US Liquidity Coverage Ratio

Barclays Consolidated Intermediate Holding Company

For the quarterly period ended December 30, 2022

Contents

Overview

Barclays is a British universal bank. We are diversified by business, by different types of customer and client, and geography. Our businesses include consumer banking and payments operations around the world, as well as a top-tier, full service, global corporate and investment bank, all of which are supported by our service company which provides technology, operations and functional services across the Group. For further information about Barclays, please visit our website home.barclays.

Barclays' US subsidiaries and non-branch businesses are organized under an Intermediate Holding Company (IHC), Barclays US LLC (BUSLLC), in order to meet the legal requirements established by Regulation YY of the Board of Governors of the Federal Reserve System (the Board). The IHC became operational on July 1, 2016 and its key operating subsidiaries include Barclays Capital Inc. (BCI) and Barclays Bank Delaware (BBDE). Barclays Group US Inc. (BGUS) is a bank holding company that holds substantially all of the IHC's subsidiaries. BCI is our Securities and Exchange Commission (SEC) registered securities broker-dealer and Commodity Futures Trading Commission (CFTC) registered Futures Commission Merchant (FCM), and operates key investment banking and capital markets businesses within Barclays' Corporate and Investment Bank Business Offering. BBDE is our US Insured Depository Institution (IDI) regulated by the FDIC, and operates our US Consumer Bank business within Barclays' Cards and Payments business offering.

The IHC has been subject to the US Liquidity Coverage Ratio (LCR) minimum requirement of 100% as of April 1, 2017. In October 2019, the Board, the Office of the Comptroller of the Currency (OCC), and the Federal Deposit Insurance Corporation (FDIC) (collectively, the US Bank Regulators) finalized rules that provide for tailored application of certain capital, liquidity and stress testing requirements across different categories of banking institutions ("Tailoring Rule"). As a Category III IHC with total weighted Short Term Wholesale Funding of less than $75bn, Barclays' IHC is eligible for a lower minimum LCR net cash outflow requirement of 85%. The IHC LCR for Q4 is reported based on an 85% net cash outflow requirement.

US Liquidity Coverage Ratio

The LCR is a quantitative liquidity requirement implemented by the US Bank Regulators. It requires each subject company to maintain high-quality liquid assets (HQLA) sufficient to meet its projected total net cash outflows over a 30 calendar-day period of significant stress. The calculation of projected total net cash outflows for the LCR is also required to incorporate the difference between the peak day and 30-day cumulative net cash outflow, or a maturity mismatch add-on. The LCR is calculated by dividing HQLA by the total net cash outflows[1], with a regulatory minimum ratio requirement of 100%.

The HQLA is comprised of Level 1, 2A, and 2B Assets with associated haircuts that are prescribed by the US Bank Regulators. Level 1 Assets include Central Bank reserves, US Treasuries, Agencies, and some Sovereigns and are not subject to a haircut. Level 2A Assets include debt guaranteed by a U.S. government sponsored entity, as well as other Sovereigns, and have a 15% haircut. Level 2B Assets receive a 50% haircut and encompass investment grade debt and Russell 1000 equities. Level 2A and 2B Assets may not comprise more than 40% of the entire buffer, and Level 2B Assets may not comprise more than 15% of the entire buffer. The assets in the buffer must be unencumbered and under Barclays Treasury control. Furthermore, under the LCR rule, the excess amount of HQLA held by BBDE as an IDI subsidiary subject to a minimum LCR requirement is not transferrable to non-bank affiliates and must be excluded from the consolidated IHC's HQLA.

IHC LCR ($millions)	
	Quarterly Average Weighted Amount as of Dec. 30, 2022
HQLA	15,661
Net cash outflows (calculated at 85%)	7,976
LCR	197%[2]

The table below summarizes the primary categories of net cash outflows in the LCR calculation. Inflow and outflow products are prescribed per the LCR mapping, and are attributed with explicit weightings largely based on underlying asset quality and counterparty information. Inflows are capped at 75% of total cash outflows. Additionally, secured

[1] Barclays IHC qualifies as a Category III institution under the Tailoring Rule, subject to a reduced net cash outflow requirement of 85%. Net cash outflows in this disclosure are reported at the 85% requirement.

[2] The average of the liquidity coverage ratios as calculated under § 249.10(b) for the quarterly period as of December 30, 2022.

lending transactions where the asset has been rehypothecated for greater than 30 days receive a 0% inflow weighting in the calculation.

