

Barclays Bank UK PLC
Q3 2024 Pillar 3 Report

30 September 2024

Table of Contents

Barclays Bank UK PLC Pillar 3	Page
Notes	
Forward-looking statements	3
Introduction	
Disclosure Background	4
Summary	
UK KM1 - Key metrics (KM1 / IFRS9-FL1/ UK LR 2)	5
Risk weighted assets (RWAs)	
RWAs by risk type	7
OV1 - Overview of risk weighted exposure amounts	8
CR8 - RWEA flow statements of credit risk exposures under the IRB approach	9
Liquidity	
LIQ1 - Liquidity Coverage Ratio	10

Notes

The term Barclays Bank UK Group refers to Barclays Bank UK PLC together with its subsidiaries. The abbreviations '£m' and '£bn' represent millions and thousands of millions of Pounds Sterling respectively.

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

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

Forward-looking statements

This document contains certain forward-looking statements with respect to the Barclays Bank UK Group. Barclays Bank UK Group cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements. Forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Forward-looking statements can be made in writing but also may be made verbally by directors, officers and employees of the Barclays Bank UK Group (including during management presentations) in connection with this document. Examples of forward-looking statements include, among others, statements or guidance regarding or relating to the Barclays Bank UK Group's future financial position, business strategy, income levels, costs, assets and liabilities, impairment charges, provisions, capital leverage and other regulatory ratios, capital distributions (including policy on dividends and share buybacks), return on tangible equity, projected levels of growth in banking and financial markets, industry trends, any commitments and targets (including environmental, social and governance (ESG) commitments and targets), plans and objectives for future operations, IFRS and other statements that are not historical or current facts. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements speak only as at the date on which they are made. Forward-looking statements may be affected by a number of factors, including, without limitation: changes in legislation, regulations, governmental and regulatory policies, expectations and actions, voluntary codes of practices and the interpretation thereof, changes in IFRS and other accounting standards, including practices with regard to the interpretation and application thereof and emerging and developing ESG reporting standards; the outcome of current and future legal proceedings and regulatory investigations; the Barclays Bank UK Group's ability along with governments and other stakeholders to measure, manage and mitigate the impacts of climate change effectively; environmental, social and geopolitical risks and incidents and similar events beyond the Barclays Bank UK Group's control; the impact of competition in the banking and financial services industry; capital, liquidity, leverage and other regulatory rules and requirements applicable to past, current and future periods; UK, US, Eurozone and global macroeconomic and business conditions, including inflation; volatility in credit and capital markets; market related risks such as changes in interest rates and foreign exchange rates reforms to benchmark interest rates and indices; higher or lower asset valuations; changes in credit ratings of any entity within the Barclays Bank UK Group or any securities issued by it; changes in counterparty risk; changes in consumer behaviour; the direct and indirect consequences of the conflicts in Ukraine and the Middle East on European and global macroeconomic conditions, political stability and financial markets; political elections, including the impact of the UK, European and US elections in 2024; developments in the UK's relationship with the European Union ("EU"); the risk of cyberattacks, information or security breaches, technology failures or operational disruptions and any subsequent impact on the Barclays Bank UK Group's reputation, business or operations; the Barclays Bank UK Group's ability to access funding; and the success of acquisitions, disposals and other strategic transactions. A number of these factors are beyond the Barclays Bank UK Group's control. As a result, the Barclays Bank UK Group's actual financial position, results, financial and non-financial metrics or performance measures or its ability to meet commitments and targets may differ materially from the statements or guidance set forth in the Barclays Bank UK Group's forward-looking statements. Additional risks and factors which may impact the Barclays Bank UK Group's future financial condition and performance are identified in Barclays Bank UK PLC's 2023 Annual Report, which is available on [barclays.com](https://www.barclays.com).

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

Introduction

Disclosure Background

Barclays Bank UK PLC is a wholly-owned subsidiary of Barclays PLC and is the ring-fenced bank within the Barclays PLC Group. The consolidation of Barclays Bank UK PLC and its subsidiaries is referred to as the Barclays Bank UK Group. The disclosures provided in this document for Barclays Bank UK Group are based on the regulatory scope of consolidation.

The Pillar 3 report is prepared in accordance with the UK Capital Requirements Regulation (UK CRR) and the Prudential Regulation Authority (PRA) Rulebook. In particular, the Disclosure (CRR) Part of the PRA Rulebook specifies the requirements of the Pillar 3 framework.

The terms Risk Weighted Asset (RWA) and Risk Weighted Exposure Asset (RWEA) are used interchangeably throughout the document.

