Barclays PLC
Pillar 3

30 June 2017

Table of contents

Pillar 3 — Page

Table of contents

Notes

The term Barclays or Group refers to Barclays PLC together with its subsidiaries. The abbreviations '£m' and '£bn' represent millions and thousands of millions of Pounds Sterling respectively; the abbreviations '$m' and '$bn' represent millions and thousands of millions of US Dollars respectively; and the abbreviations '€m' and '€bn' represent millions and thousands of millions of Euros respectively.

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

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

Forward-looking statement

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. 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, notable items, business strategy, structural reform, capital, leverage and other regulatory ratios, payment of dividends (including dividend pay-out ratios and expected payment strategies), projected levels of growth in the banking and financial markets, projected costs or savings, original and revised commitments and targets in connection with the Group Strategy Update, rundown of assets and businesses within Barclays Non-Core, sell down of the Group's interest in Barclays Africa Group Limited or the impact of any regulatory deconsolidation, estimates of capital expenditures and plans and objectives for future operations, projected employee numbers 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. These may be affected by changes in legislation, the development of standards and interpretations under International Financial Reporting Standards, 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, future levels of notable items, the policies and actions of governmental and regulatory authorities, 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 (including with regard to the future structure of the Group) applicable to past, current and future periods; UK, US, Africa, Eurozone and global macroeconomic and business conditions; the effects of continued 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 entities within the Group or any securities issued by such entities; the potential for one or more countries exiting the Eurozone; the implications of the exercise by the United Kingdom of Article 50 of the Treaty of Lisbon and the disruption that may result in the UK and globally from the withdrawal of the United Kingdom from the European Union; 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 future results, dividend payments, and capital and leverage ratios may differ materially from the plans, goals, expectations and 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 2016), which are available on the SEC's website at www.sec.gov.

Subject to our obligations under the applicable laws and regulations of the United Kingdom and the United States 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.

Disclosure Background

Barclays' Pillar 3 disclosures complement those disclosed in the Barclays 2017 Interim Results Announcement and provide additional information around Barclays' risk profile, including its regulatory capital, risk weighted assets (RWA) and leverage exposures.

The information disclosed in this report is prepared in accordance with the Capital Requirements Regulation and Directive IV (CRR and CRD IV, also known as the 'CRD IV legislative package'). The disclosures have been prepared in accordance with the EBA Guidelines on materiality, proprietary and confidentiality and on disclosure frequency under Articles 432(1), 432(2) and 433 of Regulation (EU) No 575/2013 (EBA/GL/2014/14) and EBA Guidelines on disclosure requirements under Part Eight of Regulation (EU) No 575/2013.

The disclosures shown in this report include all those that were early adopted as at 31 December 2016, where they are required to be disclosed on a semi-annual basis. We intend to fully adopt the EBA guidelines from 2017 year end.

This report has gone through Barclays' standard governance process, including a Legal and Technical (L&T) Committee review. The (L&T) committee is responsible for reviewing the Group's financial reports and disclosures to ensure that they are fit for purpose for external disclosures, and reports its conclusions to the Disclosure Committee. The Disclosure Committee and Board Audit Committee consider the completeness and accuracy of the disclosures. Their members provide final approval on behalf of Barclays' Board.

Key Reporting Highlights

The fully loaded CET1 ratio increased to 13.1% (December 2016: 12.4%) principally due to a reduction in RWAs of £38.2bn to £327.4bn. CET1 capital decreased £2.4bn to £42.8bn.

- Profits relating to continuing operations were largely offset by decreases in other qualifying reserves as a result of the redemption of USD preference shares, the separation payments relating to the Barclays Africa Group Limited (BAGL) disposal and increased pension deductions. CET1 capital further decreased by £1.8bn as a result of the BAGL minority interest no longer being included under proportional consolidation
- Losses relating to the discontinued operation due to the impairment allocated to the goodwill of Barclays' holding in BAGL and the recycling of the BAGL currency translation reserve losses to the income statement had no impact on CET1 capital
- The decrease in RWAs principally reflected the £27.9bn reduction as a result of the proportional consolidation of BAGL following the sell down of Barclays' holding (see further details hereafter), as well as reductions in Non-Core

The average UK leverage ratio increased to 4.8% (December 2016: 4.5%) driven by an increase in the average fully loaded Tier 1 capital to £52.1bn (December 2016: £51.6bn) and a decrease in the average UK leverage exposure to £1,092bn (December 2016: £1,137bn).

BAGL proportional consolidation

Further to the sale of BAGL shares on 1st June 2017, Barclays' remaining share of BAGL for accounting purposes represents 16.4% of BAGL's capital at 30th June 2017.

For regulatory reporting purposes, Barclays received regulatory approval to treat BAGL on a proportional consolidated basis, based on a 23.4% holding (the 7% difference represents shares that have been placed but not yet delivered, pending the investors receipt of the necessary regulatory approvals).

Movement in exposures at default and risk weighted assets in BAGL

	Exposures at default			Risk weighted assets			
Risk type	As at June 2017 £m	As at December 2016 £m	Movement £m	As at June 2017 £m	As at December 2016 £m	Movement £m	of which: BAGL Proportional Consolidation
Credit risk	**14,612**	61,269	(46,657)	**7,698**	33,465	(25,767)	(25,199)
Counterparty credit risk	**800**	3,373	(2,573)	**394**	1,740	(1,346)	(1,289)
Market risk				**442**	1,700	(1,258)	(1,446)
Total	**15,412**	64,642	(49,230)	**8,534**	**36,905**	(28,371)	(27,934)

CRD IV capital

Barclays' current regulatory requirement is to meet a fully loaded CET1 ratio comprising the required 4.5% Pillar 1 minimum CET1 requirement and, phased in from 2016, a Combined Buffer Requirement. This currently comprises a Capital Conservation Buffer (CCB) and a Global Systemically Important Institution (G-SII) buffer determined by the PRA in line with guidance from the Financial Stability Board (FSB). Both buffers are subject to phased implementation at 25% per annum from 2016 with full effect from 2019. The CCB has been set at 2.5% with 1.25% applicable for 2017. The G-SII buffer for 2017 has been set at 2% with 1% applicable for 2017. On 21 November 2016 the FSB confirmed that the G-SII buffer for 2018 will be 1.5% with 1.1% applicable for 2018.

The Combined Buffer Requirement also includes Counter-Cyclical Capital Buffer (CCyB) and a Systemic Risk Buffer (SRB). On 27 June 2017 the Financial Policy Committee (FPC) increased the UK CCyB rate from 0% to 0.5% applicable from 27 June 2018. Other national authorities also determine the appropriate CCyBs that should be applied to exposures in their jurisdiction. CCyBs have started to apply for Barclays' exposures to other jurisdictions; however based on current exposures these are not material. No SRB has been set to date.

In addition, Barclays' Pillar 2A requirement as per the PRA's Individual Capital Guidance (ICG) for 2017 based on a point in time assessment is 4.2% of which 56% needs to be met in CET1 form, equating to approximately 2.3% of RWAs. The Pillar 2A requirement is subject to at least annual review.

As at 30 June 2017 Barclays' CET1 ratio was 13.1% which exceeds the 2017 transitional minimum requirement of 9.1% including the minimum 4.5% CET1 ratio requirement, 2.3% of Pillar 2A, a 1.25% CCB buffer, a 1% G-SII buffer and a 0% CCyB.

Capital

Table 1: Capital resources

This table shows the Group's capital resources. Table 3 presents the components of regulatory capital on both a transitional and fully loaded basis as at 30 June 2017.

Capital ratios	As at 30.06.17	As at 31.03.17	As at 31.12.16
Fully loaded CET1[1,2]	13.1%	12.5%	12.4%
PRA Transitional Tier 1[3]	16.6%	15.8%	15.6%
PRA Transitional Total Capital[3]	20.7%	19.6%	19.6%

Capital resources	£m	£m	£m
Shareholders' equity (excluding non-controlling interests) per the balance sheet	**63,866**	**65,536**	**64,873**
Less: other equity instruments (recognised as AT1 capital)	(7,694)	(7,690)	(6,449)
Adjustment to retained earnings for foreseeable dividends	(303)	(519)	(388)
Minority interests (amount allowed in consolidated CET1)	-	1,864	1,825
Other regulatory adjustments and deductions:			
Additional value adjustments (PVA)	(1,494)	(1,618)	(1,571)
Goodwill and intangible assets	(7,756)	(8,142)	(9,054)
Deferred tax assets that rely on future profitability excluding temporary differences	(346)	(421)	(494)
Fair value reserves related to gains or losses on cash flow hedges	(1,576)	(1,956)	(2,104)
Excess of expected losses over impairment	(1,179)	(1,286)	(1,294)
Gains or losses on liabilities at fair value resulting from own credit	58	(28)	86
Defined-benefit pension fund assets	(542)	(753)	(38)
Direct and indirect holdings by an institution of own CET1 instruments	(50)	(50)	(50)
Deferred tax assets arising from temporary differences (amount above 10% threshold)	(115)	(39)	(183)
Other regulatory adjustments	(35)	40	45
Fully loaded CET1 capital	**42,834**	**44,938**	**45,204**
Additional Tier 1 (AT1) capital			
Capital instruments and related share premium accounts	7,694	7,690	6,449
Qualifying AT1 capital (including minority interests) issued by subsidiaries	3,843	4,576	5,445
Other regulatory adjustments and deductions	(130)	(131)	(130)
Transitional AT1 capital	**11,407**	**12,135**	**11,764**
PRA Transitional Tier 1 capital	**54,241**	**57,073**	**56,968**
Tier 2 (T2) capital			
Capital instruments and related share premium accounts	5,198	3,724	3,769
Qualifying T2 capital (including minority interests) issued by subsidiaries	8,486	10,153	11,366
Other regulatory adjustments and deductions	(252)	(257)	(257)
PRA Transitional total regulatory capital	**67,673**	**70,693**	**71,846**

1 The transitional regulatory adjustments to CET1 capital are no longer applicable resulting in CET1 capital on a fully loaded basis being equal to that on a transitional basis.
2 The CRD IV CET1 ratio (FSA October 2012 transitional statement) as applicable to Barclays' Tier 2 Contingent Capital Notes was 13.7% based on £44.8bn of transitional CRD IV CET1 capital and £327bn of RWAs.
3 The PRA transitional capital is based on the PRA Rulebook and accompanying supervisory statements.

Table 2: Summary of movements in capital resources

Movement in CET1 capital	Three months ended 30.06.17 £m	Six months ended 30.06.17 £m
Opening CET1 capital	**44,938**	**45,204**
Loss for the period attributable to equity holders	(1,239)	(910)
Own credit relating to derivative liabilities	64	79
Dividends paid and foreseen	(241)	(473)
Decrease in retained regulatory capital generated from earnings	**(1,416)**	**(1,304)**
Net impact of share schemes	272	(163)
Available for sale reserves	(7)	58
Currency translation reserves	947	705
Other reserves	(372)	(934)
Increase/(decrease) in other qualifying reserves	**840**	**(334)**
Retirement benefit reserve	(416)	(29)
Defined-benefit pension fund asset deduction	211	(504)
Net impact of pensions	**(205)**	**(533)**
Minority interests	(1,864)	(1,825)
Additional value adjustments (PVA)	124	77
Goodwill and intangible assets	386	1,298
Deferred tax assets that rely on future profitability excluding those arising from temporary differences	75	148
Excess of expected loss over impairment	107	115
Deferred tax assets arising from temporary differences (amount above 10% threshold)	(76)	68
Other regulatory adjustments	(75)	(80)
Decrease in regulatory capital due to adjustments and deductions	**(1,323)**	**(199)**
Closing CET1 capital	**42,834**	**42,834**

CET1 capital decreased £2.4bn to £42.8bn (December 2016: £45.2bn) due to the following:

- CET1 capital decreased £2.4bn to £42.8bn (December 2016: £45.2bn) due to the following: A £0.9bn loss for the period attributable to equity holders. £1.4bn profit after tax in respect of continuing operations was more than offset by losses in discontinued operation of £2.3bn. These losses, resulting from the impairment of Barclays' holding in BAGL allocated to goodwill and the recycling of BAGL currency translation reserve losses to the income statement, had no impact on CET1 capital with offsetting movements in the goodwill and intangible assets deduction and other qualifying reserves
- A £0.5bn decrease for dividends paid and foreseen
- A £0.7bn increase in the currency translation reserve largely due to the £1.4bn recycling of losses in BAGL to the income statement which were offset by a £0.6bn decrease due to the appreciation of GBP against USD and JPY
- A £0.9bn decrease in other qualifying reserves which included a £0.5bn decrease as a result of USD preference share redemptions, and £0.4bn separation payments in relation to the partial BAGL disposal
- A £0.5bn decrease net of tax as a result of movements relating to pensions. The pension asset capital deduction increased due to the UKRF, which is the Groups main pension scheme, moving from a small deficit in December 2016 to a £0.7bn surplus largely due to contributions in the period
- A £1.8bn decrease due to BAGL minority interests which are no longer eligible under proportional consolidation
- A £1.3bn increase due to the goodwill and intangible assets deduction decrease largely as a result of the impairment of Barclays' holding in BAGL allocated to goodwill

Table 3: Regulatory capital

This table shows the components of regulatory capital presented on both a transitional and fully loaded basis as at 30 June 2017.
This disclosure has been prepared using the format set out in Annex IV and Annex VI of the final 'Implementing technical standards with regard to disclosure of own funds requirements for institution' (Commission implementing regulation- EU 1423/2013)

	Common Equity Tier 1 (CET1) capital: instruments and reserves	30 June 2017 Transitional position £m	Transitional impacts £m	30 June 2017 Fully loaded position £m
1	Capital instruments and the related share premium accounts	21,998	-	21,998
	of which: ordinary shares	*21,998*	-	*21,998*
2	Retained earnings	28,026	-	28,026
3	Accumulated other comprehensive income (and other reserves)	6,148	-	6,148
5a	Independently reviewed interim net profits net of any foreseeable charge or dividend	(303)	-	(303)
	Scope of consolidation adjustment	(35)	-	(35)
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	55,834	-	55,834
	Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments	(1,494)	-	(1,494)
8	Intangible assets (net of related tax liability)	(7,756)	-	(7,756)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	(346)	-	(346)
11	Fair value reserves related to gains or losses on cash flow hedges	(1,576)	-	(1,576)
12	Negative amounts resulting from the calculation of expected losses amounts	(1,179)	-	(1,179)
14	Gains or losses on liabilities at fair value resulting from changes in own credit standing	58	-	58
15	Defined-benefit pension fund assets	(542)	-	(542)
16	Direct and indirect holdings by an institution of own CET1 instruments	(50)	-	(50)
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	(115)	-	(115)
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	(13,000)	-	(13,000)
29	**Common Equity Tier 1 (CET1) capital**	42,834	-	42,834
	Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	7,694	-	7,694
31	*of which: classified as equity under IFRS*	*7,694*	-	*7,694*
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests) issued by subsidiaries and held by third parties	3,843	(3,843)	-
35	*of which: instruments issued by subsidiaries subject to phase out*	*4,537*	*(4,537)*	-
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	11,537	(3,843)	7,694
	Additional Tier 1 (AT1) capital: regulatory adjustments			
37	Direct and indirect holdings by an institution of own AT1 instruments	(130)	-	(130)
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	(130)	-	(130)
44	**Additional Tier 1 (AT1) capital**	11,407	(3,843)	7,564
45	**Tier 1 capital (T1 = CET1 + AT1)**	54,241	(3,843)	50,398

