

# **Barclays PLC**

## **Pillar 3**

31 March 2021

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### Table 1: KM1 - Key metrics

|   | As at<br>31.03.21<br>£m | As at<br>31.12.20<br>£m | As at<br>30.09.20<br>£m | As at<br>30.06.20<br>£m | As at<br>31.03.20<br>£m |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>Available capital (amounts)</b>  |                         |                         |                         |                         |                         |
| 1 Common Equity Tier 1 (CET1) <sup>1</sup>                                  | 45,904                  | 46,296                  | 45,509                  | 45,380                  | 42,518                  |
| 1a Fully loaded Expected Credit Loss (ECL) accounting model <sup>2</sup>    | 43,619                  | 43,740                  | 42,997                  | 42,921                  | 41,303                  |
| 2 Tier 1 <sup>3</sup>   | 57,658                  | 58,034                  | 58,063                  | 56,862                  | 54,012                  |
| 2a Fully loaded ECL accounting model Tier 1 <sup>4</sup>                    | 54,718                  | 54,832                  | 54,929                  | 53,712                  | 52,044                  |
| 3 Total capital <sup>3</sup>  | 68,185                  | 67,660                  | 69,906                  | 69,162                  | 66,394                  |
| 3a Fully loaded ECL accounting model total capital <sup>4</sup>             | 65,378                  | 64,604                  | 66,610                  | 65,454                  | 63,145                  |
| <b>Risk-weighted assets (amounts)</b>                                       |                         |                         |                         |                         |                         |
| 4 Total risk-weighted assets (RWA) <sup>1</sup>                             | 313,356                 | 306,203                 | 310,727                 | 318,987                 | 325,631                 |
| 4a Fully loaded ECL accounting model total RWA <sup>2</sup>                 | 312,636                 | 305,314                 | 309,793                 | 318,034                 | 325,536                 |
| <b>Risk-based capital ratios as a percentage of RWA</b>                     |                         |                         |                         |                         |                         |
| 5 Common Equity Tier 1 ratio (%) <sup>1</sup>                               | 14.6%                   | 15.1%                   | 14.6%                   | 14.2%                   | 13.1%                   |
| 5a Fully loaded ECL accounting model Common Equity Tier 1 (%) <sup>2</sup>  | 14.0%                   | 14.3%                   | 13.9%                   | 13.5%                   | 12.7%                   |
| 6 Tier 1 ratio (%) <sup>1,3</sup>   | 18.4%                   | 19.0%                   | 18.7%                   | 17.8%                   | 16.6%                   |
| 6a Fully loaded ECL accounting model Tier 1 ratio (%) <sup>2,4</sup>        | 17.5%                   | 18.0%                   | 17.7%                   | 16.9%                   | 16.0%                   |
| 7 Total capital ratio (%) <sup>1,3</sup>                                    | 21.8%                   | 22.1%                   | 22.5%                   | 21.7%                   | 20.4%                   |
| 7a Fully loaded ECL accounting model total capital ratio (%) <sup>2,4</sup> | 20.9%                   | 21.2%                   | 21.5%                   | 20.6%                   | 19.4%                   |
| <b>Additional CET1 buffer requirements as a percentage of RWA</b>           |                         |                         |                         |                         |                         |
| 8 Capital conservation buffer requirement (%)                               | 2.5%                    | 2.5%                    | 2.5%                    | 2.5%                    | 2.5%                    |
| 9 Countercyclical buffer requirement (%)                                    | 0.0%                    | 0.0%                    | 0.0%                    | 0.0%                    | 0.0%                    |
| 10 Bank G-SIB and/or D-SIB additional requirements (%)                      | 1.5%                    | 1.5%                    | 1.5%                    | 1.5%                    | 1.5%                    |
| 11 Total of bank CET1 specific buffer requirements(%) (row 8 + 9 + 10)      | 4.0%                    | 4.0%                    | 4.0%                    | 4.0%                    | 4.0%                    |
| 12 CET1 available after meeting the bank's minimum capital requirements (%) | 10.1%                   | 10.6%                   | 10.1%                   | 9.7%                    | 8.6%                    |
| <b>CRR leverage ratio<sup>5,6</sup></b>                                     |                         |                         |                         |                         |                         |
| 13 Total CRR leverage ratio exposure measure                                | 1,320,628               | 1,254,157               | 1,306,828               | 1,248,215               | 1,326,549               |
| 14 Fully loaded CRR leverage ratio (%)                                      | 4.1%                    | 4.4%                    | 4.2%                    | 4.3%                    | 3.9%                    |
| <b>Average UK leverage ratio (Transitional)<sup>7,8,9</sup></b>             |                         |                         |                         |                         |                         |
| 13a Total average UK leverage ratio exposure measure                        | 1,174,887               | 1,146,919               | 1,111,052               | 1,148,720               | 1,176,198               |
| 14a Transitional average UK leverage ratio (%)                              | 4.9%                    | 5.0%                    | 5.1%                    | 4.7%                    | 4.5%                    |
| <b>UK leverage ratio (Transitional)<sup>6,7,8</sup></b>                     |                         |                         |                         |                         |                         |
| 13b Total UK leverage ratio exposure measure                                | 1,145,413               | 1,090,907               | 1,095,097               | 1,071,138               | 1,178,708               |
| 14b Transitional UK leverage ratio (%)                                      | 5.0%                    | 5.3%                    | 5.2%                    | 5.2%                    | 4.5%                    |
| <b>Liquidity Coverage Ratio</b>   |                         |                         |                         |                         |                         |
| 15 Total HQLA   | 280,175                 | 258,198                 | 319,785                 | 291,116                 | 232,296                 |
| 16 Total net cash outflows  | 173,490                 | 159,320                 | 176,394                 | 156,201                 | 149,946                 |
| 17 LCR ratio (%)  | 161%                    | 162%                    | 181%                    | 186%                    | 155%                    |

