



# Barclays PLC Fixed Income Investor Presentation

Q4 2020 Results Announcement

18 February 2021

# Strategy, Targets and Guidance

# Resilient FY20 performance despite the COVID-19 pandemic

Continue to support customers, clients, colleagues and communities.  
**Barclays is well-placed to support the recovery**

Benefitted from our **diversified business model** as strong CIB income performance offset consumer headwinds

Remained **profitable every quarter** in 2020, with a significantly increased impairment allowance, strong capital and a highly liquid balance sheet

Focused on the sustainable impact of our business and **meeting our climate ambitions**

**Re-established capital distributions** with a FY20 dividend of 1p and announced a share buyback of up to £700m

Focused on delivering our financial targets over time and **expect to generate meaningful RoTE improvement in 2021**

## FY20 Financial highlights<sup>1</sup>

£21.8bn	Income
£7.9bn	Pre-provision profits
£3.1bn	PBT
64% <sup>2</sup>	Cost: income ratio
3.2%	RoTE
£9.4bn	Impairment allowance
15.1%	CET1 ratio
5p	Total payout equivalent /share

<sup>1</sup> Financial highlights on a statutory basis (including litigation & conduct) | <sup>2</sup> FY20 cost: income ratio of 63%, excluding litigation & conduct |

# Strong balance sheet underpinning returns potential

## FY20 metrics<sup>1</sup>

### Group RoTE

3.2%

### Cost efficiency

64% cost: income ratio<sup>2</sup>

### CET1 ratio

15.1%

### Capital distribution

1p full year dividend  
Up to £700m share buyback  
announced  
**Total payout equivalent 5p / share**

## Group targets

### Group RoTE/profitability

>10% RoTE over time, with  
meaningful year on year  
improvement in 2021

### Cost efficiency

<60% cost: income ratio over  
time

### CET1 ratio

CET1 ratio between 13-14%

### Capital Distribution

Barclays understands the  
importance of delivering  
attractive total cash returns  
to shareholders

<sup>1</sup> FY20 metrics on a statutory basis (including litigation & conduct) | <sup>2</sup> FY20 cost: income ratio of 63%, excluding litigation & conduct |

# Outlook: Diversification allowing resumption of capital returns to shareholders

Returns



Expect meaningful year-on-year RoTE improvement in 2021

Income



The Group continues to benefit from diversification. Income outlook for the consumer businesses remain challenging while the CIB franchise remains well positioned

Costs



COVID-19 related expenses are likely to remain elevated in 2021. Will continue to drive efficiencies while investing in the franchise where appropriate

Impairment



2021 impairment charge expected to be materially below that of 2020<sup>1</sup>

Capital



Expect a reduction in the CET1 ratio towards the target range of 13-14%, reflecting certain headwinds, but remain in a strong position to continue capital distributions to shareholders

Resumed capital returns to shareholders with FY20 results

1p  
2020  
dividend



Up to  
£700m  
share  
buyback<sup>2</sup>



Total payout  
equivalent:  
5p  
per share<sup>3</sup>

Outlook remains uncertain and subject to change depending on the evolution and persistence of the COVID-19 pandemic | <sup>1</sup> Provided macroeconomic assumptions remain consistent with expectations | <sup>2</sup> Intention to initiate a share buyback which is expected to commence in Q121 | <sup>3</sup> Consistent with the temporary guardrails announced by the PRA in December 2020 |

# Diversified banking model which provides resilience through economic cycles



Diversified by customer and client

Consumer and wholesale mix enabled the Group to generate 1% higher income in 2020



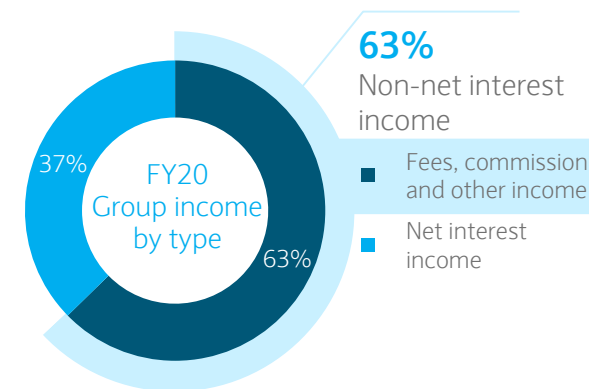
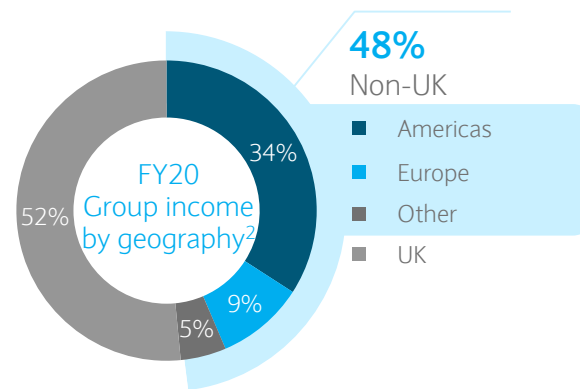
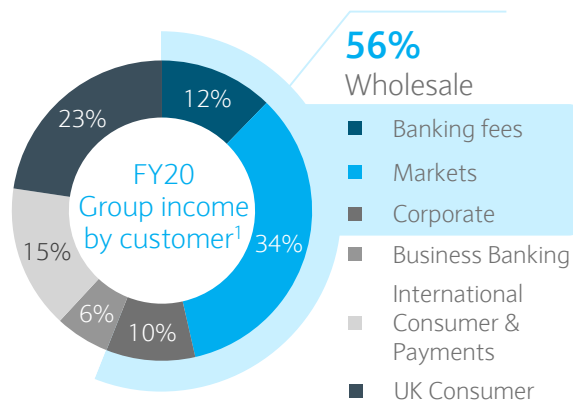
Diversified by geography

Barclays has a global footprint with revenue streams from various jurisdictions



Diversified by income type

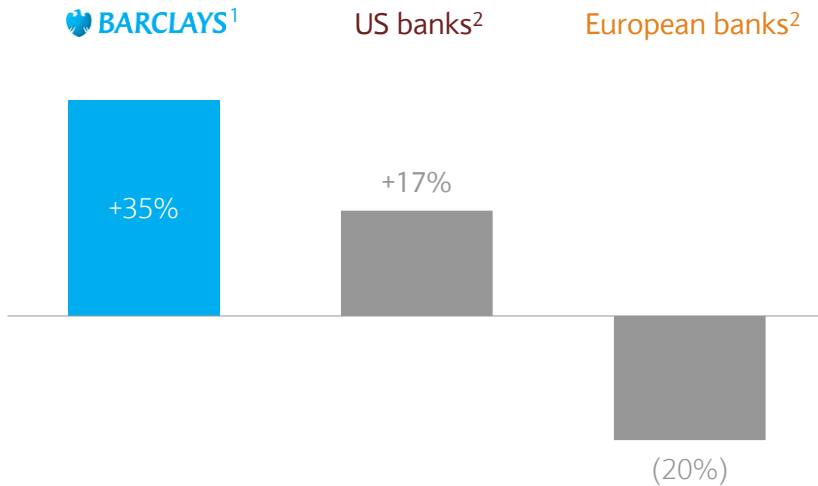
In a low rate environment, Barclays is relatively well positioned given the Group's lower reliance on net interest income



<sup>1</sup> Excludes negative income from Head Office | <sup>2</sup> Based on location of office where transactions recorded |

# CIB returns improvement driven by material growth in market share of the Markets business since 2017

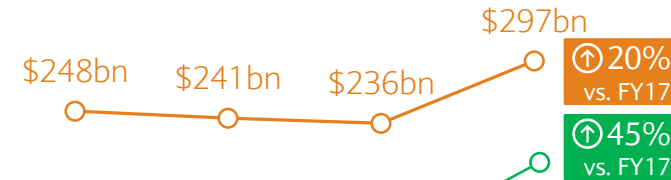
Total market share change of the Markets business (2017-20)



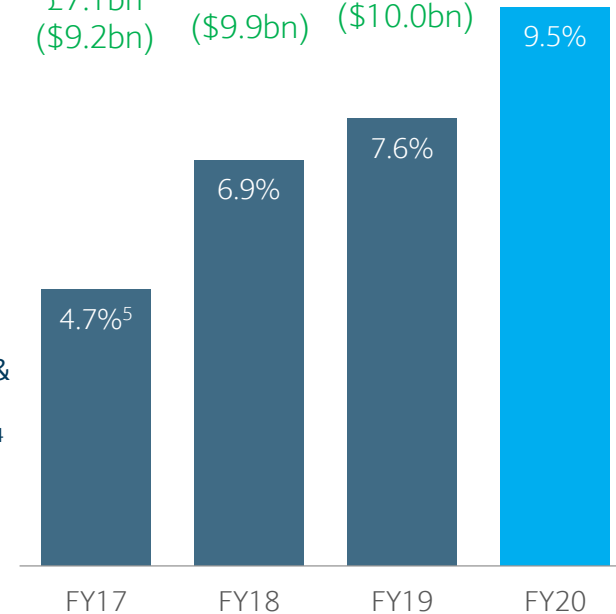
Barclays market share<sup>1</sup>

	FY17	FY18	FY19	FY20	% change FY20 vs. FY17
Total Markets	3.6%	4.2%	4.3%	4.9%	35%
FICC	3.5%	3.9%	4.1%	4.6%	32%
Equities	3.8%	4.6%	4.6%	5.5%	43%

Markets<sup>1</sup> & Banking<sup>3</sup> industry wallet



Corporate & Investment Bank RoTE<sup>4</sup>



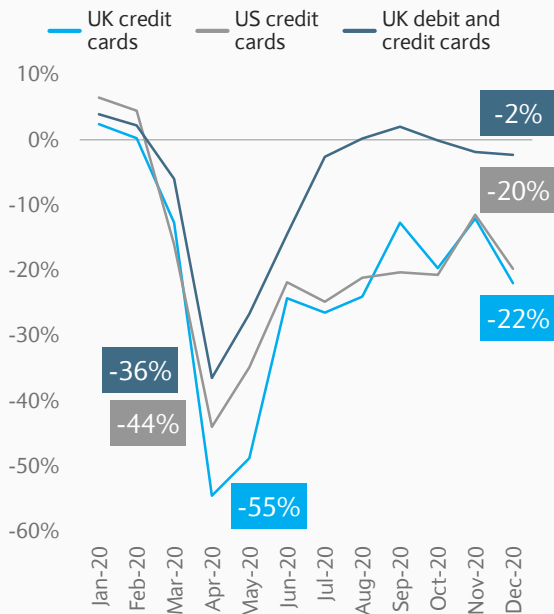
<sup>1</sup> Source: Coalition Greenwich, Preliminary FY20 Competitor Analysis. Market share represents Barclays share of the Global Industry Revenue Pool. Analysis based on Barclays internal business structure and internal revenues | <sup>2</sup> Coalition Greenwich, Q320 YTD Competitor Analysis. Market share represents share of the Global Industry Revenue Pool. US banks include: JPM, BoA, Citi, GS and MS. European banks include: BNPP, CS, DB, HSBC, SG and UBS. Analysis is based on Barclays internal business structure | <sup>3</sup> Source: Dealogic | <sup>4</sup> Corporate and Investment Bank RoTE on a statutory basis (including litigation & conduct) | <sup>5</sup> Excludes DTA re-measurement |

# Consumer spending impacted by extended lockdowns while mortgage activity remains robust

## Cards spending<sup>1</sup>

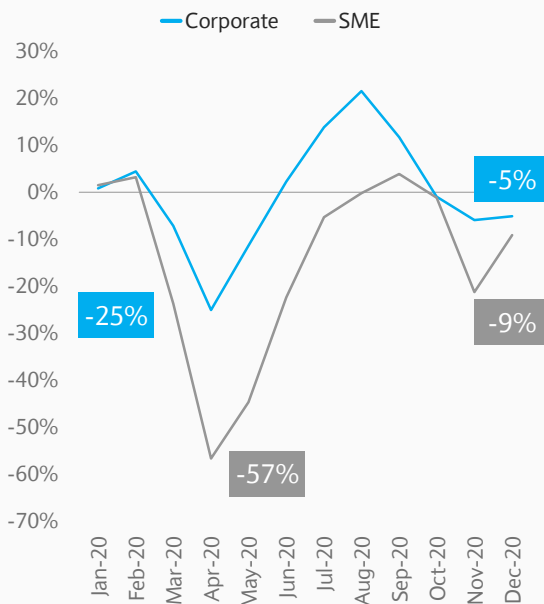
YoY change in monthly spend (%)

2021 continues to be affected by lockdowns, with Jan-21 UK debit and credit card spend -16.3% YoY



## Merchant acquiring turnover<sup>2</sup>

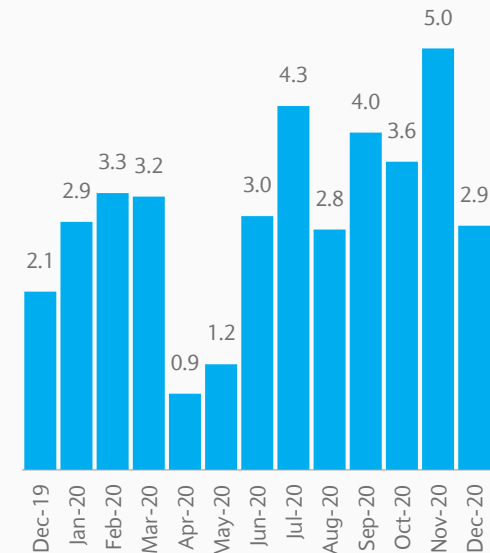
YoY change in monthly turnover (%)



## Mortgages

Mortgage application values (£bn)

Q420 mortgage application values remained at elevated levels, with pricing at attractive margins



<sup>1</sup> Data based on Barclays debit and credit card transactions, as per the monthly Barclays Spend Trends 2.0 report. UK credit cards spend excludes balance transfers | <sup>2</sup> Based on the value of transactions. Corporate includes turnover associated with Government savings products |



# Barclays investment proposition

*Our scale, geographic reach and diversification make us a universal bank, delivering financial expertise around the world*



1

## Resilience through diversification

We are a British universal bank diversified by business, geography and income type, serving consumers and wholesale customers and clients globally. This diversification provides resilience through different economic cycles

- Scale retail and business bank in the UK
- Top tier global corporate and investment bank
- Broad international consumer lending, cards, and payments franchise, and private bank



2

## Growth opportunities

Our diversified model offers us growth opportunities. We intend to grow Barclays by continuing to invest in our core business strengths, and delivering world-class technology and digital capabilities to our customers and clients

- Attractive growth opportunities in markets where we have established businesses today
- Investing in less capital intensive, technology-led, annuity businesses
- Opening up potential new income streams and improving cost efficiencies



3

## Sustainable impact

We understand that our success is judged not only by commercial performance, but also by how we act sustainably and responsibly for each other and the long term. We are agents of change

- Our ambition to be a net zero bank by 2050 and a commitment to align all our financing activities with the goals of the Paris Climate Agreement
- Tackling climate change by accelerating the transition to a low-carbon economy



4

## Strong balance sheet supporting returns

A strong capital base, high levels of liquidity, and diversified profit streams provide a solid foundation for attractive and sustainable return of capital to shareholders

Barclays aims to achieve the following targets:

- Group returns: Return on Tangible Equity (RoTE) of >10% over time
- Cost efficiency: cost: income ratio of <60% over time
- Capital strength: Common Equity Tier 1 (CET1) ratio in the range of 13-14%



# Performance

# FY20 Group highlights

Group PBT of £3.2bn (excl. litigation and conduct) despite the impact of the COVID-19 pandemic

## Financial performance<sup>1</sup>

### Income

£21.8bn FY19: £21.6bn

### Costs

£13.7bn FY19: £13.6bn

### Cost: income ratio

63% FY19: 63%

### Impairment

£4.8bn FY19: £1.9bn

### PBT

£3.2bn FY19: £6.2bn

### RoTE

3.4% FY19: 9.0%

### EPS

9.5p FY19: 24.4p

### CET1 ratio

15.1% FY19: 13.8%

### TNAV per share

269p FY19: 262p

### Liquidity coverage ratio

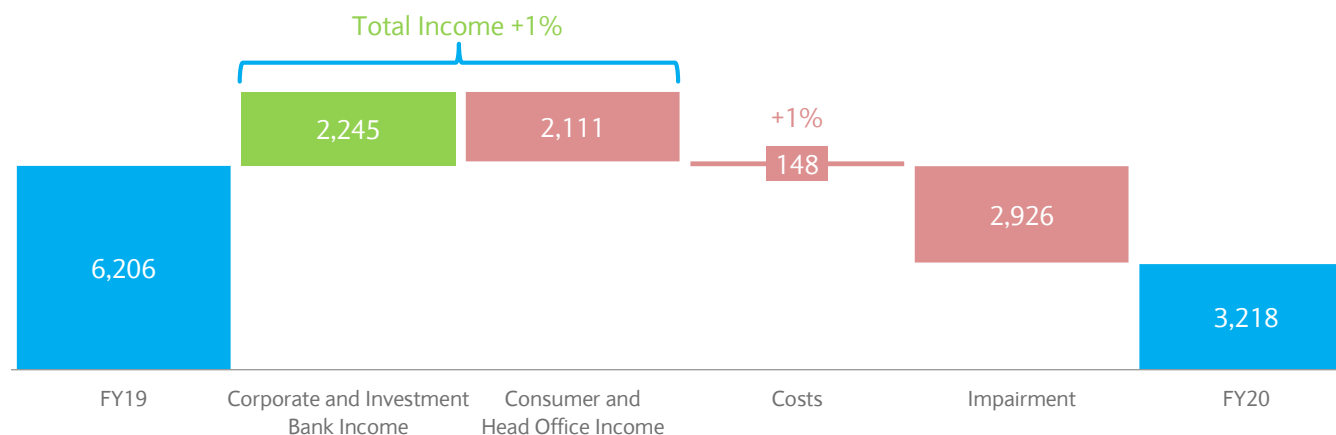
162% FY19: 160%

### Loan: deposit ratio

71% FY19: 82%

- **PBT down 48%**, primarily driven by materially increased impairment charges due to the deterioration in economic outlook driven by the COVID-19 pandemic
- **Income increased 1%**, reflecting a 22% growth in CIB income, offset by headwinds in BUK and CC&P
- **Costs increased 1%**, driven by increased spend on structural cost actions and COVID-19 initiatives, more than offsetting efficiency savings
- **CET1 ratio increased to 15.1%**, up 130bps from FY19, reflecting profits, regulatory measures, and cancellation of the full year 2019 dividend payment, partially offset by an increase in RWAs
  - **Capital distributions announced** with a 1p FY20 dividend and the intention to initiate a share buyback of up to £700m, representing a **total payout equivalent to 5p per share**

## FY19 to FY20 profit before tax (£m)<sup>2</sup>



<sup>1</sup> Relevant income statement, financial performance measures, accompanying commentary and profit before tax bridge exclude litigation & conduct | <sup>2</sup> Bridge does not include other net income YoY change of (£48m) |

# Q420 Group highlights

*Barclays continued to be profitable in the fourth quarter with a strong balance sheet*

## Financial performance<sup>1</sup>

### Income

£4.9bn Q419: £5.3bn

### Costs

£3.8bn Q419: £3.5bn

### Cost: income ratio

76% Q419: 67%

### Impairment

£492m Q419: £523m

### PBT

£0.7bn Q419: £1.3bn

### RoTE

2.2% Q419: 6.9%

### EPS

1.5p Q419: 4.7p

### CET1 ratio

15.1% Sep-20: 14.6%

### TNAV per share

269p Sep-20: 275p

### Liquidity coverage ratio

162% Sep-20: 181%

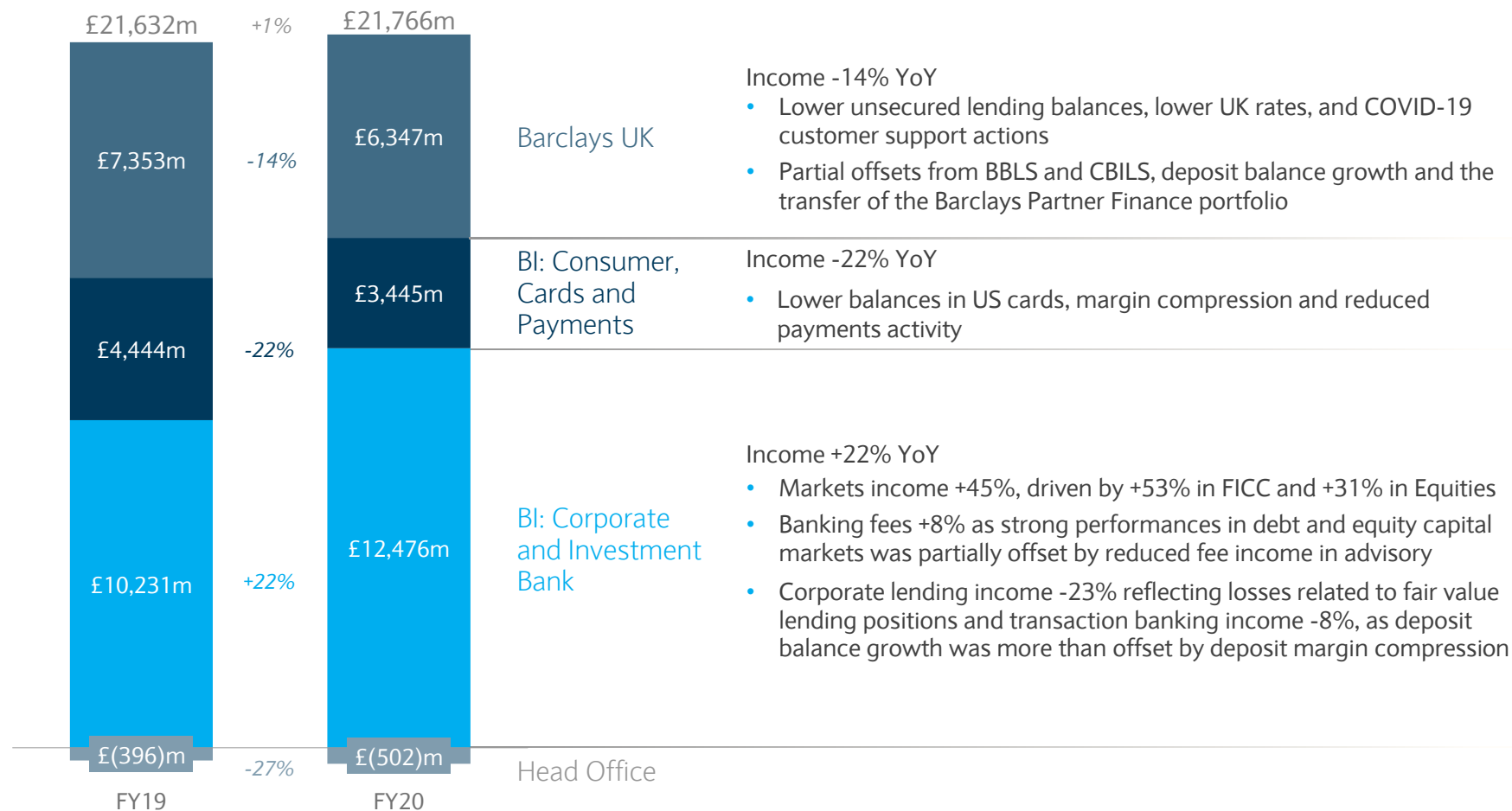
### Loan: deposit ratio

71% Sep-20: 70%

- **Income decreased 7%** as continued strong performance in CIB, in both Markets and Banking, was offset by continued headwinds in BUK and CC&P
- **Costs increased to £3.8bn**, including structural cost actions of £261m and increased bank levy of £299m (FY19: £226m), mainly due to the non-recurrence of prior year adjustments
- **Credit impairment charges decreased £31m to £492m**, of which £48m was stage 1 and 2 impairment build and £444m was stage 3 defaulted loans
  - Q420 impairment charge was £116m lower than Q320
  - Net write-offs were c.£0.6bn, as underlying asset quality metrics remained benign
- **Generated PBT of £0.7bn, RoTE of 2.2% and EPS of 1.5p**
- **CET1 ratio of 15.1%**, up 50bps from Q320 primarily driven by lower RWAs, in addition to a 30bps benefit from the regulatory change to software assets<sup>2</sup>
  - RWAs reduced £4.5bn from Q320 to £306.2bn, driven by the strengthening of GBP against USD

