



Barclays PLC

Fixed Income Investor Call

H1 2022 Results Announcement

28 July 2022





Anna Cross

Barclays Group Finance Director

Statutory PBT of £3.7bn and RoTE of 10.1% in H122

Strong operating performance

- **Attributable profit of £2.5bn¹** despite the net of tax impact of Over-issuance of Securities in the US² of £(0.6)bn

Income momentum

- **Group income up 10% YoY³** with diversified strategy delivering broad-based income growth across all businesses

Cost discipline

- **Operating costs** (which exclude L&C⁴) **up 2% YoY** – balancing inflation, business growth, selective strategic investments and efficiency savings

Low impairment charge

- **£0.3bn impairment charge (LLR⁵: 17bps)** – managing credit risk in an uncertain macro environment, with appropriate provision levels

Strong capital position

- **CET1 ratio of 13.6%**, within target range of 13-14%

Increased shareholder distributions

- **2.25p per share half year dividend** (H121: 2p per share)
- **Announced intention to initiate further share buyback of up to £0.5bn**

Income
£13.2bn

Cost: income ratio
69%

PBT
£3.7bn

RoTE
10.1%

EPS
14.8p

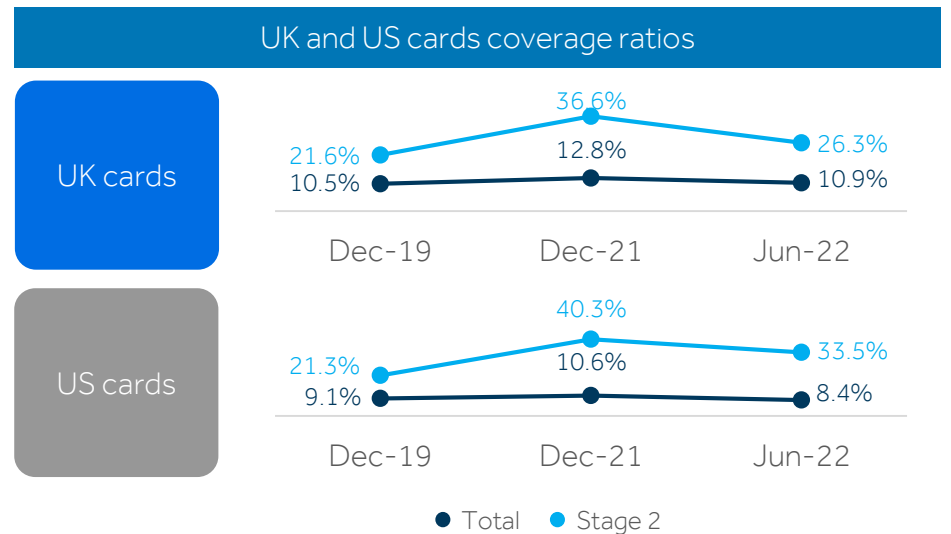
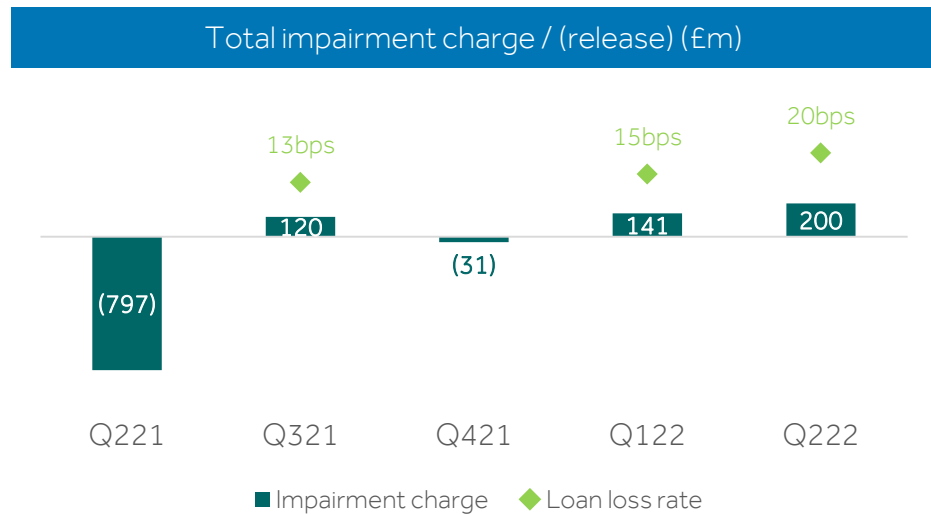
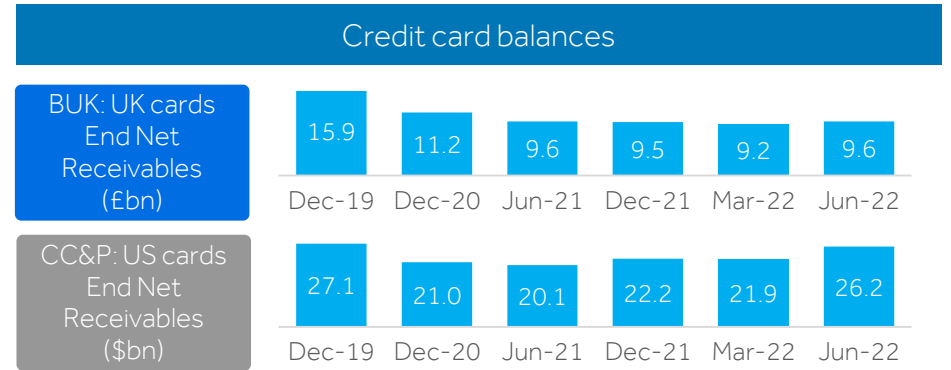
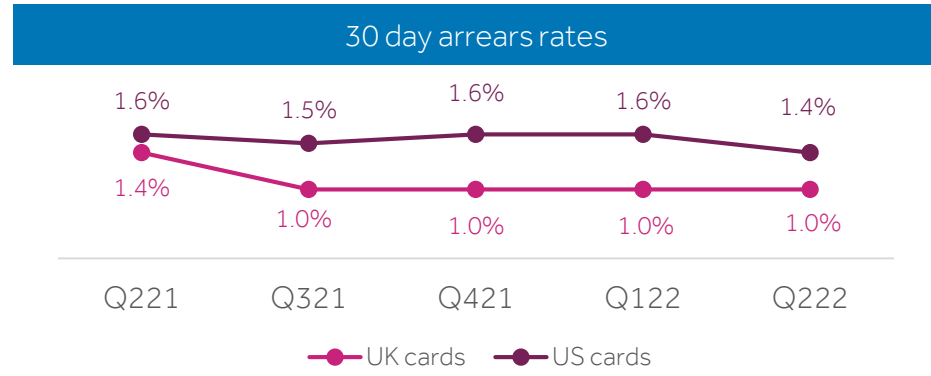
CET1 ratio
13.6%

TNAV per share
297p

Total capital return
c.5.25p equivalent
per share

¹ The 6% appreciation of average USD against GBP positively impacted income and profits and adversely impacted credit impairment charges and total operating expenses | ² Refers to the Over-issuance of Securities under Barclays Bank PLC's US shelf registration statements on Form F-3 filed with the US Securities and Exchange Commission in 2018 and 2019. Please refer to the Barclays PLC Interim 2022 Results Announcement for details. This matter will be referred to as "Over-issuance of Securities" hereafter | ³ Excludes Q222 income of £758m from hedging arrangements relating to the Over-issuance of Securities. See slides 37-40 for details of the adjustments made in respect of the Over-issuance of Securities | ⁴ Litigation and conduct | ⁵ Loan loss rate |

Impairment: Q222 charge of £0.2bn, reflecting lower unsecured lending balances and maintained appropriate coverage ratios

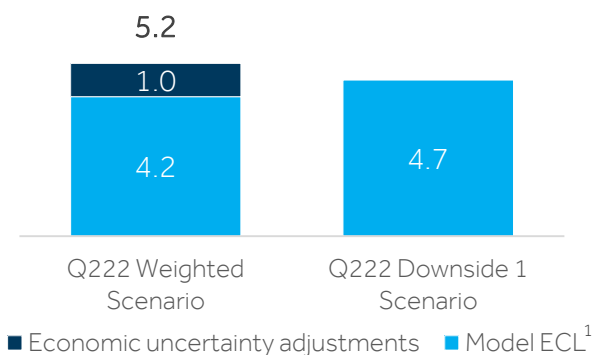


Impairment charge is expected to remain below pre-COVID-19 pandemic levels in coming quarters

Retaining management adjustments due to uncertainty

Macroeconomic variables (MEVs)

		Q222 Baseline MEVs			Q222 Downside 1 MEVs		
		2022	2023	2024	2022	2023	2024
UK GDP	Annual growth	3.9%	1.7%	1.6%	3.5%	-1.6%	0.6%
UK unemployment	Quarterly average	4.0%	4.1%	3.9%	4.6%	6.2%	6.2%
US GDP	Annual growth	3.3%	2.2%	2.1%	2.7%	-1.0%	1.1%
US unemployment	Quarterly average	3.6%	3.5%	3.5%	4.1%	5.7%	6.2%



- Economic uncertainty adjustments provide headroom to a modelled move to Downside 1 MEVs (see above)

Balance sheet impairment allowance and management adjustment

Impairment allowance (£m)	Dec-19	Mar-22	Write-offs	P&L charge	Other incl. FX	Jun-22
Allowance pre-model adjustment	6,290	4,715				4,736
Post-Model Adjustment (PMA)	340	1,323				1,287
<i>of which: economic uncertainty adjustments</i>	-	1,462				1,038
<i>of which: other PMAs</i>	340	(139)				249
Total	6,630	6,038	(422)	200	207	6,023

- Total impairment allowance remained broadly unchanged at £6.0bn
- Coverage ratios remain broadly stable across portfolios

Impairment charge is expected to remain below pre-COVID-19 pandemic levels in coming quarters

¹ Excludes non-modelled exposures including the newly acquired GAP portfolio |

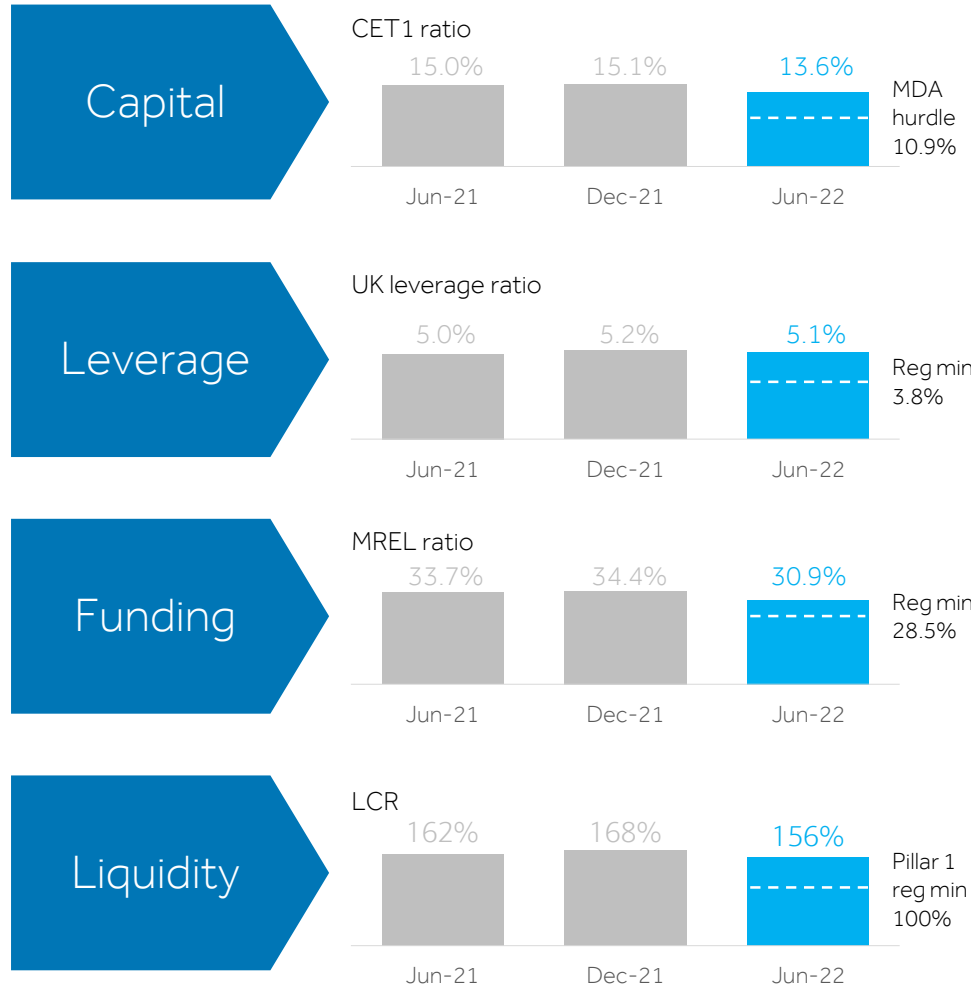


Daniel Fairclough

Group Treasurer

H122 highlights¹

Strong balance sheet evidenced across key metrics



Prudently managed capital position;
CET1 ratio of 13.6%,
with target of 13-14%

Stable leverage position;
UK leverage exposure of £1,151bn,
with UK leverage ratio of 5.1%

Ahead of end-state MREL requirements;
MREL position of £106.5bn,
with MREL ratio of 30.9%

