)	—
11	Real estate activities	109	13	13	109	(9)	—
12	Financial and insurance activities	—	—	—	—	—	—
13	Professional, scientific and technical activities	82	—	—	82	(1)	—
14	Administrative and support service activities	85	18	18	85	(8)	—
15	Public administration and defense, compulsory social security	7	—	—	7	—	—
16	Education	—	—	—	—	—	—
17	Human health services and social work activities	103	—	—	103	(1)	—
18	Arts, entertainment and recreation	60	—	—	60	—	—
19	Other services	—	—	—	—	—	—
20	Total	3,246	70	70	3,246	(57)	—

Analysis of Credit Risk

Table 31: CQ5 - Credit quality of loans and advances to non-financial corporations by industry continued

		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Total €m	of which: non-performing		of which: loans and advances subject to impairment €m		
As at 31 December 2021			€m	of which: defaulted €m		€m	€m
1	Agriculture, forestry and fishing	—	—	—	—	—	—
2	Mining and quarrying	701	25	25	701	(3)	—
3	Manufacturing	446	19	19	446	(16)	—
4	Electricity, gas, steam and air conditioning supply	465	—	—	465	—	—
5	Water supply	—	—	—	—	—	—
6	Construction	154	1	1	154	(1)	—
7	Wholesale and retail trade	368	5	5	368	(3)	—
8	Transport and storage	224	1	1	224	(4)	—
9	Accommodation and food service activities	202	1	1	202	(1)	—
10	Information and communication	288	2	2	288	(1)	—
11	Real estate activities	49	14	14	49	(13)	—
12	Financial and insurance activities	—	—	—	—	—	—
13	Professional, scientific and technical activities	133	—	—	133	—	—
14	Administrative and support service activities	149	83	83	149	(25)	—
15	Public administration and defense, compulsory social security	—	—	—	—	—	—
16	Education	—	—	—	—	—	—
17	Human health services and social work activities	82	—	—	82	—	—
18	Arts, entertainment and recreation	17	—	—	17	—	—
19	Other services	—	—	—	—	—	—
20	Total	3,278	151	151	3,278	(67)	—

Total exposures to loans and advances for non-financial corporations remained broadly stable at €3.2bn (December 2021: €3.3bn) with various offsetting movements across certain industries.

Analysis of Credit Risk

Table 32: Loans and advances subject to legislative and non-legislative moratoria

This table provides an overview of the credit quality of loans and advances subject to moratoria on loan repayments applied in the light of the COVID-19 crisis.

	Gross carrying amount								Accumulated impairment, accumulated negative changes in fair value due to credit risk							Gross carrying amount	
	Performing				Non performing				Performing				Non performing				Inflows to non-performing exposures
	Total	Total Performing	Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)	Total Non performing	Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days	Total	Total Performing	Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)	Total Non performing	Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days			
€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m		
As at 30 June 2022																	
1	Loans and advances subject to moratorium	20	18	1	10	2	1	2	—	—	—	—	—	—	—	—	
2	of which: Households	20	18	1	10	2	1	2	—	—	—	—	—	—	—	—	
3	of which: Collateralised by residential immovable property	20	18	1	10	2	1	2	—	—	—	—	—	—	—	—	
4	of which: Non-financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
5	of which: Small and Medium-sized Enterprises	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
6	of which: Collateralised by commercial immovable property	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	

Analysis of Credit Risk

Table 33: Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria

This table provides an overview of the volume of loans and advances subject to legislative and non-legislative moratoria.

As at 30 June 2022	Number of obligors	Gross carrying amount								
		Of which: legislative moratoria	Of which: expired	Residual maturity of moratoria						
				<= 3 months	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12 months	> 1 year		
€m	€m	€m	€m	€m	€m	€m	€m	€m		
1	Loans and advances for which moratorium was offered	23,654	786							
2	Loans and advances subject to moratorium (granted)	15,263	415	362	395	3	5	3	4	4
3	of which: Households		415	362	395	3	5	3	4	4
4	of which: Collateralised by residential immovable property		366	312	346	3	5	3	4	4
5	of which: Non-financial corporations		—	—	—	—	—	—	—	—
6	of which: Small and Medium-sized Enterprises		—	—	—	—	—	—	—	—
7	of which: Collateralised by commercial immovable property		—	—	—	—	—	—	—	—

Table 34: Newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis

This table provides an overview of the stock of newly originated loans and advances subject to public guarantee schemes introduced in response to COVID-19 crisis.

As at 30 June 2022	Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount	
	of which: forborne	Public guarantees received	Inflows to non-performing exposures		
				€m	€m
€m	€m	€m	€m		
1	Newly originated loans and advances subject to public guarantee schemes	51	—	41	—
2	of which: Households	—			—
3	of which: Collateralised by residential immovable property	—			—
4	of which: Non-financial corporations	51	—	41	—
5	of which: Small and Medium-sized Enterprises	—			—
6	of which: Collateralised by commercial immovable property	—			—

Analysis of Counterparty Credit Risk

Table 35: CCR1 – Analysis of CCR exposure by approach

This table excludes default fund contribution, post model adjustments and CCPs.