LCR Weighting			
Deposit Funding	*Minimum*	3%	Stable deposits, fully insured by the FDIC
	Maximum	40%	Partially insured, non-retail deposit, non-brokered
Unsecured wholesale Funding	*Minimum*	5%	Operational deposits, fully insured by the FDIC
	Maximum	100%	Financial, non-operational
Secured wholesale funding/lending	*Minimum*	0%	Secured by Level 1 liquid assets, including US Treasuries, Agencies, and Sovereigns.
	Maximum	100%	Secured by Non-HQLA assets

The Board has implemented public disclosure requirements for the LCR to promote market discipline by providing the public with comparable liquidity information about covered companies. The requirement to disclose applies to all depository institution holding companies and covered nonbank financial companies that are subject to the LCR. The disclosure requires a quantitative and qualitative summary on a quarterly basis.

The following table details the Consolidated Barclays IHC LCR for the quarterly period ended December 30, 2022.

4Q22 Liquidity Coverage Ratio Disclosure

	12/30/2022 In Millions of U.S Dollars	Average Unweighted Amount	Average Weighted Amount
	HIGH-QUALITY LIQUID ASSETS		
1	**Total eligible high-quality liquid assets (HQLA), of which:**	18,873	15,661
2	Eligible Level 1 liquid assets	18,863	15,654
3	Eligible level 2A liquid assets	10	7
4	Eligible level 2B liquid assets	0	0
	CASH OUTFLOW AMOUNTS		
5	**Deposit outflow from retail customers and counterparties, of which:**	27,146	3,818
6	Stable retail deposit outflow	-	-
7	Other retail funding	15,010	1,501
8	Brokered deposit outflow	12,136	2,317
9	**Unsecured wholesale funding outflow, of which:**	4,224	4,283
10	Operational deposit outflow	-	-
11	Non-operational funding outflow (incl Wholesale free credits)	4,224	4,276
12	Unsecured debt outflow	-	8
13	**Secured wholesale funding and asset exchange outflow, of which:**	114,718	25,909
14	**Additional outflow requirements, of which:**	4,174	1,816
15	Outflow related to derivative exposures and other collateral requirements	2,261	1,547
16	Outflow related to credit and liquidity facilities including unconsolidated structured transactions and mortgage commitments	1,913	269
17	**Other contractual funding obligation outflow**	259	228
18	**Other contingent funding obligations outflow**	-	-
19	**TOTAL CASH OUTFLOW**	150,521	36,055
	CASH INFLOW AMOUNTS		
20	**Secured lending and asset exchange cash inflow**	140,880	21,683
21	**Retail cash inflow**	274	136
22	**Unsecured wholesale cash inflow**	1,899	1,848
23	**Other cash inflows, of which:**	4,414	4,559
24	Net derivative cash inflow	1,100	1,153
25	Securities cash inflow	36	30
26	Broker-dealer segregated account inflow	3,278	3,376
27	Other cash inflow	-	-
28	**TOTAL CASH INFLOW**	147,467	28,225
			Average Amount[1]
29	**HQLA AMOUNT**		15,661
30	**TOTAL NET CASH OUTFLOW AMOUNT EXCLUDING THE MATURITY MISMATCH ADD-ON**		9,050
31	**MATURITY MISMATCH ADD-ON**		334
32	**TOTAL NET CASH OUTFLOW AMOUNT(calculated at 85%)**		7,976
33	**LIQUIDITY COVERAGE RATIO (%)**		197%

[1] The amounts reported in this column may not equal the calculation of those amounts using component amounts reported in rows 1-28 due to technical factors such as the application of the level 2 liquid asset caps, the total inflow cap, and for depository institution holding companies subject to subpart G, the application of the modification to total net cash outflows.

Barclays IHC has consistently demonstrated a strong LCR since required to maintain a 100% minimum ratio, with a 4Q22 average of 197%. Secured financing in BCI is the primary driver of IHC's total net cash outflows. The average 4Q22 secured financing stress is 45% of the IHC's total 100% net cash outflows of $9.4bn. HQLA has averaged $15.7bn for the quarter, well above the minimum requirement with respect to the total net cash outflows calculated at 85%. BBDE can also contribute to volatility from deposits outflow and fluctuation in reserve balances. BBDE is an IDI subsidiary of the IHC. As such, any surplus HQLA in excess of its standalone regulatory requirement cannot be transferred to non-bank affiliates and is excluded from the IHC HQLA.

The 4Q22 average LCR of 197% decreased from the 3Q22 average of 205%. The primary drivers were a decrease in Level 1 HQLA and an increase in net secured cash outflows.

High Quality Liquid Assets

The IHC's average HQLA for 4Q22 is $15.7bn, a decrease from the prior quarter average of $16.1bn. The composition of HQLA is mainly Level 1, as it includes US Treasury holdings in the bank's liquidity pool as well as central bank reserves. The stressed and notional balances are largely equivalent since Level 1 HQLA does not receive a haircut.