<sup>1</sup> Relevant income statement, financial performance measures and accompanying commentary exclude litigation and conduct | <sup>2</sup> On 12 February 2021 the PRA launched a consultation on certain items within the Basel standards that remain to be implemented in the UK as well as setting out proposed new PRA CRR rules. The proposals include reverting to the previous treatment of 100% CET1 capital deduction for qualifying software assets by the end of 2021, meaning the benefit in the CET1 ratio is likely to be reversed in future periods |

# Income growth of 1% as strong CIB performance offset consumer business headwinds



# Consumer businesses still facing headwinds from COVID-19 restrictions

## Barclays UK

- Experiencing downward pressure on consumer spending and unsecured lending balances in Q121, which is likely to persist in the near term
- Cards balances also impacted by persistent debt regulation and actions taken to limit risk
- Expect continued lower structural hedge income
- Some offset to headwinds from the following:
  - Increased mortgage volumes and margin
  - Reduced impact of COVID-19 customer support actions

Expect downwards pressure on NIM throughout 2021, resulting in FY21 NIM of c.240bps, assuming no change in base rates

## Consumer Cards and Payments

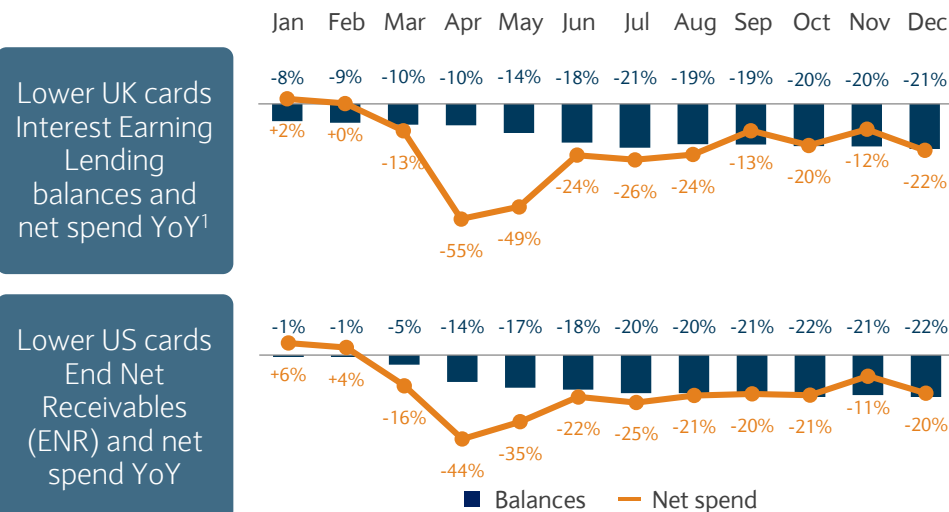
- Experiencing downward pressure on consumer spending and unsecured lending balances in Q121, which is likely to persist in the near term
- Reduced merchant acquiring turnover is also impacting current Payments income

Unsecured lending balance recovery in both BUK and CC&P will likely lag the recovery in consumer spending

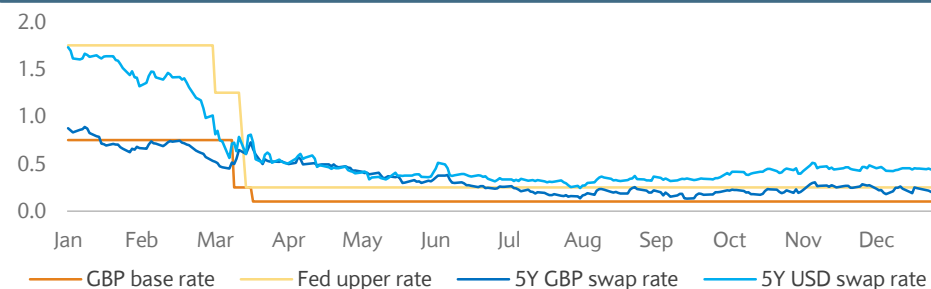
Headwinds to income in Barclays UK are expected to persist in 2021 and the medium-term, including the subdued demand for unsecured lending and the low interest rate environment

The CC&P income outlook remains uncertain and contingent on the evolution of the US and UK spending and cards balances

<sup>1</sup> UK credit cards spend excludes balance transfers |

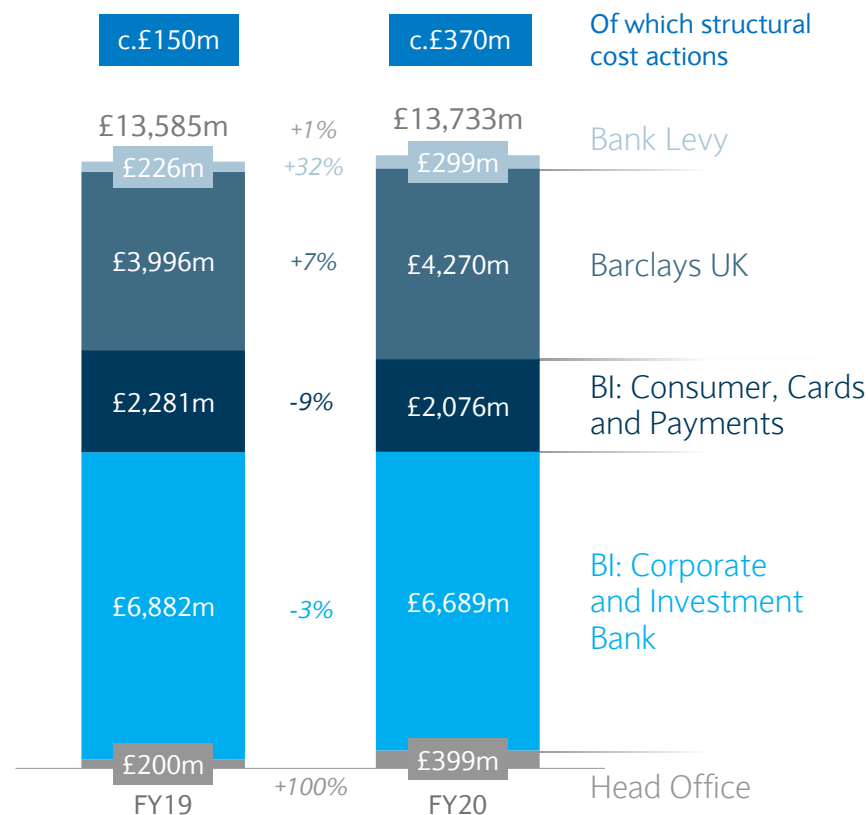


## Reduced rate environment in the UK and US

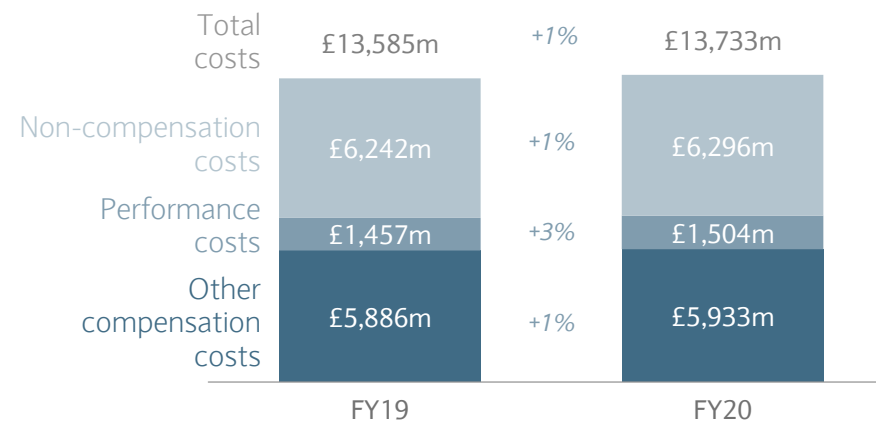


# Costs increased 1%, with neutral cost: income jaws<sup>1</sup>

FY20 costs of £13.7bn<sup>1</sup>



Cost: income ratio of 63%<sup>1</sup>



- FY20 costs increased by £148m YoY to £13.7bn, driven by structural cost actions, and expenditure on COVID-19 initiatives to support customers, businesses, communities and colleagues
- Structural cost actions of c.£370m in 2020 included real estate rationalisation, branch optimisation and the discontinued use of certain software assets
- Continued focus on cost discipline, while short-term headwinds remain from COVID-19 related expenditure

COVID-19 related expenses are likely to remain elevated in 2021. However, the Group will continue to drive efficiencies while investing in its franchise where appropriate

<sup>1</sup> Excluding litigation and conduct |

# Q420 Barclays UK

Barclays UK continued to support customers in a challenging operating environment

## Financial performance<sup>1</sup>

### Income

£1.6bn Q419: £2.0bn

### Costs

£1.2bn Q419: £1.1bn

### Cost: income ratio

73% Q419: 54%

### Impairment

£170m Q419: £190m

### Loan loss rate

31bps Q419: 38bps

### PBT

£278m Q419: £705m

### RoTE

6.2% Q419: 18.7%

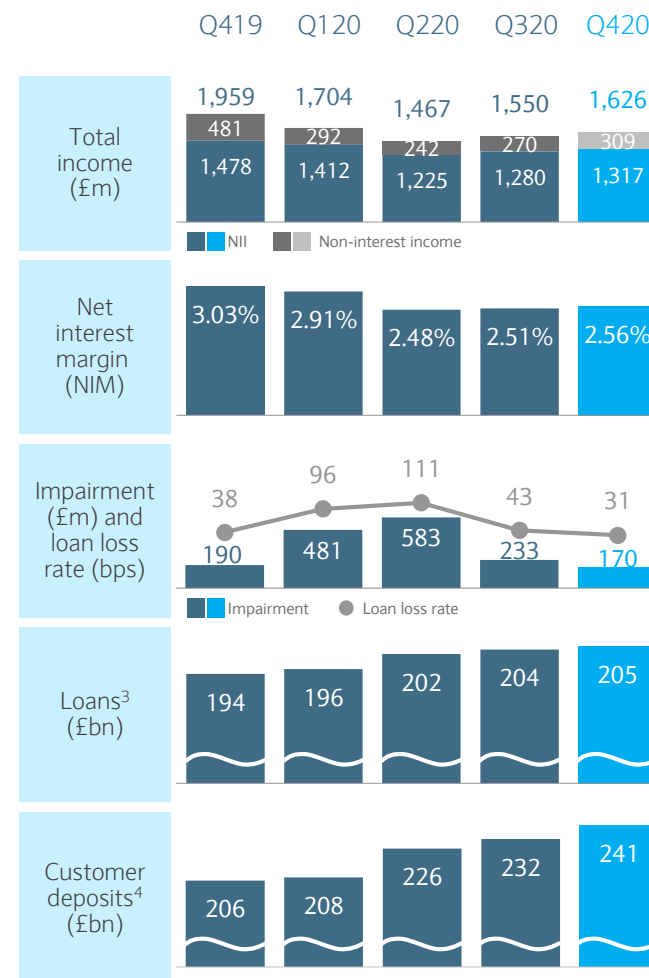
### Average equity<sup>2</sup>

£9.8bn Q419: £10.3bn

### RWAs

£73.7bn Sep-20: £76.2bn

- **Income decreased 17%** reflecting the challenging operating environment
  - Impact of lower unsecured lending balances and UK rates, partially offset by income from BBLS and CBILS, deposit balance growth and the inclusion of the Barclays Partner Finance portfolio
- **NIM improved 5bps QoQ to 2.56%**, FY20 NIM of 2.61%
  - Expect downwards pressure on NIM throughout 2021, resulting in FY21 NIM of c.240bps, assuming no change in base rates, as headwinds persist from low interest rates, and mix effect from lower unsecured lending balances and growth in mortgages
- **Costs increased 11%** as structural cost actions, higher servicing and financial assistance costs, and the transfer of Barclays Partner Finance were partially offset by efficiency savings
- **Impairment charges were down 11%** reflecting lower UK card balances largely driven by cautious customer behaviour, including lower spending
- **Loans<sup>3</sup> increased 6% YoY**, predominantly from continued support for SMEs through BBLS and CBILS lending, driving an £11.1bn (Q420: £0.7bn) increase in business banking loans, £5.1bn (Q420: £1.9bn) of growth in mortgages following a strong flow of new customer applications and the transfer of Barclays Partner Finance, partially offset by £(4.8)bn (Q420: £(0.8)bn) lower UK card balances
- **Customer deposits<sup>4</sup> increased 17% YoY** further strengthening the liquidity position and contributing to a loan: deposit ratio of 89%



<sup>1</sup> Relevant income statement, financial performance measures and accompanying commentary exclude litigation and conduct | <sup>2</sup> Average allocated tangible equity | <sup>3</sup> Loans and advances at amortised cost | <sup>4</sup> Customer deposits at amortised cost |



# Q420 Barclays International

*Resilient performance with stable income and impairment, and lower costs*

## Financial performance<sup>1</sup>

### Income

£3.5bn Q419: £3.5bn

### Costs

£2.4bn Q419: £2.4bn

### Cost: income ratio

68% Q419: 70%

### Impairment

£0.3bn Q419: £0.3bn

### PBT

£0.8bn Q419: £0.7bn

### RoTE

5.9% Q419: 6.0%

### Average equity<sup>2</sup>

£30.5bn Q419: £30.9bn

### Loan loss rate

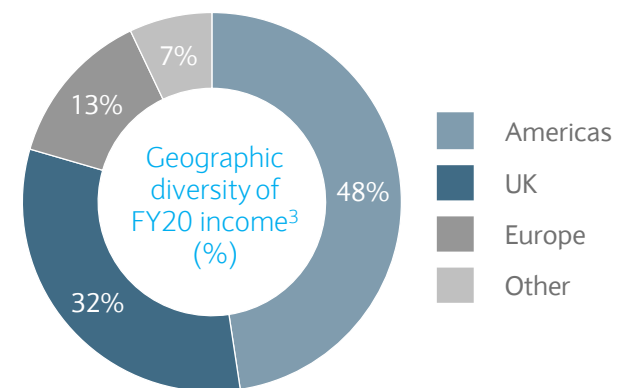
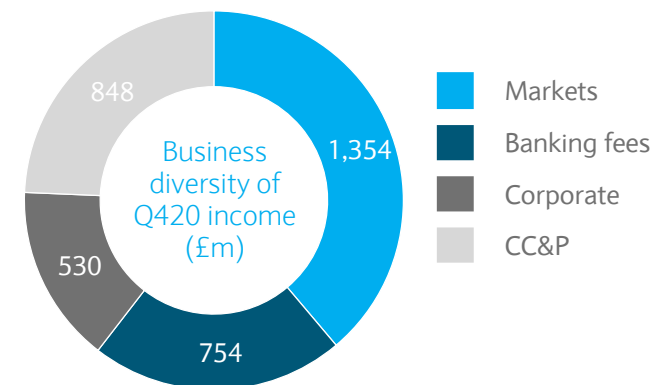
90bps Q419: 96bps

### RWAs

£222.3bn Sep-20: £224.7bn

- **Income was stable at £3.5bn**, reflecting strong performance in CIB, offset by lower income in CC&P
  - Income diversified by business and geography, with the US representing c.48% and the UK c.32% of income<sup>3</sup>
- **Cost: income ratio decreased to 68%**
- **Impairment charge of £0.3bn**, in line with Q419
- **RWAs decreased to £222.3bn** driven by the strengthening of GBP against USD, partially offset by a reduction in credit quality within CIB

## Balanced income profile across businesses and geographies



<sup>1</sup> Relevant income statement, financial performance measures and accompanying commentary exclude litigation and conduct | <sup>2</sup> Average allocated tangible equity | <sup>3</sup> BBPLC FY20 income, based on location of office where transactions were recorded |

# Q420 Barclays International: Corporate & Investment Bank

Record Q4 income<sup>1</sup> and positive cost: income jaws

## Financial performance<sup>2</sup>

### Income

£2.6bn Q419: £2.3bn

### Costs

£1.8bn Q419: £1.8bn

### Cost: income ratio

69% Q419: 80%

### Impairment

£52m Q419: £30m

### PBT

£0.8bn Q419: £0.4bn

### RoTE

6.2% Q419: 3.9%

### Average equity<sup>3</sup>

£26.3bn Q419: £25.8bn

### Total assets

£984bn Sep-20: £1,043bn

### RWAs

£192.2bn Sep-20: £193.3bn

- **CIB income increased 14%** to £2.6bn
- **Markets income increased 19%**, reflecting the best ever Q4 on a comparable basis<sup>1</sup> for both FICC and Equities
  - **FICC increased 12%**, with strong performance in Credit driven by increased client activity and wider spreads
  - **Equities increased 33%** driven by equity derivatives and cash equities due to higher levels of client activity and volatility
- **Banking fees increased 30%**, reporting the highest fee quarter ever<sup>1</sup> with strong performance in debt underwriting and a recovery in advisory fees
- **Corporate lending income decreased 8%** reflecting lower average drawn balances and increased cost of credit protection
- **Transaction banking income decreased 13%** as deposit balance growth was more than offset by margin compression
- **Cost: income ratio decreased to 69%** reflecting higher income with costs broadly stable, driving 15% positive cost: income jaws
- **Total assets decreased QoQ to £984bn** predominantly due to lower settlement balances and cash at central banks within the liquidity pool

## Income

GBP basis (£m)

USD basis<sup>4</sup> (\$m)

Q419

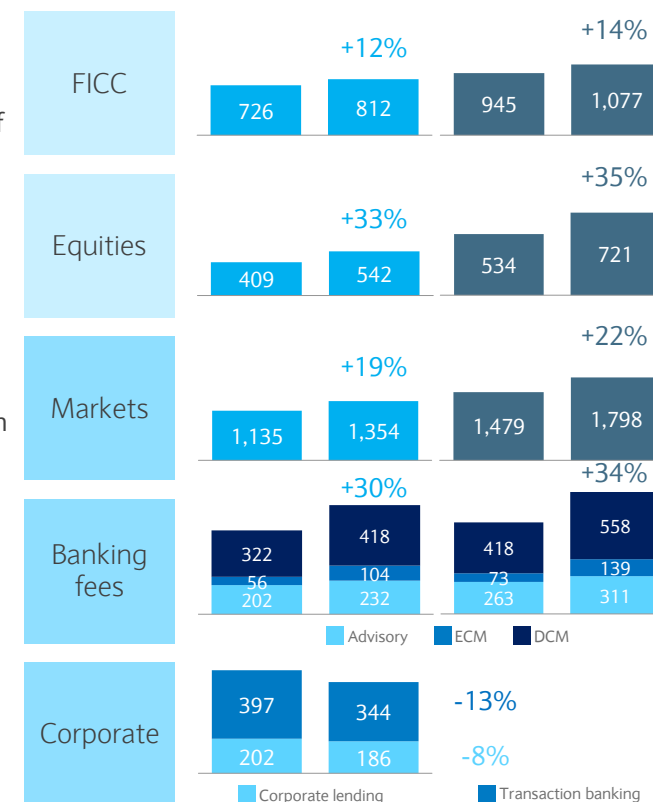
Q420

YoY

Q419

Q420

YoY



<sup>1</sup> On a comparable basis. Period covering Q114 – Q420. Pre 2014 financials not restated following re-segmentation in Q116 | <sup>2</sup> Relevant income statement, financial performance measures and accompanying commentary exclude litigation and conduct |

<sup>3</sup> Average allocated tangible equity | <sup>4</sup> USD basis is calculated by translating GBP revenues by month for Q420 and Q419 using the corresponding GBP/USD FX rates |