	Replacement cost/current market value	Potential future credit exposure	EEPE	Multiplier	EAD pre CRM	EAD post CRM	EAD	RWAs	
	€m	€m	€m		€m	€m	€m	€m	
As at 30 June 2022									
1	SA-CCR (for derivatives)	109	276		1.4	1,512	556	556	308
2	IMM (for derivatives and SFTs)			6,907	1.55	35,985	10,707	10,707	5,745
2a	Of which securities financing transactions netting sets			1,180		6,357	1,830	1,830	454
2b	Of which derivatives and long settlement transactions netting sets			5,727		29,628	8,877	8,877	5,291
4	Financial collateral comprehensive method (for SFTs)					1,035	673	673	310
6	Total					38,532	11,936	11,936	6,363
As at 31 December 2021									
1	SA-CCR (for derivatives)	77	361		1.4	984	612	612	307
2	IMM (for derivatives and SFTs)			6,763	1.4	23,341	9,468	9,468	4,940
2a	Of which securities financing transactions netting sets			1,060		—	1,484	1,484	402
2b	Of which derivatives and long settlement transactions netting sets			5,703		23,341	7,984	7,984	4,538
4	Financial collateral comprehensive method (for SFTs)					—	462	462	317
6	Total					24,325	10,542	10,542	5,564

Counterparty credit risk RWAs increased €0.8bn to €5.6bn primarily driven by an increase in trading activities and IMM alpha factor change from 1.4 to 1.55.

Analysis of Counterparty Credit Risk

Table 36: CCR3 - Counterparty credit risk exposures by regulatory exposure class and risk weight under standardised approach

This table shows exposure at default, broken down by exposure class and risk weight. This table includes exposures subject to the Standardised approach only.

Exposures by regulatory portfolio and risk													
	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Total exposure value	
As at 30 June 2022													
1	Central governments or central banks	156	—	—	—	—	2	—	—	46	—	—	204
2	Regional governments or local authorities	339	—	—	—	—	—	—	—	—	—	—	339
3	Public sector entities	350	—	—	—	13	85	—	—	—	—	—	448
4	Multilateral development banks	19	—	—	—	—	—	—	—	—	—	—	19
5	International Organisations	143	—	—	—	—	—	—	—	—	—	—	143
6	Institutions	—	966	—	—	479	1,994	—	—	291	1	—	3,731
7	Corporates	—	—	—	—	271	895	—	—	3,931	15	—	5,112
8	Retail	—	—	—	—	—	—	—	—	—	—	—	—
9	Institutions and corporate with a short-term credit assessment	—	—	—	—	—	—	—	—	—	—	—	—
10	Other items	—	—	—	—	—	—	—	—	—	1	—	1
11	Total	1,007	966	—	—	763	2,976	—	—	4,268	17	—	9,997
As at 31 December 2021													
1	Central governments or central banks	105	—	—	—	—	1	—	—	85	—	—	191
2	Regional governments or local authorities	364	—	—	—	—	—	—	—	—	—	—	364
3	Public sector entities	458	—	—	—	75	47	—	—	—	—	—	580
4	Multilateral development banks	8	—	—	—	—	—	—	—	—	—	—	8
5	International Organisations	77	—	—	—	—	—	—	—	—	—	—	77
6	Institutions	—	856	—	—	581	1,905	—	—	323	7	—	3,672
7	Corporates	—	—	—	—	221	628	—	—	3,327	—	—	4,176
8	Retail	—	—	—	—	—	—	—	—	—	—	—	—
9	Institutions and corporate with a short-term credit assessment	—	—	—	—	—	—	—	—	—	—	—	—
10	Other items	—	—	—	—	—	—	—	—	—	3	—	3
11	Total	1,012	856	—	—	877	2,581	—	—	3,735	10	—	9,071

Counterparty Credit Risk (CCR) EAD increased by €0.9bn to €10.0bn primarily driven by an increase in trading activities.

Analysis of Counterparty Credit Risk

IRB obligor grade disclosure

The following tables show counterparty credit risk exposure at default post-CRM for the advanced IRB approach for portfolios within both the trading and banking books. Separate tables are provided for the following exposure classes: central governments and central banks (Table 37) and corporates (Table 38).

Table 37: CCR4 - Counterparty credit risk exposures by portfolio and PD range for central governments and central banks

	EAD post CRM	Average PD	Number of obligors	Average LGD	Average Maturity	RWA	RWA Density
	€m	%		%		€m	%
As at 30 June 2022							
0.00 to < 0.15	—	—	—	—	—	—	—
0.15 to < 0.25	27	0.2 %	1	55.4 %	1	9	34.2 %
0.25 to < 0.50	—	—	—	—	—	—	—
0.50 to < 0.75	—	—	—	—	—	—	—
0.75 to < 2.50	—	—	—	—	—	—	—
2.50 to < 10.00	—	—	—	—	—	—	—
10.00 to < 100.00	—	—	—	—	—	—	—
100.00 (Default)	—	—	—	—	—	—	—
Total	27	0.2 %	1	55.4 %	1	9	34.2 %
As at 31 December 2021							
0.00 to < 0.15	—	—	—	—	—	—	—
0.15 to < 0.25	16	0.2 %	1	55.4 %	1	6	35.1 %
0.25 to < 0.50	—	—	—	—	—	—	—
0.50 to < 0.75	—	—	—	—	—	—	—
0.75 to < 2.50	—	—	—	—	—	—	—
2.50 to < 10.00	—	—	—	—	—	—	—
10.00 to < 100.00	—	—	—	—	—	—	—
100.00 (Default)	—	—	—	—	—	—	—
Total	16	0.2 %	1	55.4 %	1	6	35.1 %

The RWA density associated with advanced IRB exposures to central governments and central banks remained broadly stable at 34.2% (December 2021: 35.1%).