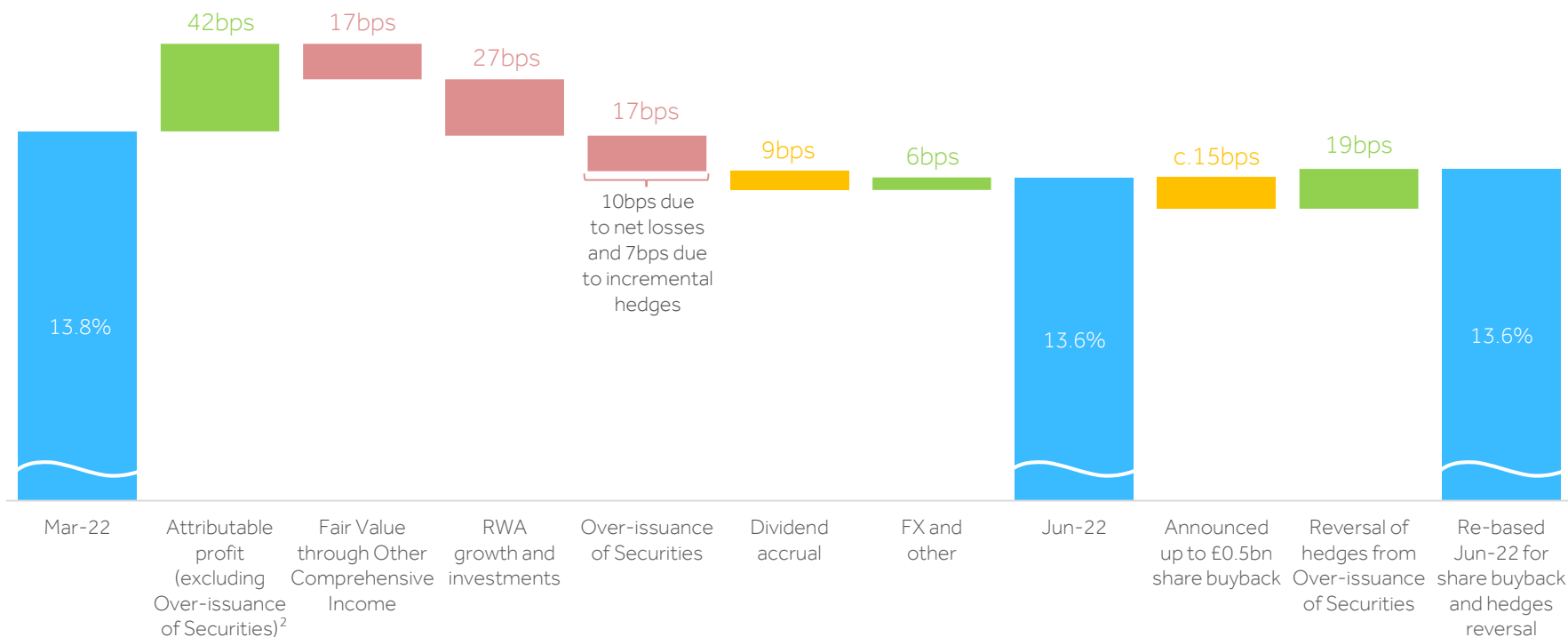
Robust liquidity levels;
Liquidity pool of £343bn,
with LCR of 156%

¹ The comparative capital and leverage metrics relating to Q221 – Q421 have been restated to reflect the impact of the Over-issuance of Securities |

Q222 CET1 ratio of 13.6%

42bps generated from profits more than offset by reserve movements and RWA growth

QoQ CET1 ratio¹ movements

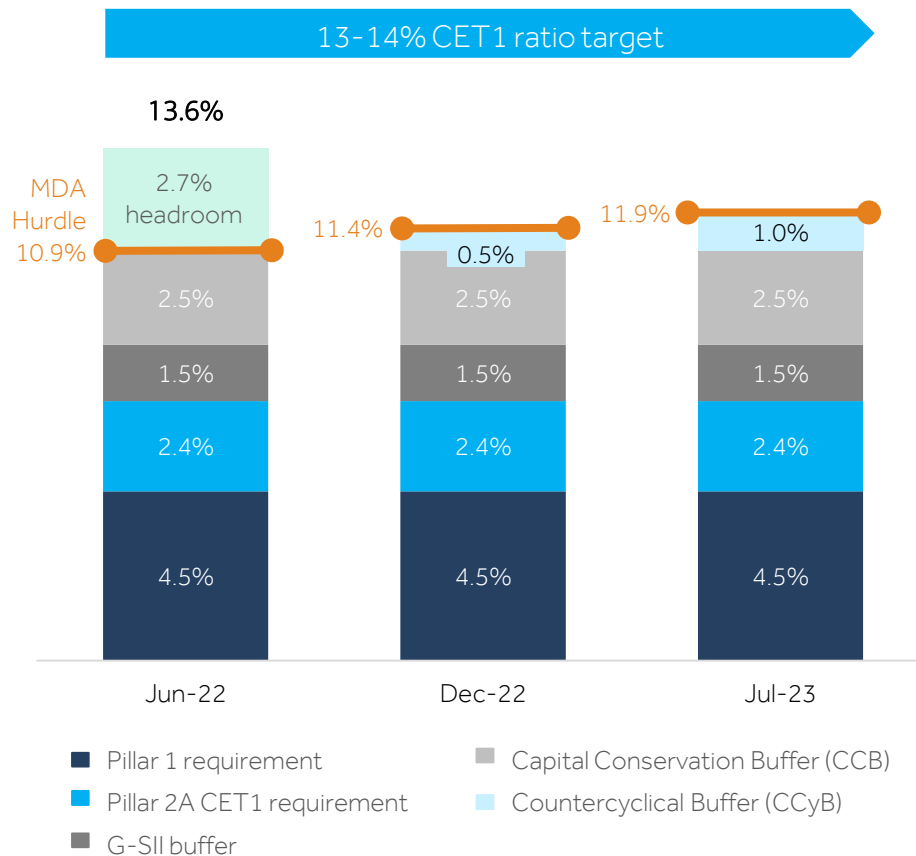


CET1 capital	£45.3bn	£1.4bn	(£0.6bn)		(£0.3bn)	(£0.3bn)	£1.2bn	£46.7bn	(£0.5bn)		£46.2bn
RWAs	£328.8bn			£6.4bn	£1.7bn		£7.6bn ³	£344.5bn		(£4.5bn)	£339.9bn

¹ The fully loaded CET1 ratio was 13.4% as at 30 June 2022 (13.6% as at 31 March 2022) | ² See slides 37-40 for details of the adjustments made in respect of the Over-issuance of Securities | ³ Includes £9.0bn of RWA growth from FX movements on credit risk, counterparty credit risk and standardised market risk RWAs | Note: Charts and tables may not sum due to rounding

13-14% CET1 ratio target continues to provide appropriate headroom above evolving MDA hurdle

Illustrative evolution of minimum CET1 requirements and buffers



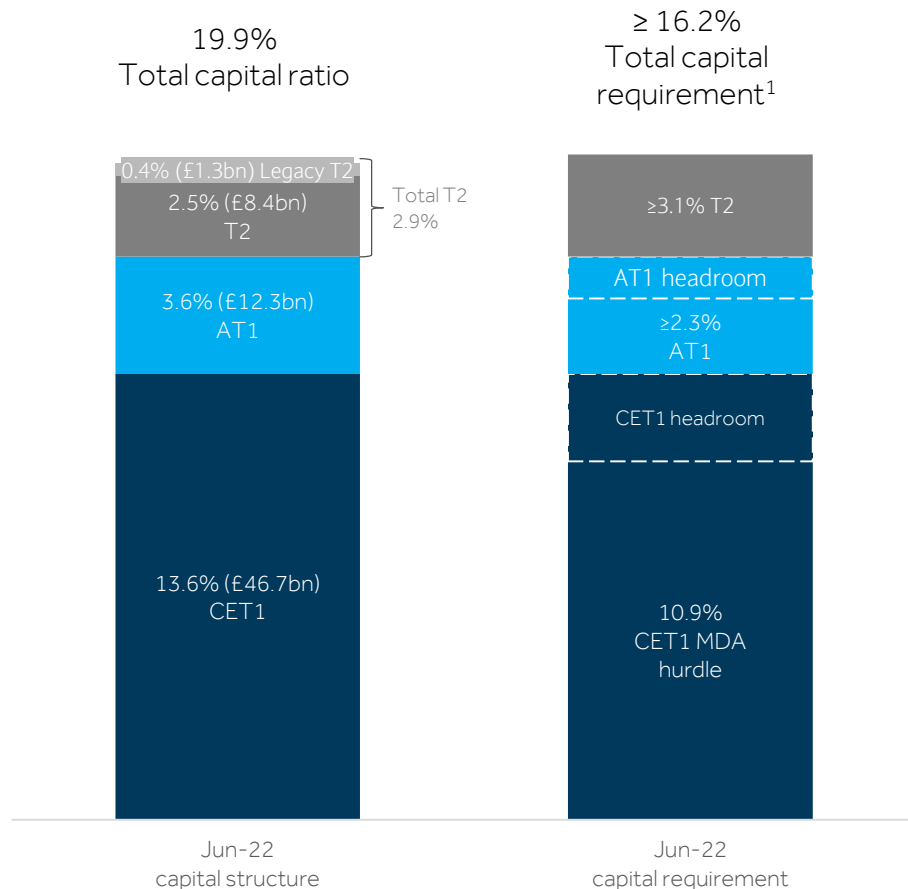
- CET1 ratio target of 13-14%, with an appropriate headroom over the MDA hurdle, which is currently 10.9%¹
- UK countercyclical buffer (CCyB): To be re-introduced at 1% in Q422 and subsequently rising to 2% in Q323. Expect the requirements to translate at a rate of c.50% for the Group
- Target RoTE of >10% translates to c.150bps of annual CET1 ratio accretion
- Notable items:
 - Pensions: Potential accelerated impact of c.30bps in Q422. There may be a pension-related reduction in Pillar 2A requirements in 2022, which could partially mitigate the impact of the unwind on the Group surplus capital position. See slide 33 for further details
 - Kensington Mortgage Company: Impact of c.12bps upon completion of acquisition. Transaction subject to regulatory approval and expected to complete in late Q422 or early Q123
- Basel 3.1: Estimated impact of 5-10% increase on 2021 RWA level on 1 Jan 2025. Introduction of Basel 3.1 may be partially mitigated by a reduction in Pillar 2A requirements

¹ Barclays' MDA hurdle at 10.9% reflecting the Pillar 2A requirement as per the PRA's Individual Capital Requirement |

Capital structure well managed

Prudent headroom above regulatory capital minimums

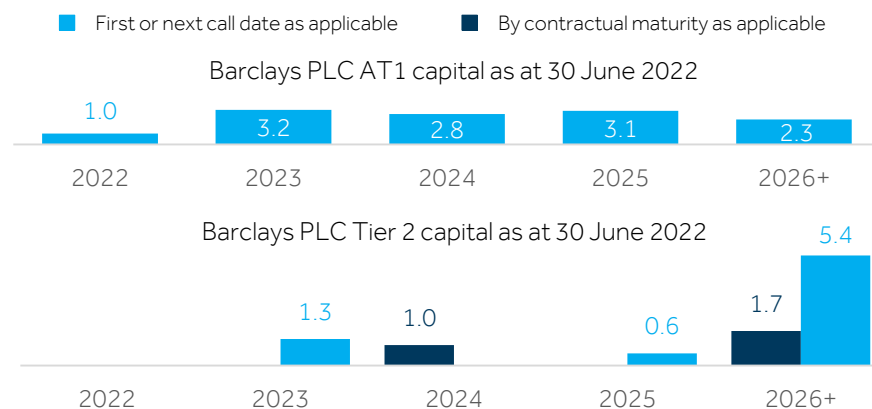
Capital structure and requirements



Balanced total capital structure

- Continue to run a robust AT1 level and maintain conservative headroom
- AT1 as a proportion of RWAs may vary due to seasonal and FX driven fluctuations, in addition to potential issuance and redemptions
- Expect to hold an appropriate level of Tier 2 to meet our total capital requirement
- After 2022 maturities, £1.7bn of BBPLC legacy capital instruments expected to remain outstanding in accordance with their call/due dates. Majority of these expected to qualify as Tier 2 until maturity/call or CRR2 grandfathered Tier 2 to Jun-25

Barclays PLC capital call and maturity profile (£bn)²

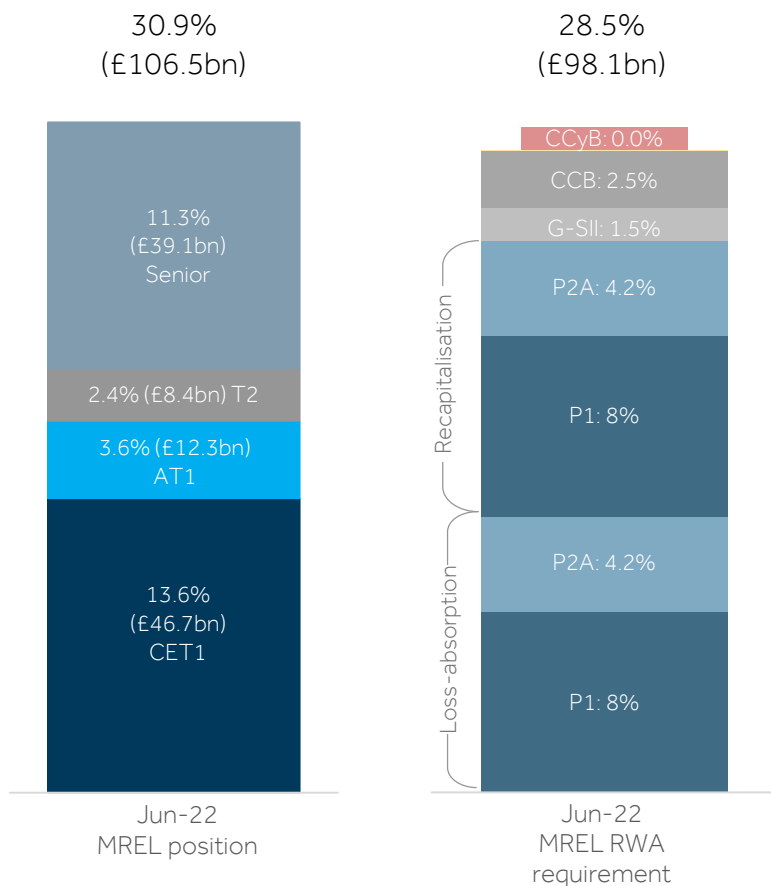


¹ Excludes headrooms and minimum requirement excludes the confidential institution-specific PRA buffer | ² Prepared on nominal basis which will not reconcile with regulatory or accounting bases due to adjustments | Note: Charts may not sum due to rounding |

