Barclays PLC Q1 2024 Results

Analyst and Investor Conference Call Speech

C.S. Venkatakrishnan, Barclays Group Chief Executive

Anna Cross, Barclays Group Finance Director

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C.S. Venkatakrishnan
Group CEO

Good morning. Thank you for joining us on today's results call for the first quarter of 2024.

We set out financial targets and are on the path to delivery

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Targets	Q124	2024	2026
Statutory RoTE	12.3%	>10%	>12%
Total payout		Broadly in line with 2023	At least £10bn[1] 2024-2026
Investment Bank RWAs (% of Group)	57%		c.50%
CET1 ratio	13.5%	13-14%	13-14%
Supporting targets and guidance	**Q124**	**2024**	**2026**
Income	£7.0bn		c.£30bn
Group NII excl. Investment Bank and Head Office[2]	£2.7bn	c.£10.7bn	
Barclays UK NII[2]	£1.5bn	c.£6.1bn	
Cost: income	60%	c.63%	High 50s%
Loan Loss Rate (LLR)	51bps	50-60bps Through the cycle	50-60bps Through the cycle

[1] This multi-year plan is subject to supervisory and Board approval, anticipated financial performance and our published CET1 ratio target range of 13-14% | [2] NII guidance excludes planned acquisition of Tesco Bank's retail banking business expected in Q424 |

At our Investor Update, a little over nine weeks ago, we set out a three-year plan to deliver a better run, more strongly performing and higher returning Barclays. To do so, we aim to make Barclays simpler, better and more balanced.

We are executing in a disciplined way against our plan and this is our first progress report against a longer journey.

I am happy with our overall Q1 performance, which keeps pace with our financial targets for 2024 to 2026. These are:

- First, grow returns, with a target RoTE of above 12% in 2026
- Second, to rebalance the bank, with a target to reduce RWAs in the Investment Bank from 58% of Group RWAs to around 50% in 2026, and
- Third, to distribute more capital to shareholders, with a target of returning at least £10 billion over 2024 to 2026

We also set a target for Return on Tangible Equity above 10% in 2024, and in the first quarter we delivered 12.3%, in line with our plan.

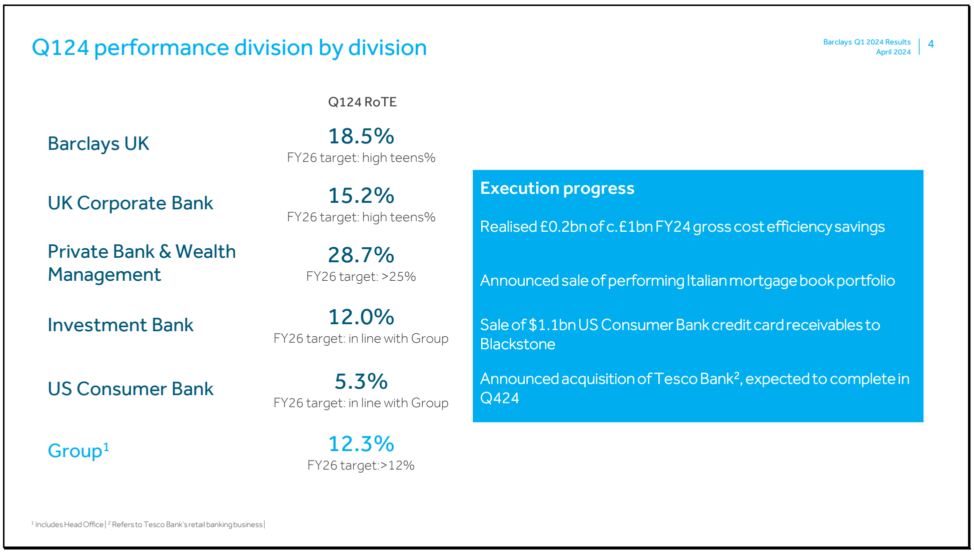
Total income for the quarter was £7 billion, of which Group Net Interest Income, excluding the Investment Bank and Head Office, was £2.7 billion.

Our cost to income ratio was 60%, demonstrating ongoing cost discipline, as we see the benefit of the cost actions, which we took in the fourth quarter of last year coming through.

We achieved around £200 million of gross cost efficiency savings in Q1, out of our targeted £1 billion for full year 2024.

We remain well-capitalised. Our CET1 ratio was 13.5%, at the mid-point of our target range.

And we have completed about 35% of the £1 billion buyback which we announced at FY 2023.



Across the bank, and within each of our five divisions, we are driving an improved operational and financial performance to enhance returns, which Anna will cover in more detail shortly.

Our business re-segmentation and the framework of targets that we laid out on the 20th February, have helped to provide both internal and external transparency as well as accountability in our delivery. As Anna and I talk to our colleagues across Barclays, we are encouraged by how the organisation has embraced this plan.

In February we described a three-year plan of measured ambition and disciplined execution. As part of this, we have set up a Transformation Office which is responsible for monitoring our delivery across all aspects of the plan.

One important aspect was proceeding with the non-strategic business disposals that we announced at our Investor Update.

We have announced the sale of our performing Italian mortgage portfolio and we remain in advanced discussions on the sale of our German consumer business.

Turning to the financial side, overall we are where we expected to be at this stage. You can see on this slide the returns on tangible equity for each of our divisions and the Group for the quarter, alongside our 2026 targets. These are the most important metrics for me and the Executive management team, and Anna will take you through each of them shortly after I cover a few points of divisional execution.

In the Investment Bank, we are continuing our journey to improve returns. RoTE for the quarter was 12%, broadly in line with the Group. As with any quarter, there were some areas of strength, some areas of potential improvement and others where we should do better.

We said in February that going forward we will hold ourselves to account in a detailed and transparent way, on a Group basis and by division. In Global Markets, we did not capture market opportunities to the same extent as some of our competitors. For example, FICC was not as strong as we would have liked, and we have more to do on European rates, one of the three focus areas which we identified in February.

On the other hand, we are starting to monetise investments made in the other identified focus areas, Securitised Products and Equity Derivatives. I am pleased about this and Anna will talk to you about this in more detail.

In Investment Banking, DCM delivered an improved performance in the quarter, and we have the potential to do better. As we said at the Investor Update, we are focused on improving our performance in ECM and Advisory, but there is naturally a longer pathway to success in these businesses.

As an example of our progress in Advisory, our recently established Energy Transition Group has announced nine transactions since late December, showcasing our active advisory role in one of our focus sectors.

In Barclays UK we expect our recently announced acquisition of Tesco Bank to complete in the fourth quarter of this year. Our strategic partnership with the UK's largest retailer will help accelerate our planned growth in unsecured lending, in our home market.

This is an important step in our plan to deploy an additional £30 billion of RWAs into our higher returning UK businesses – Barclays UK, the UK Corporate Bank and Private Banking and Wealth Management

Over the medium term this will rebalance RWAs between our businesses and support more consistent and higher returns for our shareholders.

One divisional number that stands out on the slide is 5.3% RoTE in our US Consumer Bank. Although this is progress from last year's 4.1%, we recognise we have a lot more work to do in order to deliver returns in line with our overall Group target of above 12% in 2026, and have a detailed plan to do so as we set out in February.

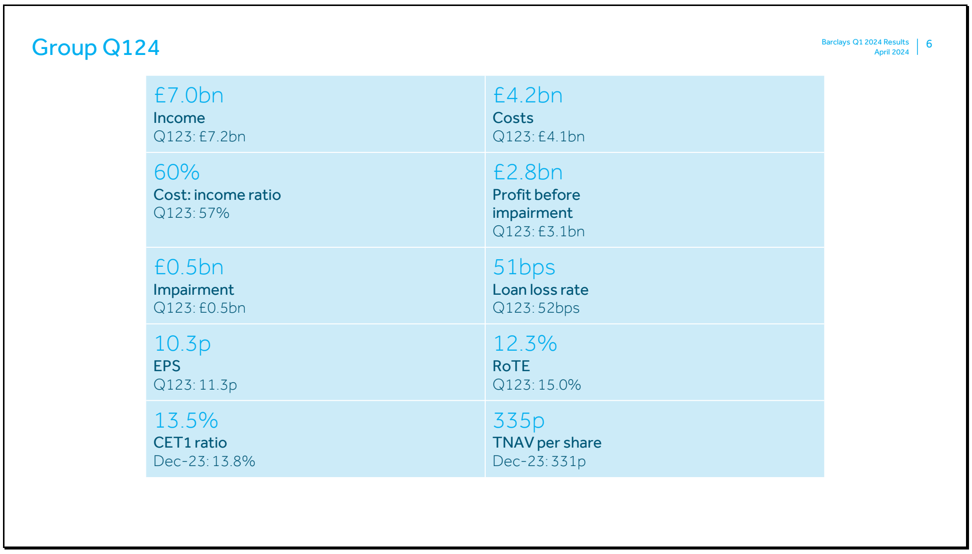
There was a notable point of execution in the quarter in this division. We announced the sale of $1.1 billion of credit card receivables to Blackstone, as we manage capital in the business and strive to improve returns.