Analysis of Counterparty Credit Risk

Table 38: CCR4 - Counterparty credit risk exposures by portfolio and PD range for corporates

	EAD post CRM	Average PD	Number of obligors	Average LGD	Average Maturity	RWA	RWA Density
	€m	%		%		€m	%
As at 30 June 2022							
0.00 to < 0.15	2,580	0.05 %	514	45.0 %	1	266	10.3 %
0.15 to < 0.25	211	0.21 %	57	45.0 %	1	86	40.9 %
0.25 to < 0.50	26	0.27 %	15	45.0 %	1	11	41.0 %
0.50 to < 0.75	30	0.54 %	4	45.0 %	1	21	68.3 %
0.75 to < 2.50	31	1.63 %	10	45.0 %	1	36	117.0 %
2.50 to < 10.00	—	—	—	—	—	—	—
10.00 to < 100.00	—	—	—	—	—	—	—
100.00 (Default)	—	100.00 %	1	23.2 %	1	1	290.5 %
Total	2,878	0.09 %	601	45.0 %	1	421	14.6 %
As at 31 December 2021							
0.00 to < 0.15	2,159	0.05 %	504	45.0 %	1	261	12.1 %
0.15 to < 0.25	87	0.20 %	55	45.0 %	1	30	34.9 %
0.25 to < 0.50	31	0.27 %	19	45.0 %	1	15	49.5 %
0.50 to < 0.75	11	0.55 %	4	45.0 %	1	10	88.3 %
0.75 to < 2.50	24	1.52 %	11	45.0 %	1	28	115.4 %
2.50 to < 10.00	—	—	—	—	—	—	—
10.00 to < 100.00	—	—	—	—	—	—	—
100.00 (Default)	—	—	—	—	—	—	—
Total	2,312	0.08 %	593	45.0 %	1	344	14.9 %

The RWA density associated with advanced IRB exposures to corporates remained broadly stable at 14.6% (December 2021: 14.9%).

Analysis of Counterparty Credit Risk

Table 39: CCR5 - Composition of collateral for exposures to CCR

This table shows the types of collateral posted or received to support or reduce CCR exposures relating to derivative transactions or SFTs, including transactions cleared through a CCP. Segregated collateral is collateral that is held in a bankruptcy-remote manner as defined in Article 300 (1) CRR.

		Collateral used in derivative transactions				Collateral used in SFTs ^a			
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
		€m	€m	€m	€m	€m	€m	€m	€m
As at 30 June 2022									
1	Cash – domestic currency	—	13,601	—	22,165	—	—	—	628
2	Cash – other currencies	—	1,527	—	589	—	—	—	—
3	Domestic sovereign debt	1,187	3,163	310	373	—	36,896	—	35,366
4	Other sovereign debt	12	281	—	13	—	2,839	—	2,952
5	Government agency debt	—	—	—	—	—	—	—	—
6	Corporate bonds	66	13	8	—	—	9,317	—	9,184
7	Equity securities	569	—	—	—	—	5,424	—	5,572
8	Other collateral	9	—	—	—	—	157	—	164
9	Total	1,843	18,585	318	23,140	—	54,633	—	53,866
As at 31 December 2021									
1	Cash – domestic currency	—	12,837	—	15,161	—	—	—	—
2	Cash – other currencies	—	406	—	413	—	—	—	—
3	Domestic sovereign debt	1,883	721	—	872	—	40,596	—	33,692
4	Other sovereign debt	1	307	—	45	—	1,072	—	1,269
5	Government agency debt	643	—	—	—	—	—	—	—
6	Corporate bonds	199	2	—	—	—	9,187	—	7,943
7	Equity securities	553	—	—	—	—	5,756	—	6,045
8	Other collateral	598	38	505	—	—	20	—	21
9	Total	3,877	14,311	505	16,491	—	56,631	—	48,970

a Collateral used in SFT includes the initial margin and variation margin collateral as well as the collateral appearing in the security leg of the SFT.

Derivative collateral posted and received increased by €8.7bn to €43.9bn mainly due to Variation Margin driven by market to market volatility.

SFT collateral posted and received increased by €2.9bn to €108.5bn mainly due to increase in other sovereign debt and corporate bonds with Barclays Bank PLC.

Analysis of Counterparty Credit Risk

Table 40: CCR6 - Credit derivatives exposures

This table provides a breakdown of the BBI's exposures to credit derivatives products. The structure of Table 40 has changed as a result of amendments to Article 439 of the CRR and all credit derivatives are now reported across the categories of Protection bought and Protection sold.

		As at 30 June 2022		As at 31 December 2021	
		Protection bought	Protection sold	Protection bought	Protection sold
		€m	€m	€m	€m
Notionals					
1	Single-name credit default swaps	17,211	17,050	13,800	13,034
2	Index credit default swaps	19,165	19,469	12,807	13,031
3	Total return swaps	270	254	445	445
4	Credit options	11,843	11,843	6,766	6,766
6	Total notionals	48,489	48,616	33,818	33,276
Fair values					
7	Positive fair value (asset)	1,131	274	237	818
8	Negative fair value (liability)	(275)	(1,126)	(838)	(235)

Credit derivatives notionals increased by €30.0bn to €97.1bn primarily due to an increase in trading activities.