# Q420 Barclays International: Consumer, Cards & Payments

Lower income partially offset by reduction in costs and impairment

## Financial performance<sup>1</sup>

### Income

£0.8bn Q419: £1.1bn

### Costs

£0.5bn Q419: £0.6bn

### Cost: income ratio

64% Q419: 50%

### Impairment

£239m Q419: £299m

### Loan loss rate

286bps Q419: 273bps

### PBT

£72m Q419: £288m

### RoTE

3.8% Q419: 16.3%

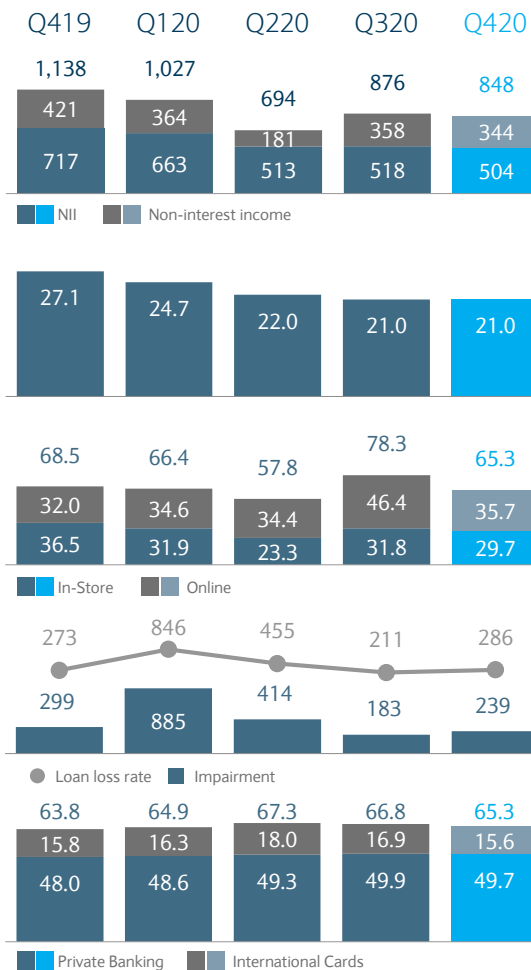
### Average equity<sup>2</sup>

£4.2bn Q419: £5.1bn

### RWAs

£30.1bn Sep-20: £31.4bn

- **Income decreased 25%** due to lower US card balances and reduced payments income
- **Compared to Q320, income decreased 3%** driven by lower payments income and the weakening of average USD against GBP
- **Total US cards receivables were down 22% YoY and stable QoQ** as the seasonal uptick in consumer spend was offset by customer repayments
- **Merchant acquiring volumes were impacted by increased lockdown restrictions**, driving lower payments income
  - >50% of merchant acquiring volumes are now through e-commerce channels
- **Cost: income ratio increased to 64%** driven by lower income, partially offset by 4% lower costs reflecting the transfer of the Barclays Partner Finance portfolio to BUK in Q220 and reduced marketing spend
- **Impairment charges decreased 20%** reflecting reduced US cards balances



<sup>1</sup> Relevant income statement, financial performance measures and accompanying commentary exclude litigation and conduct | <sup>2</sup> Average allocated tangible equity | <sup>3</sup> Includes deposits from banks and customers at amortised cost | <sup>4</sup> Based on the value of transactions. Includes turnover associated with Government savings products. Online includes mail order and telephone payments |

# Head Office

	Q419	Q320	Q420
Income (£m)	(110)	(127)	(171)
Costs <sup>1</sup> (£m)	(56)	(69)	(222)
Loss before tax <sup>1</sup> (£m)	(167)	(191)	(416)
RWAs (£bn)	11.0	9.8	10.2
Average tangible equity (£bn)	5.2	7.6	7.3

- **Q420 negative income of £171m** including:
  - Funding costs on legacy capital instruments, including £85m from repurchases of some of the Barclays Bank PLC 7.625% Contingent Capital Notes
  - Negative treasury items
  - Hedge accounting losses
  - **Expect c.£300m negative income in FY21 (absent resumption of the ABSA dividend)**
- **Q420 costs increased to £222m<sup>1</sup>** including:
  - c.£150m of cost actions, principally related to the discontinued use of certain software assets
  - £22m COVID-19 Community Aid Package donations (FY20: £95m)
  - **Expect quarterly costs in 2021 to be c.£50-60m per quarter**

<sup>1</sup> Excluding litigation and conduct |

# Structural Hedge and Interest rate sensitivity

## Structural Hedge Program update

- The Group's combined gross equity and product structural hedge contribution was £0.4bn in Q420 and £1.7bn in FY20. The net structural hedge contribution was £0.3bn in Q420 and £1.2bn in FY20
- The combined structural hedge notional as at Dec-20 was £188bn with an average duration of 2.5 to 3 years

## Illustrative sensitivity of Group NII to a parallel shift in interest rate curves<sup>1</sup>

Impact of parallel shifts in interest rate curves (£m)	Year 1	Year 2	Year 3
25bps upward	c.150	c.300	c.400
10bps upward	c.50	c.100	c.150
10bps downward	c.(200)	c.(250)	c.(300)
25bps downward	c.(500)	c.(600)	c.(700)

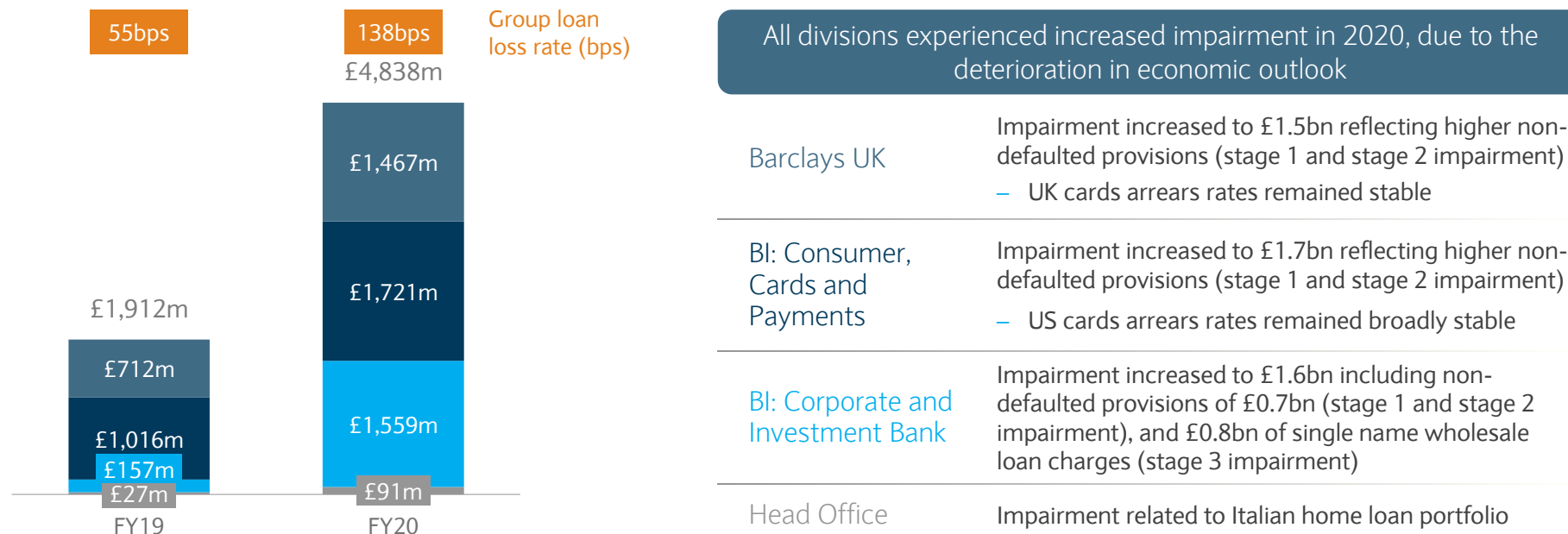
- This analysis assumes an instantaneous parallel shift in interest rate curves
- The upwards scenarios assume an illustrative 50% pass-through of rate rises to deposit pricing
- Pass-through is limited on the downward scenarios, as customer rates are floored at 0% for GBP and USD deposits<sup>2</sup>, including when the downward scenarios reflect negative base rates
- It does not apply floors to shocked market rates, thus reflecting, for illustrative purposes, the impact of negative base rates on Group NII in the downward scenarios
- The scenarios do not reflect pricing decisions that would be made in the event of rate rises or falls
- The NII sensitivity is also calculated using a constant balance sheet - i.e. maturing business is reinvested at a consistent tenor and margin
- This sensitivity is not a forecast of interest rate expectations, and Barclays' pricing decisions in the event of an interest rate change may differ from the assumptions underlying this sensitivity. Accordingly, in the event of an interest rate change the actual impact on Group NII may differ from that presented in this analysis

<sup>1</sup> This sensitivity is based on the modelled performance of the consumer and corporate banking book, and includes the impact of both the product and equity structural hedges. It provides the annual impact on Group NII over the next three years, for illustrative purposes only, and is based on a number of assumptions regarding variables which are subject to change. Such assumptions might also differ from those underlying the AEaR calculation in the Annual Report | <sup>2</sup> With regards to the relatively modest balance of EUR deposits that are currently subject to charging, no incremental pass-through of further rates reductions are assumed in the illustrative scenario |

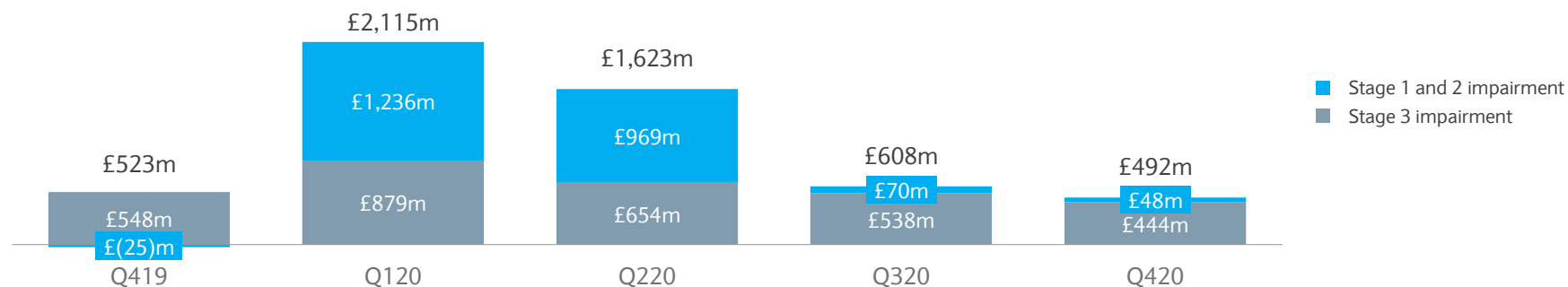


# Asset Quality

# Impairment charge increased £2.9bn due to expected future customer and client stress caused by the pandemic



## Components of impairment charge



# Balance sheet impairment allowances significantly strengthened, including management adjustments

## Baseline scenario macroeconomic variables (MEVs)

		Dec-19 MEVs		Dec-20 MEVs			Expected worst point <sup>2</sup>
		2021	2022	2021	2022	2023	
UK GDP <sup>1</sup>	Annual growth	1.5%	1.6%	6.3%	3.3%	2.6%	1.2% (Q121)
UK unemployment	Quarterly average	4.2%	4.2%	6.7%	6.4%	5.8%	7.4% (Q221)
US GDP <sup>1</sup>	Annual growth	1.9%	1.9%	3.9%	3.1%	2.9%	1.0% (Q121)
US unemployment	Quarterly average	3.9%	4.0%	6.9%	5.7%	5.6%	7.5% (Q121)

- Baseline UK and US macroeconomic variables have been revised
  - The Dec-20 baseline scenario assumes a prolonged period of recovery in both economies
  - The unemployment rates in the UK and US are the key economic variable for unsecured lending impairment

## Impairment allowance and management adjustments

Impairment allowance (£m)	FY19	FY20	Change
Impairment allowance pre management adjustments	6,290	8,011	1,721
Management adjustments	340	1,388	1,048
<b>Total</b>	<b>6,630</b>	<b>9,399</b>	<b>2,769</b>
<i>Of which on balance sheet</i>	6,308	8,335	2,027
<i>Of which off balance sheet</i>	322	1,064	742

- Total Group impairment allowance increased by £2.8bn to £9.4bn, including a £1.0bn increase in management adjustments
  - Management adjustments primarily relate to the unsecured lending portfolios to reflect the temporary nature of ongoing government support and the uncertainty in relation to the timing of expected stress, particularly in the UK

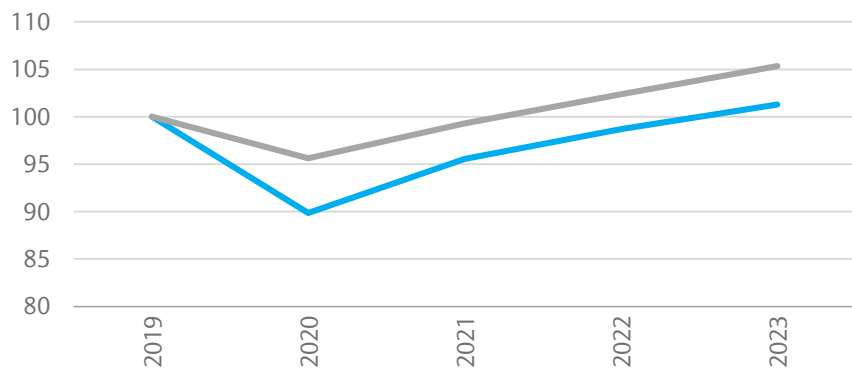
Provided macroeconomic assumptions remain consistent with expectations, the Group expects the full year 2021 impairment charge will be materially below that of 2020

<sup>1</sup> GDP based on Barclays Global Economic Forecasts | <sup>2</sup> GDP expected worst point is the minimum growth rate to Q420 based on a 12 quarter period. Unemployment expected worst point is the highest rate in the 12 quarter period starting Q121 |

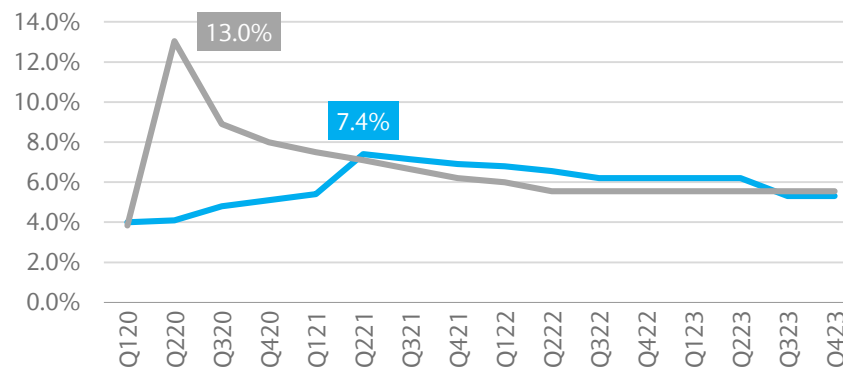


# Key macroeconomic variable assumption trends

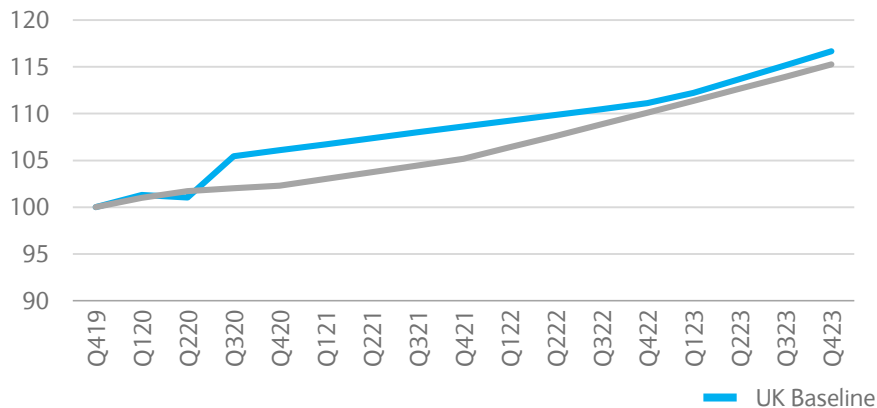
GDP (re-based to 2019)



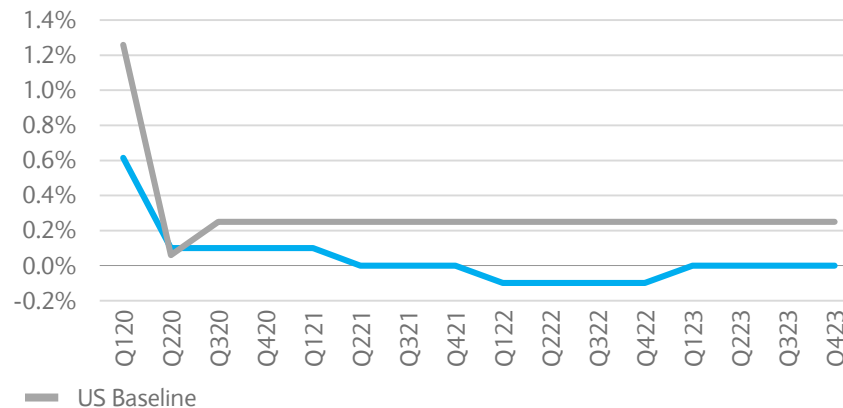
Unemployment rate<sup>1</sup>



House price index (re-based to Q4 19)<sup>2</sup>



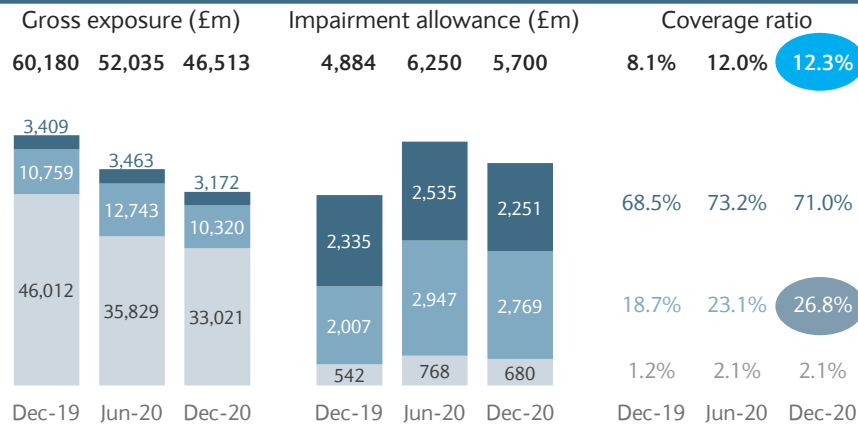
Bank rate/Fed funds rate



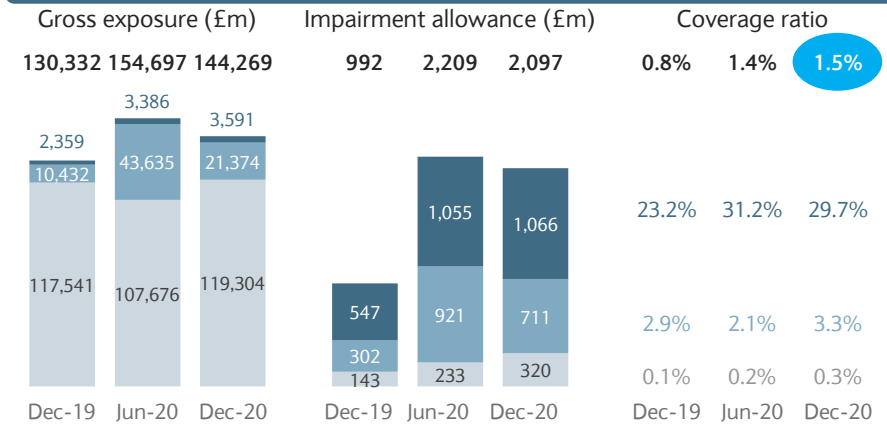
<sup>1</sup> Quarterly average | <sup>2</sup> UK - Halifax All Houses, All Buyers index; US - FHFA House Price Index |

# Increased coverage across all portfolios, with unsecured lending coverage ratio at 12.3%

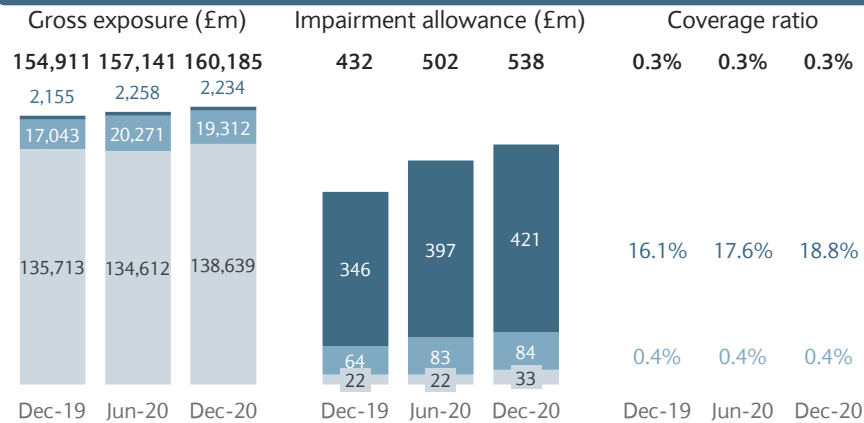
## Credit cards, unsecured loans and other retail lending