1 CET1 capital and RWAs are calculated applying the IFRS 9 transitional arrangements of the CRR as amended by CRR II.

2 Fully loaded CET1 capital and RWAs are calculated without applying the transitional arrangements of the CRR as amended by CRR II.

3 Transitional Tier 1 and Total capital include AT1 and T2 capital that is calculated applying the grandfathering of CRR and CRR II non-compliant capital instruments.

4 Fully loaded Tier 1 and Total capital include AT1 and T2 capital that is calculated without applying the grandfathering of CRR and CRR II non-compliant capital instruments.

5 Fully loaded CRR leverage ratio is calculated without applying the transitional arrangements of the CRR as amended by CRR II.

6 The difference between CRR leverage ratio and UK leverage ratio is driven by the exclusion of qualifying central bank claims and Bounce Back Loans from the UK leverage exposure.

7 Transitional UK leverage ratios are calculated applying the IFRS 9 transitional arrangements and in line with the PRA Handbook.

8 Fully loaded average UK leverage ratio was 4.7%, with £1,173bn of leverage exposure. Fully loaded UK leverage ratio was 4.8%, with £1,143bn of leverage exposure. Fully loaded UK leverage ratios are calculated without applying the transitional arrangements of the PRA Handbook.

9 Average UK leverage ratio uses capital based on the last day of each month in the quarter and an exposure measure for each day in the quarter.

The CET1 ratio decreased to 14.6% (December 2020: 15.1%)

- CET1 capital decreased by £0.4bn to £45.9bn as profit before tax of £2.4bn was more than offset by the removal of temporary regulatory supporting measures introduced in 2020, the £0.7bn share buyback announced with FY20 results and decreases in other qualifying reserves. The additional value adjustments (PVA) deduction increased by £0.4bn reflecting the removal of increased diversification factors and IFRS 9 transitional relief decreased by £0.3bn primarily due to the relief on the pre-2020 impairment charge reducing from 70% to 50% in 2021. The deduction for dividends paid and foreseen increased by £1.0bn including the £0.7bn share buyback and a £0.1bn accrual towards FY21 dividends
- RWAs increased by £7.2bn to £313.4bn primarily due to increased client and trading activity within Corporate and Investment Bank (CIB), partially offset by lower consumer lending

### IFRS 9 – Transitional capital arrangements

On 1 January 2018, IFRS 9 transitional capital arrangements were implemented by Regulation (EU) 2017/2395. Barclays elected to apply the transitional arrangements at both consolidated and individual entity levels and will disclose both transitional and fully loaded CET1 ratios until the end of the transitional period. On 27 June 2020, CRR was further amended to extend the transitional period by two years and to introduce a new modified calculation.