Table 41: CCR8 - Exposures to CCPs

This table provides a breakdown of the BBI's exposures and RWAs to central counterparties (CCP).

		As at 30 June 2022		As at 31 December 2021	
		EAD post CRM	RWAs	EAD post CRM	RWAs
		€m	€m	€m	€m
1	Exposures to QCCPs (total)		55		55
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	458	9	87	2
3	(i) OTC derivatives	16	—	87	2
5	(iii) SFTs	442	9	—	—
7	Segregated initial margin	—		—	
8	Non-segregated initial margin	508	10	770	15
9	Prefunded default fund contributions	136	36	176	38
10	Unfunded default fund contributions	341	—	300	—

EAD post CRM to QCCPs increased primarily due to an increase in trading activities in the derivative portfolio.

Analysis of Counterparty Credit Risk

Credit value adjustments

The Credit value adjustment (CVA) measures the risk from MTM losses due to deterioration in the credit quality of a counterparty to over-the-counter derivative transactions with BBI. It is a complement to the counterparty credit risk charge that accounts for the risk of outright default of a counterparty.

Table 42: CCR2 - Transactions subject to own funds requirements for CVA risk

Two approaches can be used to calculate the adjustment:

- Standardised approach: this approach takes account of the external credit rating of each counterparty, and incorporates the effective maturity and EAD from the calculation of the CCR.
- Advanced approach: this approach requires the calculation of the charge as a) a 10-day 99% Value at Risk (VaR) measure for the most recent one year period and b) the same measure for a stressed period. The sum of the two VaR measures is scaled by the relevant multiplication factor, based on the number of market risk back testing exceptions for the most recent 250 business days, to yield the capital charge.

Credit valuation adjustment (CVA) capital charge		As at 30 June 2022		As at 31 December 2021	
		Exposure value €m	RWA €m	Exposure value €m	RWA €m
1	Total transactions subject to the Advanced method	2,914	651	3,261	1,979
2	(i) VaR component (including the 3x multiplier)		151		501
3	(ii) Stressed VaR component (including 3x multiplier)		500		1,478
4	Transactions subject to the Standardised method	474	213	61	146
5	Total transactions subject to own funds requirements for CVA risk	3,388	864	3,322	2,125

CVA RWA decreased €1.3bn to €0.9bn primarily driven by reduction in advanced CVA requirement due to intergroup transactions moving from collateralised to market (CTM) to settle to market (STM).

Analysis of Securitisation Risk

This section provides information on the Bank's securitisation risks. SEC 2 is not presented as the Bank does not have any securitisation exposures in its trading book.

Table 43: SEC1 - Securitisation exposures in the non-trading book

This table shows the non-trading book securitisation exposure split by exposure type.

	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
	Traditional			Synthetic				Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
	STS		Non-STS	of which SRT		Sub-total	STS	Non-STS	STS			Non-STS			
	of which SRT	of which SRT ^a	€m	€m	€m		€m	€m	€m	€m	€m	€m	€m		
As at 30 June 2022															
1 Total exposures	—	—	1,333	143	—	—	1,333	—	—	—	—	—	262	—	262
2 Retail (total)	—	—	1,320	130	—	—	1,320	—	—	—	—	—	97	—	97
3 residential mortgage	—	—	130	130	—	—	130	—	—	—	—	—	—	—	—
5 other retail exposures	—	—	1,190	—	—	—	1,190	—	—	—	—	—	97	—	97
7 Wholesale (total)	—	—	13	13	—	—	13	—	—	—	—	—	166	—	166
8 loans to corporates	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9 commercial mortgage	—	—	13	13	—	—	13	—	—	—	—	—	—	—	—
10 lease and receivables	—	—	—	—	—	—	—	—	—	—	—	—	166	—	166
As at 31 December 2021															
1 Total exposures	—	—	1,332	3	—	—	1,332	—	—	—	—	—	188	—	188
2 Retail (total)	—	—	1,306	3	—	—	1,306	—	—	—	—	—	36	—	36
3 residential mortgage	—	—	116	3	—	—	116	—	—	—	—	—	—	—	—
5 other retail exposures	—	—	1,190	—	—	—	1,190	—	—	—	—	—	36	—	36
7 Wholesale (total)	—	—	26	—	—	—	26	—	—	—	—	—	153	—	153
9 commercial mortgage	—	—	26	—	—	—	26	—	—	—	—	—	—	—	—
10 lease and receivables	—	—	—	—	—	—	—	—	—	—	—	—	153	—	153

a Of which SRT category includes both horizontal and vertical holdings as at 30 June 2022, while only the horizontal holdings were reported as at 31 December 2021 under this category.

The increase of €140m in traditional non-STS of which SRT securitisation where the Bank acts as originator relates to change in basis of preparation referred in note a. The increase of €74m in traditional Non-STS where the Bank acts as investor is primarily driven by an increase in investments.

Analysis of Securitisation Risk

Table 44: SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor

This table shows the non-trading book securitisation exposures, where the Bank acts as originator or as sponsor.