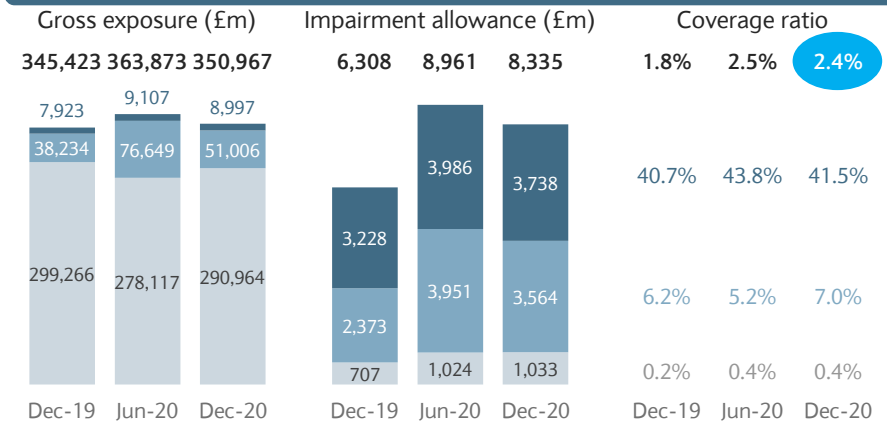
## Wholesale loans



## Home loans

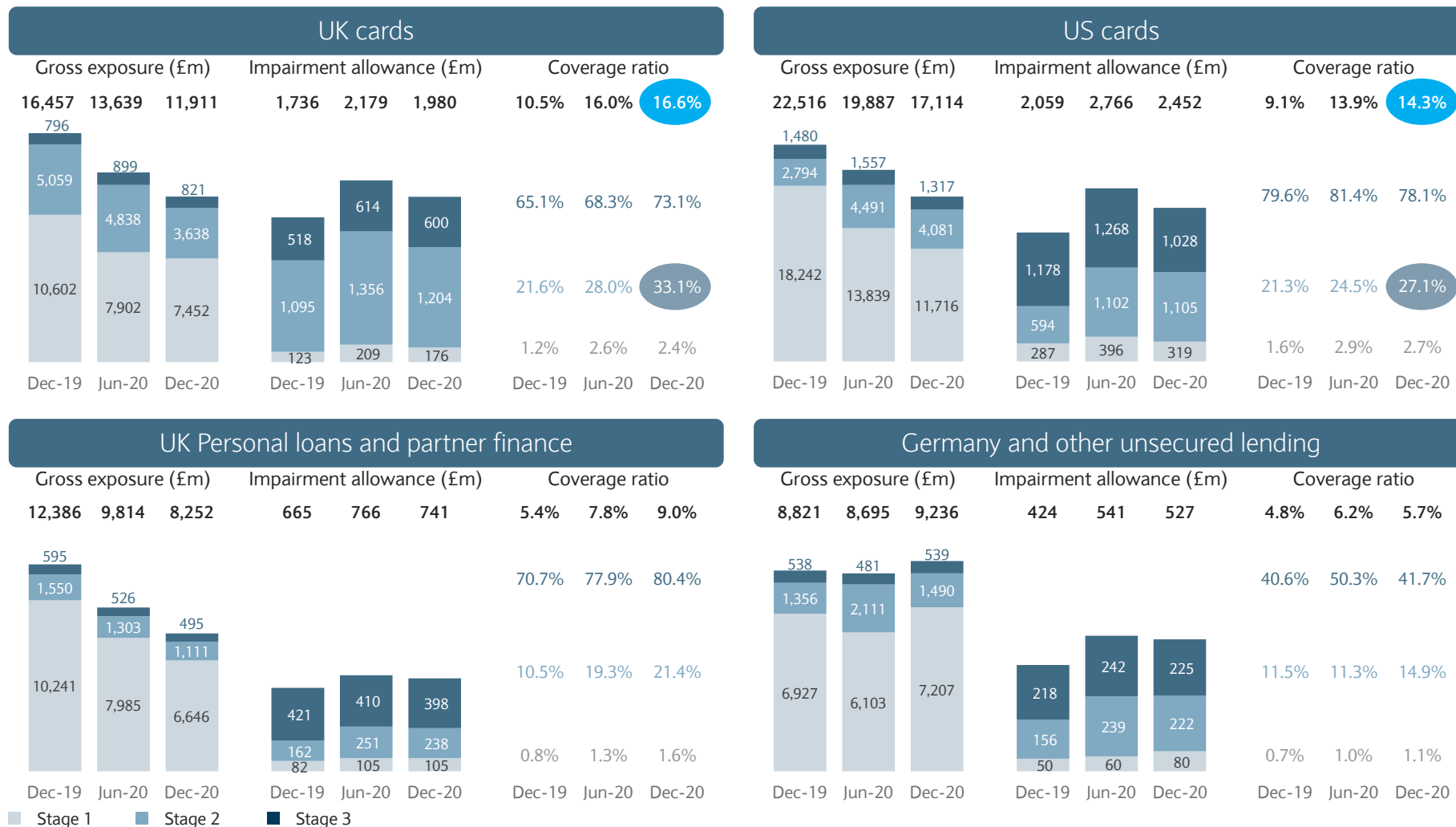


## Total loans



■ Stage 1 ■ Stage 2 ■ Stage 3

# Increased coverage across unsecured portfolios, with UK and US cards coverage ratios of 16.6% and 14.3% respectively

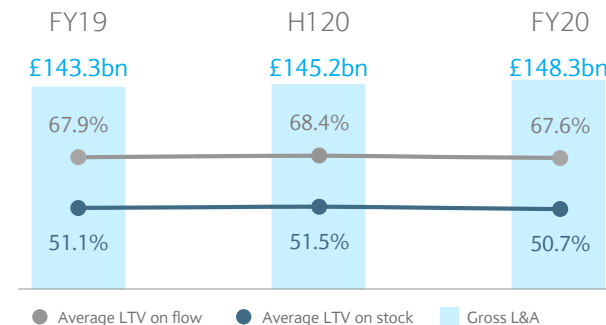


# Retail portfolios in the UK and US were prudently positioned coming into the crisis

## UK secured

- Risk actions taken at pandemic outset to mitigate potential economic impact
- Mortgage balance growth achieved in lower LTV segments
- 50.7% average LTV of mortgage book stock
- Buy-to-Let mortgages represent only 14% of the book

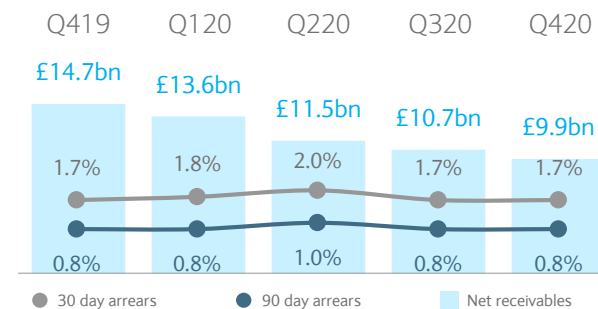
## UK mortgage balance growth within risk appetite



## UK unsecured

- Payment deferrals introduced providing support to consumers, whilst limiting observed credit deterioration
- A suite of prudent risk actions taken, suspending proactive growth activity and reducing exposure/limits
- Balances as a result of promotional Balance Transfers have reduced by 50% YoY to £1.4bn, all of which have a duration of <24 months

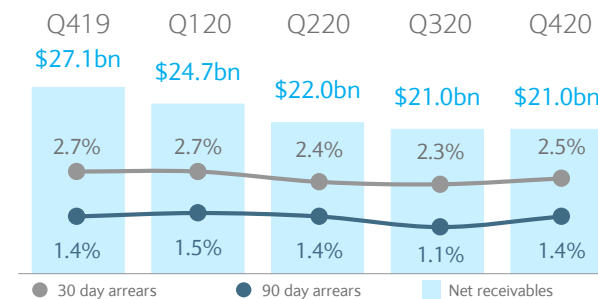
## UK cards arrears rates were stable year-on-year



## US cards

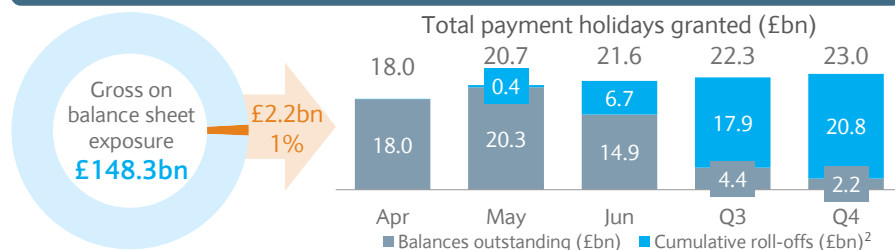
- Diversified portfolio across segments with good risk/return balance
- Continuing our focus to shift strategy to co-branded cards whilst scaling back our branded cards presence
- Arrears rates have been resilient in Q420, driven by payment holidays and government stimulus packages

## US cards arrears rates remained broadly stable year-on-year



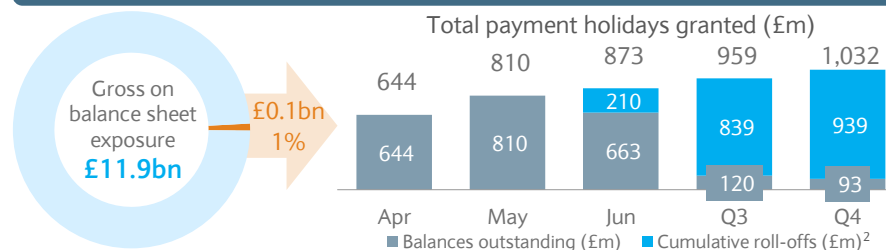
# Payment holiday balances outstanding are at low levels despite the continued impacts of the pandemic

## UK mortgages<sup>1</sup>



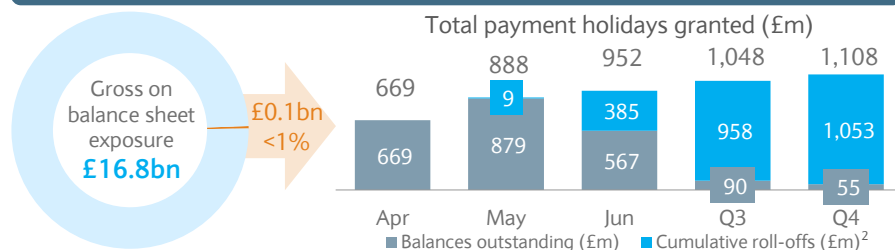
- The average LTV of balances on active payment holidays is 54%
- Balances outstanding on payment holidays of £2.2bn
- December balances outstanding are 89% lower than the peak in May
- c.1% of balances have exited payment holidays and subsequently missed a payment<sup>3,4</sup>

## UK cards<sup>1</sup>



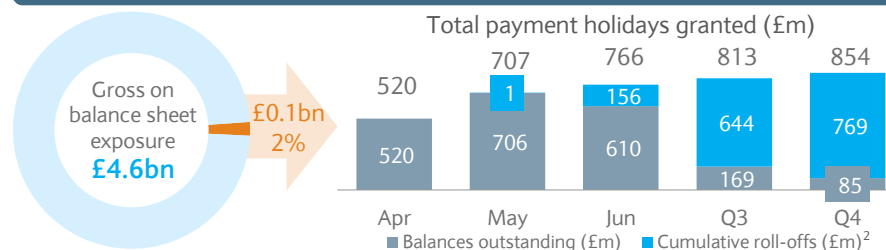
- Balances outstanding on payment holidays of £93m
- December balances outstanding are 89% lower than the peak in May
- c.6% of balances have exited payment holidays and subsequently missed a payment<sup>3</sup>

## US cards<sup>1</sup>



- Balances outstanding on payment holidays of £55m
- December balances outstanding are 94% lower than the peak in May
- c.22% of balances have exited payment holidays and subsequently missed a payment<sup>3</sup>

## UK personal loans<sup>1</sup>



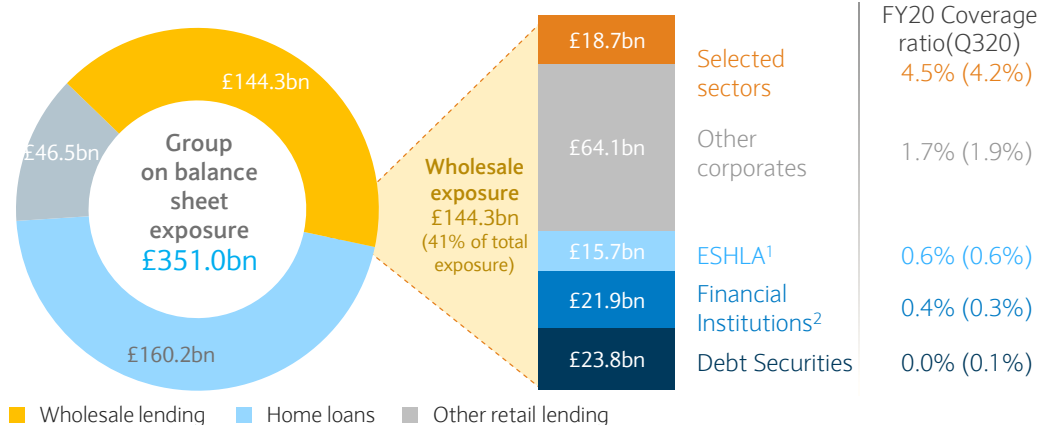
- Balances outstanding on payment holidays of £85m
- December balances outstanding are 88% lower than the peak in May
- c.5% of balances have exited payment holidays and subsequently missed a payment<sup>3</sup>

<sup>1</sup> Q420 payment holidays data as at 31 December 2020 | <sup>2</sup> Roll offs represent accounts exiting the initial payment holiday where no further payment holiday has been applied prior to 31 December 2020. Customers returning to contracted monthly payments or requesting other forms of support are included in the roll off numbers. Roll offs include paydowns and exits | <sup>3</sup> Roll off month is the last month where no payment is due from the customer. December roll offs are required to make their first payment in January |

<sup>4</sup> As at 4<sup>th</sup> January 2021 |

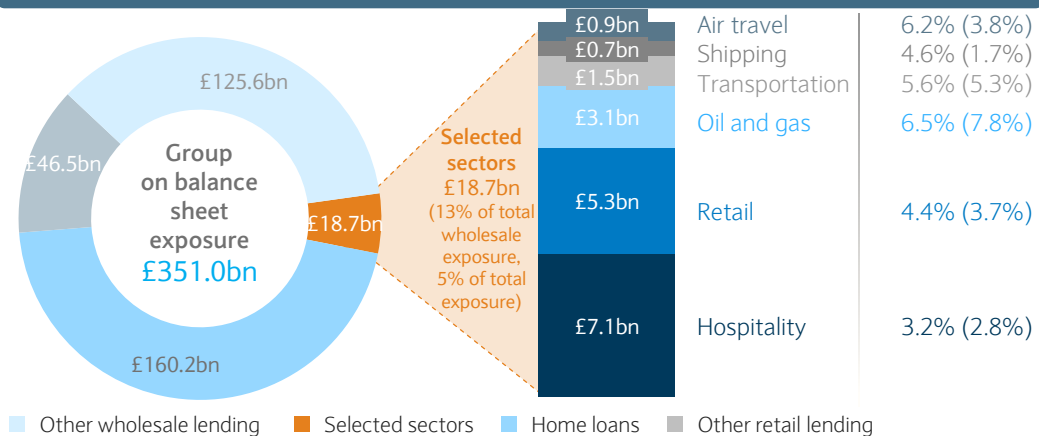
# Wholesale exposures are diversified and well covered, especially in selected vulnerable sectors

## Wholesale exposure as at FY20 (1.5% coverage ratio)



- Well diversified portfolio across sector and geography
- Majority of exposure (>65%) is to clients internally rated as Investment Grade or have a Strong Default Grade classification. Non-Investment Grade exposure is typically senior and lightly drawn
- c.30% of the book is secured, increasing to >60% for the selected vulnerable sectors
- c.25% synthetic protection provided by risk mitigation trades, increasing to >30% for some selected vulnerable sectors, resulting in a reduction in impairment of >£350m in FY20
- Active identification and management of high risk sectors has been in place following the Brexit referendum with actions taken to enhance lending criteria and reduce risk profile
- Covenants in place based on leverage, LTVs, and debt service ratios for clients in high risk sectors

## Selected vulnerable sector exposure as at FY20 (4.5% coverage ratio)



**Retail** – top names are typically consumer staples, Investment Grade or secured against premises/subject to asset-backed loans

**Air travel** – tenor of lending typically with an average life of 2-4 years, senior secured for high yield counterparties and focused on top tier airlines in the UK and US

**Oil & gas** – exposure across a range of oil and gas sub-sectors globally, with majority to Investment Grade counterparties (including oil majors)

<sup>1</sup> Education, Social Housing and Local Authority | <sup>2</sup> Excludes debt securities (£1.5bn) that are part of the debt securities line

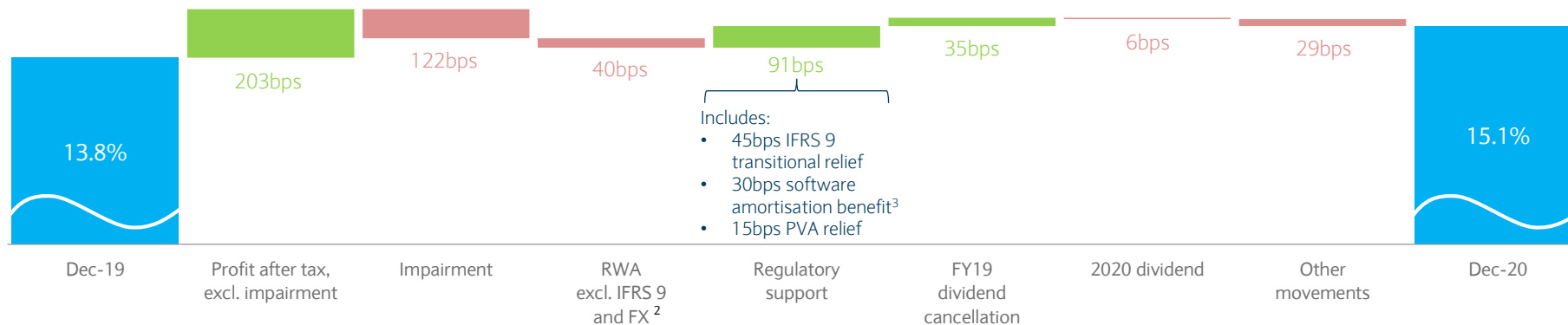


# Capital & Leverage

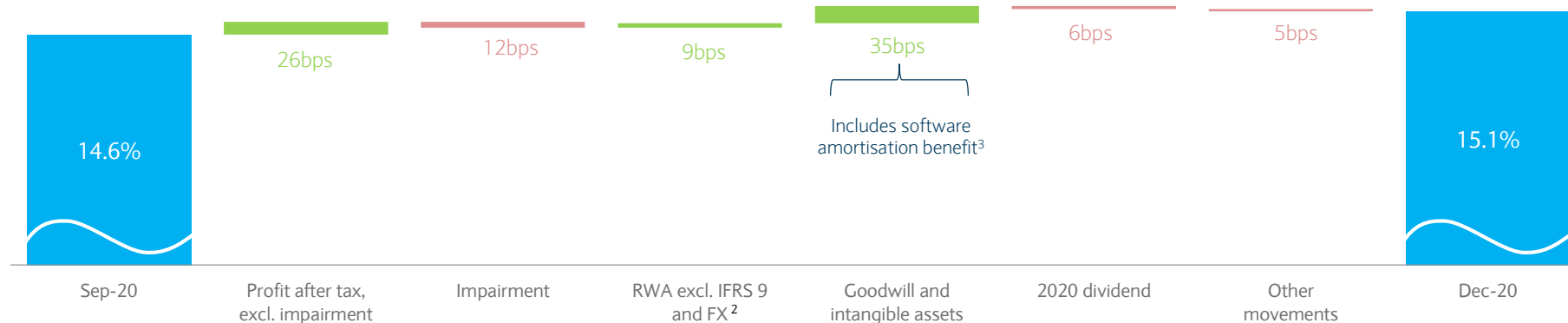
# CET1 ratio increased 130bps YoY and 50bps QoQ

CET1 ratio was 390bps above the MDA hurdle of 11.2% as at Dec-20

## YoY CET1 ratio<sup>1</sup> movements



## QoQ CET1 ratio<sup>1</sup> movements

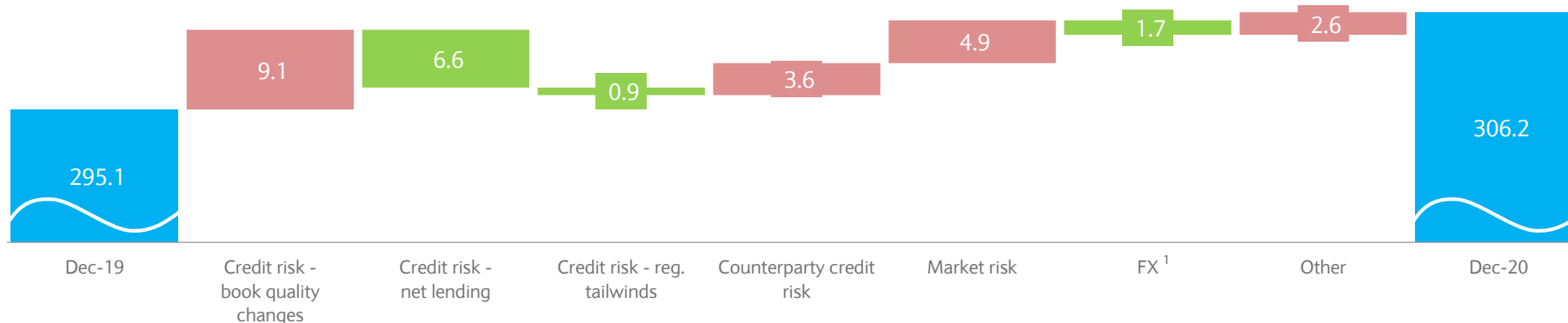


<sup>1</sup> The fully loaded CET1 ratio was 14.3% as at 31 December 2020 | <sup>2</sup> FX on credit risk RWAs | <sup>3</sup> Subject to completion of PRA review | <sup>Note</sup> Chart may not sum due to rounding |