MREL position well established

Expect c.£9bn of MREL issuance for 2022 plan, with c.£5.5bn remaining

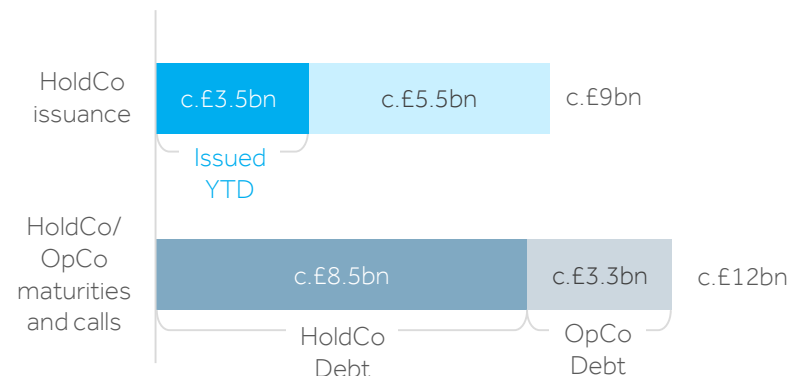
MREL position of £106.5bn as at Jun-22¹



2022 HoldCo issuance plan

- Expect c.£9bn of MREL issuance, with c.£5.5bn remaining following c.£3.5bn of Senior and AT1 issuance YTD
- Continue to look for issuance opportunities across all forms of MREL for remaining requirement, including Senior, Tier 2 and AT1
- Expect to be a net negative issuer in 2022
- Issuance plan calibrated to meet MREL requirements and allow for a prudent headroom

2022 MREL issuance, maturities and calls



¹MREL position has been calculated as a percentage of RWAs. The MREL requirement must meet the higher of the RWA or UK leverage bases. MREL position does not include subsidiary issuances that since 1 January 2022 has not counted towards MREL |

Resolvability Assessment Framework – no shortcomings across all areas of assessment

- On 10 June 2022, the BoE published its assessment on the resolvability of major UK banks
- Barclays was deemed to have no shortcomings, deficiencies or substantive impediments in its resolution strategy¹
- The Treasury items of MREL and funding in resolution assessed at the top-end of the BoE's assessment scale (i.e. judged to have no material issues currently identified)
- Two areas (valuations and restructuring planning) were identified for further enhancement, where additional assurance is required to ensure that the capabilities would work as intended in a resolution

BoE's assessment scale				
No material issues currently identified	Area for further enhancement	Shortcoming	Deficiency	Substantive impediment

BoE's assessment of Barclays' resolvability capabilities		
Adequate financial resources	MREL	Green
	Valuations	Yellow
	Funding in resolution	Green
Continuity and restructuring	Continuity of financial contracts in resolution	Green
	Operational continuity in resolution	Green
	Continuity of access to financial market infrastructure	Green
	Restructuring planning	Yellow
Co-ordination and communication	Management, governance and communications	Green

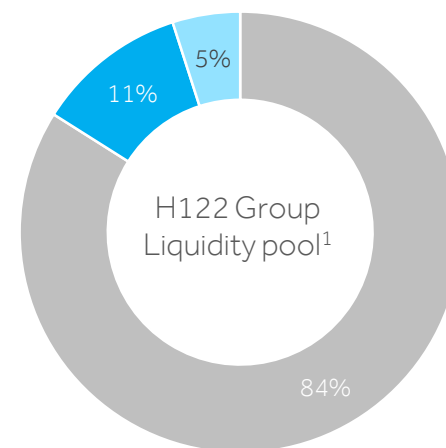
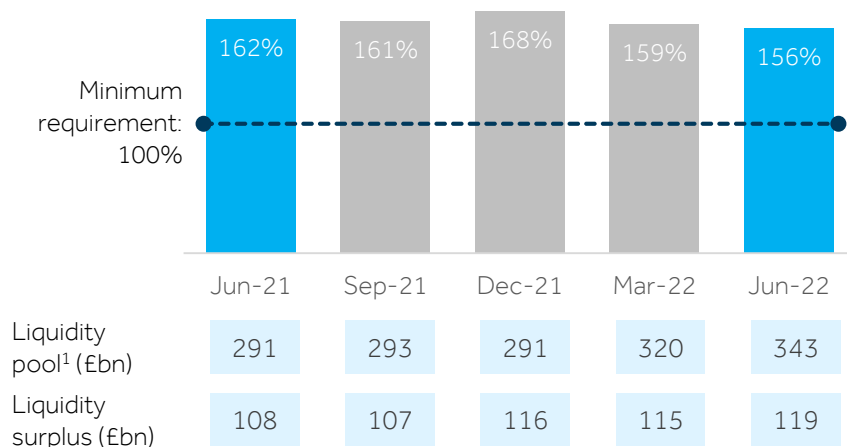
¹ Barclays' full report on its readiness for resolution is available on <https://home.barclays/content/dam/home-barclays/documents/investor-relations/reports-and-events/annual-reports/2021/20220610-Barclays-RAF.pdf>

High quality liquidity position

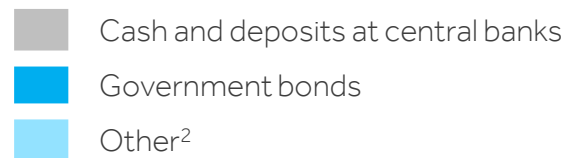
Strong liquidity position, with Group LCR well above regulatory requirements

Comfortably exceeding minimum requirements

Majority of pool held in cash and deposits at central banks



- Quality of the liquidity pool remains high, with the majority held in cash and deposits with central banks, and highly rated government bonds
- The increase in liquidity pool was driven by deposit growth and an increase in wholesale funding, which were partly offset by an increase in business funding consumption
- Liquidity pool of £343bn represents 22% of Group balance sheet



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

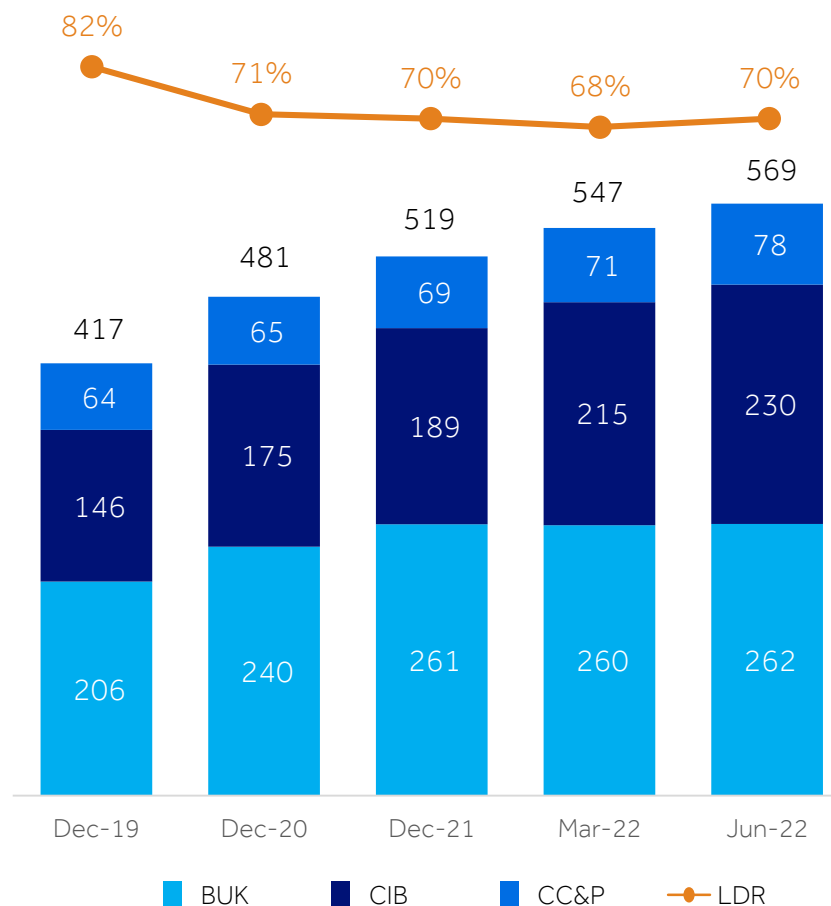
Growing deposit base

Material deposit growth since the start of the pandemic, with balances remaining elevated

Deposit dynamics and outlook

- Deposits grew by £22bn QoQ mainly driven by continued growth in corporate deposits
- Conservatively planning for some reversal of the substantial deposit inflow seen during the pandemic
- The outlook for deposits is uncertain, such as with increased cost of living and forthcoming quantitative tapering

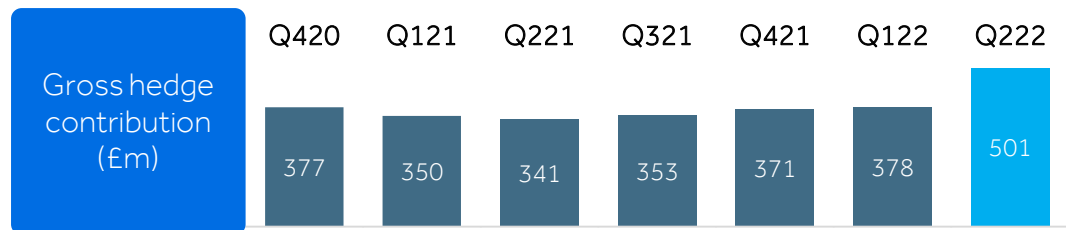
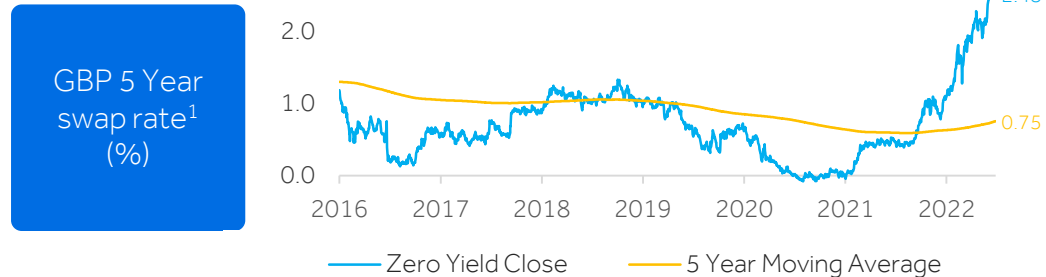
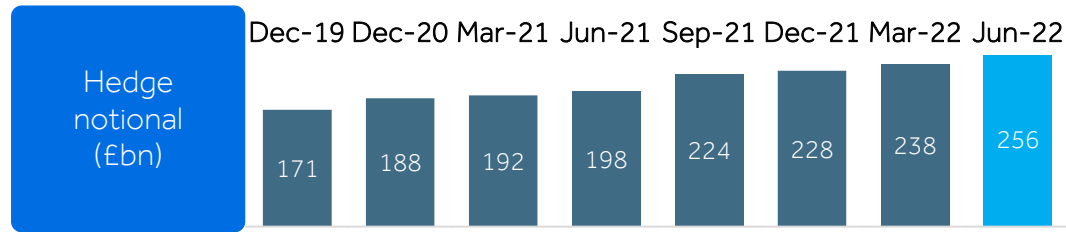
Deposit (£bn) and loan: deposit ratio evolution



Note: Charts and tables may not sum due to rounding |

Structural hedge

Structural hedge programme update



Structural hedge dynamics	FY21	H122
Total hedge income (£m)	1,415	879
Average hedge balances (£bn)	204	237
Yield on hedge (%)	0.69	0.74

- The Group's combined gross equity and product structural hedge contribution was £501m in Q222 (Q122: £378m)
- The combined structural hedge notional as at Jun-22 was £256bn, an £18bn increase from Mar-22 and an £85bn increase from Dec-19
 - The £85bn increase in structural hedge notional is relative to an increase in Group deposits of £153bn since Dec-19
- The average duration of the structural hedge remains at close to 3 years
- Given recent moves in the yield curve and the increase in hedge notional, the structural hedge contribution in FY22 is currently expected to be materially higher than in FY21

¹ UK Pound Sterling SONIA OIS Zero 5 Year Point (Refinitiv: GBPOIS5Y=R) |

Strategic priority to maintain strong ratings

Current Senior Long and Short Term ratings	Moody's	Standard & Poor's	Fitch
Barclays PLC	 <p>Baa2 Positive P-2</p>	 <p>BBB Positive A-2</p>	 <p>A Stable F1</p>
Barclays Bank PLC (BBPLC)	 <p>A1 Stable P-1</p> <p>Counterparty risk assessment A1/P-1 (cr)</p>	 <p>A Positive A-1</p> <p>Resolution counterparty rating A+/A-1</p>	 <p>A+ Stable F1</p> <p>Derivative counterparty rating A+/Negative (dcr)</p>
Barclays Bank UK PLC (BBUKPLC)	 <p>A1¹ Stable P-1</p> <p>Counterparty risk assessment Aa3/P-1 (cr)</p>	 <p>A Positive A-1</p>	 <p>A+ Stable F1</p> <p>Derivative counterparty rating A+/Negative (dcr)</p>