	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
As at 30 June 2022	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
1 Total exposures	2	—	—	—	—	—	—	2	—	—	—	—	—	—	—	—	—
2 Traditional transactions	2	—	—	—	—	—	—	2	—	—	—	—	—	—	—	—	—
3 Securitisation	2	—	—	—	—	—	—	2	—	—	—	—	—	—	—	—	—
4 underlying	2	—	—	—	—	—	—	2	—	—	—	—	—	—	—	—	—
As at 31 December 2021																	
1 Total exposures	3	—	—	—	—	—	—	3	—	—	—	—	5	—	—	—	—
2 Traditional transactions	3	—	—	—	—	—	—	3	—	—	—	—	5	—	—	—	—
3 Securitisation	3	—	—	—	—	—	—	3	—	—	—	—	5	—	—	—	—
4 underlying	3	—	—	—	—	—	—	3	—	—	—	—	—	—	—	—	—
6 Wholesale	—	—	—	—	—	—	—	—	—	—	—	—	5	—	—	—	—

The Securitisation exposures in the non-trading book remained stable across periods.

Analysis of Securitisation Risk

Table 45: SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor

This table shows the non-trading book securitisation exposures, where the Bank acts as investor.

	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
As at 30 June 2022	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
1 Total exposures	262	—	—	—	—	—	—	262	—	—	—	40	—	—	—	3	—
2 Traditional securitisation	262	—	—	—	—	—	—	262	—	—	—	40	—	—	—	3	—
3 Securitisation	262	—	—	—	—	—	—	262	—	—	—	40	—	—	—	3	—
4 Retail underlying	97	—	—	—	—	—	—	97	—	—	—	15	—	—	—	1	—
6 Wholesale	166	—	—	—	—	—	—	166	—	—	—	25	—	—	—	2	—
As at 31 December 2021																	
1 Total exposures	188	—	—	—	—	—	—	188	—	—	—	29	—	—	—	2	—
2 Traditional securitisation	188	—	—	—	—	—	—	188	—	—	—	29	—	—	—	2	—
3 Securitisation	188	—	—	—	—	—	—	188	—	—	—	29	—	—	—	2	—
4 Retail underlying	36	—	—	—	—	—	—	36	—	—	—	5	—	—	—	—	—
6 Wholesale	153	—	—	—	—	—	—	153	—	—	—	23	—	—	—	2	—

The increase of €74m in securitisation exposures in the non-trading book where the Bank acts as investor is primarily driven by an increase in investments.

Analysis of Securitisation Risk

Table 46: SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

This table shows the outstanding nominal amounts where the Bank acts as originator or as sponsor together with those exposures that are deemed as defaulted, where specific credit risk adjustments have been raised.

	Exposures securitised by the institution - Institution acts as originator or as sponsor		
	Total outstanding nominal amount ^a		Total amount of specific credit risk adjustments made during the period
	€m	Of which exposures in default €m	
As at 30 June 2022			€m
1 Total exposures	4,021	147	—
2 Retail (total)	3,767	147	—
3 residential mortgage	2,577	135	—
5 other retail exposures	1,190	12	—
7 Wholesale (total)	254	—	—
9 commercial mortgage	254	—	—
As at 31 December 2021			
1 Total exposures	3,962	8	—
2 Retail (total)	3,452	8	—
3 residential mortgage	2,262	8	—
5 other retail exposures	1,190	—	—
7 Wholesale (total)	510	—	—
9 commercial mortgage	510	—	—

a Total outstanding nominal amount includes only the Bank's contribution to the securitisation pool as at 30 June 2022, while as at 31 December 2021 it reflects the total securitisation exposures.

Exposures securitised by the Bank increased by €59m to €4.0bn primarily due to an increase in retail exposure of €315m resulted from the origination of new securitisations, which was offset by €256m decrease in wholesale commercial mortgage resulted from the change in basis of preparation for reporting originated exposures referred in note a.

Analysis of Market Risk

Regulatory measures

The following disclosures provide details on regulatory measures of market risk.

BBI's market risk capital requirement comprises two elements:

- the market risk of trading book positions is measured under a temporary tolerance provided by the European Central Bank. The internal models approach that are approved by the PRA and form the basis for the temporary tolerance from the Joint Supervisory Team include Regulatory VaR, Stressed Value at Risk (SVaR), Incremental Risk Charge (IRC) and Comprehensive Risk Measure (CRM).
- the trading book positions that do not meet the conditions for inclusion within the approved internal models approach are calculated using standardised rules.

The table below summarises the regulatory market risk measures, under the internal models approach. Refer to Table 49 and Table 50 on page 60 for a breakdown of RWAs by approach.

Table 47: MR3 - IMA values for trading portfolios

	Period-end €m	Avg. €m	Max €m	Min €m
As at 30 June 2022				
Regulatory VaR- 1 day	11.30	6.30	14.10	3.50
Regulatory VaR- 10 day ^a	35.80	20.00	44.70	11.20
SVaR	15.20	13.50	20.40	5.40
SVaR - 10 day ^a	48.10	42.70	64.40	16.90
IRC	35.40	50.20	71.20	35.40
CRM	—	—	—	—
As at 31 December 2021				
Regulatory VaR- 1 day	3.99	4.79	9.61	2.24
Regulatory VaR- 10 day ^a	12.63	15.15	30.38	7.08
SVaR	6.37	11.07	21.62	6.02
SVaR - 10 day ^a	20.14	35.00	68.37	19.02
IRC	42.33	88.39	181.08	38.94
CRM	—	—	—	—

a 10-day VaR results reported above are based on 1-day VaR multiplied by the square root of 10. For SVaR, BBI uses the Group window and scales as required to reflect the appropriate period for BBI. BBI has taken a post-model adjustment for RWA reporting purposes to capture the incremental risk associated with 10-day SVaR over and above that obtained by scaling 1-day SVaR by the square root of 10. At the half year-end this adjustment was lower than that required at the year-end. See Table 50: MR2-A for details.