Table 3 (continued)

		30 June 2017 Transitional position £m	Transitional impacts £m	30 June 2017 Fully loaded position £m
	Tier 2 (T2) capital: instruments and provisions			
46	Capital instruments and the related share premium accounts	5,198	-	5,198
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests) issued by subsidiaries and held by third parties	8,486	879	9,365
49	*of which: instruments issued by subsidiaries subject to phase out*	*1,141*	*(1,141)*	*-*
51	**Tier 2 (T2) capital before regulatory adjustments**	**13,684**	**879**	**14,563**
	Tier 2 (T2) capital: regulatory adjustments			
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans	(250)	-	(250)
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions)	(2)	-	(2)
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**(252)**	**-**	**(252)**
58	**Tier 2 (T2) capital**	**13,432**	**879**	**14,311**
59	**Total capital (TC = T1 + T2)**	**67,673**	**(2,964)**	**64,709**
60	**Total risk weighted assets**	**327,414**	**-**	**327,414**
	Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk exposure amount)	13.1%		13.1%
62	Tier 1 (as a percentage of risk exposure amount)	16.6%		15.4%
63	Total capital (as a percentage of risk exposure amount)	20.7%		19.8%
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important institution buffer (G-SII or O-SII buffer) expressed as a percentage of risk exposure amount)	6.8%		8.5%
65	*of which: capital conservation buffer requirement*	*1.3%*		*2.5%*
66	*of which: countercyclical buffer requirement*	*0.0%*		*0.0%*
67a	*of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer*	*1.0%*		*1.5%*
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	8.6%		8.6%
	Amounts below the thresholds for deduction (before risk weighting)			
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	2,329		2,329
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	177		177
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability)	4,295		4,295
	Applicable caps on the inclusion of provisions in Tier 2			
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	935		935
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	1,000		1,000
	Capital instruments subject to phase out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)			
82	Current cap on AT1 instruments subject to phase out arrangements	4,629		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-		
84	Current cap on T2 instruments subject to phase out arrangements	1,450		

Risk weighted assets

Table 4: Risk weighted assets by risk type and business

This table shows risk weighted assets by business and risk type.

Risk weighted assets (RWAs) by risk type and business

	Credit risk		Counterparty credit risk				Market risk		Operational risk	Total RWAs
	Std	IRB	Std	IRB	Settle-ment Risk	CVA	Std	IMA		
As at 30.06.17	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Barclays UK	3,768	49,979	3	-	-	31	-	-	12,338	66,119
Barclays International	49,382	81,109	15,456	13,962	32	2,205	11,100	11,460	27,538	212,244
Head Office[1]	2,612	7,891	68	535	-	207	146	1,876	12,871	26,206
Barclays Core	55,762	138,979	15,527	14,497	32	2,443	11,246	13,336	52,747	304,569
Barclays Non-Core	2,627	9,102	874	4,072	-	590	294	1,373	3,913	22,845
Barclays Group	58,389	148,081	16,401	18,569	32	3,033	11,540	14,709	56,660	327,414
As at 31.03.17										
Barclays UK	4,629	49,330	-	-	1	43	-	-	12,338	66,341
Barclays International	50,609	83,643	15,942	14,007	77	2,251	10,481	9,716	27,538	214,264
Head Office[1]	9,182	25,660	99	1,040	-	851	567	2,716	12,746	52,861
Barclays Core	64,420	158,633	16,041	15,047	78	3,145	11,048	12,432	52,622	333,466
Barclays Non-Core	4,036	9,396	1,034	5,106	-	638	337	2,827	4,038	27,412
Barclays Group	68,456	168,029	17,075	20,153	78	3,783	11,385	15,259	56,660	360,878
As at 31.12.16										
Barclays UK	5,592	49,591	47	-	-	-	-	-	12,293	67,523
Barclays International	53,201	82,327	13,515	13,706	30	3,581	9,343	9,460	27,538	212,701
Head Office[1]	9,048	27,122	77	1,157	-	927	482	2,323	12,156	53,292
Barclays Core	67,841	159,040	13,639	14,863	30	4,508	9,825	11,783	51,987	333,516
Barclays Non-Core	4,714	9,945	1,043	6,081	37	2,235	477	2,928	4,673	32,133
Barclays Group	72,555	168,985	14,682	20,944	67	6,743	10,302	14,711	56,660	365,649

1 Includes Africa Banking RWAs.

Table 5: Overview of risk weighted assets and capital requirements by risk type

The table shows RWAs, split by risk type and approach. For credit risk, RWAs are shown by credit exposure class.

Please see additional disclosures for each risk type in the Analysis of credit risk (page 20), counterparty credit risk (page 37) and market risk (page 46).

		RWA		Minimum capital requirements	Minimum capital requirements
		As at 30.06.17 £m	As at 31.12.16 £m	As at 30.06.17 £m	As at 31.12.16 £m
1	**Credit risk (excluding counterparty credit risk) (CCR)**	**192,217**	225,393	**15,377**	18,032
2	Of which standardised approach	**57,947**	71,264	**4,636**	5,701
3	Of which the foundation IRB (FIRB) approach	-	-	-	-
4	Of which the advanced IRB (AIRB) approach	**134,270**	154,129	**10,741**	12,331
5	Of which Equity IRB under the Simple risk-weight or the internal models approach	-	-	-	-
6	CCR	**37,813**	41,978	**3,025**	3,358
7	Of which mark to market	**2,486**	3,839	**198**	307
8	Of which original exposure	-	-	-	-
9	Of which standardised approach	-	-	-	-
9a	Of which financial collateral comprehensive method	**8,968**	8,013	**718**	642
10	Of which internal model method	**22,029**	22,080	**1,762**	1,766
11	Of which risk exposure amount for contributions to the default fund of a CCP	**1,297**	1,303	**104**	104
12	Of which CVA	**3,033**	6,743	**243**	539
13	Settlement risk	**32**	67	**3**	5
14	Securitisation exposures in banking book (after cap)	**2,847**	3,937	**228**	315
14a	Of which capital deduction approach (CAPD)	**70**	84	**6**	7
14b	Of which look through approach (KIRB)	**86**	644	**7**	52
15	Of which IRB approach	**2,276**	2,754	**182**	220
16	Of which IRB supervisory formula approach (SFA)	-	-	-	-
17	Of which internal assessment approach (IAA)	**415**	455	**33**	36
18	Of which standardised approach	-	-	-	-
19	Market risk	**26,249**	25,013	**2,100**	2,001
20	Of which the standardised approach	**11,540**	10,302	**923**	824
21	Of which IMA	**14,709**	14,711	**1,177**	1,177
22	Large exposures	-	-	-	-
23	Operational risk	**56,660**	56,660	**4,533**	4,533
24	Of which basic indicator approach	**3,252**	3,252	**260**	260
25	Of which standardised approach	-	-	-	-
26	Of which advanced measurement approach	**53,408**	53,408	**4,273**	4,273
27	Amounts below the thresholds for deduction (subject to 250% risk weight)	**11,596**	12,601	**927**	1,008
28	Floor Adjustments	-	-	-	-
29	Total	**327,414**	365,649	**26,193**	29,252

Table 6: Movements in risk weighted assets

The below tables show movements in RWAs, split by risk types and macro drivers

Movement analysis of RWAs

	Credit risk	Counterparty credit risk	Market risk	Operational risk	Total RWAs
	£bn	£bn	£bn	£bn	£bn
As at 01.01.17	**241.5**	**42.4**	**25.0**	**56.7**	**365.6**
Book size	(2.1)	(2.6)	2.8	-	(1.9)
Acquisitions and disposals	(27.7)	(1.3)	(1.5)	-	(30.5)
Book quality	(1.3)	0.1	0.1	-	(1.1)
Model updates	(1.4)	-	-	-	(1.4)
Methodology and policy	0.1	(0.6)	(0.2)	-	(0.7)
Foreign exchange movements[1]	(2.6)	-	-	-	(2.6)
As at 30.06.17	**206.5**	**38.0**	**26.2**	**56.7**	**327.4**

[1] *Foreign exchange movement does not include FX for counterparty risk or market risk*

RWAs decreased £38.2bn to £327.4bn, primarily driven by a £27.9bn reduction as a result of the proportional consolidation of BAGL, as well as portfolio rundowns and disposals in Non-Core.

Tables 7, 8 and 9 below show a subset of the information included in table 6, focused on positions captured under modelled treatment.

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

		RWA amount	Capital requirements
		£bn	£bn
1	**As at 01.01.2017**	**169.0**	**13.5**
2	Asset size	1.3	0.1
3	Asset quality	(1.6)	(0.1)
4	Model updates	(1.0)	(0.1)
5	Methodology and policy	0.1	-
6	Acquisitions and disposals	(18.3)	(1.5)
7	Foreign exchange movements	(1.4)	(0.1)
8	Other	-	-
9	**As at 30.06.2017**	**148.1**	**11.8**

Advanced credit risk RWAs decreased £20.9bn to £148.1bn driven by:

- Asset size increased RWAs by £1.3bn primarily driven by increased trading activity in the investment banking business
- Asset quality decreased RWAs by £1.6bn primarily due to changes in risk profile within CIB
- Model updates decreased RWAs by £1.0bn primarily due to model changes in the Africa Banking discontinued operation
- Acquisitions and disposals decreased RWAs by £18.3bn primarily driven by reduction as a result of the proportional consolidation of BAGL
- FX movements decreased RWAs by £1.4bn primarily driven by the depreciation of USD against GBP offset by appreciation of EUR against GBP

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

The total in this table shows the contribution of IMM exposures to CCR RWAs (under both standardised and AIRB) and will not directly reconcile to CCR AIRB RWAs in table 6

		RWA amount	Capital requirements
		£bn	£bn
1	**As at 01.01.17**	**22.7**	**1.8**
2	Asset size	(0.6)	-
3	Credit quality of counterparties	0.1	-
4	Model updates (IMM only)	-	-
5	Methodology and policy (IMM only)	-	-
6	Acquisitions and disposals	-	-
7	Foreign exchange movements	-	-
8	Other	-	-
9	**As at 30.06.17**	**22.2**	**1.8**

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

		VaR	SVaR	IRC	CRM	Other	Total RWA	Total Capital requirements
		£bn	£bn	£bn	£bn	£bn	£bn	£bn
1	As at 01.01.17	3.5	6.7	2.1	-	2.4	14.7	1.2
2	Movement in risk levels	(0.1)	1.0	0.1	-	-	1.0	0.1
3	Model updates/changes	-	-	-	-	-	-	-
4	Methodology and policy	-	-	-	-	-	-	-
5	Acquisitions and disposals	(0.5)	(0.5)	-	-	-	(1.0)	(0.1)
6	Other	-	-	-	-	-	-	-
7	As at 30.06.17	2.9	7.2	2.2	-	2.4	14.7	1.2

Internal Model Approach RWAs remained broadly flat at £14.7bn. Increases in trading activity were offset by the reduction in RWAs as a result of the proportional consolidation of BAGL.

Leverage ratio and exposures

The binding leverage ratio requirements apply to the UK leverage ratio and the average UK leverage ratio. The disclosed UK leverage ratio is based on capital and exposure measures on the last day of the quarter. The average UK leverage ratio is an average based on the capital and exposure measures on the last day of each month in the quarter. Both approaches exclude qualifying cash at central banks from the calculation of leverage exposure. The leverage requirement is on a phased basis, which results in a transitional requirement of 3.4% as at 30 June 2017; this comprises of the 3% minimum requirement, a transitional G-SII additional leverage ratio buffer (G-SII ALRB) and a countercyclical leverage ratio buffer (CCLB). Based on both future and proposed requirements the expected end point leverage requirement is 4.0%.

Barclays is also required to disclose the CRR leverage ratio and uses the end point CRR definition of Tier 1 capital and the CRR definition of leverage exposure to disclose the CRR ratio. The current expected fully loaded leverage requirement is 3%, although this may be impacted by the Basel Consultation on the Leverage Framework.

At 30 June 2017, Barclays' UK leverage ratio was 5.0% (December 2016: 5.0%) and the average UK leverage ratio was 4.8% (December 2016: 4.5%), which exceeds the transitional leverage requirement for Barclays of 3.4%, and expected end point leverage requirement of 4.0%. The CRR leverage ratio was 4.5% (December 2016: 4.6%).

Table 10: Leverage ratio and exposures

UK leverage ratio	As at 30.06.17 £bn	As at 31.03.17 £bn	As at 31.12.16 £bn
Average UK leverage exposure	1,092	1,130	1,137
Fully loaded Tier 1 capital (quarterly month end average)	52.1	52.3	51.6
Average UK leverage ratio	**4.8%**	**4.6%**	**4.5%**
UK leverage ratio	**5.0%**	**4.8%**	**5.0%**
CRR leverage ratio			
Accounting assets			
Derivative financial instruments	260	271	347
Cash collateral	58	60	67
Reverse repurchase agreements and other similar secured lending	17	18	13
Financial assets designated at fair value[1]	107	96	79
Loans and advances and other assets	693	759	707
Total IFRS assets	**1,135**	**1,204**	**1,213**
Regulatory consolidation adjustments	10	(4)	(6)
Derivatives adjustments			
Derivatives netting	(235)	(244)	(313)
Adjustments to cash collateral	(47)	(51)	(50)
Net written credit protection	12	13	12
Potential Future Exposure (PFE) on derivatives	127	137	136
Total derivatives adjustments	**(143)**	**(145)**	**(215)**
Securities financing transactions (SFTs) adjustments	24	35	29
Regulatory deductions and other adjustments	(13)	(14)	(15)
Weighted off-balance sheet commitments	109	121	119
CRR leverage exposure	**1,122**	**1,197**	**1,125**
Fully loaded CET 1 capital	42.8	44.9	45.2
Fully loaded AT1 capital	7.6	8.0	6.8
Fully loaded Tier 1 capital	**50.4**	**53.0**	**52.0**
CRR leverage ratio	**4.5%**	**4.4%**	**4.6%**

1 *Included within financial assets designated at fair value reverse repurchase agreements designated at fair value of £88bn (December 2016: £63bn, March 17: £76bn).*

Leverage

The average UK leverage exposure as at 30 June 2017, which excludes qualifying central bank claims, was £1,092bn (December 2016: £1,137bn), resulting in an average UK leverage ratio of 4.8% (December 2017: 4.5%). The CET1 capital held against the 0.35% transitional G-SII ALRB was £3.5bn. The impact of the CCLB is currently nil.

The CRR leverage ratio decreased to 4.5% (December 2016: 4.6%) primarily driven by a £1.6bn decrease in fully loaded Tier 1 capital to £50.4bn (December 2016: £52.0bn).