¹ Deposit rating |

Sustainable finance activities through Treasury

Sustainable Impact Capital Programme

Mission

Accelerate the transition to a net zero future by investing £175m between 2020-25 in:

- Fast-growing
- Innovative
- Advancing environment-related UN SDGs
- Developing GHG reduction technologies
- Private companies

Strategy

Invest in propositions that are strategic, impactful and economic:

Strategic

Supporting Barclays' goal of transitioning its businesses, customers and communities to a net-zero and net-negative long-term operating model

Impactful

Reaching meaningful environmental benefits, particularly with respect to the evolving need for decarbonisation

Economic

Achieving long term commercial success by investing in scalable innovators

Portfolio as at H122



£81m invested under the Sustainable Impact Capital Programme as at H122



Q&A



Appendix

Strong H122 profitability, continue to target a RoTE >10% in 2022

H122 metrics

Returns

Group RoTE 10.1%

Cost efficiency

Cost: income ratio 69%

Capital adequacy

CET1 ratio 13.6%

Capital distributions

Total payout equivalent of
c.5.25p per share¹
2.25p per share half year dividend
Up to £0.5bn buyback announced

Group targets over the medium term

Returns

Group RoTE >10%
Continue to target
a RoTE >10% in 2022

Capital adequacy

CET1 ratio 13-14%

Cost efficiency

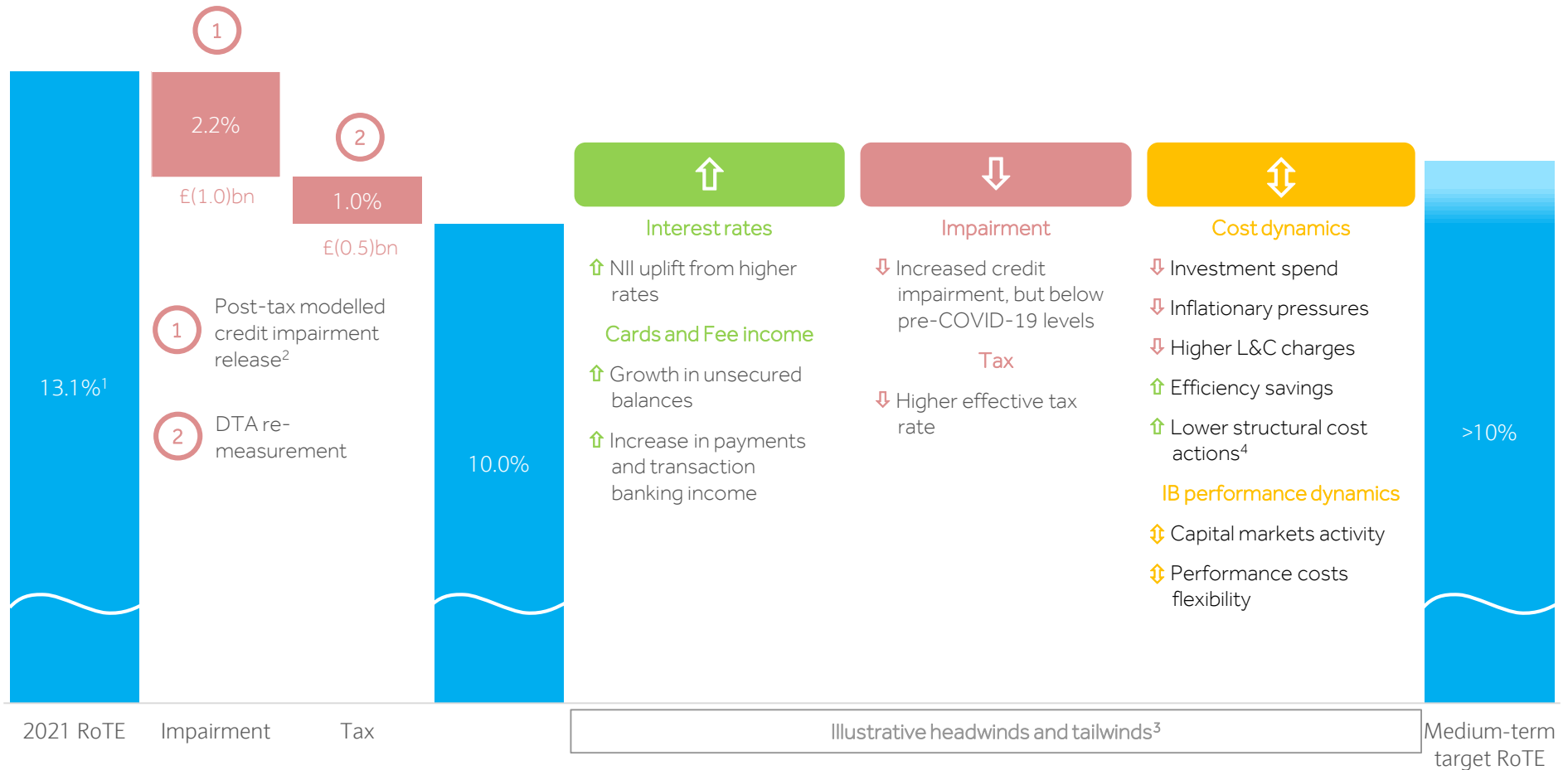
Cost: income ratio <60%

Capital distributions

Progressive ordinary dividend
supplemented with buybacks
as appropriate

¹ Announced with H122 results |

Barclays is well-positioned to deliver sustainable double digit returns



¹ 2021 financial and capital metrics have been restated to reflect the impact of Over-issuance of Securities. See slides 37-40 for details of the adjustments made in respect of the Over-issuance of Securities | ² Post-tax equivalent of Stage 1 and 2 impairment release of €1,346m | ³ Bars not to scale | ⁴ 2021 structural cost actions reduced the 2021 RoTE by 1.1% | Note: Charts may not sum due to rounding |

Interest rate sensitivity

Illustrative sensitivity of Group NII to a parallel shift in interest rate curves¹

NII impact of parallel shifts in interest rate curves (£m)	Year 1	Year 2	Year 3
25bps upward	c.225	c.375	c.525
25bps downward	c.(250)	c.(400)	c.(550)

- This analysis assumes an instantaneous 25bps parallel shift in interest rate curves and a 25bps shock to the underlying bank rate
- Around two thirds of the Group income benefit from the illustrative 25bps upward parallel shift is in BUK, with the remaining in BI
- This sensitivity is calculated using a constant balance sheet - i.e. maturing business is reinvested at a consistent tenor and margin
- Actual pricing decisions may differ from the illustrative scenarios. In the event of multiple rate rises, the pass-through is likely to be higher for subsequent rate rises
- Pass-through is limited on the downward scenario, as customer rates are floored at 0% for GBP and USD deposits², including when the downward scenario reflects negative base rates
- This analysis does not apply floors to shocked market rates, thus reflecting the impact of negative base rates on Group NII in the downward scenario
- This sensitivity is not a forecast of interest rate expectations. In the event of an interest rate change, the actual impact on Group NII may differ from that illustrated in this analysis
- Compared to Q122, the £50m reduction in illustrative Group NII benefit in Year 1 from a 25bps upward parallel shift reflects the growth in the structural hedge notional, which provides more long-term stability to the income profile

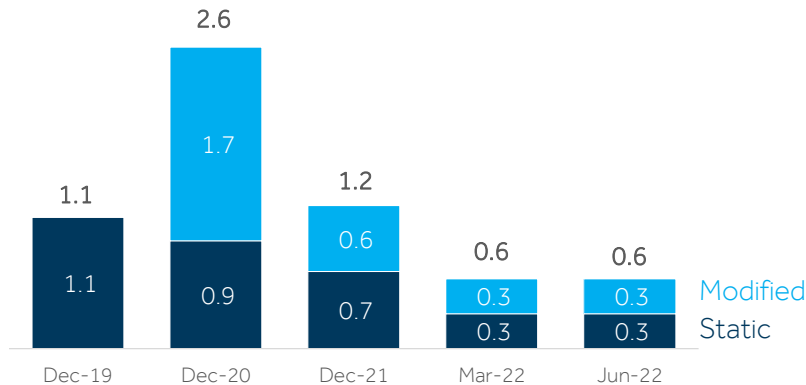
¹This sensitivity is based on the modelled performance of the consumer and corporate banking book only, including the impact of both the product and equity structural hedges. It provides the absolute annual impact of a 25bps shock on Group NII over the next three years, for illustrative purposes only, and is based on a number of assumptions regarding variables which are subject to change. Such assumptions might also differ from those underlying the AEaR calculation in the Barclays PLC Annual Report 2021 | ²With regards to the relatively modest balance of EUR deposits that are currently subject to charging, no incremental pass-through of further rates reductions are assumed in the illustrative scenario |

IFRS 9 transitional relief of c.20bps as at Jun-22

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

- 75% transitional relief for modified impairment post Dec-19 applied in 2022
- Transitional relief schedule for static component per original schedule
- Total post-tax IFRS 9 transitional relief as at Jun-22 is c.£0.6bn or c.20bps capital, flat QoQ and down c.20bps compared to Dec-21
 - IFRS 9 modified transitional relief applies to Stage 1 and 2 impairments
 - Transitional basis of capital remains the relevant measure for our capital adequacy assessment by regulators
 - Total post-tax IFRS 9 transitional relief reduced by c.20bps to c.20bps from 1 Jan 2022

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

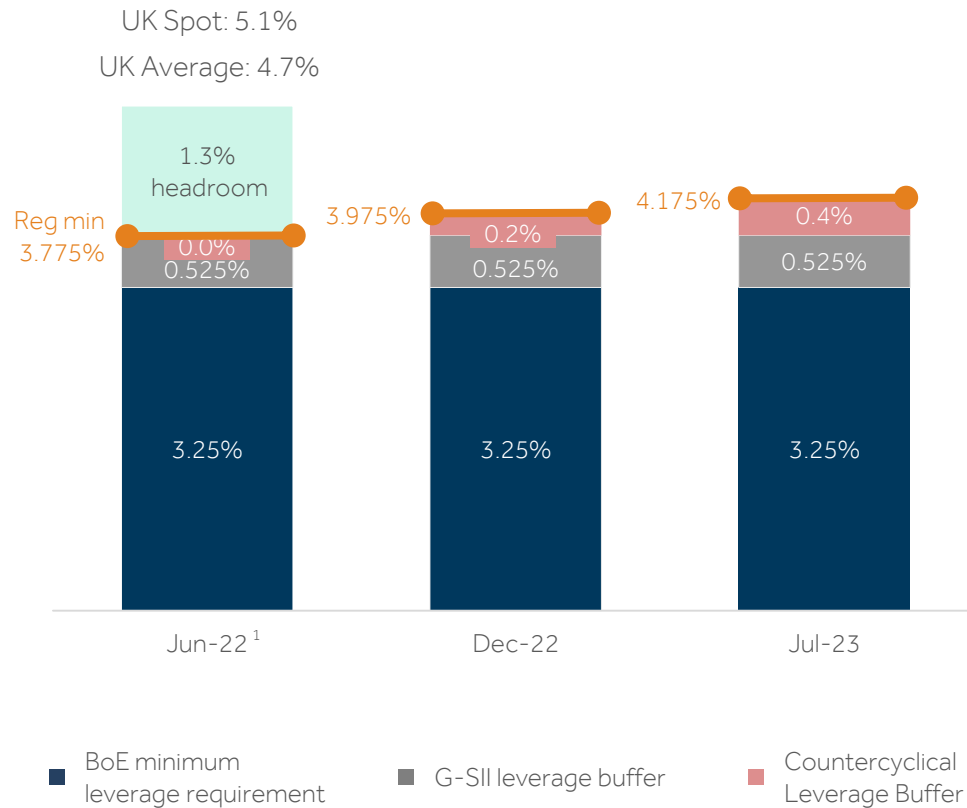


Relief Schedule	Pre-2020	2020 onwards
2020	70%	100%
2021	50%	100%
2022	25%	75%
2023		50%
2024		25%

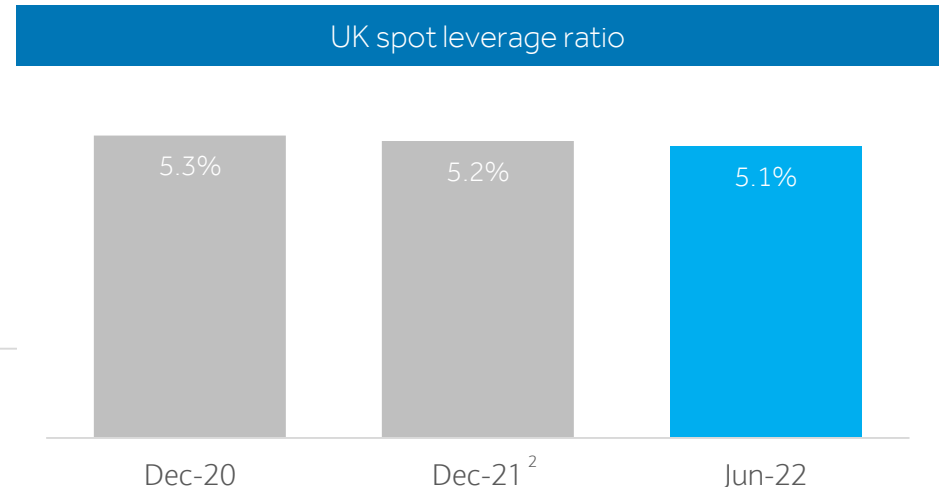
Note: Charts may not sum due to rounding |

Group leverage position appropriately managed

Illustrative evolution of minimum leverage requirements and buffers under the UK regime