HQLA ($millions)		
	Quarterly Average Unweighted Amount as of Dec. 30, 2022	Quarterly Average Weighted Amount as of Dec. 30, 2022
Level 1	18,863	15,654
Level 2A	10	7
Level 2B	-	-
Total HQLA	18,873	15,661

Funding Sources

The IHC maintains a funding profile that is diversified across a range of funding types and tenors. The IHC closely manages its short and long term liquidity needs and risks in the normal course of business and under different stress scenarios. The primary sources of funding for the IHC are secured funding transactions, senior and subordinated unsecured debt, retail and brokered deposits, a credit card securitization program, and shareholders' equity. Secured funding transactions are mainly collateralized by HQLA securities. The primary usages of secured funding in the IHC are securities borrowing transactions and the funding of the firm's portfolio of investment securities.

Retail and brokered deposit products provide a stable source of funding for the IHC's credit card and consumer loan business operating in BBDE. Additional long-term funding for the bank entity is provided through a credit card securitization program.

Additional unsecured funding needs for the IHC are met through debt and equity issued to the IHC's parent, Barclays Bank PLC (BBPLC) and issuance of commercial paper by IHC's key operating subsidiary BCI. These sources are used to support the cash needs of the IHC's businesses and fund the IHC's liquidity buffer.

Potential liquidity risks associated with the IHC's sources of funding are monitored and mitigated by the IHC's HQLA liquidity buffer. These risks are managed as part of Barclays Liquidity Risk Appetite (LRA), which accounts for potential liquidity needs under a range of stress scenarios and over different time horizons.

Unsecured LCR Outflows and Inflows ($millions)		
Outflows	**Quarterly Average Unweighted Amount as of Dec. 30, 2022**	**Quarterly Average Weighted Amount as of Dec. 30 2022**
Deposit outflow from retail customers and counterparties, of which:	27,146	3,818
Other retail funding outflow	15,010	1,501
Brokered deposit outflow	12,136	2,317
Unsecured wholesale funding outflow, of which:	4,224	4,283
Non-operational funding outflow (incl. Wholesale free credits)	4,224	4,276
Unsecured debt outflow	0	8
Inflows		
Retail cash inflow	274	136
Unsecured wholesale cash inflow	1,899	1,848

Derivative and Currency Exposure

The IHC has limited principal exposure to derivatives instruments, as a majority of principal derivatives are booked in entities outside of the IHC. BCI holds direct membership with multiple US clearinghouses and provides agency clearing services for OTC cleared derivatives and exchange traded derivatives, including US listed equity options. Collateral calls on BCI arise from initial and variation margin requirements calculated by the clearinghouses.

The US LCR is calculated and reported on a consolidated basis in a common currency, USD. The majority of assets and liabilities in the IHC are USD denominated, however currency exposure may arise when assets and liabilities are not matched in the same currency. When this occurs, Treasury rebalances these currencies as necessary.

Liquidity Management

The efficient management of liquidity is essential to retain the confidence of the financial markets. LCR is an indicator of an entity's ability to meet liquidity needs over a 30-day period of significant liquidity stress. Barclays Treasury continuously monitors its internally developed stress tests as well as the LCR to maintain adherence to internal limits and external regulatory requirements.

Barclays' management of funding and liquidity in the US is bound by limits that support the LRA. The LRA is set by the board of Barclays in line with Barclays' Enterprise Risk Management Framework (ERMF). Treasury actively manages funding and liquidity within the limit framework, leveraging early warning indicators (EWIs), targets, and triggers to keep US-based legal entities, branches, and businesses within the established risk appetite.

The Treasury Risk function is an independent review function responsible for the governance of the liquidity risk mandate defined by the Barclays board. Barclays' comprehensive control framework for managing liquidity risk is designed to deliver the appropriate term and structure of funding consistent with the LRA.

Note on forward-looking statements:

This disclosure contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to Barclays PLC and its subsidiaries (together the "Barclays Group").

- Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements.
- 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 may also be made verbally by members of the management of the Barclays Group in connection with this document.
- Examples of forward-looking statements include, among others, statements or guidance regarding or relating to the Barclays Group's future financial position, future results, capital distributions (including dividend payout ratios and expected payment strategies), capital, leverage or other regulatory ratios or other financial and non-financial metrics or performance measures (the "Future Performance").
- 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 and such statements may be affected by influences and factors which are beyond the Barclays Group's control. As a result, the Barclays Group's actual Future Performance may differ materially from the statements or guidance set forth in the forward looking-statements.
- Subject to the Barclays Group's obligations under the applicable law and regulations of any relevant jurisdiction (including, without limitation, the UK and the US) in relation to disclosure and on-going information, the Barclays Group undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.
- The reader should, however, consult any additional disclosures that Barclays or Barclays PLC has made or may make in documents it has published or may publish via the Regulatory News Service of the London Stock Exchange and/or has filed or may file with the US Securities and Exchange Commission (the "SEC") (including, without limitation, Barclays PLC's Annual Report on Form 20-F for the fiscal year ended 31 December 2021, as amended), which are available on the SEC's website, www.sec.gov.