Average VaR and SVaR increased and IRC decreased in H122:

- Regulatory VaR and SVaR: The increase in Regulatory VaR for H122 was driven by new risk taking and increased volatility in H1 as a result of the Russia-Ukraine War and the European Central Bank announcements on the current economic climate and central bank action.
- IRC: Reduction in IRC was driven by long credit positions in 2021 being replaced with short credit positions in H122.

Table 48: Breakdown of the major regulatory risk measures by portfolio

	Macro €m	Equities €m	Credit €m	Securitized Products €m	Banking €m	Barclays Group Treasury €m	Cross Markets €m	Fixed Income Financing €m
As at 30 June 2022								
Regulatory VaR- 1 day	9.80	0.10	1.50	—	—	—	2.30	0.40
Regulatory VaR - 10 day	30.90	0.20	4.60	—	0.10	0.10	7.30	1.30
SVaR- 1 day	11.90	0.30	2.40	—	0.10	—	4.20	0.60
SVaR- 10 day	37.70	0.80	7.60	—	0.30	0.10	13.30	2.00
IRC	25.50	—	33.40	—	0.50	—	11.50	0.20
As at 31 December 2021								
Regulatory VaR- 1 day	2.99	0.23	1.24	—	0.05	0.05	1.56	0.04
Regulatory VaR - 10 day	9.46	0.72	3.91	—	0.15	0.15	4.94	0.13
SVaR- 1 day	6.81	0.07	1.80	—	0.04	0.04	2.23	0.94
SVaR- 10 day	21.53	0.23	5.68	—	0.13	0.12	7.05	2.97
IRC	38.80	—	35.78	—	0.21	—	6.05	—

The table above shows the primary portfolios which are driving the trading businesses' modelled capital requirement as at 30 June 2022. The standalone portfolio results diversify at the total level and are not additive.

Analysis of Market Risk

Capital requirements for market risk

The table below shows the elements of capital requirements and risk weighted assets under the market risk framework as defined in the CRR. The Bank is required to hold capital for the market risk exposures arising from regulatory trading books. Inputs for the modelled components include the measures on Table 47, using the higher of the end of period value or an average over the past 60 days (with a multiplier applied in the case of VaR and SVaR).

Table 49: MR1 - Market risk under standardised approach

This table shows the RWAs and capital requirements for standardised market risk split between outright products, options and securitisation. This table includes exposures subject to the Standardised approach only.

	As at 30 June 2022	As at 31 December 2021
	RWEAs	RWEAs
	€m	€m
Outright products		
1 Interest rate risk (general and specific)	18	33
2 Equity risk (general and specific)	3	5
Options		
6 Delta-plus method	1	—
9 Total	22	38

Overall market risk RWEAs under standardised approach decreased due to a decrease in Traded loans.

Table 50: MR2-A - Market risk under internal models approach

This table shows RWAs and capital requirements under the internal models approach. The table shows the calculation of capital requirements as a function of latest and average values for each component.

	As at 30 June 2022	Own funds requirements	As at 31 December 2021	Own funds requirements
	RWEAs	€m	RWEAs	€m
	€m	€m	€m	€m
1 VaR (higher of values a and b)	773	62	613	49
(a) Previous day's VaR (Article 365(1) (VaRt-1))		32		11
(b) Average of the daily VaR (Article 365(1)) on each of the preceding sixty business days (VaRavg) x multiplication factor ((mc) in accordance with Article 366)		62		49
2 SVaR (higher of values a and b)	1,291	103	2,019	162
(a) Latest SVaR (Article 365(2) (sVaRt-1))	—	53	—	17
(b) Average of the SVaR (Article 365(2) during the preceding sixty business days (sVaRavg) x multiplication factor (ms) (Article 366)		103		162
3 Incremental risk charge -IRC (higher of values a and b)	640	51	1,004	80
(a) Most recent IRC value (incremental default and migration risks section 3 calculated in accordance with Section 3 articles 370/371)		38		42
(b) Average of the IRC number over the preceding 12 weeks		51		80
5 Other	837	67	1,858	149
6 Total	3,541	283	5,494	440

Overall modelled market risk RWA decreased by €2.0bn to €3.5bn primarily driven by a reduction in SVaR and the SVaR post model adjustment as a result of changes in the portfolio composition, included within 'Other' category. IRC has also decreased as a result of the change in the portfolio composition holding more higher rated names and less lower rated names.

Analysis of Market Risk

Regulatory back testing

Backtesting is the method by which BBI checks and affirms that its procedures for estimating VaR are reasonable and serve its purpose of estimating the potential loss arising from unfavourable market movements. The back testing process is a regulatory requirement and seeks to estimate the performance of the regulatory VaR model.

Performance is measured by the number of exceptions to the model i.e. actual or hypothetical P&L loss in one trading day is greater than the estimated VaR for the same trading day.