The disclosures included in this report reflect Barclays Bank UK Group's interpretation of the current rules and guidance.

Summary

Table 1: UK KM1 - Key metrics (KM1 / IFRS 9-FL¹ / UK LR 2) - Part 1

This table shows key regulatory metrics and ratios as well as related components such as own funds, RWAs, capital ratios, additional requirements based on Supervisory Review and Evaluation Process (SREP), capital buffer requirements, leverage ratio and liquidity coverage ratio (LCR). Barclays Bank UK Group's capital, RWAs and leverage are calculated applying transitional relief for IFRS 9. No other transitional provisions in UK CRR are applicable. The table below therefore represents both transitional and fully loaded capital metrics which is equal to transitional capital and capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied. Part 2 of this table further includes all UK LR2 components which are required to be reported with a quarterly frequency as per Article 433a(4) of UK CRR for Barclays Bank UK Group and Barclays Bank UK PLC.

KM1 ref	IFRS 9-FL ref		As at 30.09.24 £m	As at 30.06.24 £m	As at 31.03.24 £m	As at 31.12.23 £m	As at 30.09.23 £m
Available own funds (amounts)							
1	1	Common Equity Tier 1 (CET1) capital ²	11,819	11,436	10,967	10,638	10,736
1a	2	Fully loaded common Equity Tier 1 (CET1) capital ³	11,819	11,436	10,967	10,638	10,732
2	3	Tier 1 capital ²	14,245	14,483	13,396	13,067	13,165
2a	4	Fully loaded tier 1 capital ³	14,245	14,483	13,396	13,067	13,161
3	5	Total capital ²	16,540	16,894	15,835	15,596	15,929
3a	6	Fully loaded total capital ³	16,540	16,894	15,835	15,596	15,925
Risk-weighted exposure amounts							
4	7	Total risk-weighted exposure amount ²	76,428	75,333	75,159	72,102	71,881
4a	8	Fully loaded total risk-weighted exposure amount ³	76,428	75,333	75,159	72,102	71,881
Capital ratios (as a percentage of risk-weighted exposure amount)							
5	9	Common Equity Tier 1 ratio (%) ²	15.5%	15.2%	14.6%	14.8%	14.9%
5a	10	Fully loaded common Equity Tier 1 ratio (%) ³	15.5%	15.2%	14.6%	14.8%	14.9%
6	11	Tier 1 ratio (%) ²	18.6%	19.2%	17.8%	18.1%	18.3%
6a	12	Fully loaded tier 1 ratio (%) ³	18.6%	19.2%	17.8%	18.1%	18.3%
7	13	Total capital ratio (%) ²	21.6%	22.4%	21.1%	21.6%	22.2%
7a	14	Fully loaded total capital ratio (%) ³	21.6%	22.4%	21.1%	21.6%	22.2%
Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)							
UK 7a		Additional CET1 SREP requirements (%)	2.9%	2.9%	2.9%	2.9%	2.8%
UK 7b		Additional AT1 SREP requirements (%)	1.0%	1.0%	1.0%	1.0%	0.9%
UK 7c		Additional T2 SREP requirements (%)	1.3%	1.3%	1.3%	1.3%	1.3%
UK 7d		Total SREP own funds requirements (%)	13.2%	13.2%	13.2%	13.2%	13.0%
Combined buffer requirement (as a percentage of risk-weighted exposure amount)							
8		Capital conservation buffer (%)	2.5%	2.5%	2.5%	2.5%	2.5%
9		Institution specific countercyclical capital buffer (%)	2.0%	2.0%	2.0%	2.0%	2.0%
UK 10a		Other Systemically Important Institution buffer	1.0%	1.0%	1.0%	1.0%	1.0%
11		Combined buffer requirement (%)	5.5%	5.5%	5.5%	5.5%	5.5%
UK 11a		Overall capital requirements (%)	18.7%	18.7%	18.7%	18.7%	18.5%
12		CET1 available after meeting the total SREP own funds requirements (%)	8.1%	7.7%	7.2%	7.3%	7.6%

Notes

1. From 1 January 2018, Barclays Bank UK Group elected to apply the IFRS 9 transitional arrangements of the Capital Requirements Regulation (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 was phased out over a 5 year period ending on 1 January 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 50% applicable for 2023; 25% for 2024 and with no transitional relief from 2025.

2. Transitional capital and RWAs are calculated applying the IFRS 9 transitional arrangements in accordance with UK CRR.

3. Fully loaded capital and RWAs are calculated without applying the IFRS 9 transitional arrangements in accordance with UK CRR.