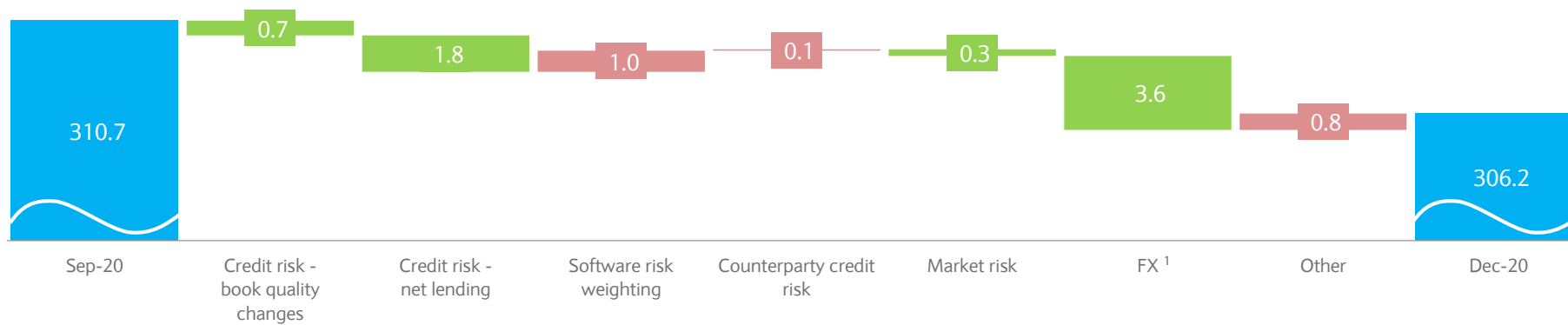


# RWAs increased by £11.1bn YoY and decreased by £4.5bn QoQ

## YoY RWAs movements (£bn)

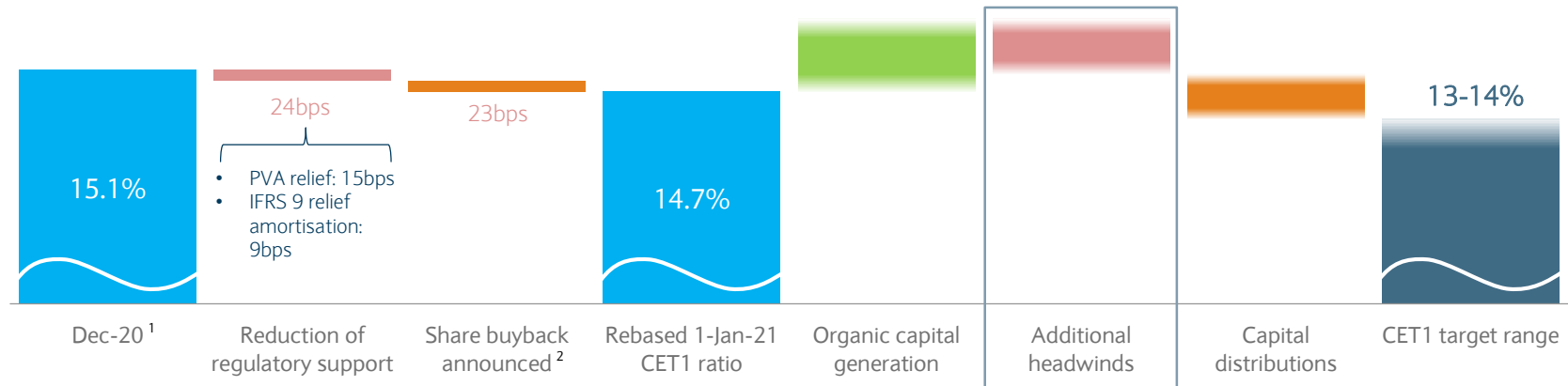


## QoQ RWA movements (£bn)



<sup>1</sup> FX on credit risk RWAs | *Note:* Chart may not sum due to rounding |

# CET1 ratio flightpath to target range of 13-14%



## Additional Headwinds 2021/2022

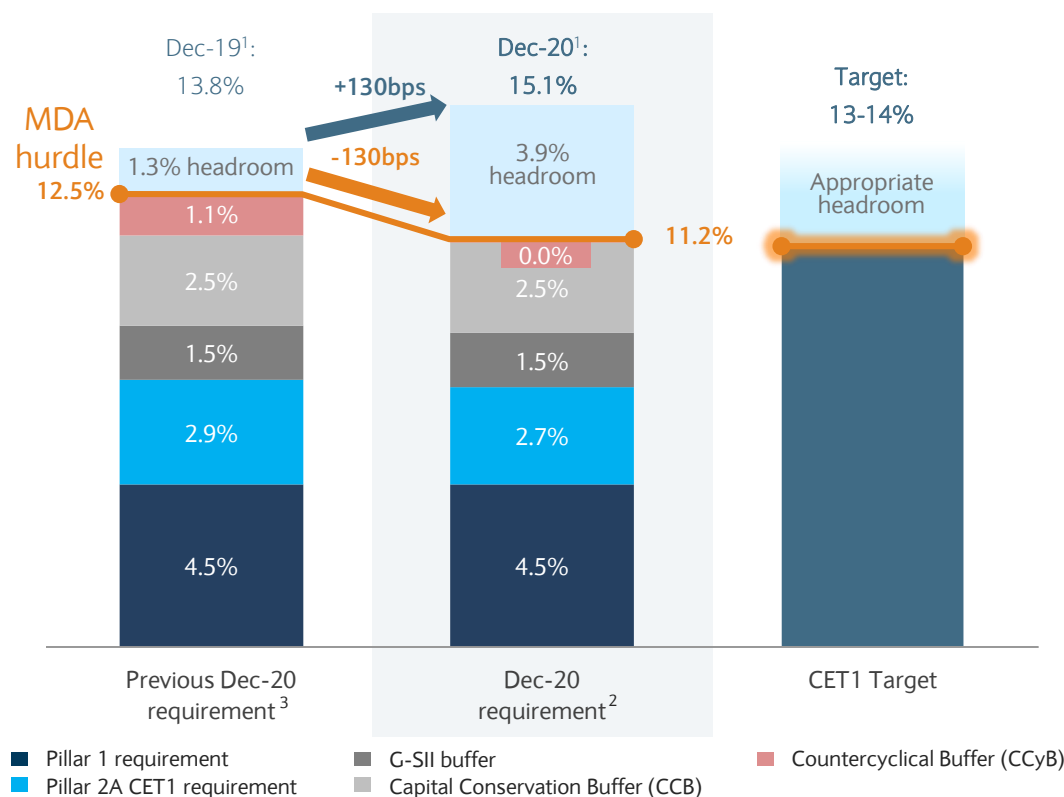
	Timing <sup>3</sup>	Impact <sup>3,4</sup>
Potential RWA procyclicality from macroeconomic deterioration	TBC	TBC
Reduction in IFRS 9 transitional relief from migration of impairment into Stage 3	TBC	TBC
Reversal of software amortisation benefit – subject to completion of PRA review	2021	-30bps
Amortisation of IFRS 9 transitional relief	2022	TBC
Regulatory changes to Mortgage risk-weights (Definition of Default, Hybrid model, and floors)	2022	Low single-digit billion RWAs
Regulatory changes to standardised approach to counterparty credit risk (SA-CCR)	2022	Low single-digit billion RWAs
Impact of pension deficit reduction contributions	2021	–£0.7bn CET1 capital/–23bps
	2022	–£0.3bn CET1 capital/–10bps

<sup>1</sup> CET1 ratio was 390bps above the MDA hurdle of 11.2% as at Dec-20. The fully loaded CET1 ratio was 14.3% as at 31 December 2020 | <sup>2</sup> Barclays intends to initiate a share buyback of up to £700m, which is expected to commence in Q121 | <sup>3</sup> Refer to the Important Notice in the Disclaimer for the basis of preparation. Timing and impact of items marked "TBC" are dependent on economic conditions | <sup>4</sup> Basis point impacts calculated as a proportion of Dec-20 RWAs |

# Material increase in headroom above MDA hurdle

*CET1 ratio target in the range of 13-14%*

Illustrative evolution of minimum CET1 requirements and buffers



- Barclays intends to manage its CET1 ratio in the range of 13-14%, to enable it to support customers whilst maintaining appropriate headroom over the MDA hurdle, which is currently 11.2%<sup>2</sup>
- Headroom above MDA increased to 390bps as a result of regulatory measures and consistent profit generation in each quarter, whilst Barclays consistently achieved strong capital accretion in each quarter of 2020
- Barclays remains in a strong capital position with a year end CET1 ratio of 15.1%
- Certain headwinds to capital are likely in 2021, including procyclical effects on RWAs, reversal of regulatory forbearance applied through 2020 and increased pension contributions

Barclays intends to manage its CET1 ratio in the range of 13-14%, to enable it to support customers whilst maintaining appropriate headroom over the MDA hurdle

<sup>1</sup> CET1 ratio calculated applying the transitional arrangements of the CRR as amended by CRR II | <sup>2</sup> Barclays' MDA hurdle at 11.2% reflecting the new Pillar 2A requirement as per the PRA's ICR | <sup>3</sup> Previously expected Dec-20 requirement, following revision of the UK CCyB and Pillar 2A requirements by the PRA in December 2019 |

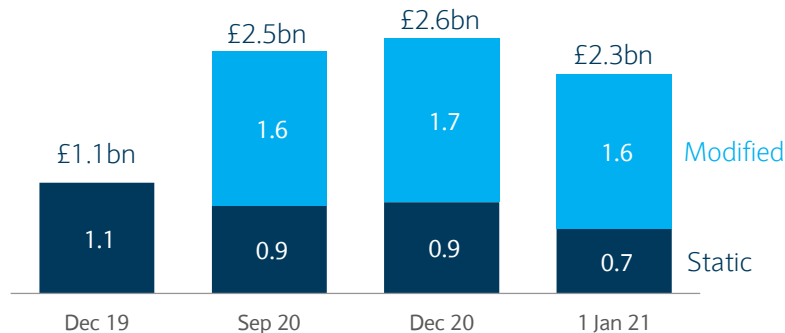
# IFRS 9 transitional relief as at Dec-20 at c.80bps

*Impairment migration to stage 3 would lead to capital impact as it is not eligible for transitional relief*

Constructive regulatory action in Q220 gave greater relief for stage 1 and 2 impairments

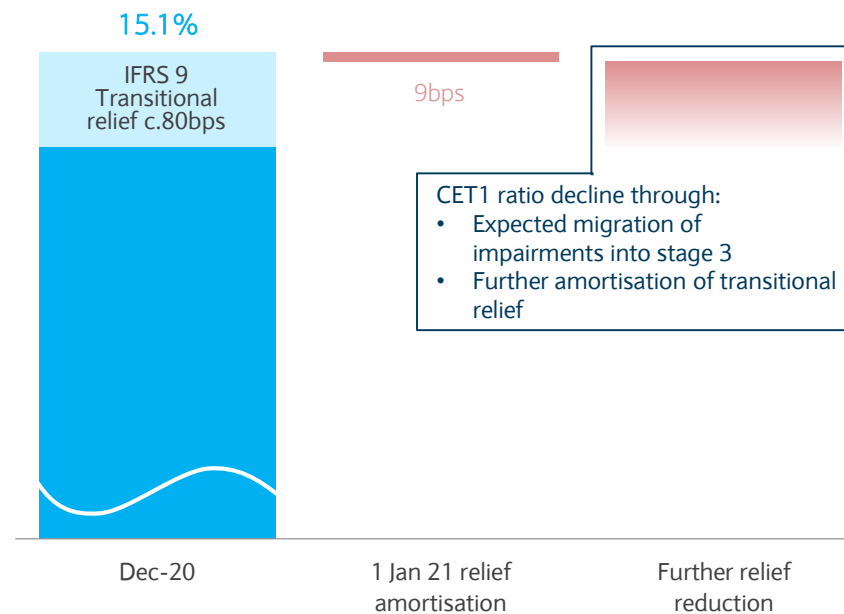
- 100% transitional relief for modified impairment post Dec-19 now applied until end-2021
- Transitional relief schedule for static component remained as before
- Total post-tax IFRS 9 transitional relief as at Dec-20 stands at £2.6bn or c.80bps capital, broadly unchanged compared to Sep-20

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



Relief Schedule	Pre-2020	2020 onwards
2019	85%	
2020	70%	100%
2021	50%	100%
2022	25%	75%
2023		50%
2024		25%

Prudently positioned CET1 ratio in the event of stage migration

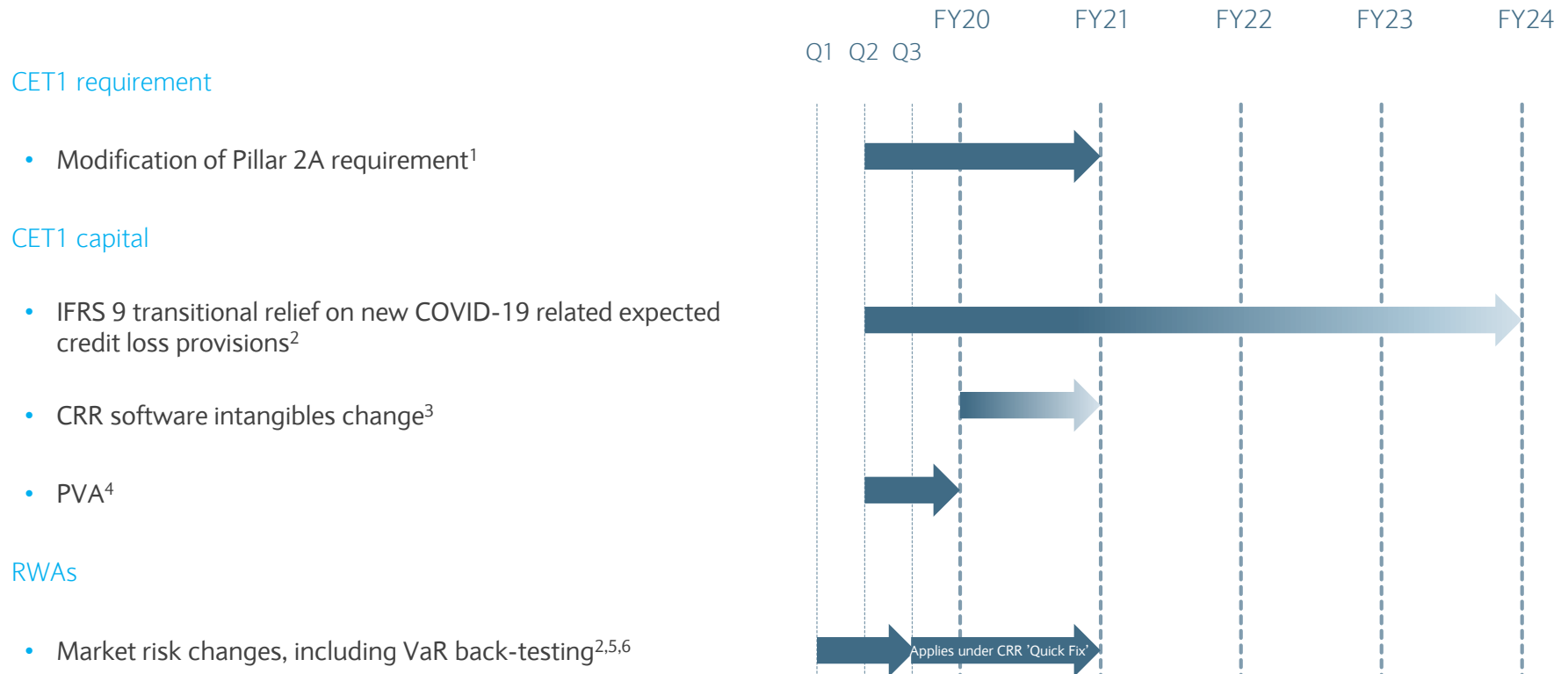


- IFRS 9 transitional relief applies to stage 1 and 2 impairments
- Our capital planning allows for decline in CET1 ratio as we progress through the stress from a position of strength
- Transitional basis of capital remains the relevant measure for our capital adequacy assessment by regulators

# Constructive regulatory actions in 2020

Many regulatory actions in place for the medium term and beyond

Expected timeline



<sup>1</sup> The Pillar 2A requirement will continue to move, given the changes outlined in the new methodology outlined in the 7 May 2020 statement by the PRA | <sup>2</sup> Measures outlined in Regulation (EU) 2020/873, effective on 27 June 2020, as part of the CRR II 'Quick Fix' package, and adopted in H1 2020 reporting | <sup>3</sup> On 23 December 2020, a new regulatory technical standard on the prudential treatment of qualifying software assets was adopted into EU law replacing the CET1 capital deduction with prudential amortisation up to a 3-year period. Intangible assets that are no longer deducted are subject to 100% risk weight instead. Following its stated intention to consult, on 12 February 2021 the PRA launched a consultation on certain items within the Basel standards that remain to be implemented in the UK as well as setting out proposed new PRA CRR rules. The proposals include reverting to the previous treatment of 100% CET1 capital deduction for qualifying software assets by the end of 2021, meaning the benefit in the CET1 ratio is likely to be reversed in future periods | <sup>4</sup> Measures adopted as part of amendments to Regulatory Technical Standard on Prudential Valuation | <sup>5</sup> As guided by the PRA on 30 March 2020, which allows the offset of market risk increases due to COVID-19 related back testing exceptions against risks-not-in-VaR (RNIV); post Q3-20, as per CRR II "Quick Fix", discounting of COVID-19 exceptions is subject to PRA approval which has been granted for those exceptions observed to date | <sup>6</sup> Timeline refers to VaR back-testing |

## 2021 pension update

CET1 ratio headwinds from pension reduction contributions fully incorporated into prudent capital plan and CET1 target

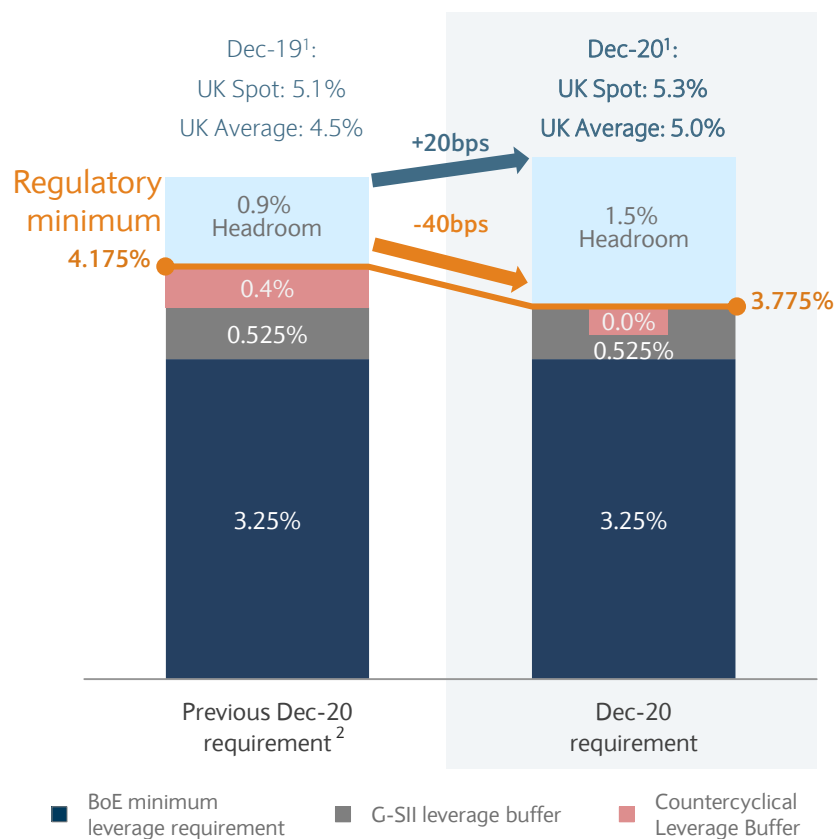
- As at 31 December 2020, the Group's IAS 19 pension surplus across all schemes was £1.5bn (December 2019: £1.8bn). The UK Retirement Fund (UKRF), which is the Group's main scheme, had an IAS 19 pension surplus of £1.8bn (December 2019: £2.1bn). The YoY movement for the UKRF was driven by a net decrease in the discount rate and changes to pension increase assumptions, offset partially by higher than assumed asset returns
- The latest annual update to the actuarial funding valuation as at 30 September 2020 showed the funding deficit had improved to £0.9bn from the £2.3bn shown at the 30 September 2019 triennial valuation. The improvement was mainly due to £1.0bn of deficit contributions paid over the year

Capital impact of deficit reduction contributions (£bn)	2020	2021	2022	2023	2024	2025	2026	Sum 2020-26
Based on 2019 Triennial valuation	(0.5)	(0.7)	(0.3)	(0.3)	(0.5) (paid in Q419) <sup>1</sup>	-	-	(2.3)
Jun-2020 Investment in Senior Notes <sup>2</sup>	0.75	-	-	(0.25)	(0.25)	(0.25)	-	-
Net capital impact (pre-tax)	0.25	(0.7)	(0.3)	(0.55)	(0.75)	(0.25)	-	(2.3)
Net capital impact (bps) – based on Dec-20 RWAs	8bps	(23)bps	(10)bps	(18)bps	(24)bps	(8)bps		

<sup>1</sup> £500m paid in Q419 relates to the unwind of Senior notes | <sup>2</sup> Barclays Bank PLC asked the UKRF Trustee to consider an investment in a Senior note (similar to the issued note in December 2019) in order to manage the capital impact of 2020 contributions to the UKRF

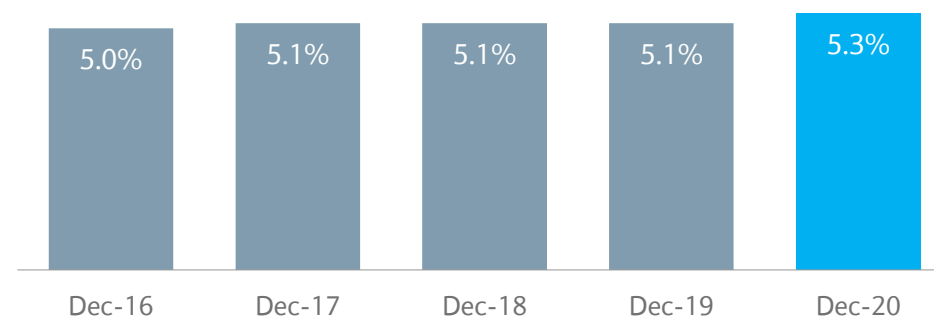
# Managing evolving future Group minimum leverage requirements

## Minimum leverage requirements and buffers under the UK regime



- Headroom to minimum leverage requirement of 150bps in Q4, while the RWA based CET1 ratio remains our primary regulatory constraint
- The Group currently has one leverage requirement, as measured under the UK's PRA leverage regime. The requirement must be met on a daily basis, and is reflected in the daily average leverage exposure
- We expect tailwinds to be realised in 2022 when the CRR II changes relating to SA-CCR come into effect
- The CRR II leverage requirement, due to become binding from 2022, will only be at 3%, as the G-SIB component will not apply until 2023. The BoE's Financial Policy Committee intends to review the UK leverage framework in 2021