BBI procedures could be underestimating VaR if exceptions occur more frequently than expected (a 99% confidence interval indicates that one exception will occur in 100 days). Back testing is performed at a legal entity level using Barclays Group's regulatory VaR model.

Regulatory backtesting compares Regulatory VaR at 99% confidence level (one-day holding period equivalent) to actual and hypothetical changes in portfolio value as defined in CRR Article 366.

A backtesting exception is generated when a loss is greater than the daily VaR for any given day. As defined in the CRR, a green status is consistent with a good working VaR model and is achieved for models that have four or fewer backtesting exceptions in a 250-day period. Backtesting counts the number of days when a loss exceeds the corresponding VaR estimate, measured at the 99% regulatory confidence level.

During the first half of the year, BBI's regulatory VaR model experienced three backtesting exceptions in total: one against actual and two against hypothetical P&L. For backtesting the worst count of clean or Hypo is taken and was in green status as at 30 June 2022.

March 22 Hypo backtesting exception was driven by FX positions in counterparty risk trading desk experiencing increasing volatility.

June 22 Hypo exception was predominantly rates based following the European Central Bank announcement of country spread support.

Actual P&L		Hypo P&L	
Total Exceptions	Status ^a	Total Exceptions	Status ^a
1	Green	2	Green

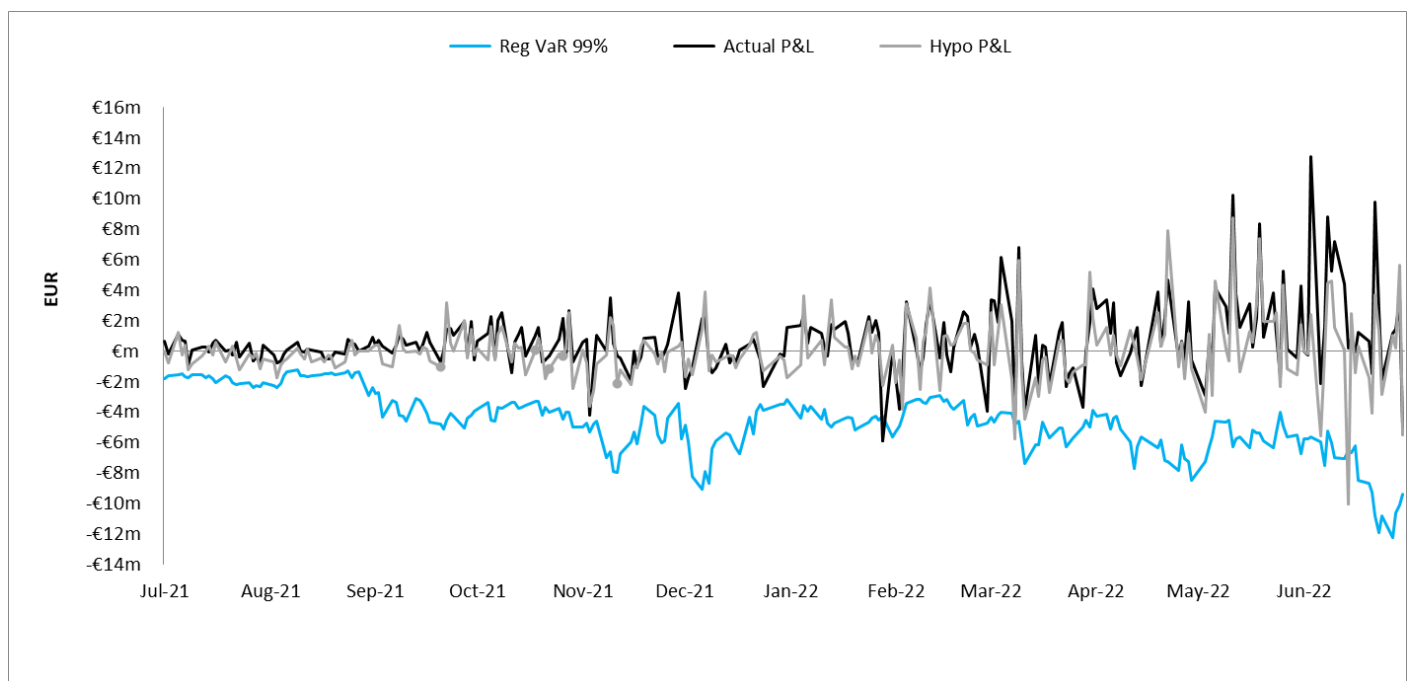
^a Status is accurate as of half year-end.

The chart below shows VaR for BBI. The black point on the chart indicates the losses on the day on which actual P&L respectively exceeded the VaR amount.

In addition to being driven by market moves in excess of the 99% confidence level, back testing exceptions can be caused by risks that impact P&L not captured directly in the VaR itself but separately captured as non VaR-type, namely Risks Not In the Model Engine (RNIMEs).

Exceptions are reported to internal management and regulators according to a CRR prescribed schedule as and when they occur, and are investigated to ensure the model performs as expected.

MR4-Comparison of VaR estimates with gains/losses



Countercyclical Capital Buffer

Table 51: CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

The below table shows the geographical distribution of credit exposures relevant to the calculation of the countercyclical buffer in line with CRR Article 440.

Note that exposures in the below table are prepared in accordance with CRD, Article 140. Hence they exclude exposures to central governments, central banks, regional governments, local authorities, public sector entities, multilateral development banks, international organisations and institutions and as such the exposure values differ to those found in the Analysis of credit risk section.