- Loans and advances and other assets decreased by £14bn to £693bn. This was driven primarily by a £67bn decrease in assets held for sale mainly due to the disposal of Barclays' holding in BAGL; £44bn increase in cash and balances at central banks mainly due to an increase in the cash contributions to the Group liquidity pool; £17bn increase in settlement balances; £17bn decrease in lending for Barclays International and a £10bn increase in trading portfolio assets due to client activity

- Reverse repurchase agreements increased £29bn to £105bn, primarily due to an increase in matched book trading

- Net derivative leverage exposures, excluding net written credit protection and PFE on derivatives, decreased £15bn to £36bn due to a decrease in cash collateral and a reduction in IFRS derivatives mainly due to decrease in interest rate derivatives, continued run down of Non-Core assets and decrease in foreign exchange derivatives

- Regulatory consolidation adjustments increased £16bn to £10bn primarily due to the proportional consolidation of BAGL for regulatory purposes

- Potential future exposure on derivatives decreased £9bn to £127bn primarily due to portfolio rundown in Non-Core

The difference between the average UK leverage ratio and the CRR leverage ratio was primarily driven by the exemption of qualifying central bank claims partially offset by higher positions for April and May within assets held for sale prior to BAGL disposal, trading portfolio assets and settlement balances.

Leverage

The following leverage tables show the components of the leverage ratio using the CRR definition for the leverage exposure and Tier 1 capital, on a fully loaded basis as at 30 June 2017.

This disclosure has been prepared using the format set out in Annex I and Annex II of the final 'Implementing technical standards with regard to disclosure of the leverage ratio for institutions (Commission implementing regulation-EU 2016/200).

Table 11: Summary reconciliation of accounting assets and leverage ratio exposures

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

		As at 30.06.17 £bn	As at 31.12.16 £bn
1	Total assets as per published financial statements	1,135	1,213
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation[1]	10	(6)
4	Adjustments for derivative financial instruments	(143)	(215)
5	Adjustments for securities financing transactions SFTs	24	29
6	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	109	119
7	Other adjustments	(13)	(15)
8	**Total leverage ratio exposure**	**1,122**	**1,125**

1 Includes the impact of BAGL proportional consolidation for regulatory reporting purposes.

Table 12: Leverage ratio common disclosure

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

		As at 30.06.17 £bn	As at 31.12.16 £bn
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	733	734
2	(Asset amounts deducted in determining Tier 1 capital)	(13)	(15)
3	**Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets)**	**720**	**719**
Derivative exposures			
4	Replacement cost associated with *all* derivatives transactions (ie net of eligible cash variation margin)	58	72
5	Add-on amounts for PFE associated with *all* derivatives transactions (mark-to-market method)	127	136
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(33)	(38)
8	(Exempted CCP leg of client-cleared trade exposures)	(1)	-
9	Adjusted effective notional amount of written credit derivatives	337	384
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(325)	(372)
11	**Total derivative exposures**	**163**	**182**
Securities financing transaction exposures			
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	319	264
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(213)	(188)
14	Counterparty credit risk exposure for SFT assets	24	29
16	**Total securities financing transaction exposures**	**130**	**105**
Other off-balance sheet exposures			
17	Off-balance sheet exposures at gross notional amount	330	350
18	(Adjustments for conversion to credit equivalent amounts)	(221)	(231)
19	**Other off-balance sheet exposures**	**109**	**119**
Capital and total exposures			
20	Tier 1 capital	50	52
21	**Total leverage ratio exposures**	**1,122**	**1,125**
Leverage ratio			
22	**Leverage ratio**	4.5%	4.6%
Choice on transitional arrangements and amount of derecognised fiduciary items			
EU-23	Choice on transitional arrangements for the definition of the capital measure	Fully phased in	

Table 13: Split-up of on balance sheet exposures (excluding derivatives, SFTs, and exempted exposures)

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

		As at 30.06.17 £bn	As at 31.12.16 £bn
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	733	734
EU-2	Trading book exposures	143	119
EU-3	Banking book exposures, of which:	590	615
EU-4	Covered bonds	-	-
EU-5	Exposures treated as sovereigns	224	174
EU-6	Exposures to regional governments, MDB, international organisations and PSE NOT treated as sovereigns	1	6
EU-7	Institutions	26	35
EU-8	Secured by mortgages of immovable properties	148	158
EU-9	Retail exposures	57	68
EU-10	Corporate	94	130
EU-11	Exposures in default	6	6
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	34	38

Barclays manages the risk of excessive leverage through the Group's Capital Management process which is outlined in the Annual Report. Barclays' leverage exposure is continually monitored against internal targets, which are approved by the Group Executive Committee and take into consideration the risk appetite, growth and strategic aims of the Group. Additionally, agreed leverage exposure limits are regularly monitored against early warning indicators which trigger actions to mitigate risk. The Group's leverage exposure is also subject to regular internal and external stress testing.

Further details on the key movements during the reporting period are disclosed on page 16.

Table 14: Detailed view of credit risk RWAs by business

This table shows RWAs for credit risk by business, broken down by credit exposure class for credit risk in the banking book.

Risk weighted assets credit exposure class

As at 30 June 2017	Barclays UK £m	Barclays International £m	Head Office £m	Total Core £m	Barclays Non-Core £m	Total £m
Credit risk						
Standardised approach						
Central governments or central banks	-	2	609	611	262	873
Regional governments or local authorities	-	9	-	9	-	9
Public sector entities	30	18	18	66	5	71
Multilateral development banks	-	-	-	-	-	-
International organisations	-	-	-	-	-	-
Institutions	179	1,298	39	1,516	130	1,646
Corporates	409	23,434	799	24,642	467	25,109
Retail	1,238	18,814	316	20,368	94	20,462
Secured by mortgages	906	2,922	71	3,899	183	4,082
Exposures in default	587	1,557	117	2,261	167	2,428
Items associated with high risks	81	1,020	440	1,541	1,271	2,812
Covered bonds	-	1	-	1	19	20
Claims on institutions and corporate with a short-term credit assessment	-	-	-	-	-	-
Securitisation positions	-	-	-	-	-	-
Collective investment undertakings	-	-	-	-	1	1
Equity positions	-	-	137	137	-	137
Other items	338	307	66	711	28	739
Total Standardised approach credit risk RWA	3,768	49,382	2,612	55,762	2,627	58,389
Advanced IRB approach	-	-	-	-	-	-
Central governments or central banks	445	2,783	135	3,363	228	3,591
Institutions	110	2,781	748	3,639	3,201	6,840
Corporates	3,312	58,842	2,879	65,033	1,304	66,337
Retail	-	-	-	-	-	-
- Small and medium-sized enterprises (SMEs)	3,328	39	226	3,593	-	3,593
- Secured by real estate collateral	16,239	-	906	17,145	3,322	20,467
- Qualifying revolving retail	18,182	1,597	428	20,207	-	20,207
- Other retail	6,635	-	818	7,453	-	7,453
Equity	-	-	-	-	-	-
Securitisation positions	105	2,336	21	2,462	195	2,657
Non-credit obligation assets	1,623	12,731	1,730	16,084	852	16,936
Total Advanced IRB credit risk RWA	49,979	81,109	7,891	138,979	9,102	148,081
Total credit risk RWA	53,747	130,491	10,503	194,741	11,729	206,470

Table 14 (continued)

Risk weighted assets credit exposure class

As at 31 December 2016	Barclays UK £m	Barclays International £m	Head Office £m	Total Core £m	Barclays Non-Core £m	Total £m
Credit risk						
Standardised approach						
Central governments or central banks	75	47	1,964	2,086	668	2,754
Regional governments or local authorities	-	13	-	13	-	13
Public sector entities	30	76	175	281	4	285
Multilateral development banks	-	-	-	-	-	-
International organisations	-	-	-	-	-	-
Institutions	376	1,755	143	2,274	117	2,391
Corporates	539	25,376	3,432	29,347	1,121	30,468
Retail	1,333	20,333	1,551	23,217	342	23,559
Secured by mortgages	2,264	2,334	152	4,750	215	4,965
Exposures in default	662	2,047	239	2,948	324	3,272
Items associated with high risks	49	682	402	1,133	1,515	2,648
Covered bonds	-	1	-	1	19	20
Claims on institutions and corporate with a short-term credit assessment	-	-	-	-	-	-
Securitisation positions	-	-	-	-	-	-
Collective investment undertakings	-	-	-	-	1	1
Equity positions	-	-	736	736	366	1,102
Other items	264	537	254	1,055	22	1,077
Total Standardised approach credit risk RWA	5,592	53,201	9,048	67,841	4,714	72,555
Advanced IRB approach	-	-	-	-	-	-
Central governments or central banks	1,049	2,166	2,150	5,365	281	5,646
Institutions	185	2,836	467	3,488	3,051	6,539
Corporates	3,549	59,817	11,119	74,485	1,871	76,356
Retail	-	-	-	-	-	-
- Small and medium-sized enterprises (SMEs)	3,227	54	964	4,245	-	4,245
- Secured by real estate collateral	16,043	-	4,012	20,055	3,622	23,677
- Qualifying revolving retail	17,052	1,472	1,799	20,323	-	20,323
- Other retail	6,479	-	3,496	9,975	-	9,975
Equity	-	-	-	-	-	-
Securitisation positions	192	3,063	44	3,299	247	3,546
Non-credit obligation assets	1,815	12,919	3,071	17,805	873	18,678
Total Advanced IRB credit risk RWA	49,591	82,327	27,122	159,040	9,945	168,985
Total credit risk RWA	55,183	135,528	36,170	226,881	14,659	241,540

Risk weighed assets decreased by £35.1bn to £206.5bn. The key movements by business were as follows:

- Head Office decreased by £25.7bn to £10.5bn, primarily driven by reduction as a result of the proportional consolidation of BAGL
- Barclays International decreased by £5.0bn to £130.5bn primarily driven by reduction in business activity in UK and Europe, an asset sale in US cards and USD depreciation against GBP
- Barclays Non-Core decreased by £2.9bn to £11.7bn, driven by business rundown and disposal, including holding in Barclays Bank Egypt
- Barclays UK decreased by £1.4bn to £53.7bn, primarily driven by realignment of certain clients between Barclays UK and Barclays International in preparation for structural reform

Table 15: Standardised - Credit risk exposure and credit risk mitigation (CRM) effect

This table shows the impact of credit conversion factors (CCF) and CRM on exposure values, broken down by credit exposure class. This table includes exposures subject to the Standardised approach only. For details of key movements in these exposure classes please see table 14, 16 & 17.

		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
		£m	£m	£m	£m	£m	£m
	As at 30 June 2017						
1	Central governments or central banks	133,742	883	134,083	111	873	1%
2	Regional governments or local authorities	1,069	67	1,069	4	9	1%
3	Public sector entities	327	40	327	2	71	22%
4	Multilateral development banks	5,212	-	5,212	-	-	0%
5	International Organisations	2,041	-	2,041	-	-	0%
6	Institutions	4,282	914	4,324	393	1,646	35%
7	Corporates	24,638	29,391	17,234	9,169	25,109	95%
8	Retail	27,888	76,180	27,216	139	20,462	75%
9	Secured by mortgages on immovable property	9,803	79	9,803	67	4,082	41%
10	Exposures in default	1,897	329	1,869	174	2,428	119%
11	Items associated with particularly high risk	1,907	136	1,678	96	2,812	159%
12	Covered Bonds	101	-	101	-	20	20%
13	Claims on institutions and corporate with a short-term credit assessment	-	-	-	-	-	-
14	Claims in the form of CIU	1	-	1	-	1	100%
15	Equity exposures	73	-	73	-	137	187%
16	Other items	2,982	-	2,982	-	739	25%
17	**Total**	215,963	108,019	208,013	10,155	58,389	27%
	As at 31 Dec 2016						
1	Central governments or central banks	98,612	989	100,146	177	2,754	3%
2	Regional governments or local authorities	539	72	540	7	13	2%
3	Public sector entities	468	193	468	104	285	50%
4	Multilateral development banks	5,884	-	5,884	-	-	0%
5	International Organisations	1,884	-	1,884	-	-	0%
6	Institutions	9,542	966	8,042	383	2,391	28%
7	Corporates	29,520	33,199	21,712	11,043	30,468	93%
8	Retail	31,906	78,184	31,269	144	23,559	75%
9	Secured by mortgages on immovable property	12,344	84	12,344	63	4,965	40%
10	Exposures in default	2,467	317	2,430	157	3,272	126%
11	Items associated with particularly high risk	1,850	77	1,707	30	2,648	152%
12	Covered Bonds	100	-	100	-	20	20%
13	Claims on institutions and corporate with a short-term credit assessment	-	-	-	-	-	-
14	Claims in the form of CIU	1	-	1	-	1	100%
15	Equity exposures	475	-	475	-	1,102	232%
16	Other items	3,922	-	3,922	-	1,077	27%
17	**Total**	199,514	114,081	190,924	12,108	72,555	36%

Table 16: Credit risk exposures by exposure classes and risk weight pre CCF and CRM under the standardised approach

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

EAD by exposure classes and risk weights pre CCF and CRM

		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Deducted	Total	of which: Unrated
	As at 30 June 2017																		
1	Central governments or central banks[1]	133,691	-	-	-	43	-	167	-	-	684	40	-	-	-	-	-	134,625	1,595
2	Regional governments or local authorities	1,052	-	-	-	75	-	-	-	-	9	-	-	-	-	-	-	1,136	84
3	Public sector entities	47	-	-	-	302	-	-	-	-	18	-	-	-	-	-	-	367	240
4	Multilateral development banks	5,212	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,212	-
5	International Organisations	2,041	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,041	-
6	Institutions	-	-	-	-	3,751	-	928	-	-	512	-	-	-	5	-	-	5,196	980
7	Corporates	-	-	-	-	850	-	2,537	-	-	50,279	363	-	-	-	-	-	54,029	46,237
8	Retail	-	-	-	-	-	-	-	-	104,065	3	-	-	-	-	-	-	104,068	104,068
9	Secured by mortgages on immovable property	-	-	-	-	-	8,826	5	-	277	774	-	-	-	-	-	-	9,882	9,817
10	Exposures in default	-	-	-	-	-	-	-	-	-	1,373	853	-	-	-	-	-	2,226	1,982
11	Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	1,911	132	-	-	-	-	2,043	2,030
12	Covered Bonds	-	-	-	-	101	-	-	-	-	-	-	-	-	-	-	-	101	-
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Claims in the form of CIU	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	1	1
15	Equity exposures	-	-	-	-	-	-	-	-	-	-	21	52	-	-	-	-	73	73
16	Other items	1,210	-	-	-	1,294	-	-	-	-	478	-	-	-	-	-	-	2,982	2,967
17	**Total**	143,253	-	-	-	6,416	8,826	3,637	-	104,342	54,131	3,188	184	-	5	-	-	323,982	170,074

Table 16 (continued)