Our UK Corporate Bank delivered a RoTE of 15.2%. We look forward to telling you more about this business in our deep-dive on the 18th June.

I'll now hand over to Anna to take you through the first quarter financials in more detail.

Anna Cross
Group Finance Director

Thank you, Venkat, and good morning, everyone.



On slide 6 we have laid out the Q1 financial highlights for Barclays, and you'll see the same throughout the presentation for each business.

I won't go through these slides, but have included them for ease of reference.

Starting on slide 7.

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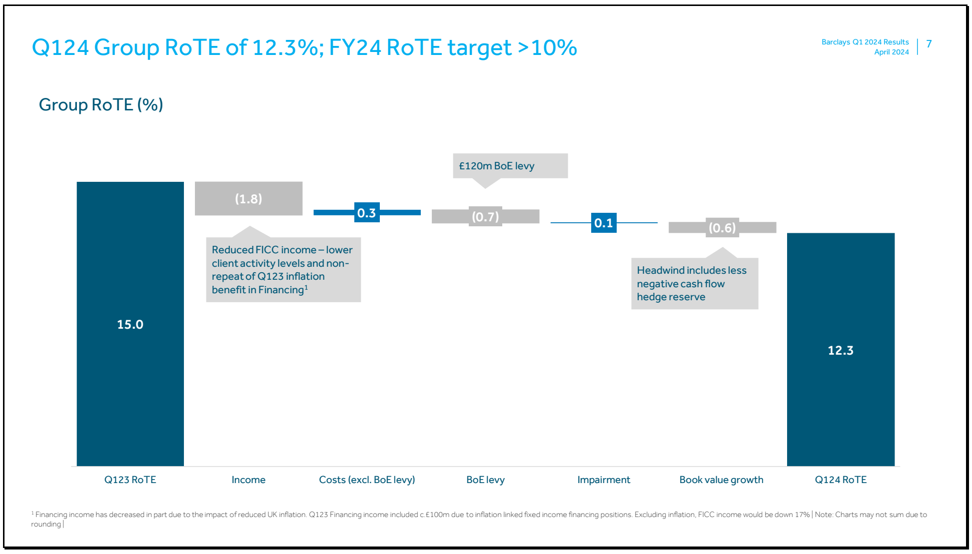


The headline message is that Q1 was in line with the plan we laid out at the Investor Update in February.

We delivered a RoTE of 12.3% and Earnings Per Share of 10.3 pence in Q1.

There were a number of items driving the year-on-year RoTE move.

Income and returns were lower in the Investment Bank, compared to a strong prior year Q1 comparator.

Operating costs, which exclude bank levy and litigation & conduct, were down 3%, reflecting ongoing strong cost discipline as well as efficiency savings, including some benefit from the structural cost actions taken in Q4 2023.

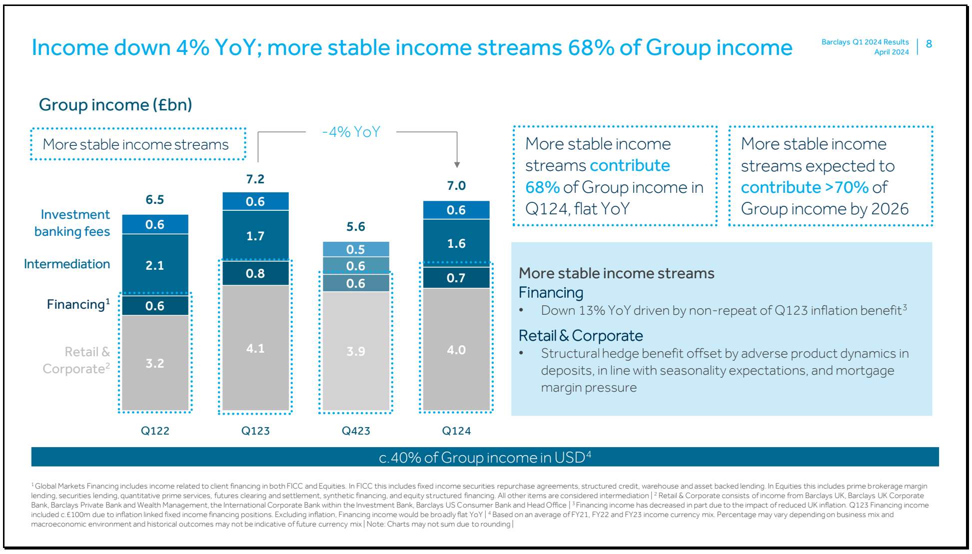
Total costs were up 2% year-on-year at £4.2 billion, which included a £120 million charge in Q124 from the revised Bank of England levy scheme.

We expect this to be partially offset by increased income over the course of the year, resulting in a net annualised reduction in PBT of circa £50 million for 2024.

Impairment was broadly flat year-on-year.

And finally, TNAV per share increased 34 pence year-on-year to 335 pence, including the effect of a less negative cash flow hedge reserve, driven by the rate environment, as expected.

Overall, we continue to target a statutory RoTE of above 10% in 2024.

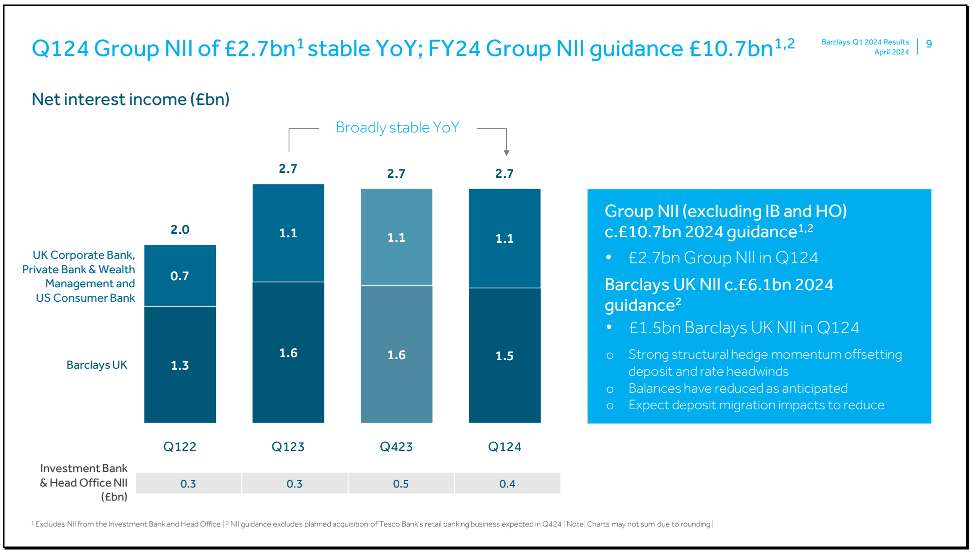


At our Investor Update in February we emphasised the quality and stability of our income.

The more stable revenues we generate from Retail, Corporate and Financing in the Investment Bank provide ballast to our income profile.

I will talk about the individual business drivers shortly – together these contributed 68% of Group income in Q1, and are expected to continue to grow to above 70% by 2026.

Total income was down 4% year-on-year at £7 billion and Group Net Interest Income, excluding the IB and Head Office, was £2.7 billion, as you can see on slide 9.