- Q222 headroom to minimum leverage requirement of 130bps
- The RWA-based CET1 ratio is expected to remain our primary regulatory constraint through the cycle
- Following the BoE's Financial Policy Committee (FPC) and the PRA's review of the UK leverage framework, the Group now has a single UK leverage requirement from 1 Jan 2022. The requirement must be met on a daily basis

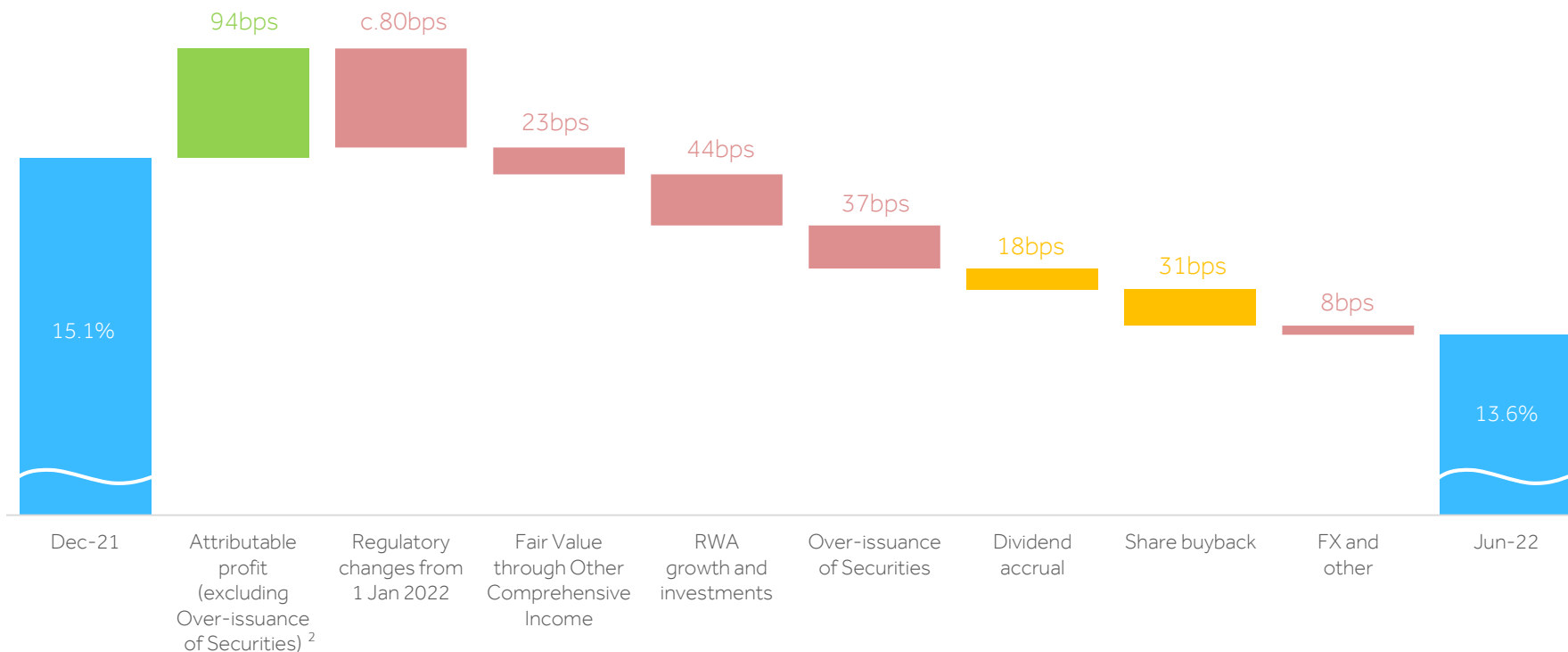


¹ Leverage ratio calculated applying the transitional arrangements of the CRR as amended by CRR II. This includes IFRS 9 transitional arrangements | ² The comparative capital and financial metrics relating to Q221 – Q421 have been restated to reflect the impact of the Over-issuance of Securities |

H122 CET1 ratio of 13.6%

94bps generated from profits more than offset by regulatory changes and RWA growth

YTD CET1 ratio¹ movements

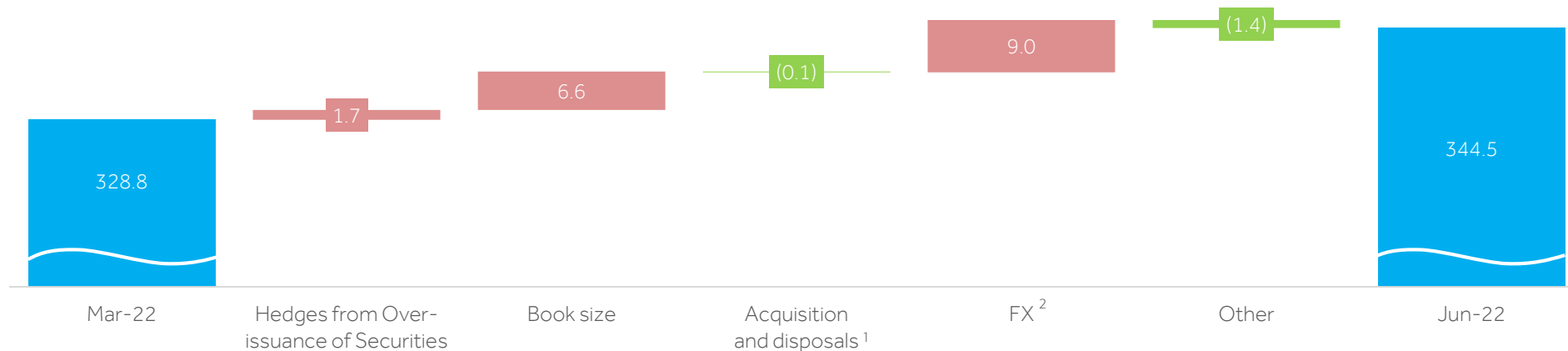


CET1 capital	£47.3bn	£3.0bn	(£1.7bn)	(£0.8bn)	(£0.6bn)	(£0.6bn)	(£1.0bn)	£1.1bn	£46.7bn
RWAs	£314.1bn		£6.6bn	£9.8bn	£4.5bn			£9.5bn ³	£344.5bn

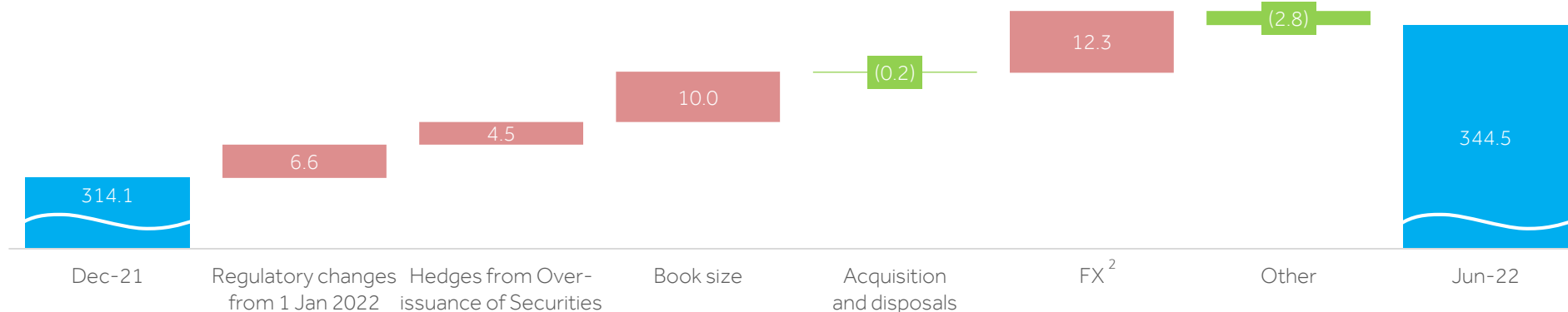
¹ The fully loaded CET1 ratio was 13.4% as at 30 June 2022 (14.7% as at 31 December 2021) | ² See slides 37-40 for details of the adjustments made in respect of the Over-issuance of Securities | ³ Includes £12.3bn of RWA growth from FX movements on credit risk, counterparty credit risk and standardised market risk RWAs | Note: Charts and tables may not sum due to rounding |

RWA increase driven by book growth and FX

QoQ RWA movements (£bn)



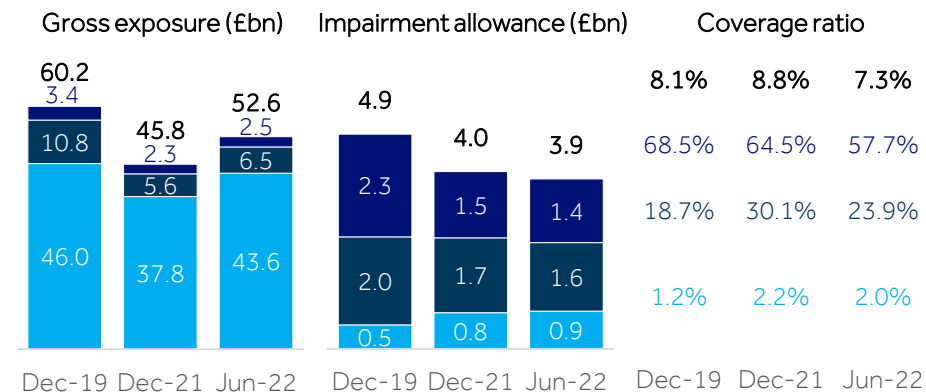
YTD RWA movements (£bn)



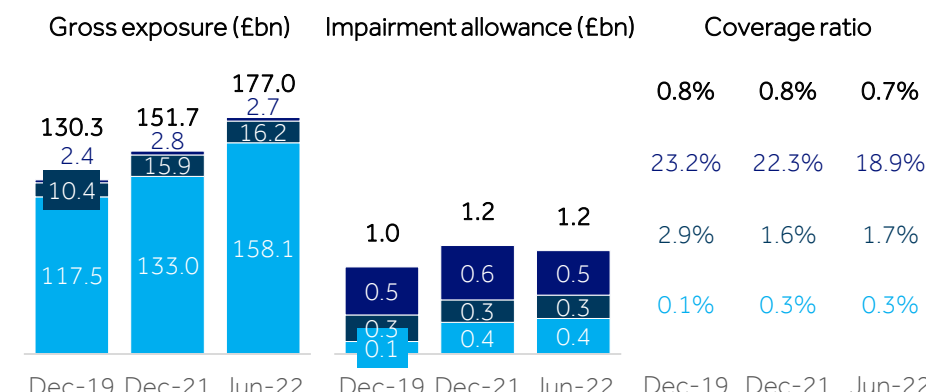
¹ The GAP portfolio acquisition contributed £2.0bn of RWAs and the partial disposal of Barclays' equity stake in ABSA reduced RWAs by £2.1bn | ² FX on credit risk, counterparty credit risk and standardised market risk RWAs | Note: Charts may not sum due to rounding |

Jun-22 coverage ratios remain strong

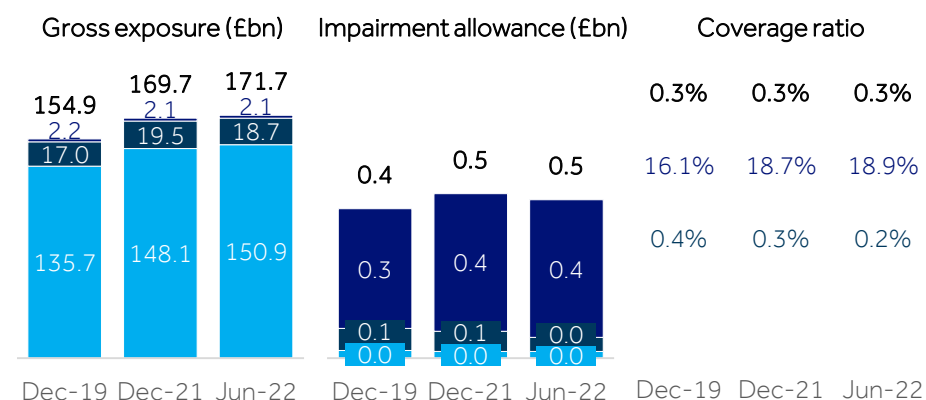
Credit cards, unsecured loans and other retail lending