		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Deducted	Total	of which: Unrated
	As at 31 December 2016																		
1	Central governments or central banks	96,449	-	-	-	299	-	456	-	-	2,396	1	-	-	-	-	-	99,601	4,087
2	Regional governments or local authorities	521	-	-	-	80	-	-	-	-	10	-	-	-	-	-	-	611	89
3	Public sector entities	-	-	-	-	448	-	-	-	-	213	-	-	-	-	-	-	661	472
4	Multilateral development banks	5,884	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,884	-
5	International Organisations	1,884	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,884	-
6	Institutions	-	-	-	-	8,697	-	1,292	-	-	519	-	-	-	-	-	-	10,508	1,376
7	Corporates	-	-	-	-	2,012	-	3,061	-	-	57,110	536	-	-	-	-	-	62,719	52,399
8	Retail	-	-	-	-	-	-	-	-	110,058	32	-	-	-	-	-	-	110,090	110,090
9	Secured by mortgages on immovable property	-	-	-	-	-	11,268	21	-	431	708	-	-	-	-	-	-	12,428	12,296
10	Exposures in default	-	-	-	-	-	-	-	-	3	1,264	1,517	-	-	-	-	-	2,784	2,506
11	Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	1,794	133	-	-	-	-	1,927	1,917
12	Covered Bonds	-	-	-	-	100	-	-	-	-	-	-	-	-	-	-	-	100	-
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Claims in the form of CIU	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	1	1
15	Equity exposures	-	-	-	-	-	-	-	-	-	-	99	364	12	-	-	-	475	475
16	Other items	1,331	-	-	-	1,893	-	-	-	-	698	-	-	-	-	-	-	3,922	3,916
17	Total	106,069	-	-	-	13,529	11,268	4,830	-	110,492	62,951	3,947	497	12	-	-	-	313,595	189,624

Standardised credit risk exposures increased by £10.4bn to £324.0bn, primarily driven by:

- 0% risk weighted exposures increased by £37.2bn to £143.3bn primarily driven by increase in exposures to governments and central banks mainly due to an increase in the cash contributions to the Group liquidity pool
- 20% risk weighted exposures decreased by £7.1bn to £6.4bn driven by decrease in corporate loans, institutional lending and reduction as a result of the proportional consolidation of BAGL
- 35% risk weighted exposures decreased by £2.4bn to £8.8bn driven by primarily driven by realignment of certain clients between Barclays UK and Barclays International in preparation for structural reform
- 75% risk weighted exposures decreased by £6.2bn to £104.3bn driven by an asset sale in US cards and reduction resulting from the proportional consolidation of BAGL
- 100% risk weighted exposures decreased by £8.8bn to £54.1bn driven by decrease in corporate loans and reduction as a result of the proportional consolidation of BAGL

Table 17: Credit risk exposures by exposure classes and risk weight post CCF and CRM under the standardised approach

This table shows exposure at default post-CCF and CRM, broken down by credit exposure class and risk weight. This table includes exposures subject to the Standardised approach only. The difference between exposure at default pre-CCF and CRM set out in Table 16 and exposure at default post-CCF and CRM below is the impact of financial collateral and application of credit conversion factors as described in Table 15.

EAD by exposure classes and risk weights post CCF and CRM

		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Deducted	Total	of which: Unrated
	As at 30 June 2017																		
1	Central governments or central banks	133,279	-	-	-	43	-	167	-	-	665	40	-	-	-	-	-	134,194	1,339
2	Regional governments or local authorities	1,052	-	-	-	15	-	-	-	-	6	-	-	-	-	-	-	1,073	21
3	Public sector entities	47	-	-	-	264	-	-	-	-	18	-	-	-	-	-	-	329	214
4	Multilateral development banks	5,212	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,212	-
5	International Organisations	2,041	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,041	-
6	Institutions	-	-	-	-	3,478	-	855	-	-	379	-	-	-	5	-	-	4,717	735
7	Corporates	-	-	-	-	405	-	1,651	-	-	24,076	271	-	-	-	-	-	26,403	22,235
8	Retail	-	-	-	-	-	-	-	-	27,352	3	-	-	-	-	-	-	27,355	27,355
9	Secured by mortgages on immovable property	-	-	-	-	-	8,819	5	-	277	769	-	-	-	-	-	-	9,870	9,805
10	Exposures in default	-	-	-	-	-	-	-	-	-	1,269	774	-	-	-	-	-	2,043	1,895
11	Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	1,644	130	-	-	-	-	1,774	1,760
12	Covered Bonds	-	-	-	-	101	-	-	-	-	-	-	-	-	-	-	-	101	-
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Claims in the form of CIU	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	1	1
15	Equity exposures	-	-	-	-	-	-	-	-	-	-	21	52	-	-	-	-	73	73
16	Other items	1,210	-	-	-	1,294	-	-	-	-	478	-	-	-	-	-	-	2,982	2,967
17	**Total**	142,841	-	-	-	5,600	8,819	2,678	-	27,629	27,664	2,750	182	-	5	-	-	218,168	68,400

Table 17 (continued)

		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Deducted	Total	of which: Unrated
	As at 31 December 2016																		
1	Central governments or central banks	97,228	-	-	-	298	-	444	-	-	2,352	1	-	-	-	-	-	100,323	3,255
2	Regional governments or local authorities	522	-	-	-	15	-	-	-	-	10	-	-	-	-	-	-	547	25
3	Public sector entities	-	-	-	-	359	-	-	-	-	213	-	-	-	-	-	-	572	421
4	Multilateral development banks	5,884	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,884	-
5	International Organisations	1,884	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,884	-
6	Institutions	-	-	-	-	6,888	-	1,039	-	-	498	-	-	-	-	-	-	8,425	1,195
7	Corporates	-	-	-	-	1,564	-	1,907	-	-	28,872	412	-	-	-	-	-	32,755	26,394
8	Retail	-	-	-	-	-	-	-	-	31,410	3	-	-	-	-	-	-	31,413	31,413
9	Secured by mortgages on immovable property	-	-	-	-	-	11,256	21	-	428	702	-	-	-	-	-	-	12,407	12,275
10	Exposures in default	-	-	-	-	-	-	-	-	-	1,148	1,439	-	-	-	-	-	2,587	2,425
11	Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	1,607	130	-	-	-	-	1,737	1,678
12	Covered Bonds	-	-	-	-	100	-	-	-	-	-	-	-	-	-	-	-	100	-
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Claims in the form of CIU	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	1	1
15	Equity exposures	-	-	-	-	-	-	-	-	-	-	99	364	12	-	-	-	475	475
16	Other items	1,331	-	-	-	1,893	-	-	-	-	698	-	-	-	-	-	-	3,922	3,916
17	Total	106,849	-	-	-	11,117	11,256	3,411	-	31,838	34,497	3,558	494	12	-	-	-	203,032	83,473

The primary drivers for exposure at default post-CCF and CRM movements are similar to those for the exposure at default pre-CCF and CRM as shown in table 16.

Table 18: Internal default grade probabilities and mapping to external ratings

The table below illustrates the approximate relationship between external rating agency grades and the EBA PD bands for wholesale exposures. PD bands are based on TTC PD. Note that this relationship is dynamic, and, therefore, varies over time, region and industry.

EBA PD Band	Internal DG Band	Default Probability >Min	Default Probability Mid	Default Probability <=Max	Financial statements description	Standard and Poor's	Moody's
0.00 to < 0.15	1	0.00%	0.01%	0.02%	Strong	Aaa, Aa1, Aa2	AAA, AA+, AA
	2	0.02%	0.03%	0.03%		Aa3	AA-
	3	0.03%	0.04%	0.05%		Aa3, A1	AA-, A+
	4	0.05%	0.08%	0.10%		A2, A3	A, A-
	5	0.10%	0.13%	0.15%		Baa1	BBB+
0.15 to < 0.25	6	0.15%	0.18%	0.20%	Strong	Baa1	BBB+
	7	0.20%	0.23%	0.25%		Baa2	BBB
0.25 to < 0.50	8	0.25%	0.28%	0.30%	Strong	Baa3	BBB-
	9	0.30%	0.35%	0.40%		Ba1	BB+
	10	0.40%	0.45%	0.50%		Ba1	BB+
0.50 to < 0.75	11	0.50%	0.55%	0.60%	Strong	Ba1	BB+
	12	0.60%	-	-		Ba2	BB
0.75 to < 2.50	12	-	0.90%	1.20%	Satisfactory	Ba2	BB
	13	1.20%	1.38%	1.55%		Ba3	BB-
	14	1.55%	1.85%	2.15%		B1	B+
	15	2.15%	-	-		B1, B2	**B+, B**
2.50 to < 10.00	15	-	2.60%	3.05%	Satisfactory	B1, B2	**B+, B**
	16	3.05%	3.75%	4.45%		B2	**B**
	17	4.45%	5.40%	6.35%		B2	**B**
	18	6.35%	7.50%	8.65%		B3	**B-**
	19	8.65%	10.00%	-		B3	**B-**
10.00 to < 100.00	19	-	-	11.35%	Higher risk	B3	**B-**
	20	11.35%	15.00%	18.65%		Caa1	**CCC+**
	21	18.65%	30.00%	100.00%		Caa2, Caa3, Ca, C	**CCC, CCC-, CC, C**
100.00 (Default)						D	**D**

IRB obligor grade disclosure

The following tables show credit risk exposure at default post-CRM and CCF for the advanced IRB approach and foundation IRB approach for portfolios within both the trading and banking books. Separate tables are provided for the following credit exposure classes: central governments and central banks (Table 19), institutions (Table 20), corporates (Table 21), corporates subject to slotting (Table 23), retail SME (Table 24), secured retail (Table 25), revolving retail (Table 26) and other retail (Table 27).

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

Table 19: Credit risk exposures by exposure class and PD range for central governments & central banks AIRB

	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	Average Maturity	RWA	RWA Density	EL	Value Adjustment and Provisions
	£m	£m	%	£m	%		%	Yr	£m	%	£m	£m
As at 30 June 2017												
0.00 to < 0.15	**67,732**	**2,150**	**57.9%**	**68,969**	**0.0%**	**114**	**44.7%**	**1.8**	**3,269**	**4.7%**	**3**	
0.15 to < 0.25	**276**	**-**	**-**	**276**	**0.2%**	**2**	**45.0%**	**1.8**	**16**	**5.7%**	**-**	
0.25 to < 0.50	**456**	**-**	**-**	**456**	**0.4%**	**3**	**45.0%**	**2.2**	**288**	**63.1%**	**1**	
0.50 to < 0.75	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
0.75 to < 2.50	**7**	**-**	**-**	**7**	**1.4%**	**2**	**45.0%**	**1.7**	**7**	**96.9%**	**-**	
2.50 to < 10.00	**5**	**7**	**0.0%**	**6**	**5.4%**	**6**	**45.2%**	**10.2**	**11**	**194.2%**	**-**	
10.00 to < 100.00	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
100.00 (Default)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
Total	**68,476**	**2,157**	**57.7%**	**69,714**	**0.0%**	**127**	**44.5%**	**1.8**	**3,591**	**5.2%**	**4**	**-**
As at 31 December 2016												
0.00 to < 0.15	64,586	846	95.4%	65,579	0.0%	46	44.8%	2.1	5,219	8.0%	7	
0.15 to < 0.25	345	6	53.6%	348	0.2%	20	45.0%	1.7	30	8.5%	-	
0.25 to < 0.50	408	4	60.3%	410	0.4%	27	45.0%	1.6	241	58.8%	1	
0.50 to < 0.75	-	-	-	-	-	-	-	-	-	-	-	
0.75 to < 2.50	152	18	48.5%	161	0.9%	9	45.0%	1.0	124	77.0%	1	
2.50 to < 10.00	21	1	51.5%	22	5.3%	23	45.0%	10.6	32	143.6%	1	
10.00 to < 100.00	-	-	-	-	-	-	-	-	-	-	-	
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	
Total	65,512	875	93.9%	66,520	0.0%	125	44.6%	2.1	5,646	8.5%	10	(1)

The exposure weighted average risk weight associated with advanced IRB exposure to central governments and central banks decreased by 3.3% to 5.2%, mainly driven by increase in exposures to sovereigns in higher quality default grade.

Table 20: Credit risk exposures by exposure class and PD range for institutions

	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	Average Maturity	RWA	RWA Density	EL	Value Adjustment and Provisions
	£m	£m	%	£m	%		%	Yr	£m	%	£m	£m
As at 30 June 2017												
0.00 to < 0.15	**18,809**	**2,293**	**50.0%**	**19,649**	**0.0%**	**761**	**41.4%**	**21.3**	**4,434**	**22.6%**	**4**	
0.15 to < 0.25	**496**	**121**	**26.1%**	**429**	**0.2%**	**71**	**33.3%**	**3.7**	**202**	**47.0%**	**-**	
0.25 to < 0.50	**689**	**73**	**65.3%**	**732**	**0.4%**	**53**	**44.9%**	**5.3**	**764**	**104.3%**	**1**	
0.50 to < 0.75	**171**	**73**	**67.7%**	**221**	**0.6%**	**35**	**46.9%**	**2.2**	**203**	**91.7%**	**1**	
0.75 to < 2.50	**284**	**8**	**33.1%**	**287**	**1.1%**	**65**	**46.0%**	**1.0**	**305**	**106.3%**	**1**	
2.50 to < 10.00	**340**	**50**	**54.8%**	**370**	**4.5%**	**119**	**40.8%**	**10.8**	**572**	**154.8%**	**7**	
10.00 to < 100.00	**39**	**9**	**66.9%**	**44**	**17.1%**	**40**	**24.6%**	**11.8**	**62**	**139.8%**	**2**	
100.00 (Default)	**173**	**21**	**65.4%**	**187**	**100.0%**	**31**	**19.8%**	**11.5**	**298**	**159.5%**	**13**	
Total	**21,001**	**2,648**	**49.8%**	**21,919**	**1.0%**	**1,175**	**41.3%**	**19.7**	**6,840**	**31.2%**	**29**	**-**
As at 31 December 2016												
0.00 to < 0.15	20,966	2,630	56.7%	21,826	0.0%	732	40.5%	19.8	4,667	21.4%	4	
0.15 to < 0.25	513	58	12.6%	226	0.2%	52	47.7%	4.1	133	58.6%	-	
0.25 to < 0.50	265	94	79.6%	333	0.4%	39	42.8%	4.1	272	81.5%	1	
0.50 to < 0.75	48	38	59.6%	71	0.7%	26	48.4%	5.3	107	150.9%	-	
0.75 to < 2.50	581	36	50.9%	554	1.1%	67	42.7%	1.3	539	97.3%	3	
2.50 to < 10.00	419	121	49.8%	480	6.4%	106	28.6%	6.0	528	110.0%	7	
10.00 to < 100.00	19	13	25.8%	24	16.4%	31	23.1%	8.0	30	131.0%	1	
100.00 (Default)	157	31	56.8%	175	100.0%	26	17.4%	12.8	263	150.1%	9	
Total	22,968	3,021	55.4%	23,689	1.0%	1,079	40.2%	18.6	6,539	27.6%	25	(3)

Exposure weighted average risk weight associated with advanced IRB exposures to financial institutions increased by 3.6% to 31.2% while exposure value decreased by £1.8bn, primarily driven by reduction as a result of the proportional consolidation of BAGL.