The CET1 ratio increased to 15.5% (December 2023: 14.8%) as CET1 capital increased by £1.2bn to £11.8bn (December 2023: £10.6bn), partially offset by an increase in RWAs of £4.3bn to £76.4bn (December 2023: £72.1bn).

- c.230bps increase from attributable profit
- c.60bps decrease due to dividends paid and foreseen including an accrual towards the FY24 dividend
- c.10bps decrease from other capital movements
- c.90bps decrease as a result of a £4.3bn increase in RWAs primarily driven by regulatory model changes and business activity

Summary

Table 1: UK KM1 - Key metrics (KM1 / IFRS 9-FL / UK LR 2) - Part 2

KM1 ref	IFRS9 - FL ref	LR 2 Ref		As at 30.09.24 £m	As at 30.06.24 £m	As at 31.03.24 £m	As at 31.12.23 £m	As at 30.09.23 £m
Leverage ratio								
Barclays Bank UK Group								
13	15		Total exposure measure excluding claims on central banks ¹	257,428	255,896	252,711	250,163	253,164
14	16	25	Leverage ratio excluding claims on central banks (%) ^{1,4}	5.5%	5.7%	5.3%	5.2%	5.2%
Additional leverage ratio disclosure requirements								
UK 14a	17	UK 25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%) ²	5.5%	5.7%	5.3%	5.2%	5.2%
UK 14b		UK 25c	Leverage ratio including claims on central banks (%) ¹	4.9%	5.0%	4.6%	4.5%	4.4%
		UK 32	Average total exposure measure excluding claims on central banks ^{1,3}	254,467	255,143	254,299	251,762	255,083
UK 14c		UK 34	Average leverage ratio excluding claims on central banks (%) ^{1,3}	5.7%	5.5%	5.2%	5.2%	5.2%
UK 14d		UK 33	Average leverage ratio including claims on central banks (%) ^{1,3}	5.0%	4.9%	4.6%	4.5%	4.4%
		UK 27	Leverage ratio buffer (%) ⁴	1.1%	1.1%	1.1%	1.1%	1.1%
		UK 27a	Of which: G-SII or O-SII additional leverage ratio	0.4%	0.4%	0.4%	0.4%	0.4%
UK 14e		UK 27b	Of which: Countercyclical leverage ratio buffer (%)	0.7%	0.7%	0.7%	0.7%	0.7%
Barclays Bank UK PLC								
13	15		Total exposure measure excluding claims on central banks ¹	257,803	256,139	253,031	250,564	253,462
14	16	25	Leverage ratio excluding claims on central banks (%) ¹	5.5%	5.7%	5.3%	5.2%	5.2%
Additional leverage ratio disclosure requirements								
UK 14a	17	UK 25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%) ²	5.5%	5.7%	5.3%	5.2%	5.2%
UK 14b		UK 25c	Leverage ratio including claims on central banks (%) ¹	4.9%	5.0%	4.6%	4.5%	4.4%
Liquidity Coverage Ratio								
15			Total high-quality liquid assets (HQLA) (Weighted value)	67,347	66,124	66,283	68,533	72,344
UK 16a			Cash outflows - Total weighted value	35,536	36,079	37,397	38,982	41,483
UK 16b			Cash inflows - Total weighted value	1,478	1,269	1,057	925	838
16			Total net cash outflows (adjusted value)	34,058	34,810	36,340	38,057	40,645
17			Liquidity coverage ratio (%) ⁵	197.9%	190.6%	183.1%	180.1%	178.0%
Net Stable Funding Ratio⁶								
18			Total available stable funding	253,930	254,710	256,059	258,620	260,882
19			Total required stable funding	158,086	157,714	155,674	156,588	157,316
20			NSFR ratio (%)	160.6%	161.5%	164.5%	165.2%	165.8%

Notes

1. Transitional UK leverage ratios are calculated applying the IFRS 9 transitional arrangements in accordance with UK CRR.
2. Fully loaded UK leverage ratio is calculated without applying the IFRS 9 transitional arrangements in accordance with UK CRR.
3. Average UK leverage ratio uses capital based on the last day of each month in the quarter and an exposure measure for each day in the quarter.
4. Although the leverage ratio is expressed in terms of T1 capital, the leverage ratio buffers and 75% of the minimum requirement must be covered solely with CET1 capital. The CET1 capital held against the 0.35% O-SII additional leverage ratio buffer (ALRB) was £0.9bn and against the 0.7% countercyclical leverage ratio buffer (CCLB) was £1.8bn.
5. Liquidity Coverage Ratio is computed as a trailing average of the last 12 month-end ratios.
6. Net Stable Funding Ratio is computed as a trailing average of the last four spot quarter end positions.