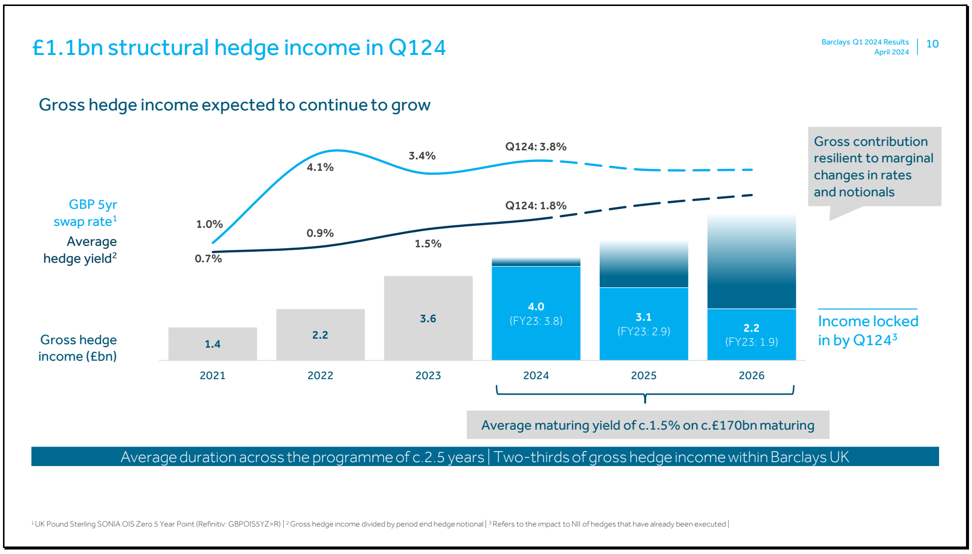
NII was broadly stable year-on-year even though the balance sheet composition and rate outlook are very different between these two points in time.

Our long-term structural hedge tailwinds offset the pressure on NII from deposit movements and mortgage margins, as well as rate headwinds going forward.

We still expect Group NII, ex Investment Bank and Head Office, of circa £10.7 billion for the full year .... and Barclays UK NII of circa £6.1 billion, excluding Tesco Bank, which we now expect to complete in Q4 2024.

Deposit balances were impacted by seasonal reductions in Q1, in part due to tax payments. We expect underlying deposit trends to continue to slow after Q1 and loans to stabilise in the second half.

We expect the benefit from the structural hedge, which you can see on slide 10, to largely offset these product dynamics, ... resulting in broadly stable NII.



As a reminder, the structural hedge is designed to reduce volatility in NII and manage interest rate risk.

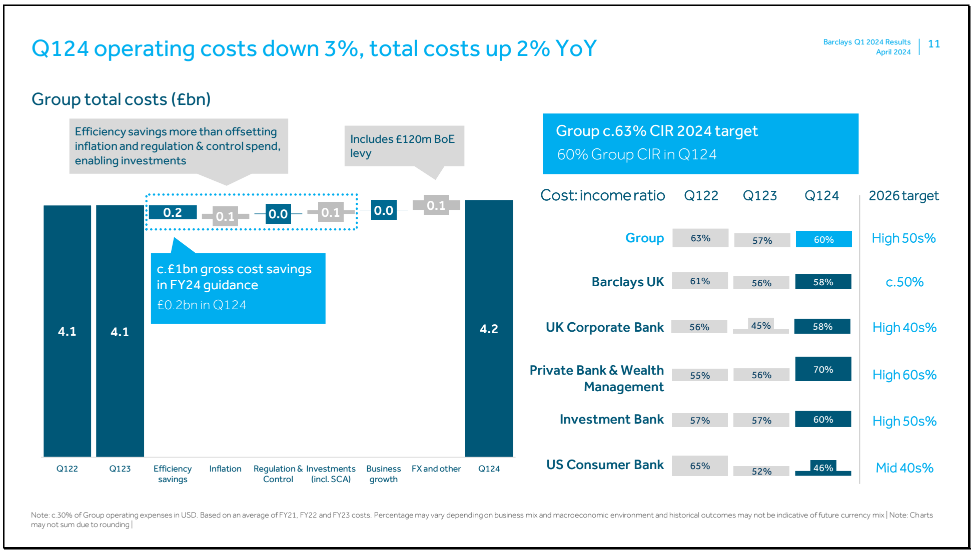
As rates have risen, the hedge has dampened the growth in our NII, and in a falling rate environment we will see the benefit from the protection that it gives us.

We have around £170 billion of hedges maturing between 2024 and 2026 at an average yield of 1.5%, significantly lower than current swap rates.

The expected NII tailwind is significant and predictable. £9.3 billion of aggregate income is now locked in over the 3 years to the end of 2026, up from £8.6 billion at the year-end.

As we said in February, reinvesting around three quarters of the £170 billion at around 3.5% would compound over the next 3 years, to increase structural hedge income in 2026 by circa £2 billion versus 2023.

Turning now to costs on slide 11.



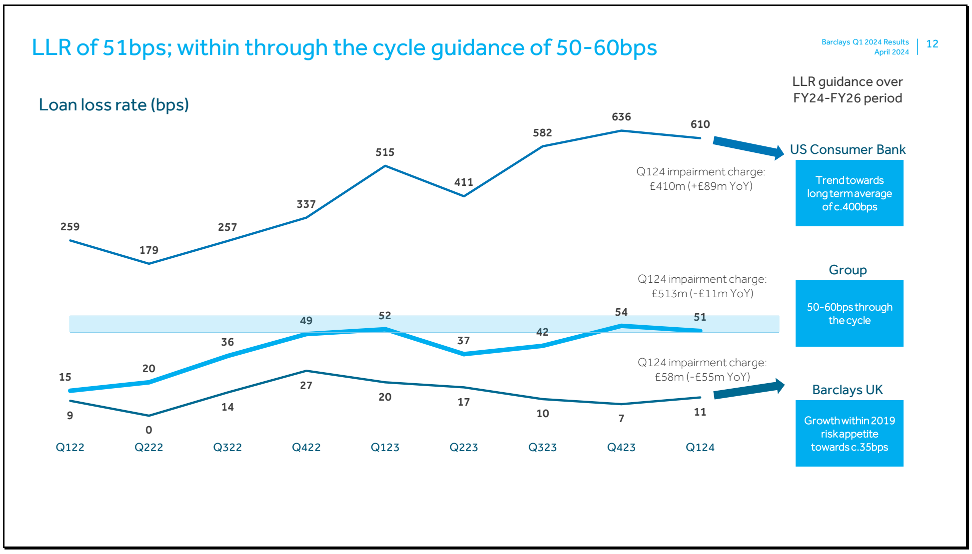
Total costs were up 2% at £4.2 billion, including the £120 million charge from the revised BoE Levy scheme. Operating costs were down 3% year-on-year.

Our cost to income ratio was 60%, and despite the levy, we still expect it to be circa 63% for 2024.

We expect a total of £1 billion of efficiency savings for full year 2024; half of which will be driven by the structural cost actions we took in 2023, and half by prior and on-going efficiency investments.

We have achieved £0.2 billion of this in Q1. These efficiencies have enabled us to offset inflation, regulatory and control spend and created capacity for investments.

Turning now to impairment on slide 12.



The loan loss rate of 51 basis points for the quarter was within our through the cycle guidance of 50 to 60, and the impairment charge was broadly flat year-on-year at £513 million.

The Barclays UK charge was £58 million, equating to an 11 basis points Loan Loss Rate.

Starting from this low and stable base, we expect to track towards circa 35 basis points over time, as we complete the Tesco Bank acquisition and grow the balance sheet, as outlined at our Investor Update.

The charge of £410 million in the US Consumer Bank increased year-on-year, whilst the Loan Loss Rate was 610 basis points, a slight decrease on the Q4 level.

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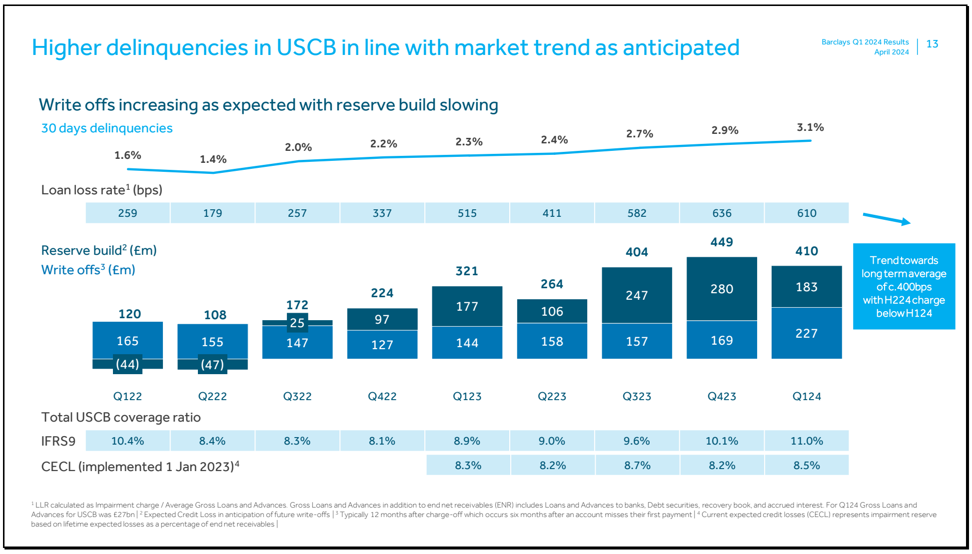

Slide 13 shows that our actual loss experience in the US Consumer Bank remains low, although we have seen a sequential quarterly increase in write-offs, as delinquency rates have increased in line with the industry.