## UK Spot Leverage Ratio (2016-2020)

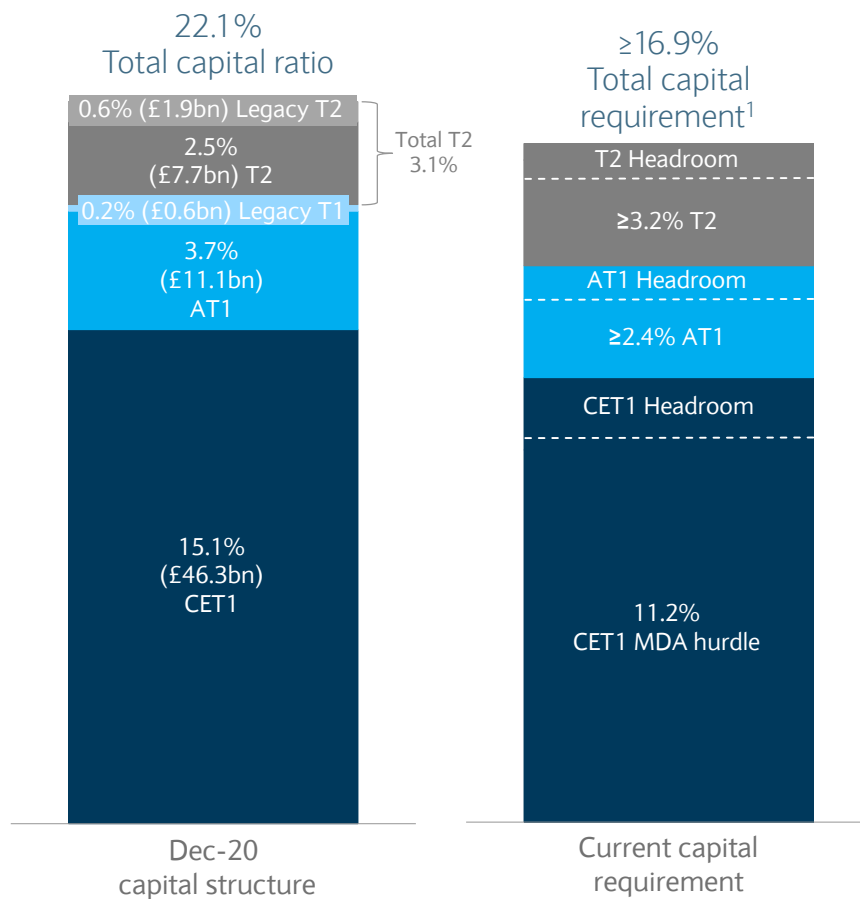


<sup>1</sup> Leverage ratio calculated applying the transitional arrangements of the CRR as amended by CRR II. This includes IFRS 9 transitional arrangements | <sup>2</sup> Previously expected Dec-20 requirement, following revision of the UK CCyB and Pillar 2A requirements by the PRA in December 2019 |

# Capital structure well established

Expect to hold prudent headroom above AT1 and Tier 2 minimums

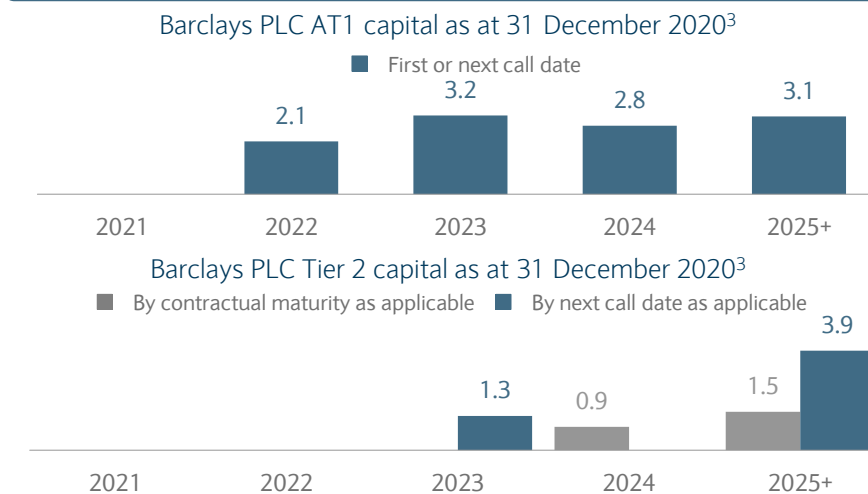
## Illustrative evolution of regulatory capital structure



## Well managed and balanced total capital structure

- BBPLC issued capital instruments are expected to be included as MREL until 1 January 2022<sup>2</sup>, and may continue to qualify as Tier 2 regulatory capital thereafter
- Aim is to manage our capital structure in an efficient manner:
  - Continue to target prudent AT1 headroom and may temporarily be at an elevated level. AT1 as a proportion of RWAs may vary due to seasonal and FX driven fluctuations, in addition to potential issuance and redemptions
  - Expect to build headroom to 3.2% of Tier 2

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



<sup>1</sup> Excludes headrooms | <sup>2</sup> In line with their regulatory capital values until 1 January 2022; based on Barclays' understanding of the current BoE position | <sup>3</sup> Prepared on nominal basis which will not reconcile with regulatory or accounting bases due to adjustments |



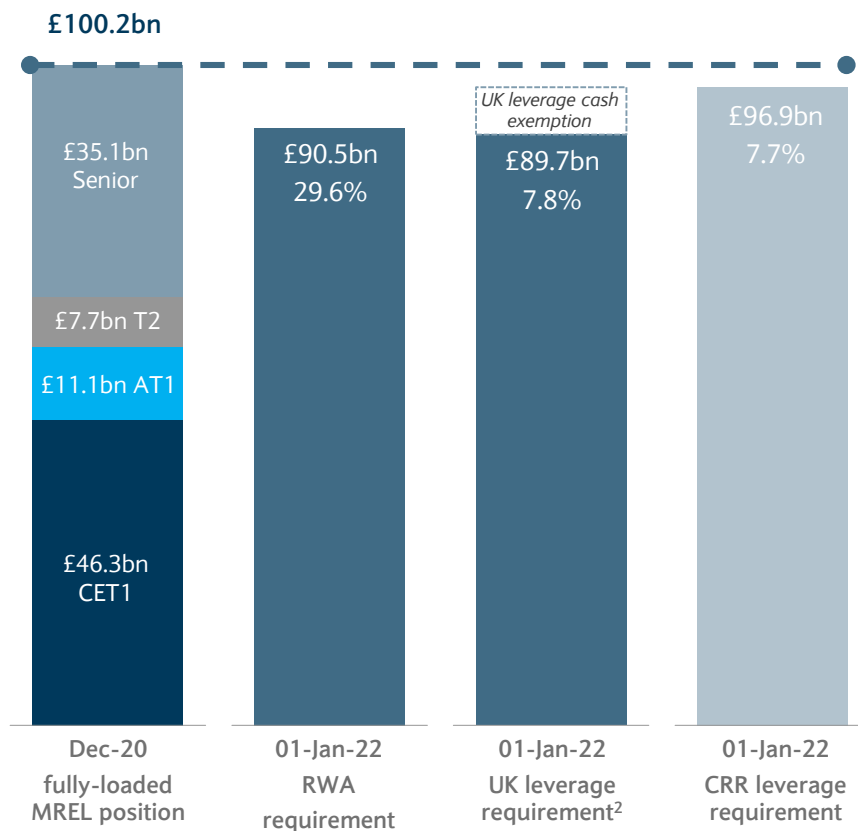


# MREL, Funding and Liquidity

# MREL position already compliant with all 2022 requirements

Expect c.£8bn of MREL issuance in 2021

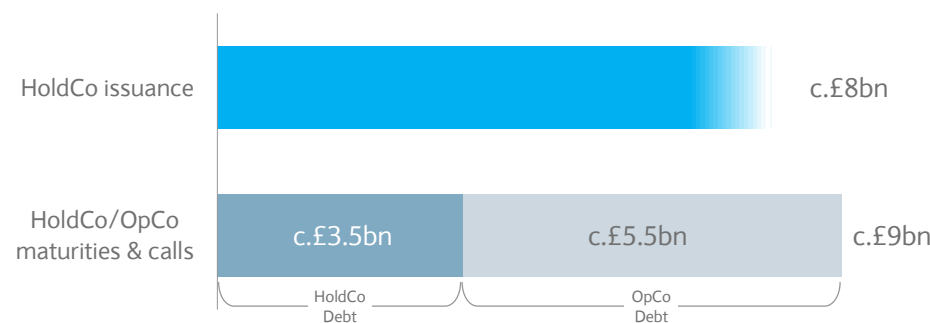
Fully loaded MREL position of £100bn as at Dec-20, fulfilling all expected requirements<sup>1</sup>



Well advanced on 2022 HoldCo issuance plan

- Issued c.£8bn of MREL in 2020 across Senior, Tier 2 and AT1 form
- Expect c.£8bn of MREL issuance for 2021 across Senior, Tier 2 and AT1
- Expect to be a net negative issuer in 2021
- Issuance plan out to 2022 calibrated to meet MREL requirements and allow for a prudent headroom
- 2021 interim MREL requirement already met

2021 MREL issuance, maturities and calls

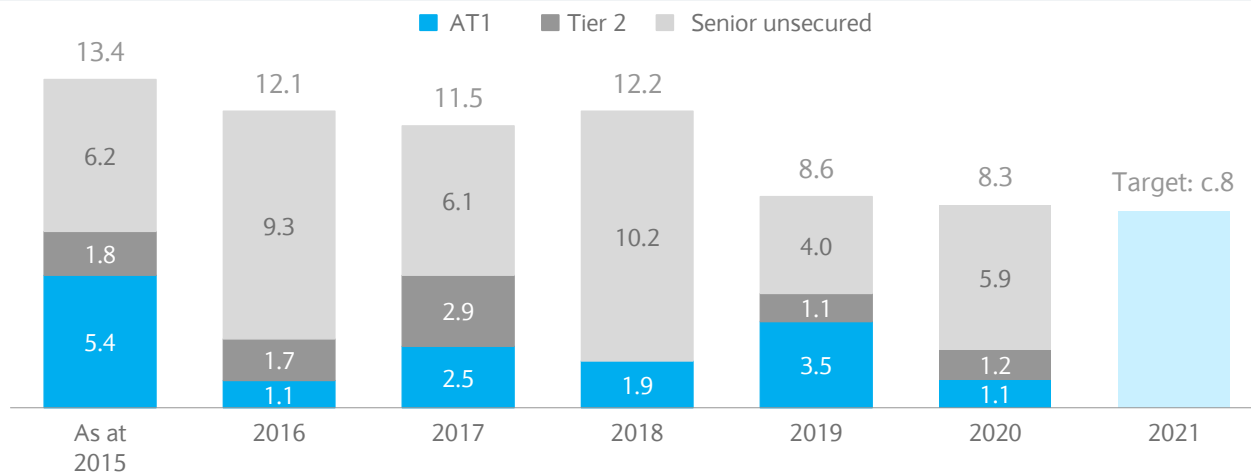


<sup>1</sup> The MREL requirement must meet the higher of the RWA and leverage bases. The chart represents an illustrative scenario only, where the CRR leverage basis is binding in 2022. Based on current Pillar 2A requirement. 2022 requirements subject to BoE review |

<sup>2</sup> Represents UK average leverage requirement |

# Continued progress in HoldCo issuance

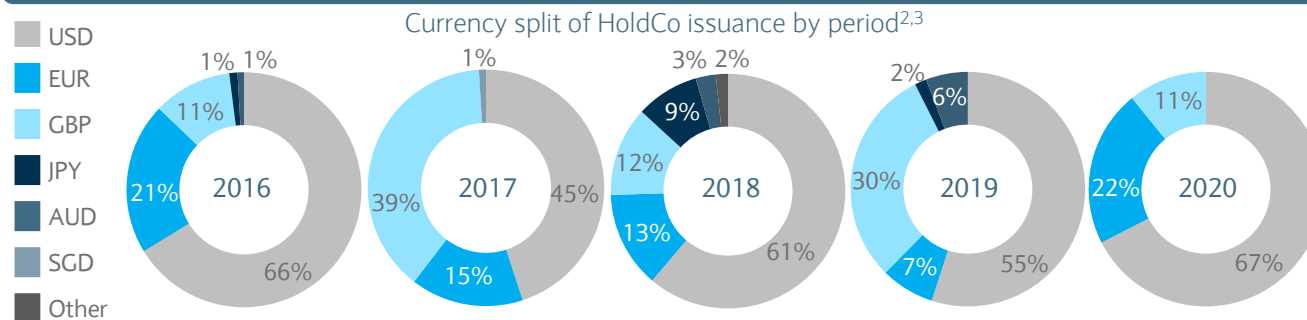
Annual HoldCo issuance volume materially lower compared to 2016-18 (£bn)<sup>1,2</sup>



2020 HoldCo issuance by currency<sup>2</sup>

-  **March:** USD 300m Senior Formosa
-  **April:** EUR 2bn Senior
-  **May:** USD 1.75bn Senior
-  **May:** GBP 500m Tier 2
-  **June:** USD 1bn Senior
-  **August:** USD 1.5bn AT1
-  **September:** USD 1bn Tier 2
-  **November:** GBP 400m Green Senior
-  **December:** USD 1.5bn Senior
-  **December:** USD 500m Senior Formosa

Diversified currency of HoldCo issued instruments



<sup>1</sup> Annual issuance balances based on FX rate at end of respective periods for debt accounted instruments and historical transaction rates for equity accounted instruments | <sup>2</sup> 2020 issuance includes USD 500m Senior Unsecured Formosa which priced on 22 December 2020 and settled on 7 January 2021 | <sup>3</sup> FX rates as at respective period ends | *Note:* Charts may not sum due to rounding

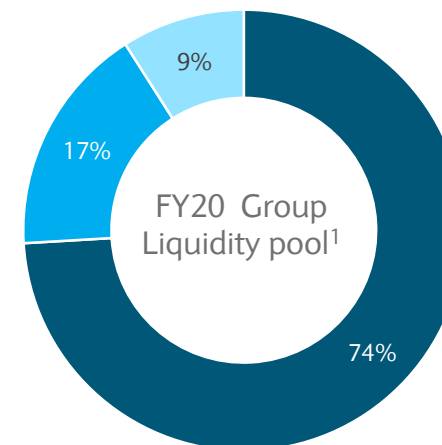
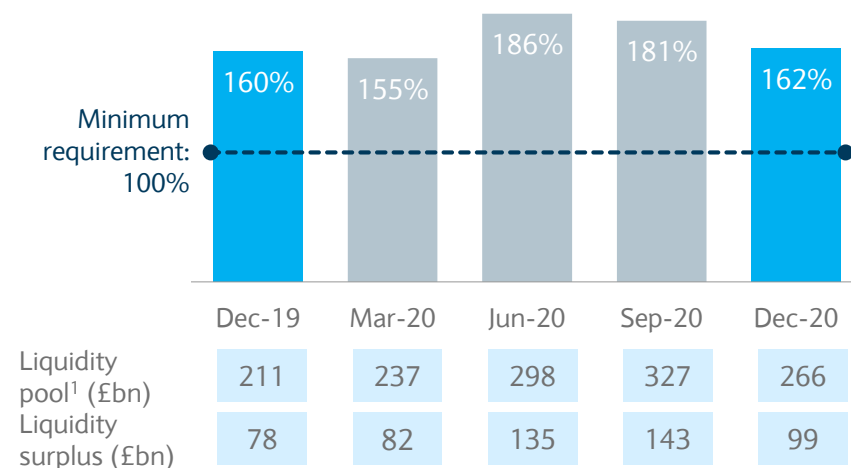
# High quality liquidity position

YoY liquidity position stable, with Group LCR well above regulatory requirements

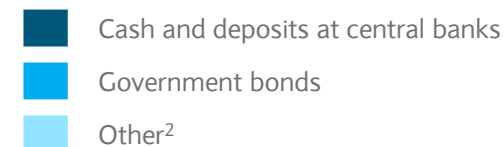
Comfortably exceeding minimum requirements

Majority of pool held in cash and deposits with central banks

Liquidity Coverage Ratio (LCR)



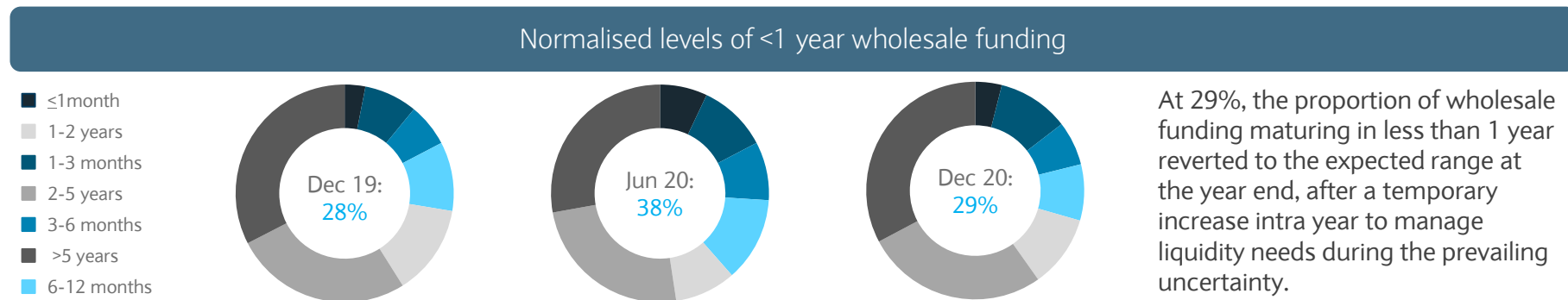
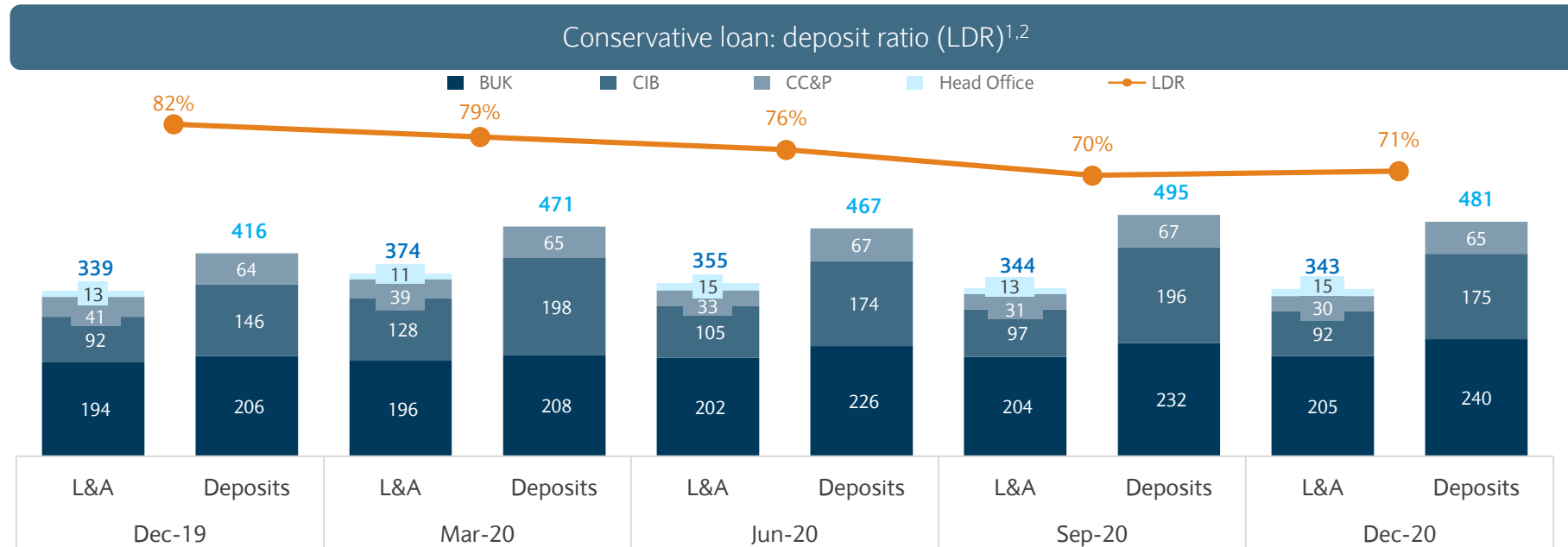
- Quality of the liquidity pool remains high, with the majority held in cash and deposits with central banks, and highly rated government bonds
- The YoY increase in the liquidity pool, LCR and surplus was driven by 16% growth in deposits, which was largely a consequence of government and central bank policy response to the COVID-19 pandemic
- Liquidity pool of £266bn represents 20% of Group balance sheet



<sup>1</sup>Liquidity pool as per the Group's Liquidity Risk Appetite | <sup>2</sup> Other includes government guaranteed issuers, PSEs, GSEs, international organisations and MDBs, and covered bonds |

# Conservative loan: deposit ratio

LDR decreased 11% YoY, reflecting strong deposit growth during the year in BUK and CIB



<sup>1</sup> Loan: deposit ratio is calculated as loans and advances at amortised cost divided by deposits at amortised cost | <sup>2</sup> Loans and advances (L&A) and deposits at amortised cost