	General Credit Exposures		Relevant credit exposures – Market risk			Own Funds requirements				Total	RWA	Own Funds Requirement weights	Counter-cyclical capital buffer rate
	Exposure Value for SA	Exposure Value for IRB	Sum of long and short positions for trading book exposures for SA	Value of trading book exposures for internal models	Securitisation exposures Exposure value for non-trading book	Total exposure value	Of which: Relevant credit risk exposures - Credit risk	Of which: Relevant credit exposures – Market risk	Of which: Relevant credit exposures – Securitisation positions in the non-trading book				
Breakdown by Country	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	%	%
Czech Republic	6	—	—	2	—	8	—	—	—	—	4	0.02 %	0.50 %
Hong Kong	17	—	—	1	—	18	1	—	—	1	18	0.08 %	1.00 %
Luxembourg	1,126	835	—	1	—	1,962	102	—	—	102	1,273	5.78 %	0.50 %
Norway	537	—	—	28	—	565	26	—	—	26	324	1.47 %	1.50 %
Total (countries with existing CCyB rate)	1,687	836	—	31	—	2,554	129	1	—	130	1,619	7.35 %	
Denmark	324	2	—	1	—	328	26	—	—	26	331	1.50 %	n/a
Finland	450	30	—	6	—	486	37	—	—	38	469	2.13 %	n/a
France	4,071	263	—	193	155	4,683	263	1	2	266	3,331	15.13 %	n/a
Germany	4,868	6,409	—	214	—	11,491	495	1	—	496	6,201	28.16 %	n/a
Ireland	1,211	295	—	3	2	1,511	104	—	—	105	1,308	5.94 %	n/a
Italy	1,411	5,131	13	4	—	6,559	281	6	—	287	3,591	16.31 %	n/a
Netherlands	1,486	35	1	23	—	1,545	104	2	—	106	1,324	6.01 %	n/a
Portugal	266	—	—	23	—	289	21	—	—	21	267	1.22 %	n/a
Spain	1,036	2	1	93	—	1,132	82	1	—	83	1,043	4.74 %	n/a
Sweden	475	143	—	12	57	687	37	1	1	38	472	2.14 %	n/a
United Kingdom	785	108	—	16	50	959	56	1	1	57	716	3.25 %	n/a
United States	858	96	—	108	—	1,062	52	1	—	53	664	3.01 %	n/a
Total (countries with own funds requirements weights 1% or above)	17,241	12,515	16	695	265	30,732	1,559	15	3	1,577	19,717	89.55 %	
Total (rest of the world less than 1% requirement)	680	79	25	182	—	965	48	7	—	55	682	3.09 %	n/a
Total	19,608	13,429	41	908	265	34,251	1,736	22	3	1,761	22,018	100.00 %	

Countercyclical Capital Buffer

Table 52: CCyB2 - Amount of institution-specific countercyclical capital buffer

Amount of institution-specific countercyclical capital buffer	
Total risk exposure amount (€m)	€ 31,683
Institution specific countercyclical buffer rate (%)	0.05 %
Institution specific countercyclical buffer requirement (€m)	€ 16

Non applicable disclosures

Disclosures that are not included in this report

Frequency	Template/Table	Name of template/table	Rationale for exclusion
Quarterly	EU KM2	Key metrics - MREL and, where applicable, G-SII Requirement for own funds and eligible liabilities	BBI is not a G-SII.
Semi annual	EU TLAC1	Composition - MREL and, where applicable, the G-SII Requirement for own funds and eligible liabilities	BBI is not a G-SII.
Semi annual	EU TLAC3	Creditor ranking - resolution entity	BBI is not a resolution entity.
Semi annual	CR6	Credit risk exposures by exposure class and PD range for central governments and central banks	There were no credit risk exposures measured using IRB for central governments and central banks.
Semi annual	CR6	Credit risk exposures by exposure class and PD range for institutions	There were no credit risk exposures measured using IRB for institutions.
Semi annual	CR6	Credit risk exposures by exposure class and PD range for corporates	There were no credit risk exposures measured using IRB for corporates.
Semi annual	CR6	Credit risk exposures by exposure class and PD range for corporate of which: SMEs	There were no credit risk exposures measured using IRB for corporate of which: SMEs.
Semi annual	CQ2	Quality of forbearance	This table is not required as BBI has not breached the 5% NPL ratio for two consecutive quarters.
Semi annual	CQ7	Collateral obtained by taking possession and execution processes	There was no collateral obtained by taking possession and execution processes.
Semi annual	CQ8	Collateral obtained by taking possession and execution processes – vintage breakdown	This table is not required as BBI has not breached the 5% NPL ratio for two consecutive quarters.
Semi annual	CQ6	Collateral valuation - loans and advances	This table is not required as BBI has not breached the 5% NPL ratio for two consecutive quarters.
Semi annual	CR2-A	Changes in the stock of non-performing loans and advances and related net accumulated recoveries	This table is not required as BBI has not breached the 5% NPL ratio for two consecutive quarters.
Semi annual	CCR4	Counterparty credit risk exposures by portfolio and PD range for institutions	BBI does not have counterparty credit risk exposures for institutions.
Semi annual	SEC2	Securitisation exposures in the trading book	BBI does not have securitised exposures in the trading book.