As we said before, we expect write-offs to increase during the remainder of this year, which is why we have been building reserves.

We expect the US Consumer Bank impairment charge to remain elevated through the first half of 2024 and to improve in the second half, resulting in a lower full year charge this year.

And we continue to guide to Loan Loss Rate trending down towards the long-term average of circa 400 basis points.

Turning now to the businesses. As I mentioned, you can see Barclays UK financial highlights and targets on slide 14, but I will talk to slide 15.

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Barclays UK Q124

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£1.8bn **Income** Q123: £2.0bn	£1.5bn **Net Interest Income** Q123: £1.6bn
58% **Cost: income ratio** Q123: 56%	£0.1bn **Impairment** Q123: £0.1bn
£0.7bn **PBT** Q123: £0.8bn	11bps **Loan loss rate** Q123: 20bps
18.5% **RoTE** Q123: 20.0%	£200.8bn **Loans**[1] Dec-23: £202.8bn
£237.2bn **Deposits** Dec-23: £241.1bn	£76.5bn **RWAs** Dec-23: £73.5bn

Targets	2026
RoTE	High teens %
Income	Mid-single digits CAGR FY24 NII c.£6.1bn[2]
Cost: income ratio	c.50%
Loan Loss Rate	Normalisation towards 2019 level c.35bps
Risk weighted assets	Grow contribution to Group RWA

[1] Loans and advances to customers at amortised cost | [2] NII target excludes planned acquisition of Tesco Bank's retail banking business expected in Q424 |

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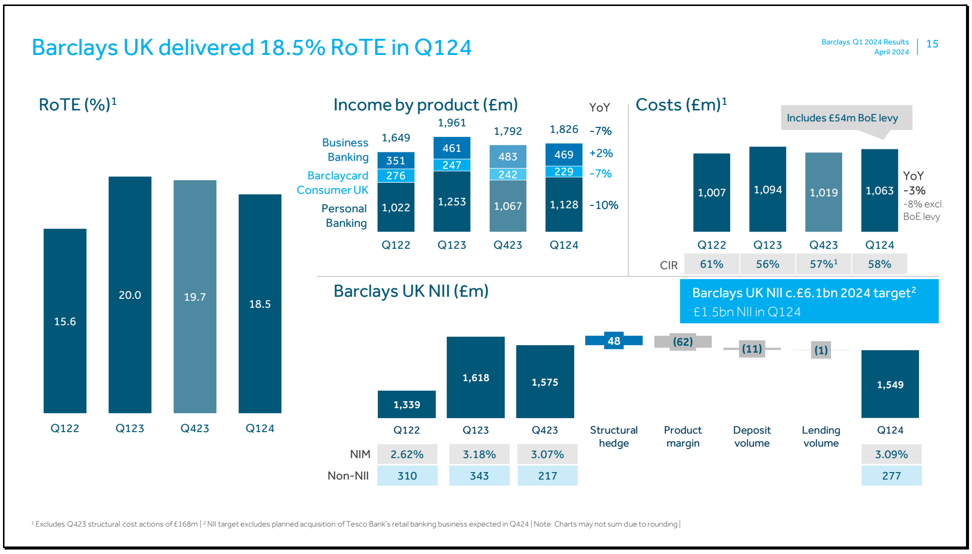


RoTE was 18.5% and total income was £1.8 billion, down £135 million year-on-year, driven by the product dynamics in deposits and mortgages, lower cards income and the transfer of UK wealth in Q2 2023.

NII of £1.5 billion was broadly stable on Q4 and we continue to target circa £6.1 billion of NII for Barclays UK in 2024, supported by the strength of the structural hedge tailwind.

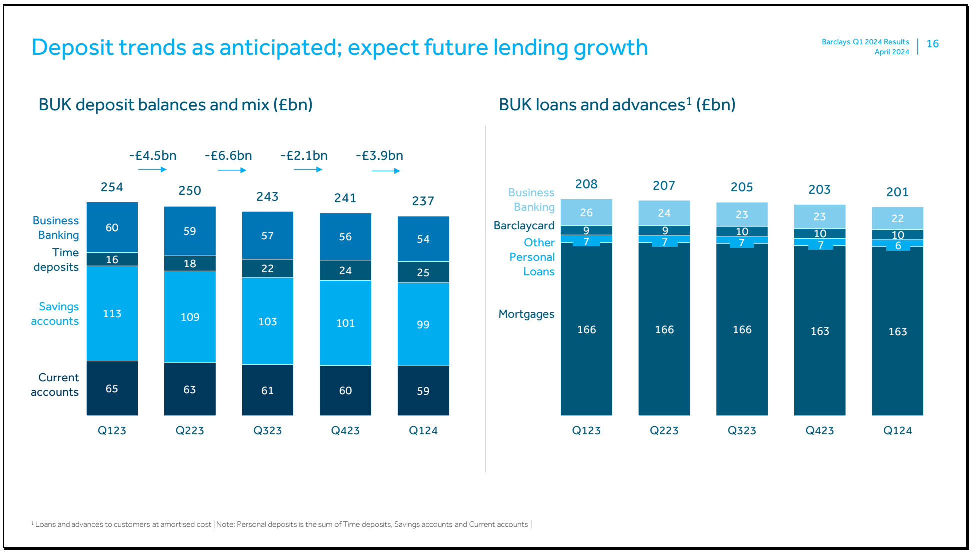
The NII target excludes Tesco Bank, which we expect to contribute circa £400 million of additional annualised NII, following Q4 2024 completion.

Non-NII was £277 million in the quarter, following the non-repeat of one-offs in Q4 last year. We expect a run-rate greater than £250 million per quarter going forward, as we guided in Q4.

Total costs were £1.1 billion, down 3% due to efficiency savings, and the transfer of UK Wealth in Q2 last year, partially offset by an increase of £54 million from the revised BoE levy scheme.

Cost to income ratio was 58%.

Moving onto the Barclays UK customer balance sheet on slide 16.



Normal Q1 seasonality was a contributor to the £3.9 billion deposit reduction from Q4 to £237 billion.

Underlying deposit trends were as expected and broadly consistent with Q4.

Deposit migration has continued to slow and pricing in the savings market has stabilised.

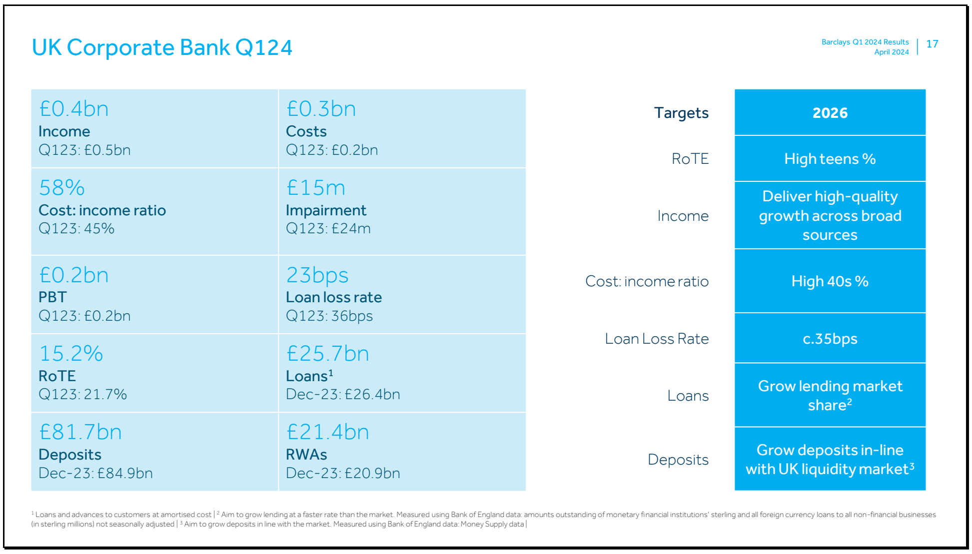
On the lending side, lead indicators such as mortgage applications and card acquisition volumes, are largely positive, but will take time to flow into the balance sheet.