# Wholesale funding composition as at 31 December 2020<sup>1</sup>










As at 31 December 2020 (£bn)	<1 month	1-3 months	3-6 months	6-12 months	Total <1 year	1-2 years	2-3 years	3-4 years	4-5 years	>5 years	Total
<b>Barclays PLC (the Parent company)</b>											
Senior unsecured (Public benchmark)	1.1	1.1	-	1.2	3.4	1.4	7.7	5.6	5.1	13.5	36.7
Senior unsecured (Privately placed)	0.1	-	-	0.1	0.2	-	0.2	0.2	-	0.7	1.3
Subordinated liabilities	-	-	-	-	-	-	-	0.9	-	6.8	7.7
<b>Barclays Bank PLC (including subsidiaries)</b>											
Certificates of deposit and commercial paper	-	5.4	3.1	5.6	14.1	0.5	0.1	-	-	-	14.7
Asset backed commercial paper	1.4	5.0	0.7	-	7.1	-	-	-	-	-	7.1
Senior unsecured (public benchmark)	-	0.5	0.1	0.1	0.7	1.3	0.1	1.1	-	0.9	4.1
Senior unsecured (Privately placed) <sup>2</sup>	0.8	2.3	2.2	4.2	9.5	7.1	6.4	3.9	4.9	21.7	53.5
Asset backed securities	-	-	-	0.5	0.5	0.8	0.4	0.5	0.2	1.4	3.8
Subordinated liabilities	1.4	0.2	3.2	0.3	5.1	2.2	-	0.1	-	1.2	8.6
<b>Barclays Bank UK PLC (including subsidiaries)</b>											
Certificates of deposit and commercial paper	-	0.9	0.2	0.1	1.2	-	-	-	-	-	1.2
Senior unsecured (Public benchmark)	-	-	-	-	-	-	-	-	-	0.1	0.1
Covered bonds	0.9	-	-	-	0.9	2.3	1.8	-	-	1.2	6.2
<b>Total</b>	<b>5.7</b>	<b>15.4</b>	<b>9.5</b>	<b>12.1</b>	<b>42.7</b>	<b>15.6</b>	<b>16.7</b>	<b>12.3</b>	<b>10.2</b>	<b>47.5</b>	<b>145.0</b>
<b>Total as at 31 December 2019</b>	<b>4.5</b>	<b>11.6</b>	<b>9.4</b>	<b>15.1</b>	<b>40.6</b>	<b>19.8</b>	<b>12.1</b>	<b>15.1</b>	<b>11.6</b>	<b>47.9</b>	<b>147.1</b>

<sup>1</sup> The composition of wholesale funds comprises the balance sheet reported financial liabilities at fair value, debt securities in issue and subordinated liabilities. It does not include participation in the central bank facilities reported within repurchase agreements and other similar secured borrowing. Term funding comprises public benchmark and privately placed senior unsecured notes, covered bonds, asset-backed securities and subordinated debt where the original maturity of the instrument is more than 1 year | <sup>2</sup> Includes structured notes of £45.4bn, of which £8.7bn matures within 1 year from 31 December 2020 |



# Credit Ratings

# Strategic priority to maintain strong ratings

Current Senior Long and Short Term ratings	Moody's	Standard & Poor's	Fitch
Barclays PLC	 <p><b>Baa2</b> Stable <b>P-2</b></p>	 <p><b>BBB</b> Negative <b>A-2</b></p>	 <p><b>A</b> Negative <b>F1</b></p>
Barclays Bank PLC (BBPLC)	 <p><b>A1</b> Stable <b>P-1</b></p> <p>Counterparty risk assessment A1/P-1 (cr)</p>	 <p><b>A</b> Negative <b>A-1</b></p> <p>Resolution counterparty rating A+/A-1</p>	 <p><b>A+</b> Negative <b>F1</b></p> <p>Derivative counterparty rating A+/Negative (dcr)</p>
Barclays Bank UK PLC (BBUKPLC)	 <p><b>A1<sup>1</sup></b> Negative <b>P-1</b></p> <p>Counterparty risk assessment Aa3/P-1 (cr)</p>	 <p><b>A</b> Negative <b>A-1</b></p>	 <p><b>A+</b> Negative <b>F1</b></p> <p>Derivative counterparty rating A+/Negative (dcr)</p>

<sup>1</sup> Deposit rating |



# Barclays rating composition for senior debt

		Moody's			Standard & Poor's			Fitch						
		BPLC	BBPLC	BBUKPLC			BPLC	BBPLC	BBUKPLC			BPLC	BBPLC	BBUKPLC
Stand-alone rating	Adj. Baseline Credit Assessment	baa2	baa2	a3	Stand-Alone Credit Profile	bbb+		Viability Rating <sup>2</sup>		a	a	a		
	Macro profile	Strong+	Strong+	Strong+	Anchor	bbb+		Operating environment		aa to a+				
	Financial profile	baa1	baa2	a3	Business position	0		Company profile		a to bbb+				
	Qualitative	-1	-1	0	Capital and earnings	+1		Management & Strategy		a+ to a-				
	Affiliate support	0	+1	0	Risk position	-1		Risk appetite		a to bbb+				
					Funding and liquidity	0		Financial profile		a+ to bbb+				
Notching	Loss Given Failure (LGF)		+3	+1	Additional Loss Absorbing Capacity (ALAC)		+2	+2	Qualifying Junior Debt		+1	+1		
					Group status		Core	Core						
	Government Support		+1	+1	Structural subordination	-1			Government Support					
					Government support									
	Total notching	0	+4	+2	Total notching	-1	+2	+2	Total notching	0	+1	+1		
Liability ratings	Rating	Baa2	A1	A1 <sup>1</sup>	Rating	BBB	A	A	Rating	A	A+	A+		
	Outlook	STABLE		NEGATIVE	Outlook	NEGATIVE			Outlook	NEGATIVE				

<sup>1</sup> Deposit rating | <sup>2</sup> The component parts relate to Barclays PLC consolidated |

# Barclays rating composition for subordinated debt

	Moody's							Standard & Poor's							Fitch								
Stand-alone rating	Adj. Baseline Credit Assessment	baa2		baa2				Stand-Alone Credit Profile						bbb+		Viability Rating	a		a				
+		BPLC		BBPLC					BPLC		BBPLC					BPLC		BBPLC					
		T2	AT1	T2 Coco	LT2	UT2	T1 (cum)		T2	AT1	T2 Coco	LT2	UT2	T1		T2	AT1	T2 Coco	LT2	UT2	T1		
Notching	LGF	-1			-1	-1	-1	Contractual subordination	-1	-1	-1	-1	-1	-1	Loss severity								
	Coupon skip risk (cum)					-1	-1	Bail-in feature	-1	-1	-1	-1	-1	-1		-2	-2	-2	-2	-1	-2		
	Coupon skip risk (non-cum)							Buffer to trigger		-1	-1												
	Model based outcome with legacy T1 rating cap								Coupon skip risk		-2			-1		-2	Non-performance risk					-2	-2
			-3						Structural subordination	-1	-1							-2					
	Total notching	-1	-3		-1	-2	-2	Total notching	-3	-6	-3	-2	-3	-4	Total notching	-2	-4	-2	-2	-3	-4		
=	Liability ratings	Rating	Baa3	Ba2	n/a	Baa3	Ba1	Ba1	Rating	BB+	B+	BB+	BBB-	BB+	BB	Rating	BBB+	BBB-	BBB+	BBB+	BBB	BBB-	



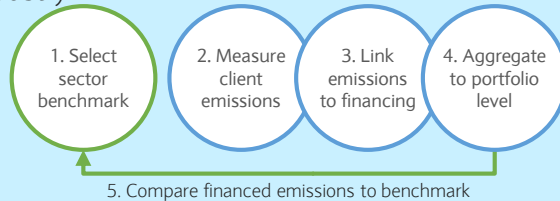
# ESG

# Ambition to be a net zero bank by 2050

- Already at net zero emissions from our own operations (Scope 1 and 2)
- Announced in March 2020 our **commitment to align our financing in all sectors with the goals of the Paris Agreement**
  - Emissions for the clients we finance (Scope 3) **will cover capital markets as well as lending activity**
  - **Starting with the Energy and Power sectors** (up to three quarters of all emissions globally), before rolling out to other sectors
  - By 2025, target Power portfolio emissions intensity reduction of 30%; Energy portfolio absolute emissions reduction of 15%

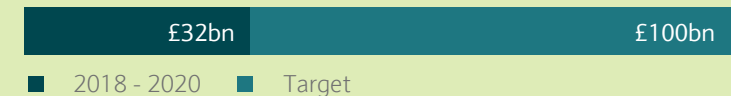
## Created BlueTrack™ methodology that builds on and extends existing industry approaches

- BlueTrack™ used to measure our financed emissions, and track them at a portfolio level against the goals of the Paris Agreement
- Embedding climate impact in our financing decisions, so that we can make active choices to re-shape our portfolio
- Transparency and collaboration are key to achieving a common approach across the industry

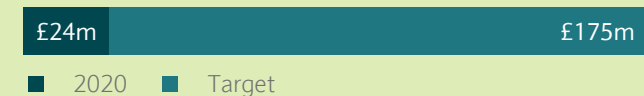


## Specific goals to help accelerate the transition to a low-carbon economy<sup>1</sup>

£100bn Green financing by 2030



£175m Sustainable Impact Capital Initiative over five years



We believe our net zero ambition and Paris alignment commitment represent the best way for Barclays to help accelerate the transition to a low-carbon economy by using the breadth and depth of our capital markets franchise to support financing needed to build a greener future

<sup>1</sup> £100bn green financing 2018 – 2030; £175m Sustainable Impact Capital Initiative 2020-2025. See [home.barclays/esg](https://home.barclays/esg) for further information |

# Barclays' climate journey

## March 2020

- Announced ambition to be net zero
- Updated restrictions for sensitive energy sectors

## May 2020

- Climate resolution passed at Annual General Meeting

## November 2020

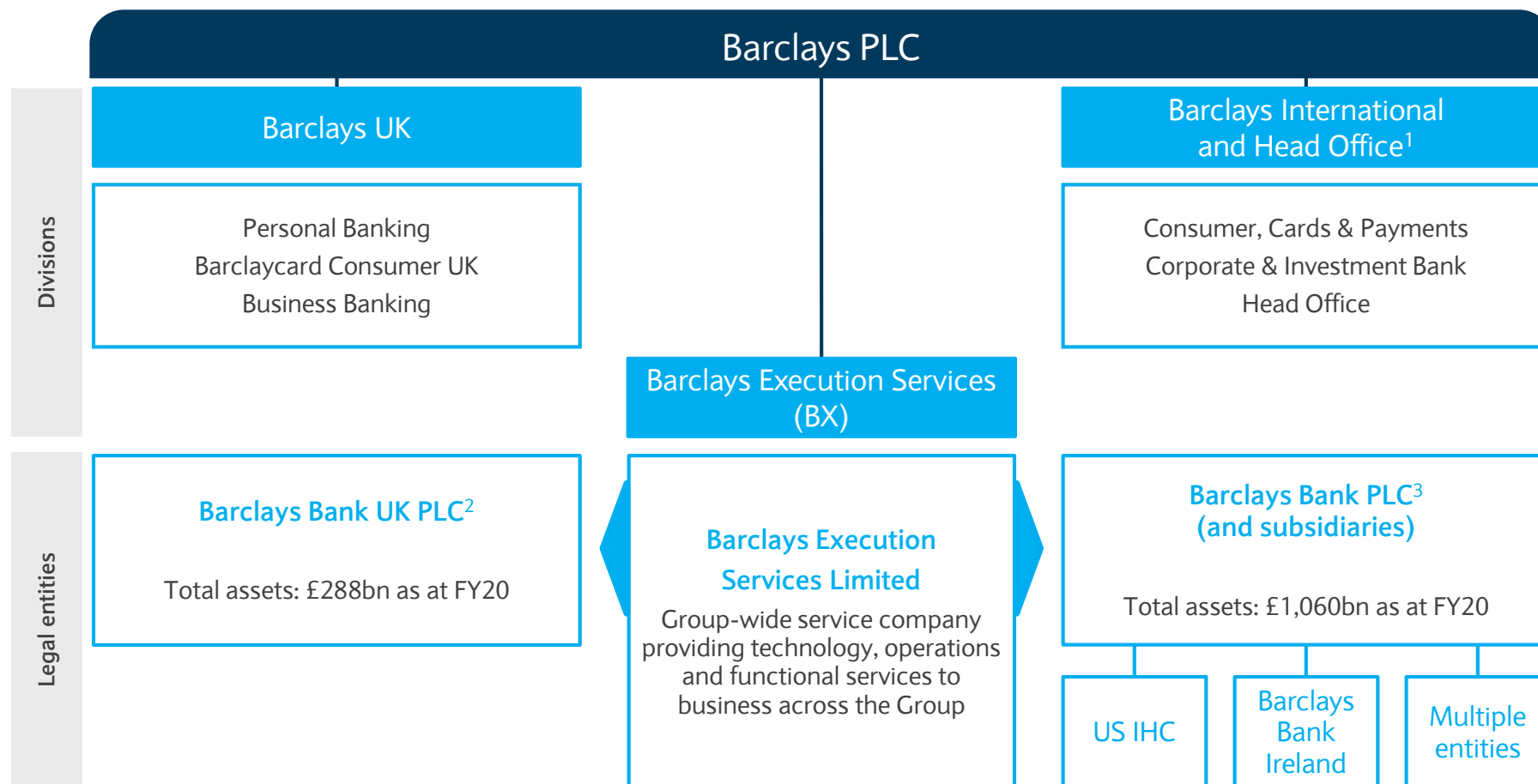
- Update on methodology and targets for aligning our financed emissions

## 2021 onwards

- Continuing our detailed disclosures through our ESG Report, TCFD disclosures and other reporting frameworks
- Enhancing and refining BlueTrack™ methodology over time:
  - Ultimately extending to cover our entire financing portfolio (a couple of additional Industry & Manufacturing sub-sectors in 2021)
  - Updating over time to track newer benchmark scenarios as they are developed
  - Greater utilisation of company disclosures and improved input data quality

# Divisions and Legal Entities

# Legal entity structure of the Group since April 2018



<sup>1</sup> The Head Office division materially remains in Barclays Bank PLC and incorporates re-integrated Non-Core assets and businesses. The residual holding in BAGL (full regulatory deconsolidation effective 30 June 2018) is held in Barclays Principal Investments Limited as a direct subsidiary of BPLC | <sup>2</sup> The Barclays UK businesses are carried out by the ring-fenced bank (Barclays Bank UK PLC) and certain other entities within the Group | <sup>3</sup> The Barclays International businesses are carried out by the non ring-fenced bank (Barclays Bank PLC) and certain other entities within the Group |

# Strong legal entity capital and liquidity positions

Continue to manage legal entity capital ratios with appropriate headroom to requirements

## Barclays PLC

— Accounting and regulated sub-group    - - - Accounting sub-group

### Barclays Bank UK PLC sub-group

**Barclays Bank UK PLC (solus)**  
Capital regulated on a consolidated and solus basis<sup>1</sup>

#### Subsidiaries

*No material regulated subsidiaries exist in the BBUKPLC sub-group*

### Barclays Bank PLC sub-group

**Barclays Bank PLC (solo)**  
Capital continues to be regulated on a solo basis<sup>2</sup>

#### US IHC

*Capital continues to be regulated on a standalone basis by the Fed*

#### Barclays Bank Ireland

*Regulated by the Single Supervisory Mechanism of the ECB*

#### Other subsidiaries

*A mix of regulated and unregulated subsidiaries*

BBUKPLC metrics <sup>3</sup>	FY20	H120	FY19
CET1 ratio	15.6%	14.2%	13.5%
Tier 1 ratio	19.2%	17.6%	16.9%
Total capital ratio	23.9%	23.1%	21.3%
LCR <sup>4</sup>	160%	171%	144%
Liquidity pool	£60bn	£64bn	£42bn

BBPLC (solo) metrics <sup>3</sup>	FY20	H120	FY19
CET1 ratio	14.2%	14.3%	13.9%
Tier 1 ratio	18.1%	17.8%	18.1%
Total capital ratio	21.0%	21.0%	22.1%
LCR <sup>4</sup>	145%	166%	141%
Liquidity pool <sup>5</sup>	£206bn	£234bn	£169bn

<sup>1</sup> Regulation on a consolidated basis became effective on 1 January 2019 | <sup>2</sup> Barclays Bank PLC (solo) contains additional relatively small entities that are brought into scope for regulatory solo requirements | <sup>3</sup> Capital metrics calculated based on CRR transitional arrangements, as amended by CRR II. This includes IFRS 9 transitional arrangements and the grandfathering of CRR and CRR II non-compliant capital instruments | <sup>4</sup> Barclays Bank UK Group and Barclays Bank PLC DoLSub liquidity coverage ratio | <sup>5</sup> Barclays Bank Group liquidity pool |



# Barclays is set up to continue serving clients based in the EU

## EU subsidiary operational with client on-boarding substantially complete

- Barclays has been able to provide uninterrupted services in the European Union (EU) throughout the Brexit transition period and since the end of the post-Brexit transition period on 31<sup>st</sup> December 2020
- Build out of Barclays Europe (BE) has meant Barclays is not dependant on the EU and UK agreeing to Financial Services equivalence to continue to serve clients
- Barclays Europe, operating through Barclays Bank Ireland PLC (BBI), is operational with nine branches across the European Union. The on-boarding of European clients from BBPLC to BE is substantially complete
- BBI obtained all regulatory authorisations and licences for its expanded activity in 2018 and is supervised by the Single Supervisory Mechanism of the ECB and the Central Bank of Ireland since 2019
- Barclays Europe fortifies the diversification of the Group's business, operating across Corporate, Investment and Private Banking as well as a credit card and consumer business in Germany<sup>1</sup>, with strategic investments to grow footprint
- Diversified, well balanced funding sources and strong liquidity ratios. MREL and capital provided from within the Group
- The entity reported a strong financial profile as of H120 with credit ratings in line with its immediate parent BBPLC

### European footprint to service key markets



### Barclays Europe Key Jun-20 Ratios and Credit Ratings<sup>2</sup>

IFRS assets	€92.5bn	Barclays Bank Ireland PLC, as at 17 Feb 2021	
CET1 ratio <sup>3</sup>	13.3%	Fitch	A+ / Negative / F1
LCR	210%	S&P	A / Negative / A-1

<sup>1</sup> The activity also incorporates a legacy Italian mortgage portfolio | <sup>2</sup> The ratings are equalised to those of Barclays Bank PLC, the immediate parent of Barclays Bank Ireland PLC | <sup>3</sup> CET1 ratio calculated applying the transitional arrangements of the CRR as amended by CRR II |

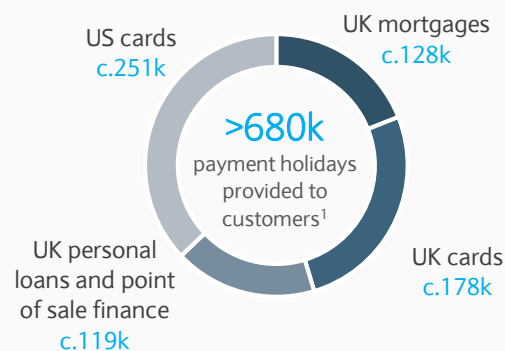


# Appendix

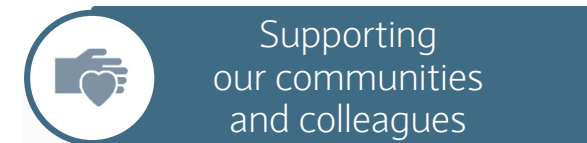
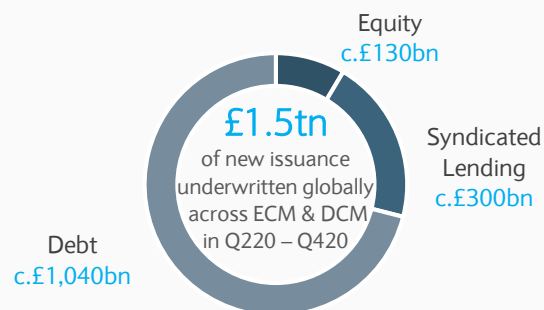
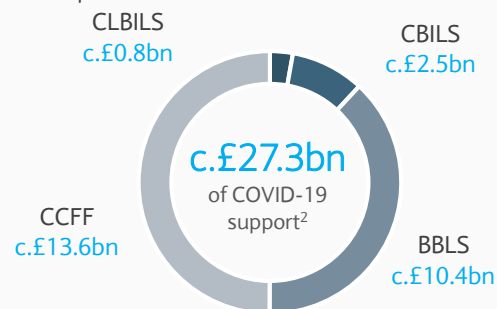
# Remained open for business throughout the COVID-19 pandemic, helping support the economy



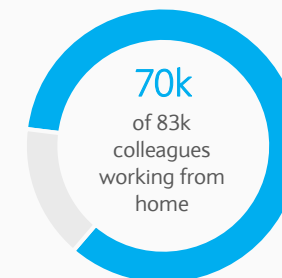
Supported customers in financial need with payment holidays, and interest and fee waivers



Delivered UK Government support measures for small businesses, large corporates and institutional clients



Used our reach to support communities and helped colleagues to serve customers, clients, and their communities safely



<sup>1</sup> Payment holidays granted as at 31 December 2020, total also includes German cards and loans, and Italian mortgages. UK personal loans and point of sale finance includes the motor securitised book | <sup>2</sup> All business lending data as at 12 February 2020 and commercial paper issuance data as at 15 February 2020. CBILS: Coronavirus Business Interruption Loan Scheme, BBLS: Government-backed Bounce Back Loans, CCFF: Covid Corporate Financing Facility, CLBILS: Coronavirus Large Business Interruption Loan Scheme |



# Support for customers in the UK<sup>1</sup>

## Mortgages

- Mortgage payment holidays granted for **c.128,000 accounts**
- **12 month interest only** payments granted

## Personal loans and point of sale financing

- Payment holidays granted for **c.119,000 personal loan and point of sale finance accounts**

## Overdrafts

- Provided an interest free buffer as well as reduced and capped charges on overdrafts for **5.4 million customers**

## Credit cards

- Credit card payment holidays granted for **c.178,000 accounts**
- Late payment and cash advance fees waived for **8 million UK card customers**

## Vulnerable customers and key workers

- **260,000 calls** handled per week during the peak of the crisis, significantly up due to COVID-19
- **NHS and key workers proactively identified** and moved to the front of the queue

<sup>1</sup> Metrics as at 31 December 2020 |



# Support for businesses<sup>1</sup>

## Existing lending and withholding fees

- **£14bn three year lending fund** for UK SMEs
- **Over £50bn of lending limits** available to UK clients
- Free banking and overdraft fees waived for **650,000 UK SMEs**
- **12-month capital repayment holidays** for most loans over £25,000

## Supporting the UK Government's initiatives

- **c.330,000 Government-backed Bounce Back loans approved** with a value of c.£10.4bn, **c.10,000 Coronavirus Business Interruption Loan Scheme (CBILS) loans approved** with a value of c.£2.5bn, and **c.120 Coronavirus Large Business Interruption Loan Scheme (CLBILS) loans approved** with a value of c.£0.8bn
- Central role in arranging **c.£13.6bn of commercial paper issuance for clients through the Covid Corporate Financing Facility (CCFF)**
- Sole relationship bank supporting the UK Government with the **Coronavirus Job Retention Scheme** distributions to furloughed workers and **Self-employment Income Support Scheme**