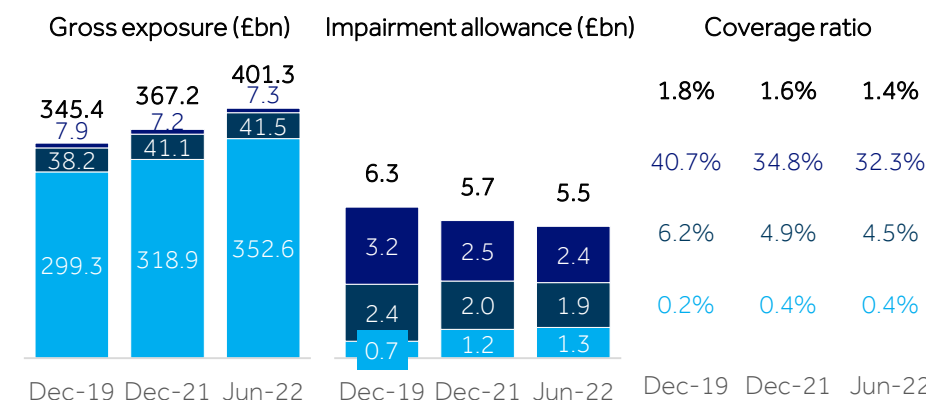
Wholesale loans



Home loans



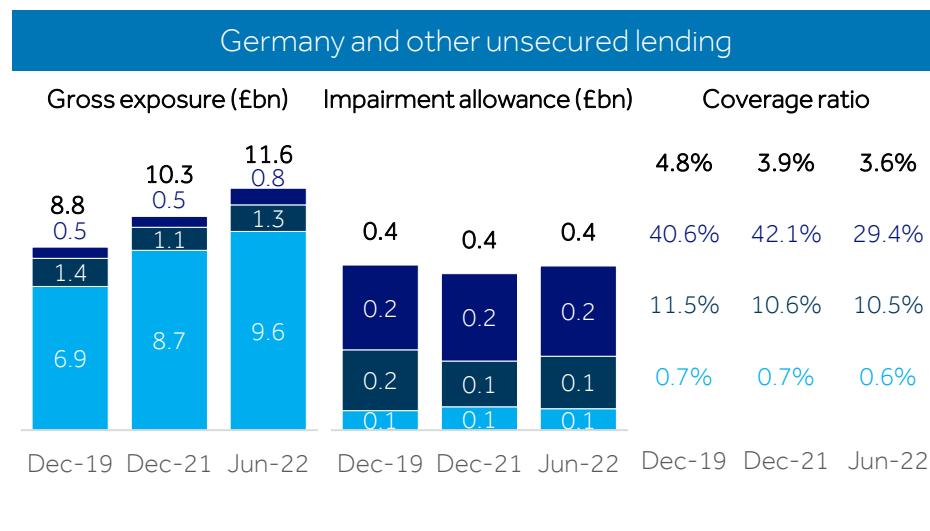
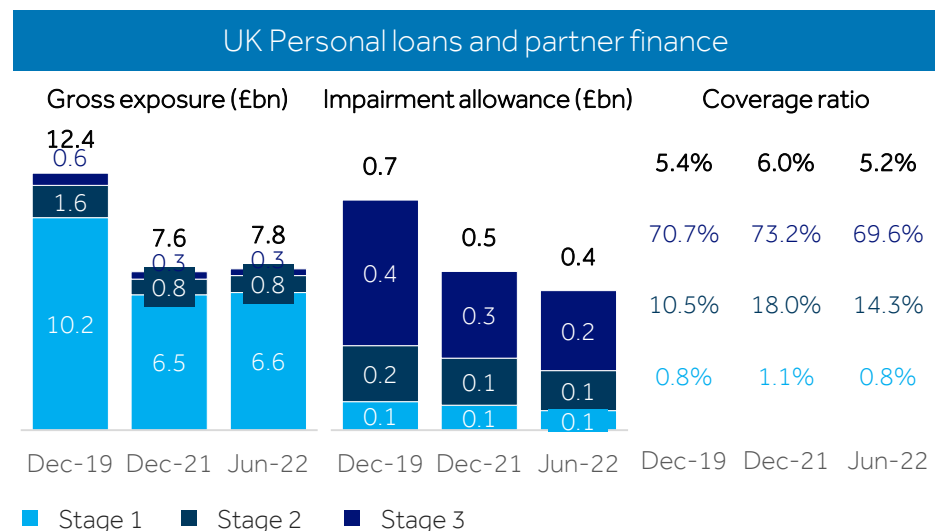
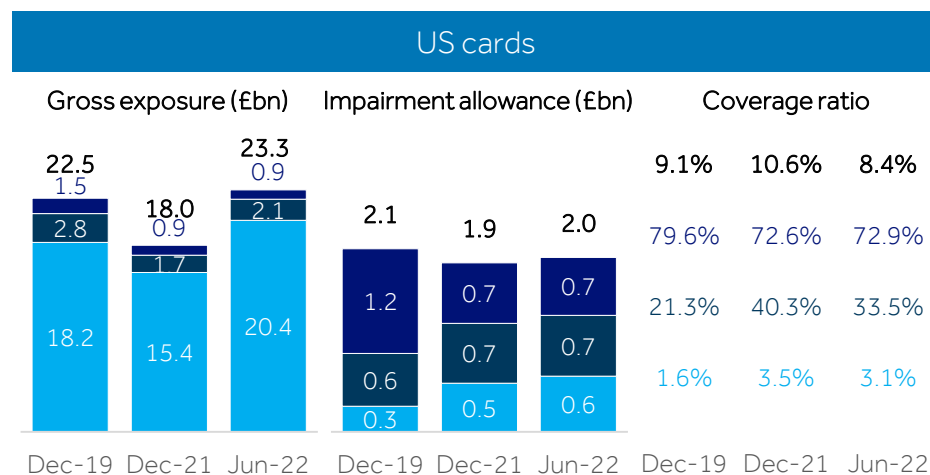
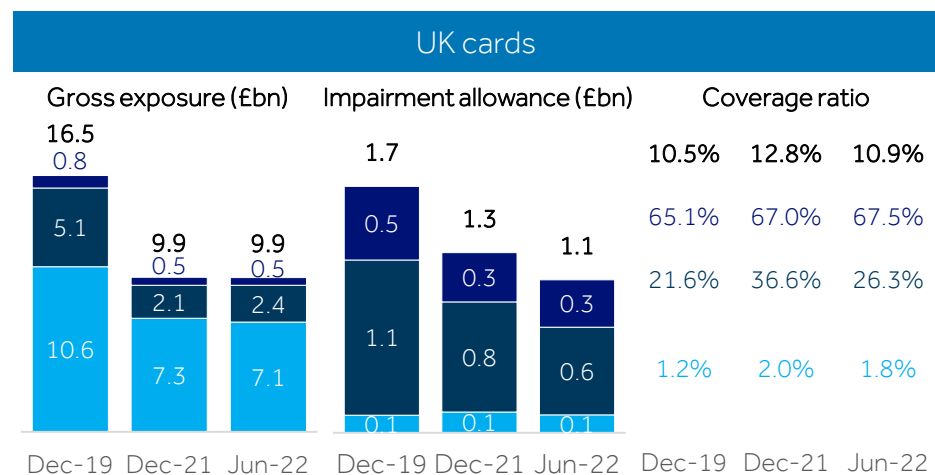
Total loans



■ Stage 1 ■ Stage 2 ■ Stage 3

Note: Charts may not sum due to rounding |

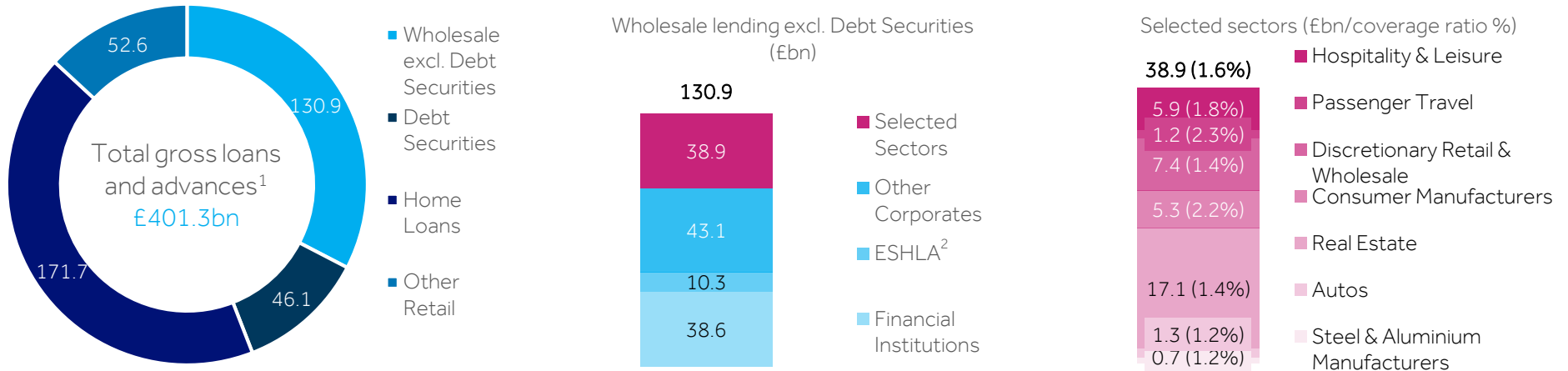
Jun-22 UK and US cards coverage ratios remain robust



Note: Charts may not sum due to rounding |

Wholesale exposures are diversified and appropriately covered, including in selected sectors

Wholesale and selected sector exposure



Well diversified portfolio across sectors and geographies

- Majority of exposure (>65%) is to clients internally rated as Investment Grade or have a Strong Default Grade classification. Non-Investment Grade exposure is typically senior and lightly drawn
- c.30% of the book is secured, increasing to >60% for the selected sectors
- c.25% synthetic protection against c£51bn of on balance sheet exposure in the CIB Lending portfolio
- c.30% synthetic protection on an exposure at default (EAD) basis for the CIB Lending portfolio, with higher average levels of protection for selected sectors, lower quality credits and unsecured exposures
- Active identification and management of high risk sectors enable actions to be taken to enhance lending criteria and reduce risk profile
- Covenants in place based on leverage, LTVs, and debt service ratios for clients in high risk sectors
- Selected sectors have evolved as macroeconomic uncertainty has shifted from COVID-19 towards areas particularly exposed to weaker consumer sentiment/cost inflation, ongoing higher input costs and supply chain disruptions
- Discretionary Retail & Wholesale – top names are typically consumer staples and includes all discretionary names
- Passenger Travel – tenor of lending typically with an average life of 2-4 years, senior secured for high yield counterparties and focused on top tier airlines in the UK and US. Also includes aircraft leasing and related industries
- Consumer Manufacturers – includes any consumer product including non-discretionary e.g. food
- Real Estate – includes construction. Lack of demand for long term demand for commercial real estate post COVID-19 due to changes in working patterns. In addition to underlying tenants' exposure to macro challenges

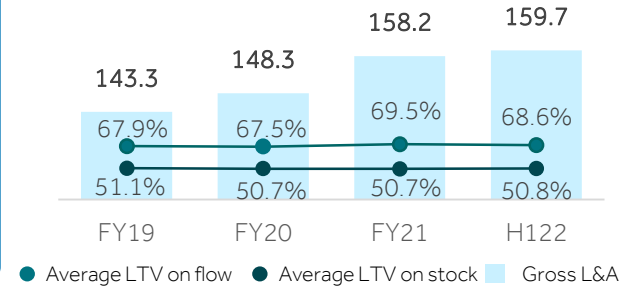
¹ Loans and advances at amortised cost | ² Education, Social Housing and Local Authority |

Retail portfolios in the UK and US continue to be appropriately positioned

UK mortgages

- Strong balance growth supported by elevated market demand
- Arrears levels at multi-year lows
- 50.8% average balance weighted LTV of mortgage book stock
- Buy-to-Let mortgages represent 12.8% of the book

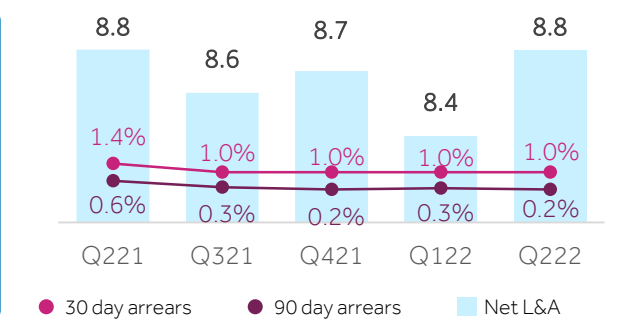
UK mortgage balance growth within risk appetite



UK cards

- Balances have shown marginal growth during Q2, following periods of lower lending demand and higher repayment rates
- Overall balances remain significantly below pre-pandemic levels
- Arrears rates remain stable at low levels
- Portfolio resiliently positioned against potential affordability stress

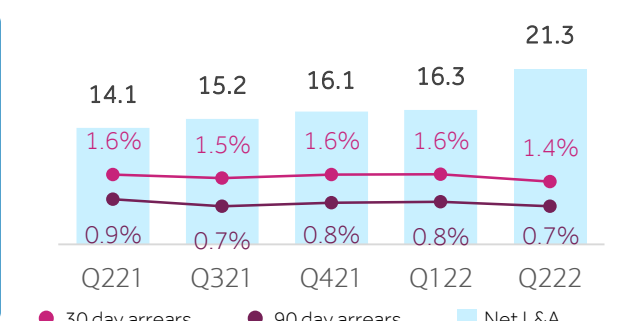
UK cards arrears rates improved YoY



US cards

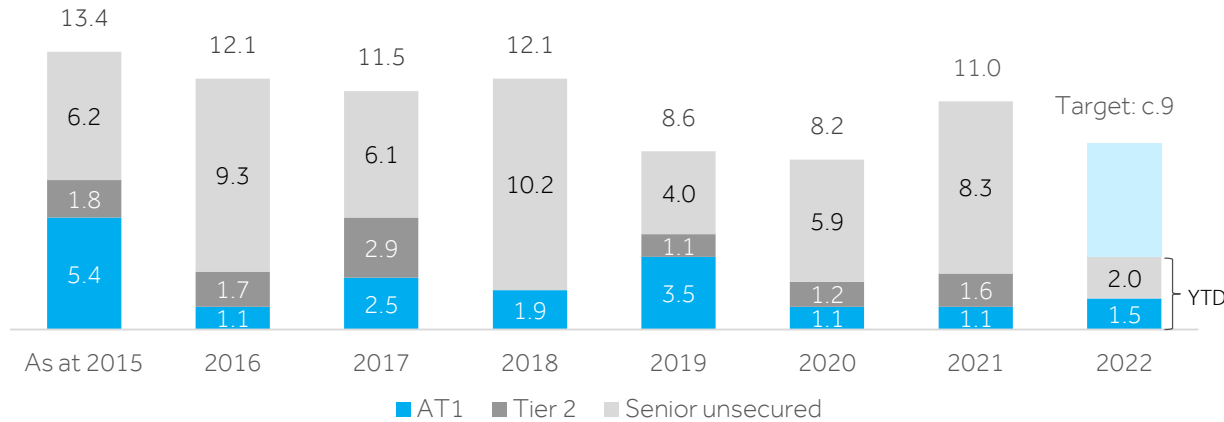
- Portfolio remains well positioned across key segments with good risk/return balance
- Arrears remain near historical lows, but monitoring portfolio for signs of stress
- Assets trending higher YoY and successful launch of GAP co-brand and private label card programme added \$3.3bn (£2.7bn)
- Continuing our focus on partnership co-brand strategy