The UK leverage ratio of Barclays Bank UK Group increased to 5.5% (December 2023: 5.2%) primarily due to an increase in T1 capital of £1.2bn partially offset by a £7.2bn increase in exposure to £257.4bn (December 2023: £250.2bn). This is largely driven by an increase in fair value through other comprehensive income bonds for liquidity and buffer management.

Risk weighted assets

Table 2: RWAs by risk type

This table shows RWAs by risk type.

	Credit risk		Counterparty credit risk				Market risk		Operational risk	Total RWAs
	Std £m	AIRB £m	Std £m	AIRB £m	Settlement risk £m	CVA £m	Std £m	IMA £m		
As at 30 September 2024										
Barclays Bank UK Group	8,451	55,773	169	13	—	155	199	—	11,668	76,428
As at 31 December 2023										
Barclays Bank UK Group	8,876	50,743	237	—	—	304	274	—	11,668	72,102

Risk weighted assets

Table 3: OV1 - Overview of risk weighted exposure amounts

The table shows RWEAs and minimum capital requirement by risk type and approach

		Risk weighted exposure amounts (RWEAs)			Minimum capital requirements		
		As at	As at	As at	As at	As at	As at
		30.09.2024	30.06.2024	31.12.2023	30.09.2024	30.06.2024	31.12.2023
		£m	£m	£m	£m	£m	£m
1	Credit risk (excluding CCR)	62,639	61,571	58,174	5,011	4,927	4,654
2	Of which the standardised approach (SA)	7,262	6,958	7,840	581	557	627
4	Of which: slotting approach	424	419	449	34	34	36
5	Of which the advanced IRB (AIRB) approach	54,953	54,194	49,885	4,396	4,336	3,991
6	Counterparty credit risk - CCR	337	355	541	27	28	44
7	Of which the standardised approach	85	101	169	7	8	14
UK 8a	Of which exposures to a CCP	37	29	33	3	2	3
UK 8b	Of which credit valuation adjustment - CVA	155	222	304	12	18	24
9	Of which other CCR	60	3	35	5	0	3
15	Settlement risk	—	—	—	—	—	—
16	Securitisation exposures in the non-trading book (after the cap)	1,585	1,570	1,445	127	126	116
17	Of which SEC-IRBA approach	396	419	409	32	34	33
18	Of which SEC-ERBA (including IAA)	180	234	50	14	19	4
19	Of which SEC-SA approach	1,009	917	986	81	73	79
20	Position, foreign exchange and commodities risks (Market risk)	199	169	274	16	14	22
21	Of which the standardised approach	199	169	274	16	14	22
23	Operational risk	11,668	11,668	11,668	933	933	933
UK 23b	Of which standardised approach	11,668	11,668	11,668	933	933	933
24	Amounts below the thresholds for deduction (subject to 250% risk weight) (For information only)	2,330	2,286	2,314	186	183	185
29	Total	76,428	75,333	72,102	6,114	6,028	5,769

Total RWAs increased by £1.1bn to £76.4bn in the quarter (June 2024: £75.3bn) primarily driven by business activity and changes in risk parameters.

Risk weighted assets

Table 4: CR8 - RWEA flow statements 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 credit risk AIRB RWAs in table 2.

	Three months ended 30.09.2024 £m	Nine months ended 30.09.2024 £m
1 Risk weighted exposure amount as at the end of the previous reporting period	53,615	49,509
2 Asset size	428	948
3 Asset quality	885	(26)
4 Model updates	—	—
5 Methodology and policy	(433)	4,064
6 Acquisitions and disposals	—	—
7 Foreign exchange movements	(17)	(17)
8 Other	—	—
9 Risk weighted exposure amount as at the end of the reporting period	54,478	54,478

Advanced credit risk RWAs increased by £0.9bn to £54.5bn in the quarter (June 2024: £53.6bn) driven by:

- A £0.4bn increase in asset size primarily driven by business activity
- A £0.9bn increase in asset quality driven by changes in risk parameters
- A £(0.4)bn decrease due to methodology and policy (regulatory model) changes

Advanced credit risk RWAs increased by £5.0bn to £54.5bn in the year (December 2023: £49.5bn) driven by:

- A £0.9bn increase in asset size primarily driven by business activity
- A £4.1bn increase due to methodology and policy (regulatory model) changes

Liquidity

Table 5: LIQ1 - Liquidity Coverage Ratio

This table shows the level and components of the Liquidity Coverage Ratio (LCR).