The exposure weighted average risk weight increase is primarily driven by increased exposures to counterparties with higher risk weights within the higher quality default bands.

Table 21: Credit risk exposures by exposure class and PD range for corporates

	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	Average Maturity	RWA	RWA Density	EL	Value Adjustment and Provisions
	£m	£m	%	£m	%		%	Yr	£m	%	£m	£m
As at 30 June 2017												
0.00 to < 0.15	**24,056**	**80,579**	**49.1%**	**62,442**	**0.1%**	**2,981**	**35.7%**	**7.0**	**13,950**	**22.3%**	**16**	
0.15 to < 0.25	**5,548**	**12,164**	**54.7%**	**11,953**	**0.2%**	**1,671**	**41.6%**	**4.3**	**5,706**	**47.7%**	**11**	
0.25 to < 0.50	**8,752**	**12,426**	**50.9%**	**14,398**	**0.4%**	**6,718**	**42.1%**	**3.4**	**9,152**	**63.6%**	**23**	
0.50 to < 0.75	**4,419**	**5,378**	**50.6%**	**6,676**	**0.6%**	**5,101**	**35.6%**	**4.4**	**4,636**	**69.4%**	**15**	
0.75 to < 2.50	**7,118**	**10,346**	**45.7%**	**11,449**	**1.4%**	**20,705**	**32.3%**	**4.3**	**8,956**	**78.2%**	**54**	
2.50 to < 10.00	**9,623**	**8,523**	**51.5%**	**13,653**	**4.3%**	**33,134**	**28.1%**	**3.7**	**12,584**	**92.2%**	**167**	
10.00 to < 100.00	**1,350**	**527**	**53.7%**	**1,650**	**19.5%**	**3,396**	**26.7%**	**3.2**	**2,030**	**123.0%**	**87**	
100.00 (Default)	**1,221**	**428**	**55.8%**	**1,477**	**100.0%**	**2,330**	**37.3%**	**3.5**	**1,742**	**118.0%**	**416**	
Total	**62,087**	**130,371**	**49.8%**	**123,698**	**2.2%**	**76,036**	**35.7%**	**5.5**	**58,756**	**47.5%**	**789**	**(544)**
As at 31 December 2016												
0.00 to < 0.15	34,175	86,801	51.0%	74,763	0.1%	3,124	34.8%	6.3	16,743	22.4%	19	
0.15 to < 0.25	9,704	11,014	54.3%	14,316	0.2%	1,535	39.4%	4.2	6,376	44.5%	11	
0.25 to < 0.50	11,229	12,401	53.8%	16,595	0.4%	6,850	38.0%	3.2	9,432	56.8%	23	
0.50 to < 0.75	5,733	6,586	56.9%	8,541	0.6%	5,196	37.7%	4.0	6,171	72.3%	20	
0.75 to < 2.50	9,836	12,011	47.9%	15,114	1.4%	19,956	33.8%	3.7	12,131	80.3%	72	
2.50 to < 10.00	10,693	8,913	58.4%	15,338	4.4%	28,565	28.8%	3.2	13,878	90.5%	191	
10.00 to < 100.00	1,315	724	47.0%	1,642	19.7%	3,396	33.6%	3.1	2,562	156.0%	109	
100.00 (Default)	1,771	720	45.7%	2,052	100.0%	2,462	31.9%	3.0	2,472	120.5%	492	
Total	84,456	139,170	52.3%	148,361	2.3%	71,084	35.0%	5.0	69,765	47.0%	937	(767)

The exposure weighted average risk weight associated with advanced IRB exposures to corporates remained broadly stable at 47.5% (December 2016: 47.0%).

The exposure decrease is primarily driven by reduction in corporate lending as well as reduction as a result of the proportional consolidation of BAGL.

Table 22: Credit risk exposures by exposure class and PD range for corporate of which: SMEs

	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	Average Maturity	RWA	RWA Density	EL	Value Adjustment and Provisions
	£m	£m	%	£m	%		%	Yr	£m	%	£m	£m
As at 30 June 2017												
0.00 to < 0.15	**5,048**	**1,163**	**68.5%**	**5,775**	**0.1%**	**786**	**20.5%**	**14.7**	**914**	**15.8%**	**1**	
0.15 to < 0.25	**1,531**	**349**	**78.9%**	**1,802**	**0.2%**	**777**	**31.0%**	**11.8**	**617**	**34.3%**	**1**	
0.25 to < 0.50	**1,997**	**543**	**74.5%**	**2,376**	**0.4%**	**5,065**	**32.9%**	**5.3**	**941**	**39.6%**	**3**	
0.50 to < 0.75	**1,402**	**400**	**73.9%**	**1,697**	**0.6%**	**4,213**	**29.8%**	**5.1**	**726**	**42.7%**	**3**	
0.75 to < 2.50	**3,235**	**790**	**71.1%**	**3,788**	**1.4%**	**17,615**	**30.3%**	**7.0**	**2,088**	**55.1%**	**16**	
2.50 to < 10.00	**3,254**	**749**	**61.9%**	**3,785**	**4.2%**	**30,232**	**31.4%**	**5.6**	**2,846**	**75.2%**	**50**	
10.00 to < 100.00	**603**	**92**	**48.3%**	**665**	**19.2%**	**2,842**	**34.8%**	**4.9**	**868**	**130.6%**	**45**	
100.00 (Default)	**518**	**48**	**48.2%**	**538**	**100.0%**	**2,033**	**33.9%**	**3.9**	**767**	**142.5%**	**125**	
Total	**17,588**	**4,134**	**68.9%**	**20,426**	**4.4%**	**63,563**	**28.3%**	**8.8**	**9,767**	**47.8%**	**244**	**(131)**
As at 31 December 2016												
0.00 to < 0.15	4,867	1,106	70.3%	5,618	0.1%	895	20.0%	15.1	1,043	18.6%	1	
0.15 to < 0.25	1,530	276	82.3%	1,748	0.2%	730	28.3%	12.1	600	34.4%	1	
0.25 to < 0.50	2,256	601	76.3%	2,700	0.4%	5,249	31.0%	5.3	1,105	40.9%	3	
0.50 to < 0.75	1,656	500	75.4%	2,028	0.6%	4,236	32.9%	4.4	1,071	52.8%	4	
0.75 to < 2.50	4,077	1,353	69.7%	5,031	1.3%	16,763	33.1%	5.8	3,205	63.7%	23	
2.50 to < 10.00	4,344	1,175	62.7%	5,017	4.2%	25,726	33.6%	4.3	4,264	85.0%	73	
10.00 to < 100.00	682	174	45.1%	760	19.6%	2,807	34.3%	4.6	1,022	134.6%	52	
100.00 (Default)	637	93	36.2%	658	100.0%	2,136	31.7%	3.7	798	121.4%	159	
Total	20,049	5,278	68.8%	23,560	4.7%	58,542	29.5%	7.9	13,108	55.6%	316	(218)

The exposure weighted average risk weight associated with advanced IRB exposure to corporates SME decreased by 7.8% to 47.8% and exposure value decreased by £3.1bn to £20.4bn. This is primarily driven by reduction as a result of the proportional consolidation of BAGL.

Table 23: Credit risk - Corporate exposures subject to the Slotting approach

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

Obligor grade								
Regulatory categories		Remaining maturity	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWA	Expected losses
			£m	£m	%	£m	£m	£m
As at 30 June 2017								
Category 1	Strong	Less than 2.5 years	2,845	512	50%	3,226	1,613	-
		Equal to or more than 2.5 years	3,474	494	70%	3,884	2,719	16
Category 2	Good	Less than 2.5 years	1,175	208	70%	1,287	901	5
		Equal to or more than 2.5 years	1,072	282	90%	1,356	1,221	11
Category 3	Satisfactory	Less than 2.5 years	264	27	115%	262	301	7
		Equal to or more than 2.5 years	245	3	115%	246	283	7
Category 4	Weak	Less than 2.5 years	35	3	250%	24	59	2
		Equal to or more than 2.5 years	193	-	250%	194	484	15
Category 5	Default	Less than 2.5 years	274	17	0%	250	-	125
		Equal to or more than 2.5 years	39	2	0%	40	-	20
Total		Less than 2.5 years	4,593	767	-	5,049	2,874	139
		Equal to or more than 2.5 years	5,023	781	-	5,720	4,707	69
As at 31 December 2016								
Category 1	Strong	Less than 2.5 years	1,651	332	50%	1,922	961	-
		Equal to or more than 2.5 years	2,940	645	70%	3,517	2,462	14
Category 2	Good	Less than 2.5 years	1,719	180	70%	1,242	869	5
		Equal to or more than 2.5 years	912	277	90%	1,288	1,159	10
Category 3	Satisfactory	Less than 2.5 years	298	74	115%	328	377	9
		Equal to or more than 2.5 years	397	157	115%	468	538	13
Category 4	Weak	Less than 2.5 years	35	4	250%	37	92	3
		Equal to or more than 2.5 years	53	-	250%	54	133	4
Category 5	Default	Less than 2.5 years	270	27	0%	254	-	128
		Equal to or more than 2.5 years	97	2	0%	97	-	49
Total		Less than 2.5 years	3,973	617		3,783	2,299	145
		Equal to or more than 2.5 years	4,399	1,081		5,424	4,292	90

RWA associated with the exposures subject to the slotting approach increased by £1.0bn to £7.6bn, mainly driven by a change of treatment for one portfolio previously subject to securitisation treatment.

Table 24: Credit risk exposures by exposure class and PD range for retail SMEs

	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	Average Maturity	RWA	RWA Density	EL	Value Adjustment and Provisions
	£m	£m	%	£m	%		%	Yr	£m	%	£m	£m
As at 30 June 2017												
0.00 to < 0.15	**1,328**	**293**	**96.3%**	**1,626**	**0.1%**	**117,712**	**24.0%**	**9.2**	**107**	**6.6%**	**3**	
0.15 to < 0.25	**329**	**133**	**99.8%**	**462**	**0.2%**	**13,103**	**35.5%**	**8.2**	**71**	**15.3%**	**1**	
0.25 to < 0.50	**571**	**218**	**97.8%**	**791**	**0.4%**	**49,254**	**35.6%**	**7.9**	**174**	**21.9%**	**2**	
0.50 to < 0.75	**536**	**199**	**98.8%**	**737**	**0.6%**	**25,948**	**37.5%**	**7.4**	**209**	**28.3%**	**3**	
0.75 to < 2.50	**1,311**	**371**	**96.5%**	**1,685**	**1.4%**	**107,957**	**37.2%**	**7.5**	**762**	**45.2%**	**12**	
2.50 to < 10.00	**1,366**	**265**	**93.8%**	**1,638**	**4.2%**	**108,977**	**41.0%**	**6.8**	**1,060**	**64.7%**	**57**	
10.00 to < 100.00	**470**	**54**	**97.9%**	**527**	**21.1%**	**107,455**	**44.9%**	**7.2**	**566**	**107.4%**	**49**	
100.00 (Default)	**498**	**22**	**97.7%**	**519**	**100.0%**	**33,209**	**22.5%**	**8.0**	**644**	**123.9%**	**67**	
Total	**6,409**	**1,555**	**96.8%**	**7,985**	**9.2%**	**563,615**	**34.6%**	**7.8**	**3,593**	**45.0%**	**194**	**(199)**
As at 31 December 2016												
0.00 to < 0.15	1,284	387	97.1%	1,685	0.1%	121,725	26.5%	8.9	212	12.6%	3	
0.15 to < 0.25	339	152	99.8%	491	0.2%	14,463	36.1%	8.0	103	21.0%	1	
0.25 to < 0.50	596	264	97.9%	868	0.4%	51,985	38.1%	7.4	226	26.0%	3	
0.50 to < 0.75	533	213	98.9%	750	0.6%	27,834	39.5%	7.5	224	29.9%	3	
0.75 to < 2.50	1,557	511	95.3%	2,079	1.4%	111,553	39.0%	6.9	928	44.6%	32	
2.50 to < 10.00	1,774	382	89.7%	2,159	4.1%	111,636	43.7%	5.6	1,346	62.3%	42	
10.00 to < 100.00	516	66	95.0%	585	23.5%	104,722	47.0%	6.4	564	96.6%	73	
100.00 (Default)	489	20	98.1%	508	100.0%	30,652	23.9%	7.9	642	126.4%	73	
Total	7,088	1,995	95.6%	9,125	8.5%	574,570	37.3%	7.1	4,245	46.5%	230	(198)

The exposure weighted average risk weight associated with advanced IRB exposure to retail SMEs decreased by 1.5% to 45.0%. This is primarily driven by reduction as a result of the proportional consolidation of BAGL.

Table 25: Credit risk exposures by exposure class and PD range for retail secured by real estate collateral

	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	Average Maturity	RWA	RWA Density	EL	Value Adjustment and Provisions
	£m	£m	%	£m	%		%	Yr	£m	%	£m	£m
As at 30 June 2017												
0.00 to < 0.15	**27,817**	**2,421**	**98.6%**	**29,851**	**0.1%**	**182,056**	**11.8%**	**20.1**	**1,415**	**4.7%**	**14**	
0.15 to < 0.25	**16,683**	**2,212**	**91.2%**	**18,072**	**0.2%**	**144,222**	**9.9%**	**16.8**	**1,015**	**5.6%**	**9**	
0.25 to < 0.50	**37,603**	**3,844**	**91.6%**	**40,303**	**0.4%**	**283,233**	**10.1%**	**16.5**	**2,830**	**7.0%**	**17**	
0.50 to < 0.75	**21,129**	**1,246**	**82.8%**	**21,996**	**0.6%**	**153,906**	**10.3%**	**16.6**	**2,215**	**10.1%**	**16**	
0.75 to < 2.50	**22,134**	**1,318**	**77.2%**	**23,222**	**1.2%**	**156,539**	**12.5%**	**15.8**	**4,585**	**19.7%**	**43**	
2.50 to < 10.00	**8,316**	**287**	**86.9%**	**8,608**	**4.7%**	**47,558**	**13.9%**	**15.1**	**4,076**	**47.3%**	**64**	
10.00 to < 100.00	**3,833**	**111**	**98.5%**	**3,952**	**31.3%**	**28,951**	**10.8%**	**10.9**	**2,536**	**64.2%**	**240**	
100.00 (Default)	**2,151**	**8**	**50.6%**	**2,146**	**100.0%**	**17,979**	**18.7%**	**7.7**	**1,795**	**83.6%**	**323**	
Total	**139,666**	**11,447**	**89.6%**	**148,150**	**3.0%**	**1,014,444**	**11.2%**	**16.8**	**20,467**	**13.8%**	**726**	**(415)**
As at 31 December 2016												
0.00 to < 0.15	7,872	70	99.6%	8,199	0.1%	95,020	20.4%	17.0	1,162	14.2%	13	
0.15 to < 0.25	2,995	951	84.5%	3,702	0.2%	37,553	15.4%	15.5	487	13.2%	6	
0.25 to < 0.50	34,727	3,923	90.2%	37,213	0.4%	239,184	10.0%	15.7	2,264	6.1%	17	
0.50 to < 0.75	38,531	2,899	89.1%	40,053	0.6%	272,760	9.9%	15.9	3,745	9.4%	28	
0.75 to < 2.50	49,771	3,114	82.1%	52,301	1.2%	301,690	13.1%	17.6	8,299	15.9%	90	
2.50 to < 10.00	9,990	642	82.4%	10,650	3.7%	26,767	14.6%	15.3	4,362	41.0%	70	
10.00 to < 100.00	1,597	46	95.8%	1,672	33.7%	8,548	14.2%	13.1	1,468	87.8%	179	
100.00 (Default)	2,502	9	32.7%	2,465	100.0%	13,256	20.4%	9.1	1,890	76.7%	381	
Total	147,985	11,654	87.5%	156,255	2.9%	994,778	12.2%	16.3	23,677	15.2%	784	(533)

The exposure weighted average risk weight associated with advanced IRB exposure to retail secured by real estate collateral decreased by 1.4% to 13.8%, and exposure value decreased by £8.1bn to £148.2bn. This is primarily driven by reduction as a result of the proportional consolidation of BAGL.