Gross mortgage lending remained in line with 2023 trends, with balances of £163 billion.

However, we grew our flow share in High Loan to Value mortgages, as per our stated ambition.

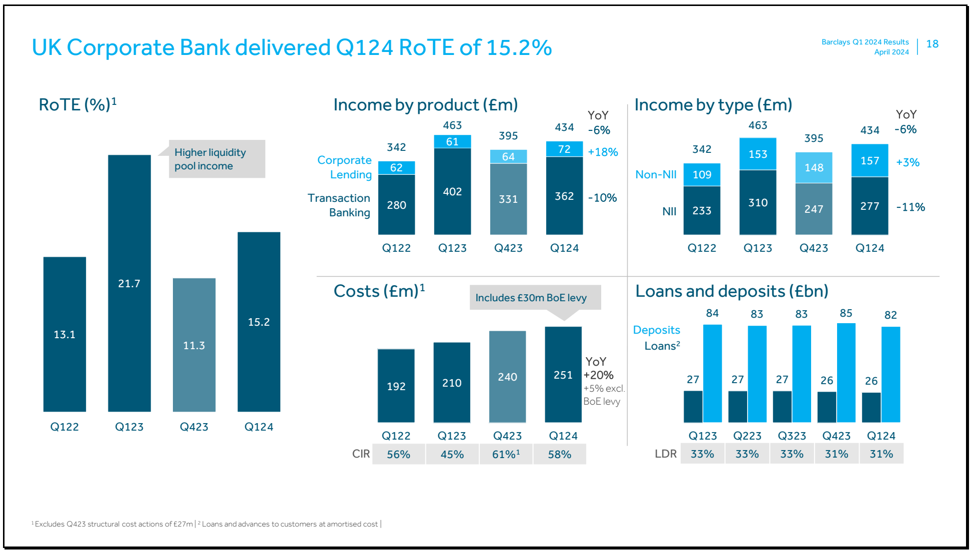
UK Cards balances were stable at circa £10 billion. Acquisition volumes are strong and consumer spending was in line with expectations, whilst repayment rates remained high.

Moving onto the financial highlights for the UK Corporate Bank on slide 17.



This is new divisional disclosure since our re-segmentation, so the numbers may be less familiar.

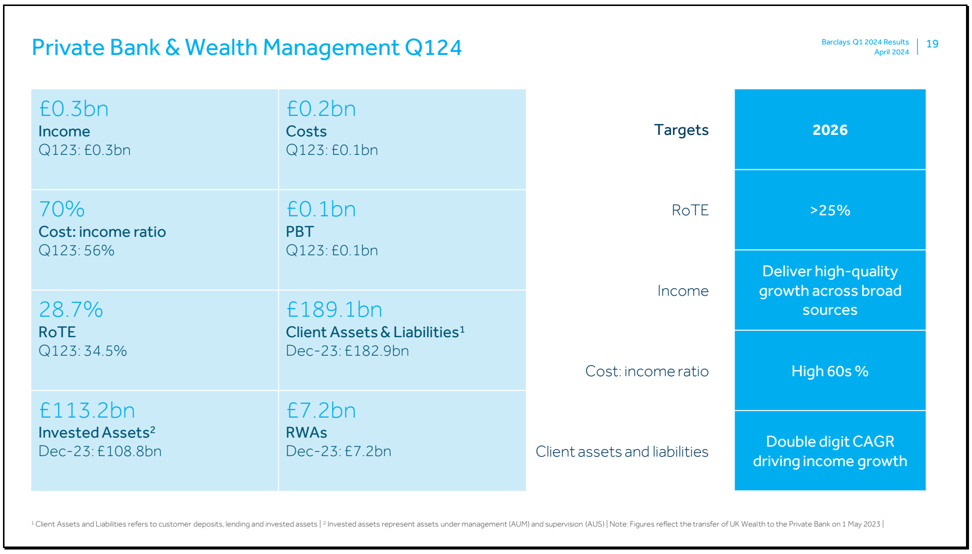
As a reminder, our UK Corporate Bank serves mid-sized UK corporate clients and has relationships with around 25% of the UK market, and includes our corporate card issuing business.



As you can see on slide 18, the UK Corporate Bank RoTE was 15.2%.

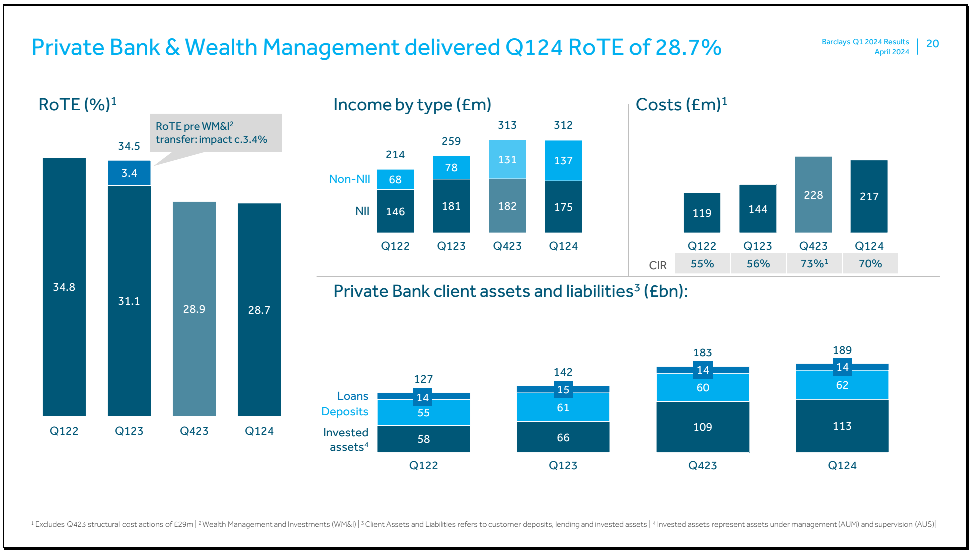
Income was down 6% year-on-year at £434 million, primarily due to the interest rate and inflationary environment driving lower returns from the liquidity pool.

Total costs increased by 20%, reflecting investment spend to support growth and the impact of the revised BoE levy scheme, which alone reduced RoTE by around 3% points.



Turning now to Private Banking and Wealth Management, which is another one of our newly resegmented divisions, created following the combination of our Private Bank and UK Wealth businesses in Q2 last year.

This is a high returning business with opportunities for growth going forward. Moving to slide 20.



RoTE was 28.7%, supported by growth in client assets and liabilities.

Although we have not restated the historical financials prior to the UK Wealth transfer in Q2 last year, we have called out the RoTE impact of circa 3.4%.

Income increased by around £50 million year-on-year, driven by £48 billion of balance growth, both from the UK Wealth transfer and an underlying £19 billion increase, consistent with strong equity market levels.

This was partially offset by continued, although slowing, deposit migration.

Costs increased year-on-year, mostly as a result of the transfer, but also due to ongoing investments in growing the business.

Turning now to the Investment Bank on slide 22.