US cards arrears rates improved YoY

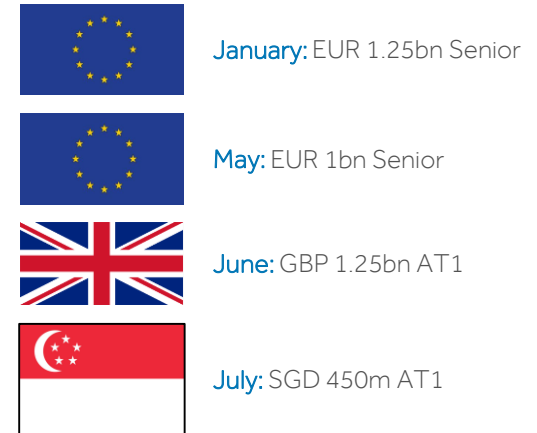


Continue to target c.£9bn of HoldCo issuance for 2022 plan

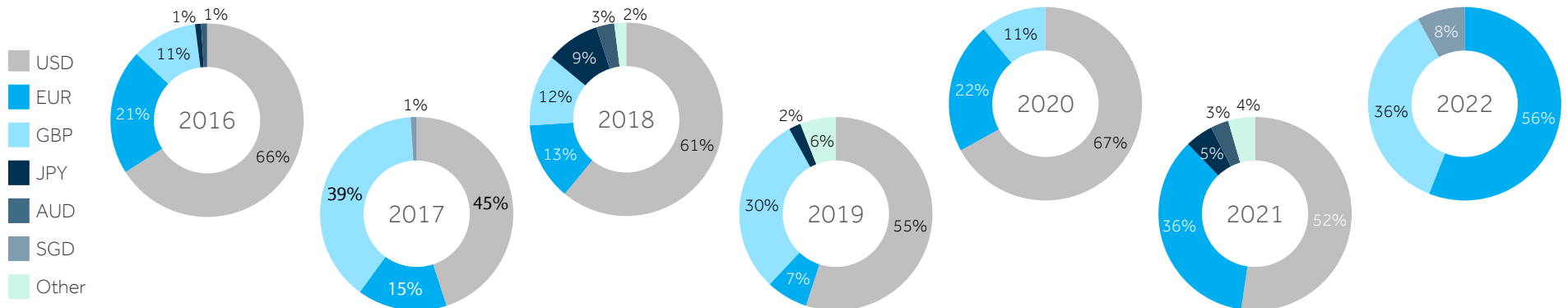
Annual HoldCo issuance volume (£bn)^{1,2}



2022 HoldCo issuance by currency²



Diversified currency of HoldCo issued instruments (%)³



¹ Annual issuance balances based on FX rate at end of respective periods for debt accounted instruments and historical transaction rates for equity accounted instruments | ² 2021 issuance includes USD 4bn Senior Unsecured and USD 400m Senior Unsecured Formosa, which constitute pre-funding for 2022 | ³ FX rates as at respective period ends | Note: Charts may not sum due to rounding |

Pension deficit reduction contributions

Potential acceleration of CET1 ratio headwinds from pension reduction contributions

- During 2019 and 2020, the UK Retirement Fund (UKRF), the Group's main pension scheme, subscribed for non-transferable listed senior fixed rate notes for £1.25bn. As a result of these transactions, the CET1 impact of the 2019 and 2020 deficit contributions was deferred until 2023, 2024 and 2025 upon maturity of the notes
- Following the PRA's statement on 13 April 2022, **Barclays is planning to unwind these transactions** and to agree the terms and timing of this unwind with the UKRF Trustee as part of the next triennial actuarial valuation as at 30 September 2022. **Upon unwind, this would result in a c.30bps reduction to the CET1 ratio potentially being accelerated to Q422** from 2023, 2024 and 2025
- As at 30 June 2022, the UKRF was in an **accounting surplus of £5.2bn** on an IAS19 basis and as at 30 September 2021 was in a **funding surplus of £0.6bn**
- **There may also be a pension related reduction in Pillar 2A requirements in 2022** which could partially mitigate the impact of the unwind on the Group surplus capital position

Capital impact schedule per FY21 results					
Capital impact of deficit reduction contributions (£bn)	2022	2023	2024	2025	Sum 2022-25
Based on 2019 Triennial valuation	(0.3)	(0.3)	-	-	(0.6)
Dec-2019 £500m Senior Notes ¹	-	-	(0.5)	-	(0.5)
Jun-2020 £750m Senior Notes ¹	-	(0.25)	(0.25)	(0.25)	(0.75)
Capital impact (pre-tax)	(0.3)	(0.55)	(0.75)	(0.25)	(1.85)
Capital impact (pre-tax bps) – based on Jun-22 RWAs	(9)bps	(16)bps	(22)bps	(7)bps	(54)bps
Capital impact (approximate post-tax bps) – based on Jun-22 RWAs					

Potential accelerated capital impact schedule					
2022	2023	2024	2025	Sum 2022-25	
(0.3)	(0.3)	-	-	(0.6)	
(0.5)	-	-	-	(0.5)	
(0.75)	-	-	-	(0.75)	
(1.55)	(0.3)	-	-	(1.85)	
(45)bps	(9)bps	-	-	(54)bps	
c.(40)bps					

¹ During 2019 and 2020 the UKRF subscribed for non-transferable listed senior fixed rate notes for £1,250m, backed by UK gilts (the Senior Notes) |

Strong legal entity capital and liquidity positions

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

Barclays PLC

— Accounting and regulated sub-group

- - - Accounting sub-group

Barclays Bank UK PLC (BBUKPLC) sub-group

Barclays Bank UK PLC (solus)

Capital regulated on a consolidated and solus basis¹

Subsidiaries

No material regulated subsidiaries exist in the BBUKPLC sub-group

Barclays Bank PLC (BBPLC) sub-group

Barclays Bank PLC (solo)

Capital continues to be regulated on a solo basis²

US IHC

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

Barclays Bank Ireland

Regulated by the Single Supervisory Mechanism of the ECB

Other subsidiaries

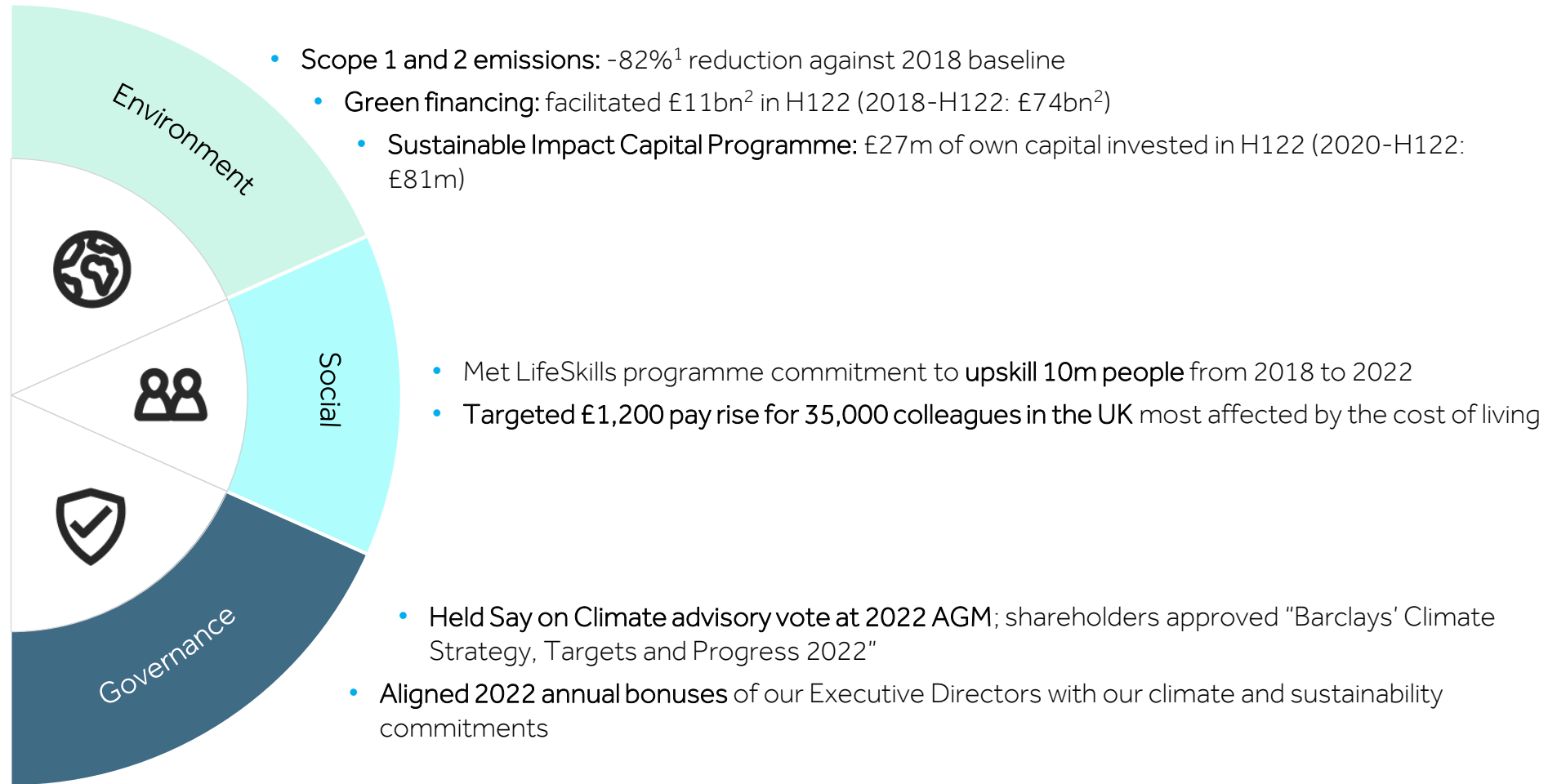
A mix of regulated and unregulated subsidiaries

BBUKPLC metrics ³	H121 ⁵	FY21 ⁵	H122
CET1 ratio	16.0%	15.2%	14.8%
Average UK leverage ratio	5.6%	5.5%	5.3%
LCR ⁴	203%	204%	185%
Liquidity pool	£80bn	£86bn	£86bn

BBPLC (solo) metrics ³	H121 ⁵	FY21 ⁵	H122
CET1 ratio	13.9%	12.9%	12.8%
UK leverage ratio	-	3.7%	4.6%
LCR ⁴	131%	140%	137%
Liquidity pool ⁶	£211bn	£205bn	£257bn

¹ Regulation on a consolidated basis became effective on 1 Jan 2019 | ² BBPLC (solo) contains additional relatively small entities that are brought into scope for regulatory solo requirements | ³ Capital metrics calculated based on CRR transitional arrangements, as amended by CRR II. This includes IFRS 9 transitional arrangements and the grandfathering of CRR and CRR II non-compliant capital instruments | ⁴ BBUK Group and BBPLC DoLSub liquidity coverage ratios | ⁵ The comparative capital and financial metrics have been restated to reflect the impact of the Over-issuance of Securities | ⁶ Barclays Bank Group liquidity pool |

We continued to advance our ESG agenda in H122



More information can be found in our [ESG Investor Presentation H122 key updates](#)

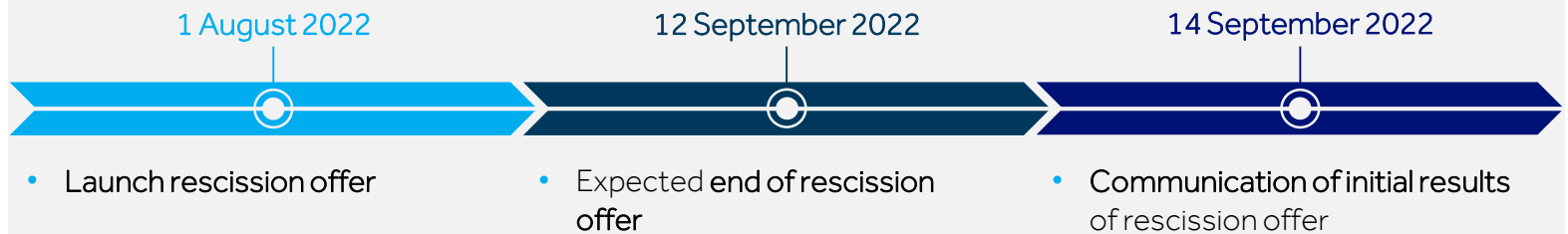
¹ Based on 12 months of consumption from 1 April 2021 to 31 March 2022 compared to 2018 baseline | ² H122 capital markets financing figure is based on Dealogic data as of 04 July 2022. As data on deals is confirmed throughout the year, these numbers may be subject to changes |

Update on Over-issuance of Securities

Key updates since Q122 results

- Barclays PLC and Barclays Bank PLC (BBPLC) each filed a Form 20-F/A, completing the restatement process
- Commenced £1bn share buyback announced at FY21
- BBPLC filed an automatic shelf registration on Form F-3, under which it can issue unlimited amount of securities
- Prepared rescission offer for launch
- £165m provision related to estimated monetary penalty from SEC

Timeline of rescission offer



Next steps

- External-led counsel review to be completed shortly
- Consider findings of the review and take appropriate actions in response
- Continue to engage with regulators