Table 26: Credit risk exposures by exposure class and PD range for qualifying revolving retail

	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	Average Maturity	RWA	RWA Density	EL	Value Adjustment and Provisions
	£m	£m	%	£m	%		%	Yr	£m	%	£m	£m
As at 30 June 2017												
0.00 to < 0.15	**885**	**22,658**	**53.4%**	**14,008**	**0.1%**	**10,945,248**	**78.6%**	**11.7**	**492**	**3.5%**	**8**	
0.15 to < 0.25	**744**	**6,484**	**17.4%**	**3,160**	**0.2%**	**1,866,462**	**77.2%**	**5.5**	**277**	**8.8%**	**5**	
0.25 to < 0.50	**1,573**	**8,244**	**12.7%**	**4,464**	**0.4%**	**2,227,230**	**77.0%**	**5.5**	**639**	**14.3%**	**13**	
0.50 to < 0.75	**1,212**	**3,891**	**9.2%**	**2,490**	**0.6%**	**1,079,771**	**77.7%**	**7.3**	**578**	**23.2%**	**14**	
0.75 to < 2.50	**5,665**	**8,475**	**8.6%**	**9,034**	**1.4%**	**2,881,226**	**78.5%**	**11.8**	**3,919**	**43.4%**	**116**	
2.50 to < 10.00	**5,821**	**3,217**	**30.4%**	**7,744**	**5.0%**	**1,781,768**	**76.8%**	**3.5**	**7,569**	**97.7%**	**308**	
10.00 to < 100.00	**1,785**	**230**	**9.6%**	**2,075**	**23.0%**	**510,397**	**76.8%**	**39.5**	**4,039**	**194.7%**	**381**	
100.00 (Default)	**1,300**	**262**	**0.0%**	**1,299**	**100.0%**	**367,399**	**77.8%**	**88.4**	**2,694**	**207.3%**	**825**	
Total	**18,985**	**53,461**	**30.7%**	**44,274**	**5.3%**	**21,659,501**	**77.8%**	**12.5**	**20,207**	**45.6%**	**1,670**	**(1,285)**
As at 31 December 2016												
0.00 to < 0.15	852	21,785	53.5%	13,397	0.1%	10,530,249	78.1%	11.0	472	3.5%	8	
0.15 to < 0.25	765	6,766	18.0%	3,305	0.2%	1,896,207	76.4%	4.9	286	8.7%	5	
0.25 to < 0.50	1,657	8,631	13.2%	4,729	0.4%	2,285,721	75.5%	4.7	661	14.0%	14	
0.50 to < 0.75	1,459	4,594	8.5%	2,971	0.6%	1,229,233	75.9%	5.7	706	23.8%	17	
0.75 to < 2.50	5,887	8,254	9.7%	9,266	1.4%	2,836,510	75.1%	10.8	3,872	41.8%	114	
2.50 to < 10.00	6,643	3,892	27.8%	8,746	4.9%	1,803,893	71.7%	3.2	7,876	90.1%	317	
10.00 to < 100.00	1,861	268	8.2%	2,167	23.1%	511,265	72.1%	35.1	3,923	181.0%	374	
100.00 (Default)	1,493	309	0.0%	1,493	100.0%	379,026	74.8%	74.0	2,527	169.3%	945	
Total	20,617	54,499	24.4%	46,074	5.7%	21,472,104	75.4%	11.2	20,323	44.1%	1,794	(1,398)

The exposure weighted average risk weight associated with advanced IRB exposures to qualifying revolving retail, mainly comprising credit cards and overdrafts, increased by 1.5% to 45.6%, mainly driven by higher average loss given default within the lower quality default grades.

The exposure decrease is primarily driven by reduction as a result of the proportional consolidation of BAGL.

Table 27: Credit risk exposures by exposure class and PD range for other retail

	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	Average Maturity	RWA	RWA Density	EL	Value Adjustment and Provisions
	£m	£m	%	£m	%		%	Yr	£m	%	£m	£m
As at 30 June 2017												
0.00 to < 0.15	6	1	104.4%	8	0.1%	645	67.5%	2.4	1	13.1%	-	
0.15 to < 0.25	34	13	124.0%	72	0.2%	2,971	41.1%	1.2	13	18.8%	-	
0.25 to < 0.50	443	2	94.1%	446	0.4%	55,352	88.0%	3.5	269	60.3%	3	
0.50 to < 0.75	836	-	90.7%	836	0.6%	99,138	88.1%	3.6	639	76.4%	6	
0.75 to < 2.50	3,364	2	95.8%	3,367	1.4%	372,700	87.0%	3.7	3,593	106.7%	62	
2.50 to < 10.00	1,810	9	59.2%	1,821	4.4%	154,099	73.6%	3.7	2,111	116.0%	70	
10.00 to < 100.00	389	-	-	389	33.1%	29,372	68.5%	3.4	579	148.9%	101	
100.00 (Default)	375	-	-	371	100.0%	45,958	72.5%	16.1	248	66.9%	245	
Total	**7,257**	**27**	**93.6%**	**7,310**	**8.7%**	**760,235**	**81.7%**	**4.3**	**7,453**	**102.0%**	**487**	**(365)**
As at 31 December 2016												
0.00 to < 0.15	23	7	101.6%	30	0.1%	649	65.4%	2.6	4	13.3%	-	
0.15 to < 0.25	75	60	143.7%	234	0.2%	2,453	26.5%	0.6	29	12.4%	-	
0.25 to < 0.50	417	7	89.2%	428	0.4%	48,849	83.5%	3.3	244	57.0%	3	
0.50 to < 0.75	841	1	94.6%	843	0.6%	92,816	83.8%	3.6	612	72.6%	6	
0.75 to < 2.50	3,900	8	94.9%	3,912	1.4%	373,837	80.4%	3.7	3,856	98.6%	66	
2.50 to < 10.00	3,692	34	58.9%	3,732	4.6%	155,231	55.3%	3.5	3,244	86.9%	107	
10.00 to < 100.00	1,015	-	-	1,015	24.1%	28,764	56.5%	3.6	1,252	123.3%	156	
100.00 (Default)	654	-	-	634	100.0%	45,435	63.7%	11.5	734	115.8%	328	
Total	10,617	117	73.7%	10,828	10.3%	748,034	67.7%	4.0	9,975	92.1%	666	(489)

The exposure weighted average risk weight associated with advanced IRB exposures to other retail, primarily comprised of unsecured personal loans, increased by 9.9% to 102.0% and exposure value decreased by £3.5bn to £7.3bn. This is primarily driven by reduction as a result of the proportional consolidation of BAGL.

Counterparty credit risk RWAs

Counterparty credit risk (CCR) is the risk related to a counterparty defaulting before the final settlement of a transaction's cash flows. Barclays calculate CCR using three methods: Internal Model Method (IMM), Financial Collateral Comprehensive Method (FCCM), and Mark to Market Method (MTM).

Table 28: Risk weighted assets of counterparty credit risk exposures by business units

This table summarises risk weighted assets by business and exposure class for counterparty credit risk.

The disclosure below excludes CVA which is shown separately on table 34.

As at 30 June 2017	Barclays UK £m	Barclays International £m	Head Office £m	Total Core £m	Barclays Non-Core £m	Total £m
Counterparty credit risk exposure class						
Standardised approach						
Central governments or central banks	-	2	3	5	-	5
Regional governments or local authorities	-	2	-	2	-	2
Public sector entities	-	5	-	5	85	90
Multilateral development banks	-	-	-	-	-	-
International organisations	-	-	-	-	-	-
Institutions	3	180	1	184	3	187
Corporates	-	12,614	4	12,618	352	12,970
Retail	-	-	-	-	-	-
Secured by mortgages	-	-	-	-	-	-
Exposures in default	-	-	-	-	-	-
Items associated with high risk	-	1,884	-	1,884	3	1,887
Covered bonds	-	-	-	-	-	-
Claims on institutions and corporate with a short-term credit assessment	-	-	-	-	-	-
Securitisation positions	-	-	-	-	-	-
Collective investment undertakings	-	-	-	-	-	-
Equity positions	-	-	-	-	-	-
Other items	-	-	-	-	-	-
Total Standardised approach credit risk RWA	3	14,687	8	14,698	443	15,141
Advanced IRB approach						
Central governments or central banks	-	1,034	-	1,034	33	1,067
Institutions	-	4,048	156	4,204	1,037	5,241
Corporates	-	8,878	380	9,258	2,814	12,072
Securitisation positions	-	2	-	2	188	190
Total Advanced IRB credit risk RWA	-	13,962	536	14,498	4,072	18,570
Default fund contributions	-	801	62	863	431	1,294
Total counterparty credit risk RWA	3	29,450	606	30,059	4,946	35,005

Table 28 (Continued)

As at 31 December 2016	Barclays UK £m	Barclays International £m	Head Office £m	Total Core £m	Barclays Non-Core £m	Total £m
Counterparty credit risk exposure class						
Standardised approach						
Central governments or central banks	-	10	-	10	-	10
Regional governments or local authorities	-	3	-	3	1	4
Public sector entities	-	10	-	10	190	200
Multilateral development banks	-	-	-	-	-	-
International organisations	-	-	-	-	-	-
Institutions	47	277	23	347	2	349
Corporates	-	10,274	7	10,281	525	10,806
Retail	-	-	-	-	-	-
Secured by mortgages	-	-	-	-	-	-
Exposures in default	-	-	-	-	-	-
Items associated with high risk	-	2,043	-	2,043	34	2,077
Covered bonds	-	-	-	-	-	-
Claims on institutions and corporate with a short-term credit assessment	-	-	-	-	-	-
Securitisation positions	-	-	-	-	-	-
Collective investment undertakings	-	-	-	-	-	-
Equity positions	-	-	-	-	-	-
Other items	-	-	-	-	-	-
Total Standardised approach credit risk RWA	**47**	**12,617**	**30**	**12,694**	**752**	**13,446**
Advanced IRB approach						
Central governments or central banks	-	1,145	9	1,154	12	1,166
Institutions	-	3,098	363	3,461	1,297	4,758
Corporates	-	9,463	785	10,248	4,381	14,629
Securitisation positions	-	-	-	-	391	391
Total Advanced IRB credit risk RWA	**-**	**13,706**	**1,157**	**14,863**	**6,081**	**20,944**
Default fund contributions	-	928	47	975	328	1,303
Total counterparty credit risk RWA	**47**	**27,251**	**1,234**	**28,532**	**7,161**	**35,693**

Counterparty credit risk weighted assets remained broadly stable at £35.0bn (December 2016 £35.7bn):

- Barclays International increased by £2.2bn to £29.5bn primarily driven by SFT trading activity
- Non-Core decreased by £2.2bn to £4.9bn primarily driven by mark to market movements on derivative positions
- Head Office decreased by £0.6bn to £0.6bn primarily driven by reduction as a result of the proportional consolidation of BAGL

Table 29: Counterparty credit risk exposures by exposure classes and risk weight under standardised approach

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

Exposures by exposure class and risk weight

As at 30 June 2017	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Total	of which: unrated
1 Central governments or central banks	34,645	-	-	-	-	-	-	-	2	-	-	34,647	54
2 Regional governments or local authorities	167	-	-	-	4	-	-	-	1	-	-	172	6
3 Public sector entities	8	53	-	-	423	-	-	-	5	-	-	489	486
4 Multilateral development banks	411	-	-	-	-	-	-	-	-	-	-	411	411
5 International Organisations	52	-	-	-	-	-	-	-	-	-	-	52	52
6 Institutions	-	-	-	-	59	18	-	-	152	-	-	229	143
7 Corporates	-	19,735	-	-	48	9	-	-	12,617	-	-	32,409	32,326
8 Retail	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Exposures in default	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	1,259	-	1,259	1,259
12 Covered Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Claims on institutions and corporate with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Claims in the form of CIU	-	-	-	-	-	-	-	-	-	-	-	-	-
15 Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-
16 Other items	-	-	-	-	-	-	-	-	-	-	-	-	-
17 **Total**	35,283	19,788	-	-	534	27	-	-	12,777	1,259	-	69,668	34,737

Analysis of counterparty credit risk

Exposures by exposure class and risk weight

As at 31 December 2016	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Total	of which: Unrated
1 Central governments or central banks	14,971	-	-	-	48	-	-	-	-	-	-	15,019	2,610
2 Regional governments or local authorities	159	-	-	-	8	-	-	-	2	-	-	169	18
3 Public sector entities	15	42	-	-	844	-	-	-	7	-	-	908	951
4 Multilateral development banks	473	-	-	-	-	-	-	-	-	-	-	473	514
5 International Organisations	21	-	-	-	-	-	-	-	-	-	-	21	21
6 Institutions	8	-	-	-	129	2	-	-	16	-	15	170	55
7 Corporates	104	16,442	-	-	31	46	-	-	10,330	9	26	26,988	26,646
8 Retail	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Exposures in default	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	1,356	-	1,356	1,356
12 Covered Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Claims on institutions and corporate with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Claims in the form of CIU	-	-	-	-	-	-	-	-	-	-	-	-	-
15 Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-
16 Other items	-	-	-	-	-	-	-	-	-	-	-	-	-
17 **Total**	15,751	16,484	-	-	1,060	48	-	-	10,355	1,365	41	45,104	32,171

Standardised counterparty credit risk exposures increased by £24.6bn to £69.7bn, primarily driven by:

- 0% risk weighted exposures increased by £19.5bn to £35.3bn primarily driven by drawdown on the Term Funding Scheme with the Bank of England
- 2% risk weighted exposures increased by £3.3bn to £19.8bn driven by increased activity to central counterparties
- 100% risk weighted exposures increased by £2.4bn to £12.8bn primarily driven by increase in trading activity with corporates

.