Investment Bank Q124

£3.3bn **Income** Q123: £3.6bn	£2.0bn **Costs** Q123: £2.0bn
60% **Cost: income ratio** Q123: 57%	£10m release **Impairment** Q123: £25m charge
£1.3bn **PBT** Q123: £1.5bn	-4bps **Loan loss rate** Q123: 10bps
12.0% **RoTE** Q123: 14.4%	£200.4bn **RWAs** Dec-23: £197.3bn
6.5% **Income/Average RWA** Q123: 7.2%	57% **RWAs as % of Group** Dec-23: 58%

Targets	2026
RoTE	In line with Group
Income	High single digit CAGR
Cost: income ratio	High 50s %
RWA	Broadly stable c.50% of Group RWA
Income / Average RWA	Increase vs. 2023

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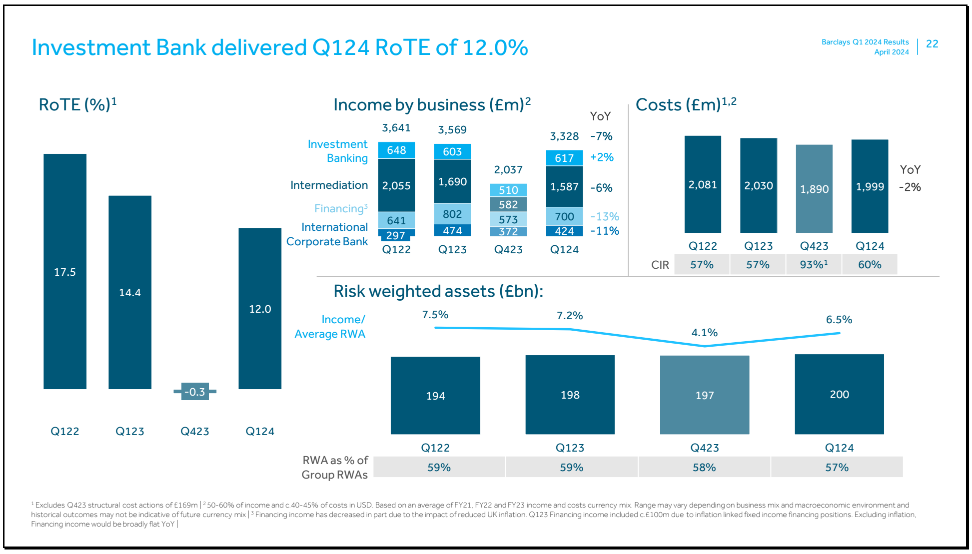


The Investment Bank delivered Q1 RoTE of 12%.

Total income of £3.3 billion was down 7% vs. a strong year-on-year comparator.

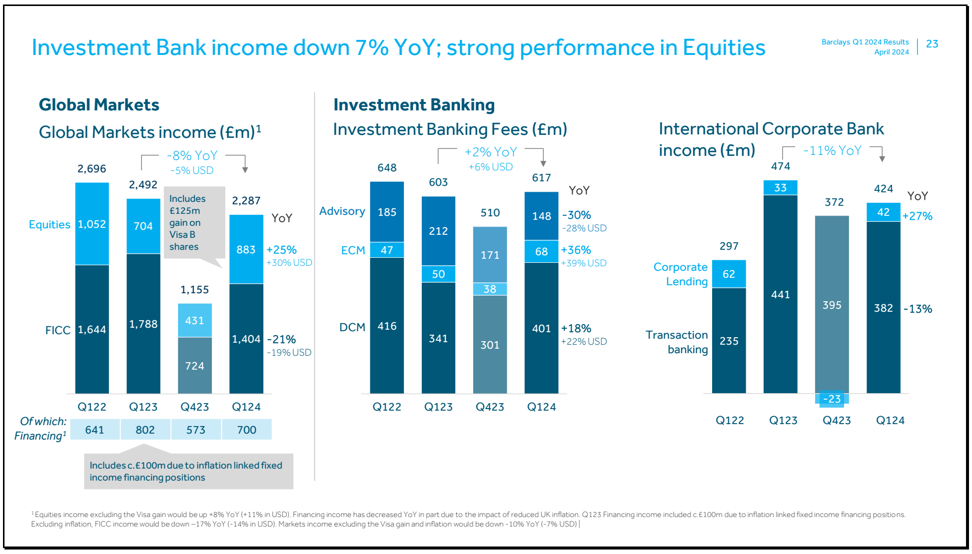
Total costs were down 2%, driven by non-repeat of last year's European levy, lower performance related costs, and included this quarter's BoE levy charge of £33 million, resulting in a CIR of 60%.

RWAs were up £3 billion on Q4, reflecting normal seasonality.

RWA productivity, measured by income over average RWAs, was 6.5%.

The plan remains to improve Investment Bank RWA productivity, whilst keeping RWAs in the division broadly flat, as we set out in the Investor Update.

Now looking at the specific income drivers for each business line in more detail on slide 23.



When we think about this business versus our peers, we use a US Dollar comparator, so that's what I will talk to here.

Markets income was down 5% year-on-year.

Within this, Equities was up 30% and FICC was down 19%, with both comparisons impacted by specific items.

Equities included a non-recurring gain on Visa B shares of £125 million and was up 11% excluding this, with good performance in cash, prime and equity derivatives, one of our focus businesses from the investor update.

FICC performance in Q1 last year included inflation-linked gains which we called out at the time, with income down 14% excluding this, driven by industry-wide lower activity in Macro.

We can do better here. We have work to do to regain market share in European Rates, another of our focus businesses.

Conversely, the market for Securitised Products, our third focus business, has been favourable and given the investments made, we have been able to monetise this more than we would have done in the past.

Excluding the inflation-linked gains last year, financing income across FICC and Equities remained around £700 million, providing the more stable income stream to Markets that we have focused on.

Investment Banking fee income was up 6% year-on-year in dollar terms.

DCM delivered improved performance across both investment grade and leverage finance, and ECM also showed encouraging signs of recovery.

Advisory income was lower against a strong comparator, but we have a healthy pipeline of announced deals, which will add to revenue on completion.

As with the UK Corporate Bank, International Corporate Bank income was impacted year-on-year by the changing rate and inflationary environment on deposits and liquidity pool returns.

Turning now to the US Consumer Bank on slide 25.

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US Consumer Bank Q124

£0.9bn **Income** Q123: £0.8bn	11.12% **Net Interest Margin** Q123: 10.97%
£0.4bn **Costs** Q123: £0.4bn	46% **Cost: income ratio** Q123: 52%
£0.4bn **Impairment** Q123: £0.3bn	£0.1bn **PBT** Q123: £0.1bn
610bps **Loan loss rate[1]** Q123: 515bps	5.3% **RoTE** Q123: 7.5%
$30.5bn[2] **End net receivables** Dec-23: $32.2bn	£23.9bn **RWAs** Dec-23: £24.8bn

Targets	2026
RoTE	In line with Group
End Net Receivables	c.$40bn (c.£31bn)
Net interest margin	>12%
Cost: income ratio	Mid-40s %
Loan Loss Rate[1]	c.400bps
Risk weighted assets	c.£45bn Incl. c. £16bn IRB impact in H224

[1] LLR calculated as Impairment charge / Average Gross Loans and Advances. Gross Loans and Advances in addition to ENR includes Loans and Advances to banks, Debt securities, recovery book, and accrued interest. For Q124 Gross Loans and Advances for USCB was £27bn | [2] $1.1bn sold to Blackstone |

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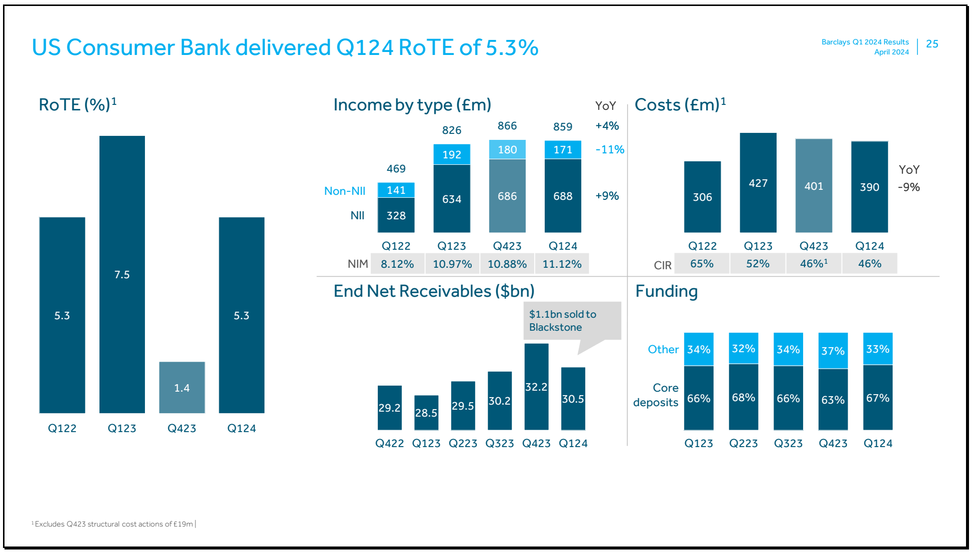


The US Consumer Bank generated RoTE of 5.3%, reflecting higher impairment versus the prior year, which more than offset higher income and lower costs.