LIQ1 - Liquidity coverage ratio (average)

		Total unweighted value (average)				Total weighted value (average)			
		30.09.24	30.06.24	31.03.24	31.12.23	30.09.24	30.06.24	31.03.24	31.12.23
UK1a									
UK1b	Number of data points used in calculation of averages ¹	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)					67,347	66,124	66,283	68,533
Cash outflows									
2	Retail deposits and deposits from small business customers, of which:	189,256	192,432	197,148	202,528	14,324	14,590	15,002	15,480
3	Stable deposits	120,389	122,399	125,123	128,143	6,019	6,120	6,256	6,407
4	Less stable deposits	68,675	69,870	71,903	74,299	8,292	8,455	8,731	9,060
5	Unsecured wholesale funding, of which:	31,484	32,150	33,289	34,404	14,212	14,780	15,618	16,346
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	10,290	9,140	8,065	7,024	2,435	2,152	1,888	1,630
7	Non-operational deposits (all counterparties) ²	17,254	19,057	21,099	23,176	7,837	8,675	9,605	10,512
8	Unsecured debt	3,940	3,953	4,125	4,204	3,940	3,953	4,125	4,204
9	Secured wholesale funding					20	20	21	48
10	Additional requirements, of which:	3,936	3,940	4,033	4,288	2,933	2,946	2,974	3,132
11	Outflows related to derivative exposures and other collateral requirements	3,011	3,118	3,198	3,426	2,776	2,800	2,790	2,947
12	Outflows related to loss of funding on debt products	0	0	42	42	0	0	41	42
13	Credit and liquidity facilities	926	822	793	820	157	146	143	143
14	Other contractual funding obligations	660	647	637	635	334	320	310	302
15	Other contingent funding obligations	51,140	50,708	51,317	52,630	3,712	3,423	3,472	3,674
16	Total cash outflows					35,536	36,079	37,397	38,982
Cash inflows									
17	Secured lending (e.g. reverse repos)	2,871	2,880	2,779	2,412	4	0	0	1
18	Inflows from fully performing exposures	1,875	1,456	1,059	594	1,025	817	629	386
19	Other cash inflows ³	1,963	2,034	2,071	2,228	450	452	428	538
UK-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)					—	—	—	—
UK-19b	(Excess inflows from a related specialised credit institution)					—	—	—	—
20	Total cash inflows	6,708	6,370	5,909	5,234	1,478	1,269	1,057	925
UK-20a	Fully exempt inflows	—	—	—	—	—	—	—	—
UK-20b	Inflows subject to 90% cap	—	—	—	—	—	—	—	—
UK-20c	Inflows subject to 75% cap	6,701	6,363	5,902	5,094	1,478	1,269	1,057	925
UK-21	Liquidity buffer					67,347	66,124	66,283	68,533
22	Total net cash outflows					34,058	34,810	36,340	38,057
23	Liquidity coverage ratio (%) (average)					197.9%	190.6%	183.1%	180.1%

Notes

1. The Liquidity Coverage Ratio is computed as a trailing average of the last 12 month-end ratios.

2. Non-operational deposits in row 7 also include excess operational deposits as defined in the PRA Rulebook (Liquidity Coverage Ratio - CRR) Article 27(4).

3. Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there is transfer restrictions or which are denominated in non-convertible currencies.

Table 5: LIQ1 - Liquidity Coverage Ratio (continued)

The average LCR for the 12 months to 30 September 2024 was 197.9% (June 2024: 190.6%), equivalent to a surplus of £33.3bn (June 2024: £31.3bn) above the 100% regulatory requirement. The increase in LCR was driven by an increase in HQLA and a reduction in total net cash outflows primarily due to a decrease in cash outflows from non-operational deposits.

The composition of the liquidity pool is subject to limits set by the Board and the independent liquidity risk, credit risk and market risk functions. In addition, the investment of the liquidity pool is monitored for concentration risk by issuer, currency and asset type. Given the returns generated by these highly liquid assets, the risk and reward profile is continuously managed.

The strong deposit franchise is a primary funding source for Barclays Bank UK Group. Barclays Bank UK Group continued to issue in the shorter-term markets and maintain capacity to issue from secured funding programmes. This funding capacity enables Barclays Bank UK Group to maintain its stable and diversified funding base.

Barclays Bank UK Group also supports various central bank monetary initiatives, such as the Bank of England's Term Funding Scheme with additional incentives for SMEs (TFSME). These are reported under 'repurchase agreements and other similar secured borrowing' on the balance sheet.