IRB obligor grade disclosure

The following tables show counterparty credit risk exposure at default post-CRM for the advanced IRB approach for portfolios within both the trading and banking books. Separate tables are provided for the following exposure classes: central governments and central banks (Table 30), institutions (Table 31), corporates (Table 32) and corporates subject to slotting (Table 33).

Table 30: Counterparty credit risk exposures by portfolio and PD range for central governments and central banks

	EAD post CRM	Average PD	Number of obligors	Average LGD	Average Maturity	RWA	RWA Density	Expected Loss	Value Adjustment and Provisions
	£m	%		%	Yr	£m	%	£m	£m
As at 30 June 2017									
0.00 to < 0.15	**5,592**	**0.1%**	**71**	**57.4%**	**0.7**	**783**	**14.0%**	**2**	
0.15 to < 0.25	**10**	**0.2%**	**6**	**45.0%**	**0.5**	**3**	**31.4%**	**-**	
0.25 to < 0.50	**92**	**0.3%**	**9**	**53.0%**	**1.1**	**49**	**53.2%**	**-**	
0.50 to < 0.75	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
0.75 to < 2.50	**10**	**0.8%**	**3**	**57.8%**	**1.5**	**11**	**104.6%**	**-**	
2.50 to < 10.00	**90**	**7.9%**	**4**	**62.9%**	**1.0**	**221**	**246.2%**	**4**	
10.00 to < 100.00	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
100.00 (Default)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
Total	**5,794**	**0.2%**	**93**	**57.4%**	**0.7**	**1,067**	**18.4%**	**6**	**-**
As at 31 December 2016									
0.00 to < 0.15	5,247	0.1%	61	61.6%	0.7	750	14.3%	2	
0.15 to < 0.25	31	0.2%	4	45.9%	1.6	15	48.7%	-	
0.25 to < 0.50	238	0.3%	6	52.7%	0.4	97	40.9%	-	
0.50 to < 0.75	-	-	-	-	-	-	-	-	
0.75 to < 2.50	6	1.3%	3	45.3%	1.0	6	94.7%	-	
2.50 to < 10.00	127	7.5%	2	60.0%	1.0	298	235.0%	5	
10.00 to < 100.00	-	-	-	-	-	-	-	-	
100.00 (Default)	-	-	-	-	-	-	-	-	
Total	5,649	0.2%	76	61.0%	0.7	1,166	20.6%	7	-

The exposure weighted average risk weight associated with advanced IRB exposures to central governments and central banks decreased 2.2% to 18.4%. This was primarily driven by increased exposure in higher quality default grades.

Table 31: Counterparty credit risk exposures by portfolio and PD range for institutions

	EAD post CRM	Average PD	Number of obligors	Average LGD	Average Maturity	RWA	RWA Density	Expected Loss	Value Adjustment and Provisions
	£m	%		%	Yr	£m	%	£m	£m
As at 30 June 2017									
0.00 to < 0.15	**18,419**	**0.1%**	**647**	**45.0%**	**1.7**	**4,025**	**21.9%**	**4**	
0.15 to < 0.25	**828**	**0.2%**	**159**	**44.4%**	**2.1**	**397**	**48.0%**	**1**	
0.25 to < 0.50	**647**	**0.4%**	**139**	**48.2%**	**1.2**	**331**	**51.1%**	**2**	
0.50 to < 0.75	**101**	**0.6%**	**35**	**45.2%**	**1.1**	**67**	**66.7%**	**-**	
0.75 to < 2.50	**377**	**1.5%**	**125**	**44.2%**	**1.1**	**305**	**81.0%**	**2**	
2.50 to < 10.00	**95**	**4.2%**	**87**	**46.9%**	**1.0**	**86**	**90.0%**	**1**	
10.00 to < 100.00	**28**	**14.6%**	**18**	**41.9%**	**0.9**	**30**	**107.7%**	**1**	
100.00 (Default)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
Total	**20,495**	**0.1%**	**1,210**	**45.1%**	**1.7**	**5,241**	**25.6%**	**11**	**-**
As at 31 December 2016									
0.00 to < 0.15	18,883	0.0%	603	42.7%	1.8	4,082	21.6%	4	
0.15 to < 0.25	308	0.2%	93	46.8%	1.1	132	42.7%	-	
0.25 to < 0.50	342	0.4%	129	47.8%	1.4	236	69.1%	1	
0.50 to < 0.75	105	0.6%	23	44.5%	5.6	103	98.1%	-	
0.75 to < 2.50	158	1.1%	69	45.6%	1.2	139	88.1%	1	
2.50 to < 10.00	34	4.5%	54	45.2%	1.5	46	137.0%	1	
10.00 to < 100.00	13	12.6%	8	45.0%	3.7	20	157.1%	-	
100.00 (Default)	-	-	-	-	-	-	-	-	
Total	19,843	0.1%	979	42.9%	1.8	4,758	24.0%	7	-

The exposure weighted average risk weight associated with advanced IRB exposures to institutions increased 1.6% to 25.6%. This was primarily driven by a reclassification of counterparties from corporates to institutions.

Table 32: Counterparty credit risk exposures by portfolio and PD range for corporates

	EAD post CRM	Average PD	Number of obligors	Average LGD	Average Maturity	RWA	RWA Density	Expected Loss	Value Adjustment and Provisions
	£m	%		%	Yr	£m	%	£m	£m
As at 30 June 2017									
0.00 to < 0.15	**36,964**	**0.0%**	**5,998**	**44.9%**	**1.9**	**6,709**	**18.1%**	**8**	
0.15 to < 0.25	**3,898**	**0.2%**	**930**	**45.2%**	**1.8**	**1,543**	**39.6%**	**3**	
0.25 to < 0.50	**1,855**	**0.4%**	**662**	**46.5%**	**2.3**	**1,163**	**62.7%**	**3**	
0.50 to < 0.75	**286**	**0.6%**	**174**	**44.2%**	**3.0**	**205**	**71.7%**	**1**	
0.75 to < 2.50	**1,225**	**1.4%**	**733**	**40.1%**	**2.5**	**968**	**79.0%**	**5**	
2.50 to < 10.00	**1,110**	**4.6%**	**384**	**35.0%**	**2.7**	**965**	**86.9%**	**12**	
10.00 to < 100.00	**29**	**19.9%**	**59**	**32.6%**	**1.8**	**31**	**106.2%**	**1**	
100.00 (Default)	**10**	**100.0%**	**51**	**52.6%**	**3.3**	**66**	**657.2%**	**-**	
Total	**45,377**	**0.3%**	**8,991**	**44.6%**	**1.9**	**11,650**	**25.7%**	**33**	**-**
As at 31 December 2016									
0.00 to < 0.15	38,765	0.0%	6,090	45.6%	2.2	8,220	21.1%	9	
0.15 to < 0.25	4,578	0.2%	841	45.8%	2.1	2094	45.7%	4	
0.25 to < 0.50	1,550	0.4%	697	47.1%	2.3	1048	67.6%	3	
0.50 to < 0.75	690	0.6%	206	41.2%	2.0	459	66.5%	2	
0.75 to < 2.50	1,172	1.2%	783	41.7%	2.4	1031	88.0%	5	
2.50 to < 10.00	803	4.8%	426	36.0%	2.5	879	109.4%	12	
10.00 to < 100.00	57	19.8%	106	39.8%	1.6	104	181.5%	4	
100.00 (Default)	50	100.0%	64	36.6%	2.4	104	208.0%	-	
Total	47,665	0.3%	9,213	45.3%	2.2	13,939	29.1%	39	-

The exposure weighted average risk weight associated with IRB exposure to corporates decreased 3.7% to 25.4%.This was primarily driven by a reclassification of counterparties from corporates to institutions.

Table 33: Counterparty credit risk - Corporate exposures subject to Slotting approach

Regulatory categories	Remaining maturity	Risk weight	Exposure amount	RWA	Expected losses
		%	£m	£m	£m
As at 30 June 2017					
Category 1	Less than 2.5 years	**50%**	**83**	**42**	**-**
	Equal to or more than 2.5 years	**70%**	**462**	**324**	**1**
Category 2	Less than 2.5 years	**70%**	**30**	**21**	**-**
	Equal to or more than 2.5 years	**90%**	**27**	**24**	**-**
Category 3	Less than 2.5 years	**115%**	**4**	**5**	**-**
	Equal to or more than 2.5 years	**115%**	**5**	**6**	**-**
Category 4	Less than 2.5 years	**250%**	**-**	**-**	**-**
	Equal to or more than 2.5 years	**250%**	**-**	**-**	**-**
Category 5	Less than 2.5 years	**0%**	**6**	**-**	**3**
	Equal to or more than 2.5 years	**0%**	**-**	**-**	**-**
Total	Less than 2.5 years		**123**	**68**	**3**
	Equal to or more than 2.5 years		**494**	**354**	**1**
As at 31 December 2016					
Category 1	Less than 2.5 years	50%	107	54	-
	Equal to or more than 2.5 years	70%	718	502	1
Category 2	Less than 2.5 years	70%	36	25	-
	Equal to or more than 2.5 years	90%	48	43	-
Category 3	Less than 2.5 years	115%	33	38	-
	Equal to or more than 2.5 years	115%	22	25	1
Category 4	Less than 2.5 years	250%	1	3	-
	Equal to or more than 2.5 years	250%	-	-	-
Category 5	Less than 2.5 years	0%	7	-	3
	Equal to or more than 2.5 years	0%	-	-	-
Total	Less than 2.5 years		184	120	3
	Equal to or more than 2.5 years		788	570	2

Credit value adjustments

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

Table 34: Credit valuation adjustment (CVA) capital charge

Two approaches can be used to calculate the adjustment:

- Standardised approach: this approach takes account of the external credit rating of each counterparty, and incorporates the effective maturity and EAD from the calculation of the CCR
- Advanced approach: this approach requires the calculation of the charge as a) a 10-day 99% Value at Risk (VaR) measure for the current one-year period and b) the same measure for a stressed period. The sum of the two VaR measures is tripled to yield the capital charge.

		Exposure value	RWA
		£m	£m
As at 30 June 2017			
1	Total portfolios subject to the Advanced Method	**17,525**	**2,410**
2	(i) VaR component (including the 3x multiplier)		**495**
3	(ii) Stressed VaR component (including 3x multiplier)		**1,915**
4	All portfolios subject to the Standardised Method	**1,065**	**623**
5	**Total subject to the CVA capital charge**	**18,590**	**3,033**
As at 31 December 2016			
1	Total portfolios subject to the Advanced Method	22,423	5,613
2	(i) VaR component (including the 3x multiplier)		1,258
3	(ii) Stressed VaR component (including 3x multiplier)		4,355
4	All portfolios subject to the Standardised Method	2,141	1,130
5	**Total subject to the CVA capital charge**	24,564	6,743

CVA RWAs decreased by £3.7bn to £3.0bn primarily driven by a reduction in Current Exposure Method exposures. These exposures attract higher RWAs relative to modelled exposures.

Capital requirements for market risk

The table below breaks down the elements of capital requirements and risk weighted assets under the market risk framework as defined in the CRR. The Group is required to hold capital for the market risk exposures arising from regulatory trading books. Inputs for the modelled components include the measures on Table 38 'Analysis of regulatory VaR, SVaR, IRC and APR', using the higher of the end of period value or an average over the past 60 days (times a multiplier in the case of VaR and SVaR).

Table 35: Market risk own funds requirements

		RWA		Capital requirements	
		As at 30 June 2017	As at 31 December 2016	As at 30 June 2017	As at 31 December 2016
		£m	£m	£m	£m
1	**Internal Models Approach**	14,709	14,711	1,177	1,177
2	VaR	2,939	3,519	235	282
3	SVaR	7,243	6,634	580	531
4	Incremental risk charge	2,155	2,089	172	167
5	Comprehensive risk measure	10	39	1	3
6	Risks not in VaR	2,362	2,430	189	194
7	**Standardised approach**	11,540	10,302	923	824
8	Interest rate risk (general and specific)	5,608	5,036	448	403
9	Equity risk (general and specific)	4,250	4,103	340	328
10	Foreign exchange risk	123	230	10	18
11	Commodity risk	-	-	-	-
12	Specific interest rate risk of securitisation position	1,559	933	125	75
13	**Total**	26,249	25,013	2,100	2,001

Overall market risk RWAs increased by £1.2bn to £26.2bn primarily driven by Securitisation specific market risk.

Refer to tables 38 and 39 for detailed movement analysis on the Internal Model Approach and Standardised approach.

Table 36: Market risk under Internal Models Approach

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

		RWA		Capital requirements	
		As at 30 June 2017	As at 31 December 2016	As at 30 June 2017	As at 31 December 2016
		£m	£m	£m	£m
1	**VaR** (higher of values a and b)	**2,939**	3,519	**235**	282
(a)	Previous day's VaR (Article 365(1) (VaRt-1))			**111**	138
(b)	Average of the daily VaR (Article 365(1)) on each of the preceding sixty business days (VaRavg) x multiplication factor ((mc) in accordance with Article 366)			**235**	282
2	**SVaR** (higher of values a and b)	**7,243**	6,634	**580**	531
(a)	Latest SVaR (Article 365(2) (sVaRt-1))			**244**	303
(b)	Average of the SVaR (Article 365(2) during the preceding sixty business days (sVaRavg) x multiplication factor (ms) (Article 366)			**580**	531
3	Incremental risk charge – **IRC** (higher of values a and b)	**2,155**	2,089	**172**	167
(a)	Most recent IRC value (incremental default and migration risks section 3 calculated in accordance with Section 3 articles 370/371)			**172**	154
(b)	Average of the IRC number over the preceding 12 weeks			**168**	167
4	Comprehensive Risk Measure – **CRM** (higher of values a, b and c)	**10**	39	**1**	3
(a)	Most recent risk number for the correlation trading portfolio (article 377)			**-**	2
(b)	Average of the risk number for the correlation trading portfolio over the preceding 12 weeks			**1**	3
(c)	8% of the own funds requirement in SA on most recent risk number for the correlation trading portfolio (Article 338(4))			**-**	1
5	Other	**2,362**	2,430	**189**	194
6	**Total**	**14,709**	14,711	**1,177**	**1,177**

Overall modelled market risk RWAs remained broadly stable at £14.7bn (December 2016 £14.7bn), this was driven by:

- Increase in SVaR driven by increase in trading activity, partially offset by reduction as a result of the proportional consolidation of BAGL
- Decrease in VaR driven by reduction as a result of the proportional consolidation of BAGL.

Table 37: Market risk under Standardised approach

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

		RWA		Capital requirements	
		As at 30 June 2017 £m	As at 31 December 2016 £m	As at 30 June 2017 £m	As at 31 December 2016 £m
	Outright products				
1	Interest rate risk (general and specific)	**5,608**	5,036	**448**	403
2	Equity risk (general and specific)	**3,595**	3,610	**288**	289
3	Foreign exchange risk	**123**	230	**10**	18
4	Commodity risk	**-**	-	**-**	-
	Options				
5	Simplified approach	**-**	-	**-**	-
6	Delta-plus method	**517**	387	**41**	31
7	Scenario approach	**138**	106	**11**	8
8	**Securitisation (specific risk)**	**1,559**	933	**125**	75
9	**Total**	**11,540**	10,302	**923**	824

Standardised market risk RWAs increased £1.2bn to £11.5bn, mainly driven by an increase in Securitisation specific market risk due to a growth in trading book positions.