Income growth of 4% included an increase in NII on higher cards balances year-on-year.

Total costs were down by 9%, reflecting efficiency savings and lower marketing spend, driving a cost to income ratio of 46%.

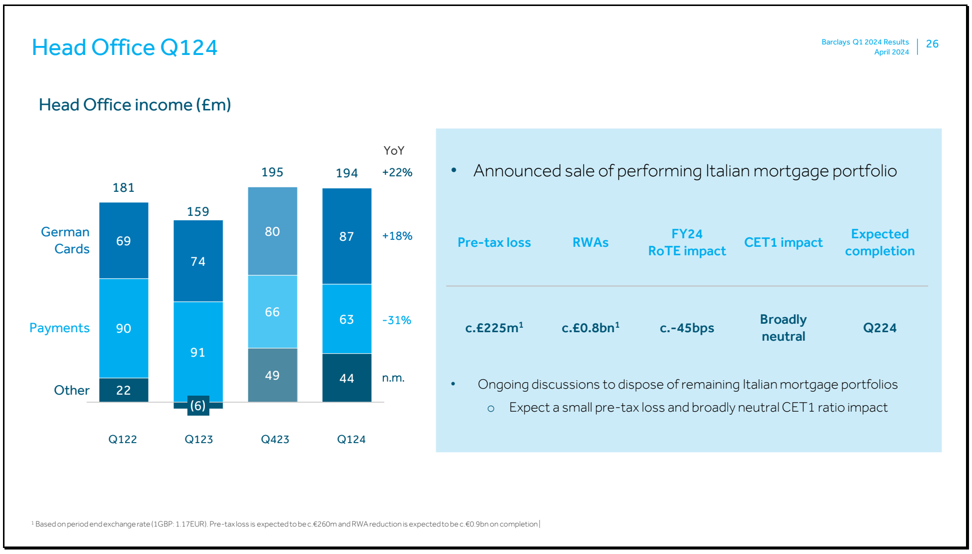
End net receivables reduced in line with normal seasonal trends in Q1 versus Q4, and also included the sale of $1.1 billion of own-brand credit card receivables to Blackstone, ending the quarter at just over $30 billion.

As a reminder, this transaction reduced RWAs through the derecognition of these receivables, which we continue to service for a fee.

The late fees legislation once it comes into effect later this year will be a headwind to fee income, but we expect to mitigate this through actions to drive higher NII, including from revised pricing, although there will be a lag while these actions are introduced.

We are looking to increase the proportion of core deposits in our funding mix in this business to around 75% by 2026. At 67%, the mix was broadly unchanged on last year, but up sequentially from year-end levels.

Turning now to Head Office on slide 26.



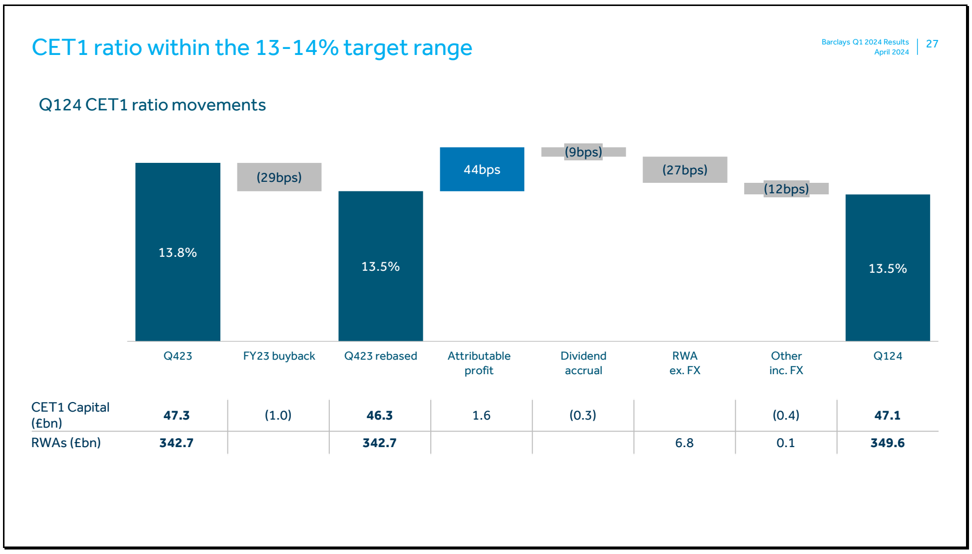
Head Office income was up 22% year-on-year at £194 million, driven by a gain on disposal of a legacy investment and increased German cards income, partially offset by lower Payments income, hedge accounting and treasury items.

The sale of our performing Italian retail mortgage book is expected to complete in Q2, generating a pre-tax loss of circa £225 million whilst reducing RWAs by circa £0.8 billion.

The transaction will have a negative 2024 RoTE impact of circa 45 basis points, but is broadly neutral to capital.

We are also in discussions with respect to the disposals of the remaining non-performing and Swiss-Franc linked portfolios. We expect these disposals to generate a small pre-tax loss, but again be broadly neutral to capital.

Turning now to the balance sheet, starting with capital on slide 27.



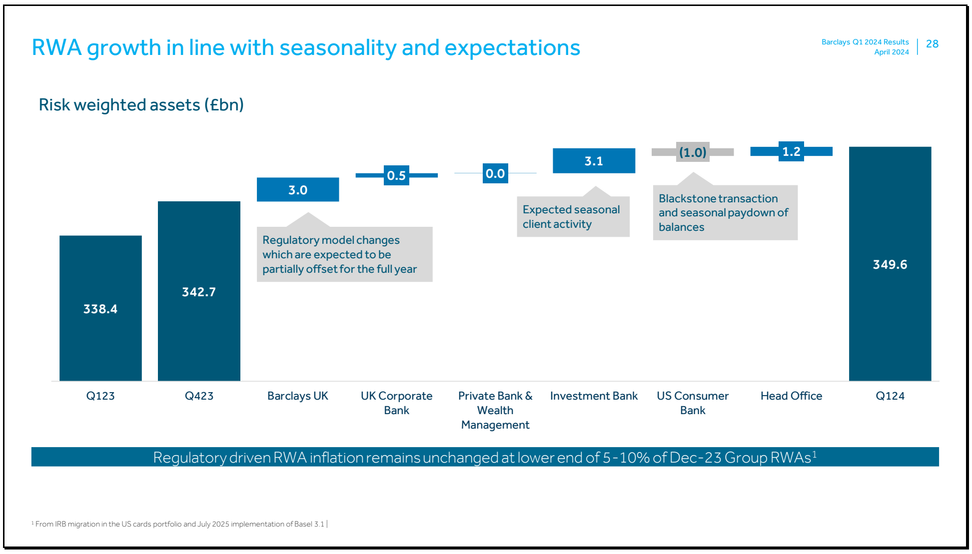
The CET1 ratio was 13.5% at the end of Q1, where we expected it to be, in the middle of our target range and down 30 basis points on year-end.

This reflected seasonally higher capital usage in Q1 and the ongoing £1 billion full year 2023 buyback that comes off the CET1 ratio post year-end.

Our capital distribution plans remain unchanged: to return at least £10 billion of capital to shareholders between 2024 and 2026, with this year's total broadly in line with the 2023 level of £3 billion.

Moving onto Risk Weighted Assets on slide 28.

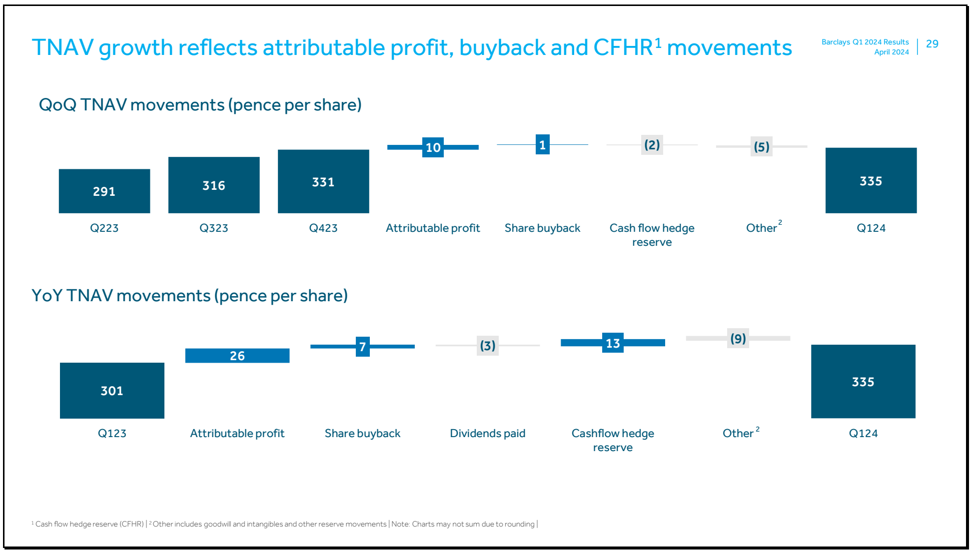
BARCLAYS



RWAs increased by around £7 billion in line with our expectations, driven by normal seasonal trends versus Q4 in the Investment Bank.