Overview of financial impacts from Over-issuance of Securities

	£m			
	FY21	Q122	Q222	H122
Income from hedging arrangements	-	-	758	758
L&C charge for estimated rescission losses ¹	(220)	(320)	(984)	(1,304)
PBT impact from estimated rescission losses	(220)	(320)	(226)	(546)
Attributable loss from estimated rescission losses	(170)	(240)	(176)	(416)
Provision related to estimated SEC monetary penalty	-	-	(165) ²	(165) ²
Attributable loss	(170)	(240)	(341)	(581)
<i>PBT impact from estimated rescission losses and provision related to estimated SEC monetary penalty</i>	<i>(220)</i>	<i>(320)</i>	<i>(391)</i>	<i>(711)</i>
RoTE impact	c.(40)bps	c.(200)bps	c.(280)bps	c.(240)bps
CET1 ratio impact of net losses	(5)bps	(7)bps	(10)bps	(18)bps
Incremental RWAs from temporary hedging arrangements	-	£2.8bn	£1.7bn	£4.5bn
CET1 ratio impact of temporary hedging arrangements	-	(12)bps	(7)bps	(19)bps

- Post-tax net impact of £581m in H122 of which £341m in Q222
- Total L&C charges relating to Over-issuance of Securities in Q222 of £1,149m, of which £984m reflects significant market moves since Q122 and £165m reflects the provision related to estimated SEC monetary penalty
- Significant market moves substantially offset by hedging arrangements which generated Q222 income of £758m
- RWAs of £4.5bn from temporary hedging arrangements expected to reverse post rescission offer being completed in Q322
- Q222 CET1 ratio impacted by (17)bps QoQ of which (10)bps due to net losses including provision related to estimated SEC monetary penalty and (7)bps due to incremental hedges

¹ Includes interest costs of £(75)m in FY21, £(107)m in Q122 and £(163)m in Q222 | ² Not tax deductible | Note: Tables may not sum due to rounding |

H122/Q222 Group impacts from Over-issuance of Securities

Six months ended (£m)	Jun-22 (Statutory)	Adjustments	Jun-22 (Adjusted)
Income	13,204	(758)	12,446
Costs	(9,127)	1,469	(7,658)
Profit before tax	3,733	711	4,445
Attributable profit	2,475	581	3,056
RoTE	10.1%	2.4%	12.5%
Cost: income ratio	69%	(7)%	62%

Three months ended (£m)	Jun-22 (Statutory)	Adjustments	Jun-22 (Adjusted)
Income	6,708	(758)	5,950
Costs	(5,016)	1,149	(3,867)
Profit before tax	1,499	391	1,890
Attributable profit	1,071	341	1,412
RoTE	8.7%	2.8%	11.5%
Cost: income ratio	75%	(10)%	65%

H121/Q221 Group impacts from Over-issuance of Securities

Six months ended (£m)	Jun-21 (Statutory)	Adjustments	Jun-21 (Adjusted)
Income	11,315	-	11,315
Costs	(7,308)	77	(7,231)
Profit before tax	4,902	77	4,979
Attributable profit	3,752	60	3,812
RoTE	16.1%	0.3%	16.4%
Cost: income ratio	65%	(1)%	64%

Three months ended (£m)	Jun-21 (Statutory)	Adjustments	Jun-21 (Adjusted)
Income	5,415	-	5,415
Costs	(3,730)	77	(3,653)
Profit before tax	2,503	77	2,580
Attributable profit	2,048	60	2,108
RoTE	17.6%	0.5%	18.1%
Cost: income ratio	69%	(2)%	67%

H122/Q222 BI and CIB impacts from Over-issuance of Securities

Barclays International (BI)

Six months ended (£m)	Jun-22 (Statutory)	Adjustments	Jun-22 (Adjusted)
Income	9,940	(758)	9,182
Costs	(6,874)	1,469	(5,405)
Profit before tax	2,769	711	3,480
Attributable profit	2,083	581	2,664
RoTE	11.5%	3.3%	14.8%
Cost: income ratio	69%	(10)%	59%

Three months ended (£m)	Jun-22 (Statutory)	Adjustments	Jun-22 (Adjusted)
Income	5,116	(758)	4,358
Costs	(3,856)	1,149	(2,707)
Profit before tax	1,056	391	1,447
Attributable profit	783	341	1,124
RoTE	8.4%	3.8%	12.2%
Cost: income ratio	75%	(13)%	62%

Corporate and Investment Bank (CIB)

Six months ended (£m)	Jun-22 (Statutory)	Adjustments	Jun-22 (Adjusted)
Income	7,971	(758)	7,213
Costs	(5,423)	1,469	(3,954)
Profit before tax	2,516	711	3,227
Attributable profit	1,895	581	2,476
RoTE	11.9%	3.8%	15.7%
Cost: income ratio	68%	(13)%	55%

Three months ended (£m)	Jun-22 (Statutory)	Adjustments	Jun-22 (Adjusted)
Income	4,033	(758)	3,275
Costs	(3,184)	1,149	(2,035)
Profit before tax	784	391	1,175
Attributable profit	579	341	920
RoTE	7.1%	4.3%	11.4%
Cost: income ratio	79%	(17)%	62%

H121/Q221 BI and CIB impacts from Over-issuance of Securities

Barclays International (BI)

Six months ended (£m)	Jun-21 (Statutory)	Adjustments	Jun-21 (Adjusted)
Income	8,218	-	8,218
Costs	(4,767)	77	(4,690)
Profit before tax	3,766	77	3,843
Attributable profit	2,638	60	2,698
RoTE	16.3%	0.4%	16.7%
Cost: income ratio	58%	(1)%	57%

Three months ended (£m)	Jun-21 (Statutory)	Adjustments	Jun-21 (Adjusted)
Income	3,819	-	3,819
Costs	(2,308)	77	(2,231)
Profit before tax	1,795	77	1,872
Attributable profit	1,207	60	1,267
RoTE	14.9%	0.7%	15.6%
Cost: income ratio	60%	(2)%	58%

Corporate and Investment Bank (CIB)

Six months ended (£m)	Jun-21 (Statutory)	Adjustments	Jun-21 (Adjusted)
Income	6,573	-	6,573
Costs	(3,588)	77	(3,511)
Profit before tax	3,258	77	3,335
Attributable profit	2,252	60	2,312
RoTE	15.9%	0.4%	16.3%
Cost: income ratio	55%	(2)%	53%

Three months ended (£m)	Jun-21 (Statutory)	Adjustments	Jun-21 (Adjusted)
Income	2,979	-	2,979
Costs	(1,701)	77	(1,624)
Profit before tax	1,507	77	1,584
Attributable profit	989	60	1,049
RoTE	14.0%	0.8%	14.8%
Cost: income ratio	57%	(2)%	55%

Disclaimer

Important Notice

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

Information relating to:

- regulatory capital, leverage, liquidity and resolution is based on Barclays' interpretation of applicable rules and regulations as currently in force and implemented in the UK, including, but not limited to, CRD IV (as amended by CRD V applicable as at the reporting date) and CRR (as amended by CRR II applicable as at the reporting date) texts and any applicable delegated acts, implementing acts or technical standards and as such rules and regulations form part of UK law pursuant to the EU (Withdrawal) Act 2018 (as amended). On 31 March 2022, the temporary transitional powers (TTP) available to UK regulators to delay or phase-in on-shoring of EU legislation into UK law ended with full compliance of the on-shored regulations required from 1 April 2022. Following a consultation process in 2021 the PRA finalised their implementation of the CRR II package through Policy Statement 22/21. The finalised requirements were implemented in the UK through the PRA Rulebook with effect from 1 January 2022. All such regulatory requirements are subject to change and disclosures made by the Group will be subject to any resulting changes as at the applicable reporting date;
- MREL is based on Barclays' understanding of the Bank of England's policy statement on "The Bank of England's approach to setting a minimum requirement for own funds and eligible liabilities (MREL)" published in December 2021, updating the Bank of England's June 2018 policy statement, and its MREL requirements communicated to Barclays by the Bank of England. Binding future MREL requirements remain subject to change including at the conclusion of the transitional period, as determined by the Bank of England, taking into account a number of factors as described in the policy, along with international developments. The Pillar 2A requirement is also subject to at least annual review;
- future regulatory capital, liquidity, funding and/or MREL, including forward-looking illustrations, are provided for illustrative purposes only and are not forecasts of Barclays' results of operations or capital position or otherwise. Illustrations regarding the capital flight path, end-state capital evolution and expectations and MREL build are based on certain assumptions applicable at the date of publication only which cannot be assured and are subject to change.

Important information

In preparing the ESG information in this H1 2022 Fixed Income Presentation: (i) we have made a number of key judgements, estimations and assumptions, and the processes and issues involved are complex. This is, for example, the case in relation to financed emissions, portfolio alignment, classification of environmental and social financing, operational emissions and measurement of climate risk.

(ii) we have used ESG and climate data, models and methodologies that we consider to be appropriate and suitable for these purposes as at the date on which they were deployed. However, these data, models and methodologies are not of the same standard as those available in the context of other financial information, nor subject to the same or equivalent disclosure standards, historical reference points, benchmarks or globally accepted accounting principles. There is an inability to rely on historical data as a strong indicator of future trajectories in the case of climate change and its evolution. Outputs of models, processed data and methodologies will also be affected by underlying data quality which can be hard to assess. There is currently no globally accepted framework or definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, an "ESG", "green", "sustainable", "climate-friendly" or an equivalently-labelled product, or as to what precise attributes are required for a particular investment, product or asset to be defined as "ESG", "green", "sustainable", "climate-friendly" or such other equivalent label, nor can any assurance be given that such a clear definition or consensus will develop over time.

(iii) we note that the data, models and methodologies used, and the judgements, estimates or assumptions made, are rapidly evolving and this may directly or indirectly affect the metrics, data points and targets contained in this H1 2022 Fixed Income Presentation. We continue to review and develop our approach to data, models and methodologies in line with market principles and standards as this subject area matures. Further development of accounting and/or reporting standards could impact (potentially materially) the performance metrics, data points and targets contained in this H1 2022 Fixed Income Presentation. In future reports or presentations we may present some or all of the information for H122 using updated or more granular data or improved models, methodologies, market practices or standards. Such re-presented information may result in different outcomes than those included in this H1 2022 Fixed Income Presentation. Where information is re-presented from time to time, we will identify this and (where we think it is appropriate) include an explanation. It is important for readers and users of this H1 2022 Fixed Income Presentation to be aware that direct like-for-like comparisons of each piece of information disclosed may not always be possible from one reporting period to another.

Forward-looking Statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to the Group. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements. Forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Forward-looking statements can be made in writing but also may be made verbally by members of the management of the Group (including, without limitation, during management presentations to financial analysts) in connection with this document. Examples of forward-looking statements include, among others, statements or guidance regarding or relating to the Group's future financial position, income levels, assets and liabilities, impairment charges, provisions, capital, leverage and other regulatory ratios, capital distributions (including dividend pay-out ratios and expected payment strategies), projected levels of growth in banking and financial markets, projected expenditures, costs or savings, any commitments and targets (including, without limitation, environmental, social and governance (ESG) commitments and targets), business strategy, plans and objectives for future operations, group structure, IFRS impacts and other statements that are not historical or current facts. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements speak only as at the date on which they are made. Forward-looking statements may be affected by a number of factors, including, without limitation: changes in legislation, regulation and the interpretation thereof, the development of IFRS and other accounting standards, evolving practices with regard to the interpretation and application of accounting standards, emerging and developing ESG reporting standards, the outcome of current and future legal proceedings and regulatory investigations and any related impact on provisions, the policies and actions of governmental and regulatory authorities, the Group's ability along with governments and other stakeholders to measure, manage and mitigate the impacts of climate change effectively, environmental, social and geopolitical risks and incidents or similar events beyond the Group's control, and the impact of competition. In addition, factors including (but not limited to) the following may have an effect: capital, leverage and other regulatory rules applicable to past, current and future periods; UK, US, Eurozone and global macroeconomic and business conditions; volatility in credit and capital markets; market related risks such as changes in interest rates and foreign exchange rates; changes in valuation of credit market exposures; changes in valuation of issued securities; changes in credit ratings of any entity within the Group or any securities issued by such entities; changes in counterparty risk; changes in consumer behaviour; the direct and indirect consequences of the Russia-Ukraine War on European and global macroeconomic conditions, political stability and financial markets; direct and indirect impacts of the coronavirus (COVID-19) pandemic; instability as a result of the UK's exit from the European Union (EU), the effects of the EU-UK Trade and Cooperation Agreement and the disruption that may subsequently result in the UK and globally, the risk of cyber-attacks, information or security breaches or technology failures on the Group's reputation, business or operations; the Group's ability to access funding; and the success of acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Group's control. As a result, the Group's actual financial position, future results, capital distributions, capital, leverage or other regulatory ratios or other financial and non-financial metrics or performance measures or ability to meet commitments and targets may differ materially from the statements or guidance set forth in the Group's forward-looking statements. Additional risks and factors which may impact the Group's future financial condition and performance are identified in Barclays PLC's filings with the SEC (including, without limitation, Barclays PLC's Annual Report on Form 20-F, as amended, for the financial year ended 31 December 2021 and Barclays PLC's Interim Results Announcement on Form 6-K, for the six months ended 30 June 2022), which are available on the SEC's website at www.sec.gov.

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

Non-IFRS Performance Measures

Barclays management believes that the non-IFRS performance measures included in this document provide valuable information to the readers of the financial statements as they enable the reader to identify a more consistent basis for comparing the businesses' performance between financial periods, and provide more detail concerning the elements of performance which the managers of these businesses are most directly able to influence or are relevant for an assessment of the Group. They also reflect an important aspect of the way in which operating targets are defined and performance is monitored by management. However, any non-IFRS performance measures in this document are not a substitute for IFRS measures and readers should consider the IFRS measures as well. Non-IFRS performance measures are defined and reconciliations are available on our results announcement for the period ended 30 June 2022.