Review of regulatory measures

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

The Group's market risk capital requirement comprises of two elements:

- the market risk of trading book positions booked to legal entities are measured under a PRA approved internal models approach (other than BAGL), including Regulatory VaR, Stressed Value at Risk (SVaR), Incremental Risk Charge (IRC) and Comprehensive Risk Measure (CRM) as required
- trading book positions that do not meet the conditions for inclusion within the approved internal models approach. The capital requirement for these positions is calculated using standardised rules.

The table below summarises the regulatory market risk measures, under the internal models approach. See table "Market risk own funds requirements", on page 46 for a breakdown of capital requirements by approach.

Table 38: Analysis of Regulatory VaR, SVaR, IRC and CRM

	Period end	Avg.	Max	Min
Six months ended 30th June 2017	£m	£m	£m	£m
Regulatory VaR (1-day)	**25**	**24**	**33**	**17**
Regulatory VaR (10-day)[1]	**79**	**75**	**104**	**54**
SVaR (1-day)	**60**	**59**	**98**	**40**
SVaR (10-day)[b]	**188**	**186**	**311**	**127**
IRC	**172**	**188**	**241**	**142**
CRM	**-**	**1**	**2**	**-**
Six months ended 31 December 2016				
Regulatory VaR (1-day)	31	26	32	20
Regulatory VaR (10-day)[1]	98	82	100	63
SVaR (1-day)	59	55	67	41
SVaR (10-day)[b]	187	174	210	130
IRC	154	169	238	137
CRM	2	3	4	2
Six months ended 30 June 2016				
Regulatory VaR (1-day)	24	23	32	16
Regulatory VaR (10-day)[b]	75	72	100	52
SVaR (1-day)	48	49	70	32
SVaR (10-day)[b]	153	156	222	101
IRC	121	142	197	112
CRM	4	7	12	3

Note:
[1] The 10 day VaR is based on scaling of 1 day VaR model output since VaR is currently not modelled for a 10 day holding period. More information about Regulatory and Stressed VaR methodology is available on page 47.

- Regulatory VaR/SVaR: Average regulatory VaR and SVaR remained broadly unchanged compared to the previous year
- IRC: Average IRC increase was mainly driven by positional increases in Q1 17
- CRM: Reduced as a result of further reductions in a specific legacy portfolio

Table 39: Breakdown of the major regulatory risk measures by portfolio

As at 30 June 2017	Macro £m	Equities £m	Credit £m	Banking[1] £m	Group Treasury £m	Financial Resource Management £m	Barclays Non-Core £m
Regulatory VaR (1-day)	12	11	8	3	3	8	5
Regulatory VaR (10-day)	37	34	26	9	11	25	15
SVaR (1-day)	32	75	19	5	11	16	12
SVaR (10-day)	100	237	61	14	35	49	38
IRC	184	8	277	1	6	69	41
CRM	-	-	-	-	-	-	-

1 Following business restructure in H1 17, significant proportion of Barclays International Treasury and Banking portfolios was reclassified into newly created Financial Resource Management portfolio. As a result, the remaining BI Treasury portfolio has become immaterial and excluded from disclosure.

The table above shows the primary portfolios which are driving the trading businesses' modelled capital requirement as at 30 June 2017. The standalone portfolio results diversify at the total level and are not necessarily additive. Regulatory VaR, SVaR, IRC and CRM in the prior table show the diversified results at a group level.

Regulatory backtesting

Backtesting is the method by which the Group checks and affirms that its procedures for estimating VaR are reasonable and serve its purpose of estimating the potential loss arising from unfavourable market movements. The backtesting process is a regulatory requirement and seeks to estimate the performance of the regulatory VaR model. Performance is measured by the number of exceptions to the model i.e. net trading P&L loss in one trading day is greater than the estimated VaR for the same trading day. The Group's procedures could be underestimating VaR if exceptions occur more frequently than expected (a 99% confidence interval indicates that one exception will occur in 100 days).

Backtesting is performed at a legal entity level, sub-portfolio levels and business-aligned portfolios (shown in the table below and in the charts on the next page) on the Group's regulatory VaR model. Regulatory backtesting compares Regulatory VaR at 99% confidence level (one-day holding period equivalent) to actual and hypothetical changes in portfolio value as defined in CRR Article 366. The consolidated Barclays Bank PLC Trading and Barclays Capital Securities Ltd portfolio is the highest level of consolidation used in the calculation of market risk regulatory capital.

A backtesting exception is generated when a loss is greater than the daily VaR for any given day.

As defined by the PRA, a green status is consistent with a good working VaR model and is achieved for models that have four or fewer backtesting exceptions in a rolling 12-month period. Backtesting counts the number of days when a loss exceeds the corresponding VaR estimate, measured at the 99% regulatory confidence level. For the Investment Bank's regulatory DVaR model at the consolidated legal entity level, green model status was maintained for H1 17.

Backtesting is also performed on management VaR to ensure it remains reasonable and fit for purpose.

The table below shows the VaR backtesting exceptions on legal entities aligned to the Group's business as at 30 June 2017.

Table 40: Regulatory backtesting

	Actual P&L		Hypo P&L	
Legal entities[1]	Total Exceptions	Status[3]	Total Exceptions	Status[3]
BBPlc Trading + BCSL	0	G	1	G
BBPlc Trading	0	G	1	G
BCSL	4	G	1	G
BBSA[2]	1	G	0	G
IHC	-	-	1	G

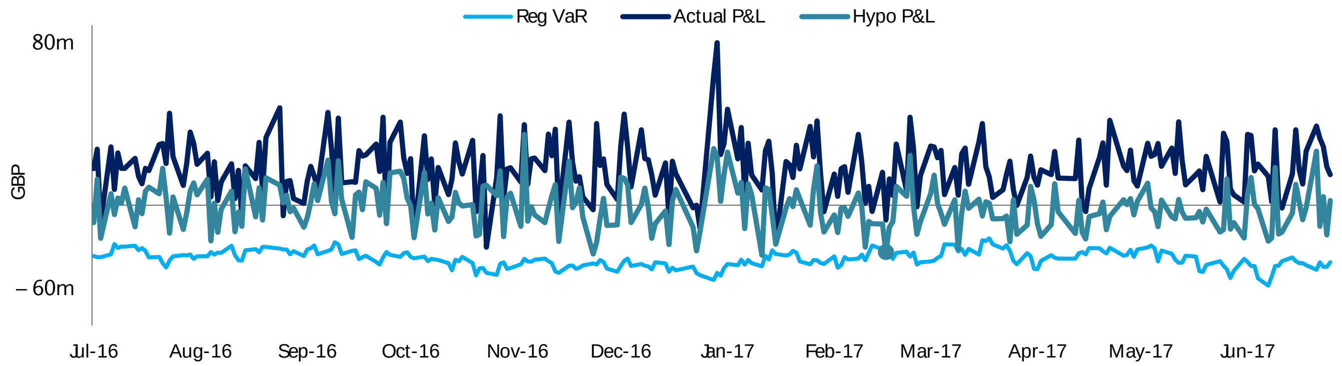
Note:
[1] Risk measures are as follows: for PRA entities - Pure Div Reg VaR at 99%, figures in GBP; for IHC - Mgmt VaR at 99%, IHC is backtested against Fed Hypo P&L only as per US regulatory requirements.
[2] BBSA legal entity was backtested until end of March 2017 only due to business being transferred to BBPLC
[3] RAG status is accurate as of 30 June 2017.

The following charts show VaR for the Group's regulatory portfolios aligned by legal entity. The dark blue and grey points on the charts indicate losses on the small number of days on which actual and/or hypo P&L respectively exceeded the VaR amount.

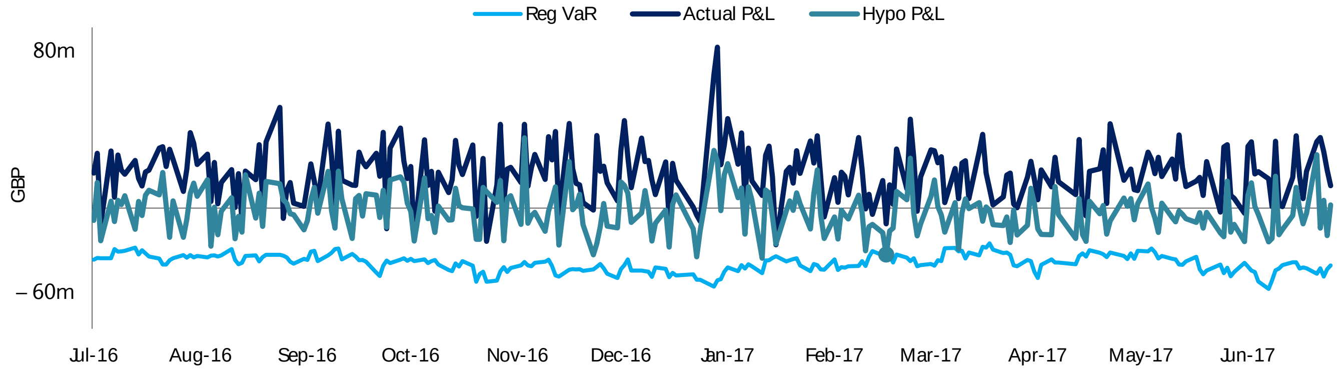
In addition to being driven by market moves in excess of the 99% confidence level, backtesting exceptions can be caused by risks that impact P&L not captured directly in the VaR itself but separately as non VaR-type namely Risks Not in VaR (RNIVs).

Exceptions are reported to internal management and regulators on a regular basis and investigated to ensure the model performs as expected. Overall backtesting for the consolidated legal entity remains in the green zone, suggesting that the VaR remains fit for purpose.

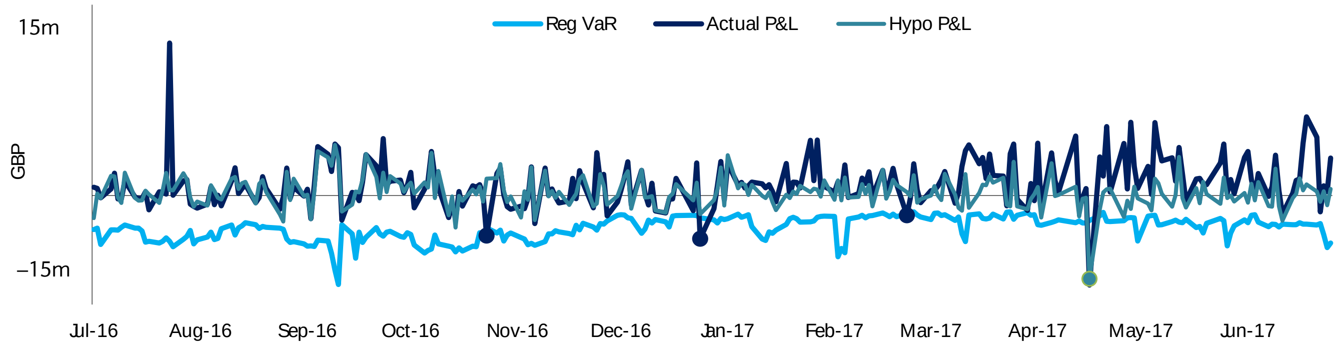
BBPlc Trading and BCSL



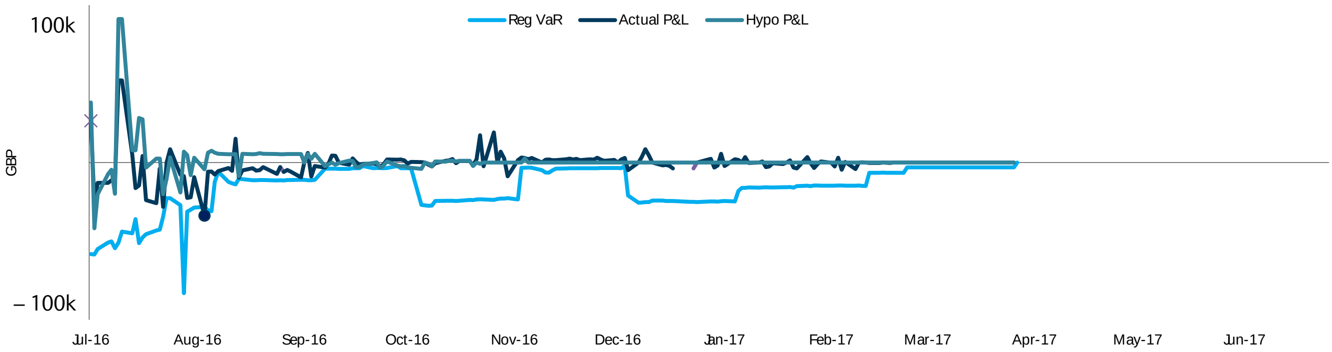
BBPlc Trading



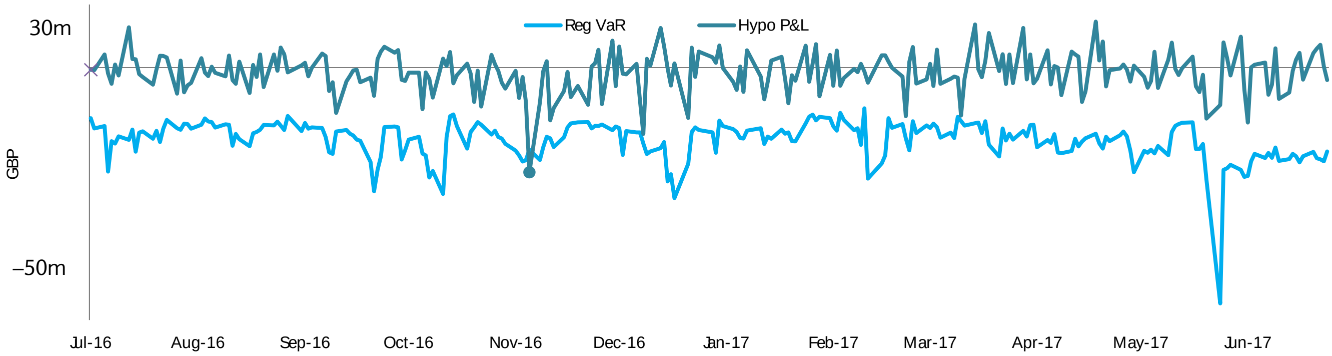
BCSL



BBSA


Reg VaR
Actual P&L
Hypo P&L
100k
– 100k
GBP
Jul-16
Aug-16
Sep-16
Oct-16
Nov-16
Dec-16
Jan-17
Feb-17
Mar-17
Apr-17
May-17
Jun-17

IHC


Reg VaR
Hypo P&L
30m
–50m
GBP
Jul-16
Aug-16
Sep-16
Oct-16
Nov-16
Dec-16
Jan-17
Feb-17
Mar-17
Apr-17
May-17
Jun-17