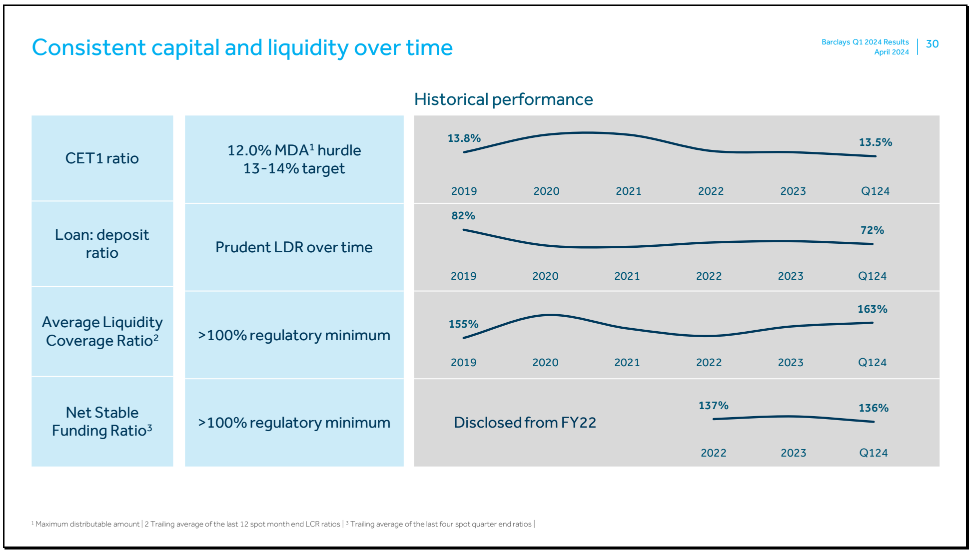
There were also some regulatory model changes in Barclays UK, which we expect to be partially offset over the course of this year.

Our guidance remains for regulatory driven RWA inflation to be at the lower end of 5-10% of December 2023 Group RWAs, as we reiterated in February.

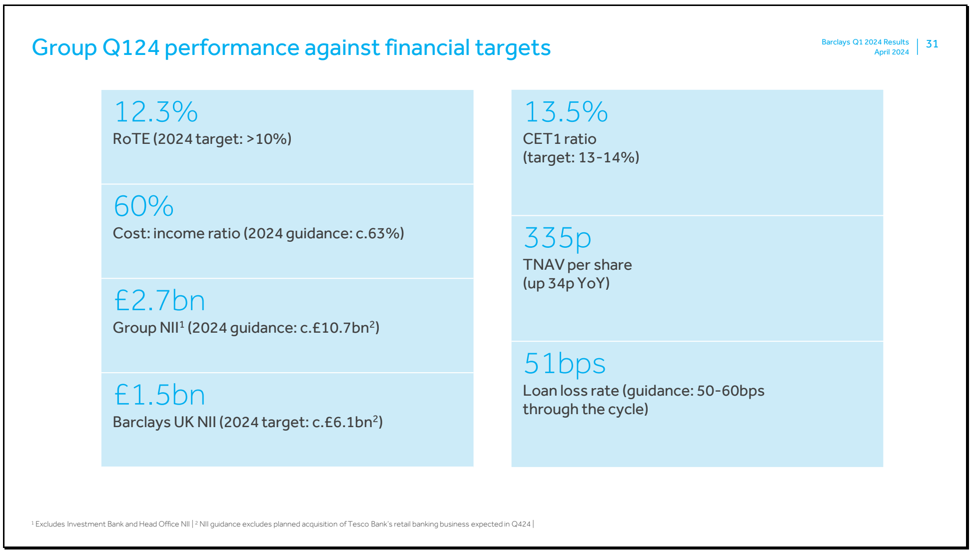


As I noted earlier, TNAV per share grew to 335 pence, up 34 pence year-on-year, driven by attributable profit and the reduced cash flow hedge reserve drag on shareholders' equity.

Additionally, share repurchases reduced our share count by 4% over the same timeframe, driving TNAV accretion of 7 pence per share.



I won't dwell on this slide, but we continue to maintain a well-capitalised and liquid balance sheet, with diverse sources of funding and a significant excess of deposits over loans.



In summary, we are focused on disciplined execution.

This quarter is the first step in delivering the targets we laid out in February and which we are reiterating today.

Thank you for listening. Moving now to Q&A. As usual, please could you stick to a maximum of two questions, so we can get around to everyone in good time.

Disclaimer

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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 domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended. All such regulatory requirements are subject to change and disclosures made by the Group will be subject to any resulting changes 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 December 2021, updating the Bank of England's June 2018 policy statement, and its 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 `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.

Non-IFRS performance measures

Barclays' management believes that the non-IFRS performance measures included in this presentation 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 presentation are not a substitute for IFRS measures and readers should consider the IFRS measures as well. Refer to the appendix of the Barclays PLC Results Announcement for the period ended 31 March 2024, Barclays PLC's Current Report on Form 6-K filed with the U.S. Securities and Exchange Commission on 25 April 2024, and the Group Reporting Changes 2023 Results Resegmentation Document, respectively, which are available at Barclays.com, for further information and calculations of non-IFRS performance measures included throughout this presentation, and the most directly comparable IFRS measures.

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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. 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. 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By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements speak only as at the date on which they are made. Forward-looking statements may be affected by a number of factors, including, without limitation: changes in legislation, regulations, governmental and regulatory policies, expectations and actions, voluntary codes of practices and the interpretation thereof, changes in IFRS and other accounting standards, including practices with regard to the interpretation and application thereof and emerging and developing ESG reporting standards; the outcome of current and future legal proceedings and regulatory investigations; the Group's ability along with governments and other stakeholders to measure, manage and mitigate the impacts of climate change effectively; environmental, social and geopolitical risks and incidents, pandemics and similar events beyond the Group's control; the impact of competition in the banking and financial services industry; capital, liquidity, leverage and other regulatory rules and requirements applicable to past, current and future periods; UK, US, Eurozone and global macroeconomic and business conditions, including inflation; volatility in credit and capital markets; market related risks such as changes in interest rates and foreign exchange rates; reforms to benchmark interest rates and indices; higher or lower asset valuations; changes in credit ratings of any entity within the Group or any securities issued by it; changes in counterparty risk; changes in consumer behaviour; the direct and indirect consequences of the conflicts in Ukraine and the Middle East on European and global macroeconomic conditions, political stability and financial markets; political elections; developments in the UK's relationship with the European Union (EU); the risk of cyberattacks, information or security breaches, technology failures or other operational disruptions and any subsequent impacts on the Group's reputation, business or operations; the Group's ability to access funding; and the success of acquisitions, disposals and other strategic transactions. A number of these factors are beyond the Group's control. As a result, the Group's actual financial position, results, financial and non-financial metrics or performance measures or its ability to meet commitments and targets may differ materially from the statements or guidance set forth in the Group's forward-looking statements. In setting its targets and outlook for the period 2024-2026, Barclays has made certain assumptions about the macro-economic environment, including, without limitation, inflation, interest and unemployment rates, the different markets and competitive conditions in which Barclays operates, and its ability to grow certain businesses and achieve costs savings and other structural actions. Additional risks and factors which may impact the Group's future financial condition and performance are identified in Barclays PLC's filings with the US Securities and Exchange Commission ("SEC") (including, without limitation, Barclays PLC's Annual Report on Form 20-F for the financial year ended 31 December 2023), which are available on the SEC's website at www.sec.gov.

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