## Helping business and institutions to access the global capital markets

- Led deals for **83 governments, government related clients and supranationals** around the world in Q220, Q320 and Q420, **raising £320bn**. This included deals for **16 European sovereigns, raising £85bn**
- **Underwrote c.£1.5tn of new issuance globally across equity and debt capital markets** in Q220, Q320 and Q420
- **ECM supported 22 companies** in the UK during Q220, Q320 and Q420 to **raise £10bn**

<sup>1</sup> All business lending data as at 12 February 2020 and commercial paper issuance data as at 15 February 2020. All other metrics as at 31 December 2020 |



# Support for our communities and colleagues<sup>1</sup>

## Supporting communities

- **£100m committed to the COVID-19 Community Aid Package** for charities delivering COVID-19 relief in our communities
- Extended **LifeSkills and Digital Eagles** programmes to support home schooling and fraud prevention



## Supporting colleagues

- **70,000 of 83,000 colleagues working from home**
- **3,000 of 4,000 UK call centre staff equipped with IT to work from home**
- **Enhanced wellbeing offering** to help colleagues manage their physical and mental health
- **Paid leave or reduced hours for colleagues** caring for dependents, including children
- **Four weeks paid leave for UK staff volunteering** to support health or social care
- Used existing programmes to support any **Armed Forces Reservists** who were called up

<sup>1</sup> Metrics as at 31 December 2020 |

## FY20 other items of interest

Year ended (£m)	Dec-20	Dec-19	
<b>Income</b>			
Strategic investment gain relating to the IPO of Tradeweb	-	180	Corporate & Investment Bank (Markets)
Valuation loss on Barclays' preference shares in Visa Inc.	(101)	-	Consumer, Cards and Payments
Mark-to-market losses on legacy investments	(108)	-	Head Office
Repurchases of some of the Barclays Bank PLC 7.625% Contingent Capital Notes	(85)	-	Head Office
<b>Costs</b>			
Structural cost actions	(368)	(150)	Group
COVID-19 Community Aid Package	(95)	-	Head Office
<b>Litigation &amp; Conduct</b>			
PPI provision	-	(1,400)	Barclays UK
Other Litigation & Conduct across divisions	(153)	(449)	Group

# FY20 Group

Year ended (£m)	Dec-20	Dec-19	% change
Income	21,766	21,632	1%
Impairment	(4,838)	(1,912)	(153%)
– Operating costs	(13,434)	(13,359)	(1%)
– Litigation and conduct	(153)	(1,849)	92%
– UK bank levy	(299)	(226)	(32%)
Total operating expenses	(13,886)	(15,434)	10%
Other net income	23	71	(68%)
Profit before tax	3,065	4,357	(30%)
Tax charge	(604)	(1,003)	40%
Profit after tax	2,461	3,354	(27%)
Non-controlling interests	(78)	(80)	3%
Other equity instrument holders	(857)	(813)	(5%)
Attributable profit	1,526	2,461	(38%)
<b>Performance measures</b>			
Basic earnings per share	8.8p	14.3p	
RoTE	3.2%	5.3%	
Cost: income ratio	64%	71%	
Loan loss rate	138bps	55bps	
<b>Balance sheet</b>			
RWAs	£306.2bn	£295.1bn	

Excluding litigation and conduct – year ended (£m)	Dec-20	Dec-19	% change
Profit before tax	3,218	6,206	(48%)
Attributable profit	1,638	4,194	(61%)
<b>Performance measures</b>			
Basic earnings per share	9.5p	24.4p	
RoTE	3.4%	9.0%	
Cost: income ratio	63%	63%	



# FY20 Barclays UK

Year ended (£m)	Dec-20	Dec-19	% change
– Personal Banking	3,522	4,009	(12%)
– Barclaycard Consumer UK	1,519	1,992	(24%)
– Business Banking	1,306	1,352	(3%)
Income	6,347	7,353	(14%)
– Personal Banking	(380)	(195)	(95%)
– Barclaycard Consumer UK	(881)	(472)	(87%)
– Business Banking	(206)	(45)	>(200%)
Impairment charges	(1,467)	(712)	(106%)
– Operating costs	(4,270)	(3,996)	(7%)
– Litigation and conduct	(32)	(1,582)	98%
– UK bank levy	(50)	(41)	(22%)
Total operating expenses	(4,352)	(5,619)	23%
Other net income	18	-	-
Profit before tax	546	1,022	(47%)
Attributable profit	325	281	16%
<b>Performance measures</b>			
RoTE	3.2%	2.7%	
Average allocated tangible equity	£10.1bn	£10.3bn	
Cost: income ratio	69%	76%	
Loan loss rate	68bps	36bps	
NIM	2.61%	3.09%	
<b>Balance sheet</b>			
L&A to customers <sup>1</sup>	£205.4bn	£193.7bn	
Customer deposits <sup>1</sup>	£240.5bn	£205.5bn	
RWAs	£73.7bn	£74.9bn	

<sup>1</sup> At amortised cost |

Excluding litigation and conduct – year ended (£m)	Dec-20	Dec-19	% change
Profit before tax	578	2,604	(78%)
Attributable profit	343	1,813	(81%)
<b>Performance measures</b>			
RoTE	3.4%	17.5%	
Cost: income ratio	68%	55%	

# FY20 Barclays International

Year ended (£m)	Dec-20	Dec-19	% change
– CIB	12,476	10,231	22%
– CC&P	3,445	4,444	(22%)
Income	15,921	14,675	8%
– CIB	(1,559)	(157)	>(200%)
– CC&P	(1,721)	(1,016)	(69%)
Impairment charges	(3,280)	(1,173)	(180%)
– Operating costs	(8,765)	(9,163)	4%
– Litigation and conduct	(48)	(116)	59%
– UK bank levy	(240)	(174)	(38%)
Total operating expenses	(9,053)	(9,453)	4%
Other net income	28	69	(59%)
Profit before tax	3,616	4,118	(12%)
Attributable profit	2,220	2,816	(21%)
<b>Performance measures</b>			
RoTE	7.1%	9.0%	
Average allocated tangible equity	£31.5bn	£31.2bn	
Cost: income ratio	57%	64%	
Loan loss rate	257bps	86bps	
NIM	3.64%	4.07%	
<b>Balance sheet</b>			
RWAs	£222.3bn	£209.2bn	

Excluding litigation and conduct – year ended (£m)	Dec-20	Dec-19	% change
Profit before tax	3,664	4,234	(13%)
Attributable profit	2,258	2,906	(22%)
<b>Performance measures</b>			
RoTE	7.2%	9.3%	
Cost: income ratio	57%	64%	

# FY20 Barclays International: Corporate & Investment Bank

Year ended (£m)	Dec-20	Dec-19	% change
–FICC	5,138	3,364	53%
–Equities	2,471	1,887	31%
Markets	7,609	5,251	45%
–Advisory	561	776	(28%)
–Equity capital markets	473	329	44%
–Debt capital markets	1,697	1,430	19%
Banking fees	2,731	2,535	8%
–Corporate lending	590	765	(23%)
–Transaction banking	1,546	1,680	(8%)
Corporate	2,136	2,445	(13%)
Total income	12,476	10,231	22%
Impairment charges	(1,559)	(157)	>(200%)
– Operating costs	(6,689)	(6,882)	3%
– Litigation and conduct	(4)	(109)	96%
– UK bank levy	(226)	(156)	(45%)
Total operating expenses	(6,919)	(7,147)	3%
Other net income	6	28	(79%)
Profit before tax	4,004	2,955	35%
Attributable profit	2,554	1,980	29%
<b>Performance measures</b>			
RoTE	9.5%	7.6%	
Average allocated tangible equity	£27.0bn	£25.9bn	
Cost: income ratio	55%	70%	
<b>Balance sheet</b>			
RWAs	£192.2bn	£171.5bn	

Excluding litigation and conduct – year ended (£m)	Dec-20	Dec-19	% change
Profit before tax	4,008	3,064	31%
Attributable profit	2,556	2,064	24%
<b>Performance measures</b>			
RoTE	9.5%	8.0%	
Cost: income ratio	55%	69%	

# FY20 Barclays International: Consumer, Cards & Payments

Year ended (£m)	Dec-20	Dec-19	% change
Income	3,445	4,444	(22%)
Impairment	(1,721)	(1,016)	(69%)
– Operating costs	(2,076)	(2,281)	9%
– Litigation and conduct	(44)	(7)	>(200%)
– UK bank levy	(14)	(18)	22%
Total operating expenses	(2,134)	(2,306)	7%
Other net income	22	41	(46%)
(Loss)/profit before tax	(388)	1,163	(133%)
Attributable (loss)/profit	(334)	836	>(200%)
<b>Performance measures</b>			
RoTE	(7.5%)	15.8%	
Average allocated tangible equity	£4.5bn	£5.3bn	
Cost: income ratio	62%	52%	
Loan loss rate	517bps	234bps	
<b>Balance sheet</b>			
RWAs	£30.1bn	£37.7bn	

Excluding litigation and conduct – year ended (£m)	Dec-20	Dec-19	% change
(Loss)/profit before tax	(344)	1,170	(129%)
Attributable (loss)/profit	(298)	842	>(200%)
<b>Performance measures</b>			
RoTE	(6.7%)	15.9%	
Cost: income ratio	61%	52%	

## FY20 Head Office

Year ended (£m)	Dec-20	Dec-19	% change
Income	(502)	(396)	(27%)
Impairment charges	(91)	(27)	>(200%)
– <i>Operating costs</i>	(399)	(200)	(100%)
– <i>Litigation and conduct</i>	(73)	(151)	52%
– <i>UK bank levy</i>	(9)	(11)	18%
Total operating expenses	(481)	(362)	(33%)
Other net (expenses)/income	(23)	2	>(200%)
Loss before tax	(1,097)	(783)	(40%)
Attributable loss	(1,019)	(636)	(60%)
<b>Performance measures</b>			
Average allocated tangible equity	£6.7bn	£5.1bn	
<b>Balance sheet</b>			
RWAs	£10.2bn	£11.0bn	

Excluding litigation and conduct – year ended (£m)	Dec-20	Dec-19	% change
Loss before tax	(1,024)	(632)	(62%)
Attributable loss	(963)	(525)	(83%)

## Q420 other items of interest

Three months ended (£m)	Dec-20	Dec-19	
<b>Income</b>			
Strategic investment gain relating to the IPO of Tradeweb	-	55	Corporate & Investment Bank (Markets)
Repurchases of some of the Barclays Bank PLC 7.625% Contingent Capital Notes	(85)	-	Head Office
<b>Costs</b>			
Structural cost actions	(261)	(75)	Group
COVID-19 Community Aid Package	(22)	-	Head Office
<b>Litigation &amp; Conduct</b>			
Litigation & Conduct across divisions	(47)	(167)	Group

# Q420 Group

Three months ended (£m)	Dec-20	Dec-19	% change
Income	4,941	5,301	(7%)
Impairment	(492)	(523)	6%
– Operating costs	(3,480)	(3,308)	(5%)
– Litigation and conduct	(47)	(167)	72%
– UK bank levy	(299)	(226)	(32%)
Total operating expenses	(3,826)	(3,701)	(3%)
Other net income	23	20	15%
Profit before tax	646	1,097	(41%)
Tax charge	(163)	(189)	14%
Profit after tax	483	908	(47%)
Non-controlling interests	(37)	(42)	12%
Other equity instrument holders	(226)	(185)	(22%)
Attributable profit	220	681	(68%)
<b>Performance measures</b>			
Basic earnings per share	1.3p	3.9p	
RoTE	1.8%	5.9%	
Cost: income ratio	77%	70%	
Loan loss rate	56bps	60bps	
<b>Balance sheet</b>			
RWAs	£306.2bn	£295.1bn	

Excluding litigation and conduct – three months ended (£m)	Dec-20	Dec-19	% change
Profit before tax	693	1,264	(45%)
Attributable profit	260	803	(68%)
<b>Performance measures</b>			
Basic earnings per share	1.5p	4.7p	
RoTE	2.2%	6.9%	
Cost: income ratio	76%	67%	

# Q420 Barclays UK

Three months ended (£m)	Dec-20	Dec-19	% change
– Personal Banking	895	1,064	(16%)
– Barclaycard Consumer UK	354	533	(34%)
– Business Banking	377	362	4%
Income	1,626	1,959	(17%)
– Personal Banking	(68)	(71)	4%
– Barclaycard Consumer UK	(78)	(108)	28%
– Business Banking	(24)	(11)	(118%)
Impairment charges	(170)	(190)	11%
– Operating costs	(1,134)	(1,023)	(11%)
– Litigation and conduct	4	(58)	107%
– UK bank levy	(50)	(41)	(22%)
Total operating expenses	(1,180)	(1,122)	(5%)
Other net income	6	-	-
Profit before tax	282	647	(56%)
Attributable profit	160	438	(63%)
<b>Performance measures</b>			
RoTE	6.5%	17.0%	
Average allocated tangible equity	£9.8bn	£10.3bn	
Cost: income ratio	73%	57%	
Loan loss rate	31bps	38bps	
NIM	2.56%	3.03%	
<b>Balance sheet</b>			
L&A to customers <sup>1</sup>	£205.4bn	£193.7bn	
Customer deposits <sup>1</sup>	£240.5bn	£205.5bn	
RWAs	£73.7bn	£74.9bn	

<sup>1</sup> At amortised cost |

Excluding litigation and conduct – three months ended (£m)	Dec-20	Dec-19	% change
Profit before tax	278	705	(61%)
Attributable profit	153	481	(68%)
<b>Performance measures</b>			
RoTE	6.2%	18.7%	
Cost: income ratio	73%	54%	



# Q420 Barclays International

Three months ended (£m)	Dec-20	Dec-19	% change
– CIB	2,638	2,314	14%
– CC&P	848	1,138	(25%)
Income	3,486	3,452	1%
– CIB	(52)	(30)	(73%)
– CC&P	(239)	(299)	20%
Impairment charges	(291)	(329)	12%
– Operating costs	(2,133)	(2,240)	5%
– Litigation and conduct	(9)	(86)	90%
– UK bank levy	(240)	(174)	(38%)
Total operating expenses	(2,382)	(2,500)	5%
Other net income	9	17	(47%)
Profit before tax	822	640	28%
Attributable profit	441	397	11%
<b>Performance measures</b>			
RoTE	5.8%	5.1%	
Average allocated tangible equity	£30.5bn	£30.9bn	
Cost: income ratio	68%	72%	
Loan loss rate	90bps	96bps	
NIM	3.41%	4.29%	
<b>Balance sheet</b>			
RWAs	£222.3bn	£209.2bn	

Excluding litigation and conduct – three months ended (£m)	Dec-20	Dec-19	% change
Profit before tax	831	726	14%
Attributable profit	450	461	(2%)
<b>Performance measures</b>			
RoTE	5.9%	6.0%	
Cost: income ratio	68%	70%	

# Q420 Barclays International: Corporate & Investment Bank

Three months ended (£m)	Dec-20	Dec-19	% change
–FICC	812	726	12%
–Equities	542	409	33%
Markets	1,354	1,135	19%
–Advisory	232	202	15%
–Equity capital markets	104	56	86%
–Debt capital markets	418	322	30%
Banking fees	754	580	30%
–Corporate lending	186	202	(8%)
–Transaction banking	344	397	(13%)
Corporate	530	599	(12%)
Total income	2,638	2,314	14%
Impairment charges	(52)	(30)	(73%)
– Operating costs	(1,603)	(1,691)	5%
– Litigation and conduct	2	(79)	103%
– UK bank levy	(226)	(156)	(45%)
Total operating expenses	(1,827)	(1,926)	5%
Other net income	2	1	100%
Profit before tax	761	359	112%
Attributable profit	413	193	114%
<b>Performance measures</b>			
RoTE	6.3%	3.0%	
Average allocated tangible equity	£26.3bn	£25.8bn	
Cost: income ratio	69%	83%	
<b>Balance sheet</b>			
RWAs	£192.2bn	£171.5bn	

Excluding litigation and conduct – three months ended (£m)	Dec-20	Dec-19	% change
Profit before tax	759	438	73%
Attributable profit	411	251	64%
<b>Performance measures</b>			
RoTE	6.2%	3.9%	
Cost: income ratio	69%	80%	

# Q420 Barclays International: Consumer, Cards & Payments

Three months ended (£m)	Dec-20	Dec-19	% change
Income	848	1,138	(25%)
Impairment	(239)	(299)	20%
– Operating costs	(530)	(549)	3%
– Litigation and conduct	(11)	(7)	(57%)
– UK bank levy	(14)	(18)	22%
Total operating expenses	(555)	(574)	3%
Other net income	7	16	(56%)
Profit before tax	61	281	(78%)
Attributable profit	28	204	>(200%)
<b>Performance measures</b>			
RoTE	2.7%	15.9%	
Average allocated tangible equity	£4.2bn	£5.1bn	
Cost: income ratio	65%	50%	
Loan loss rate	286bps	273bps	
<b>Balance sheet</b>			
RWAs	£30.1bn	£37.7bn	

Excluding litigation and conduct – three months ended (£m)	Dec-20	Dec-19	% change
Profit before tax	72	288	(75%)
Attributable profit	39	210	>(200%)
<b>Performance measures</b>			
RoTE	3.8%	16.3%	
Cost: income ratio	64%	50%	

## Q420 Head Office

Three months ended (£m)	Dec-20	Dec-19	% change
Income	(171)	(110)	(55%)
Impairment charges	(31)	(4)	>(200%)
– <i>Operating costs</i>	(213)	(45)	>(200%)
– <i>Litigation and conduct</i>	(42)	(23)	(83%)
– <i>UK bank levy</i>	(9)	(11)	18%
Total operating expenses	(264)	(79)	>(200%)
Other net income	8	3	167%
Loss before tax	(458)	(190)	(141%)
Attributable loss	(381)	(154)	(147%)
<b>Performance measures</b>			
Average allocated tangible equity	£7.3bn	£5.2bn	
<b>Balance sheet</b>			
RWAs	£10.2bn	£11.0bn	

Excluding litigation and conduct – three months ended (£m)	Dec-20	Dec-19	% change
Loss before tax	(416)	(167)	(149%)
Attributable loss	(343)	(139)	(147%)

# Contact – Debt Investor Relations Team

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# Disclaimer

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## Important Notice

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

### Information relating to:

- regulatory capital, leverage, liquidity and resolution is based on Barclays' interpretation of applicable rules and regulations as currently in force and implemented in the UK, including, but not limited to, CRD IV (as amended by CRD V applicable as at the reporting date) and CRR (as amended by CRR II applicable as at the reporting date) texts and any applicable delegated acts, implementing acts or technical standards and as such rules and regulations form part of UK law pursuant to the EU (Withdrawal) Act 2018, subject to the temporary transitional powers (TTP) available to UK regulators to delay or phase-in on-shoring changes to UK regulatory requirements between 31 December 2020 and 31 March 2022. Throughout the TTP period, the Bank of England and the PRA are expected to review the UK legislation framework and any disclosures made by the Group will be subject to any resulting guidance. All such regulatory requirements are subject to change. References herein to 'CRR as amended by CRR II' mean, unless otherwise specified, CRR as amended by CRR II, as it forms part of UK law pursuant to the European Union (Withdrawal) Act 2018 and subject to the TTP, as at the applicable reporting date;
- MREL is based on Barclays' understanding of the Bank of England's policy statement on "The Bank of England's approach to setting a minimum requirement for own funds and eligible liabilities (MREL)" published in June 2018, updating the Bank of England's November 2016 policy statement, and the non-binding indicative MREL requirements communicated to Barclays by the Bank of England. Binding future MREL requirements remain subject to change including at the conclusion of the transitional period, as determined by the Bank of England, taking into account a number of factors as described in the policy statement and as a result of the finalisation of international and European MREL/TLAC requirements. The Bank of England is currently conducting an MREL review, which may drive a different 1 January 2022 MREL requirement than currently proposed. The Pillar 2A requirement is also subject to at least annual review;
- future regulatory capital, liquidity, funding and/or MREL, including forward-looking illustrations, are provided for illustrative purposes only and are not forecasts of Barclays' results of operations or capital position or otherwise. Illustrations regarding the capital flight path, end-state capital evolution and expectations and MREL build are based on certain assumptions applicable at the date of publication only which cannot be assured and are subject to change.

## Forward-looking Statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to the 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 also may be made verbally by members of the management of the Group (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 Group'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, 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: 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; 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 Group's ability along with government and other stakeholders to manage and mitigate the impacts of climate change effectively; 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; UK, US, Eurozone and global macroeconomic and business conditions; 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 any entity within the Group or any securities issued by such entities; direct and indirect impacts of the coronavirus (COVID-19) pandemic; instability as a result of the UK's exit from the European Union (EU), the effects of the EU-UK Trade and Cooperation Agreement and the disruption that may subsequently result in the UK and globally; the risk of cyber-attacks, information or security breaches or technology failures on the Group's business or operations; and the success of future acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Group's control. As a result, the Group's actual financial position, future results, capital distributions, capital, leverage or other regulatory ratios or other financial and non-financial metrics or performance measures may differ materially from the statements or guidance set forth in the Group's forward-looking statements. Additional risks and factors which may impact the Group's future financial condition and performance are identified in our filings with the SEC (including, without limitation, our Annual Report on Form 20-F for the fiscal year ended 31 December 2020), which are available on the SEC's website at [www.sec.gov](http://www.sec.gov).

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

## Non-IFRS Performance Measures

Barclays management believes that the non-IFRS performance measures included in this document provide valuable information to the readers of the financial statements as they enable the reader to identify a more consistent basis for comparing the businesses' performance between financial periods and provide more detail concerning the elements of performance which the managers of these businesses are most directly able to influence or are relevant for an assessment of the Group. They also reflect an important aspect of the way in which operating targets are defined and performance is monitored by Barclays management. However, any non-IFRS performance measures in this document are not a substitute for IFRS measures and readers should consider the IFRS measures as well.