The transitional arrangements, implemented under a modified static approach, allow for transitional relief on the “day 1” impact on adoption of IFRS 9 (static element) and for the increase in provisions between “day 1” and the reporting date (modified element), subject to eligibility.

The transitional relief applied to the static element is phased out over a 5-year period with 95% applicable for 2018; 85% for 2019; 70% for 2020; 50% for 2021; 25% for 2022 and with no transitional relief from 2023.

The transitional relief applied to the modified element for increases between “day 1” and 31 December 2019 is phased out in line with the static element. From 27 June 2020, under new legislation, the transitional relief applied to the modified element for increases between 1 January 2020 and the reporting date is phased out over a 5 year period with 100% applicable for 2020 and 2021; 75% for 2022; 50% for 2023; 25% for 2024 and with no transitional relief from 2025.

For the static element, Stage 1, Stage 2 and Stage 3 provisions are eligible for transition, whereas for the modified elements, Stage 3 provisions are excluded.

Total increases in impairment allowances as a result of IFRS 9, net of tax, decreases shareholders’ equity through retained earnings and decreases standardised RWAs due to the increase in impairment being offset against the standardised Credit Risk exposures. This is somewhat reversed by the transitional relief applied on eligible impairment.

Separate calculations are performed for standardised and advanced Internal Ratings Based (AIRB) portfolios, reflecting the different ways these frameworks take account of provisions.

Under the standardised approach, increases in provisions for both the static and modified elements are eligible for transition. When recalculating the requirements in CRR, as amended by CRR II, under the standardised approach, a risk weight of 100% is assigned to the eligible impairment.

For AIRB exposures, the calculation of capital takes account of the expected loss via a comparison with the impairment allowances. Where regulatory expected losses exceed impairment allowances, the shortfall is deducted from CET1 capital. Where the impairment allowance is higher than expected loss, the excess is added back to tier 2 capital and capped at an amount of 0.6% of AIRB RWAs. For both the static and modified elements, provisions are only eligible for transitional relief to the extent that they exceed regulatory expected loss.

The deferred tax assets (DTAs) created from the increase of impairment are also accounted for in the CET1 ratio. When DTAs arising from temporary differences are above the 10% CET1 capital threshold, any excess above the threshold is deducted and those below the threshold are risk weighted at 250% up to the point they reach threshold. DTAs that rely on future profitability excluding temporary differences are deducted from CET1 capital. To the extent that DTAs have arisen as a result of increases in eligible impairment, the impacts may also be reversed by the transitional relief applied.

## Capital

**Table 2: IFRS 9/Article 468-FL – Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs, and with and without the application of the temporary treatment in accordance with Article 468 of the CRR<sup>1</sup>**

|  | As at<br>31.03.21<br>£m | As at<br>31.12.20<br>£m | As at<br>30.09.20<br>£m | As at<br>30.06.20<br>£m | As at<br>31.03.20<br>£m |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>Available capital (amounts)</b>   |                         |                         |                         |                         |                         |
| 1 CET1 capital <sup>2</sup>  | 45,904                  | 46,296                  | 45,509                  | 45,380                  | 42,518                  |
| 2 CET1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied   | 43,619                  | 43,740                  | 42,997                  | 42,921                  | 41,303                  |
| 3 Tier 1 capital <sup>3</sup>  | 57,658                  | 58,034                  | 58,063                  | 56,862                  | 54,012                  |
| 4 Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied   | 55,373                  | 55,478                  | 55,551                  | 54,403                  | 52,797                  |
| 5 Total capital <sup>3</sup>   | 68,185                  | 67,660                  | 69,906                  | 69,162                  | 66,394                  |
| 6 Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied  | 66,700                  | 65,944                  | 68,335                  | 67,667                  | 65,644                  |
| <b>Risk-weighted assets (amounts)</b>  |                         |                         |                         |                         |                         |
|  | £m                      | £m                      | £m                      | £m                      | £m                      |
| 7 Total risk-weighted assets <sup>2</sup>  | 313,356                 | 306,203                 | 310,727                 | 318,987                 | 325,631                 |
| 8 Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied                               | 312,636                 | 305,314                 | 309,793                 | 318,034                 | 325,536                 |
| <b>Capital ratios</b>  |                         |                         |                         |                         |                         |
| 9 CET1 (as a percentage of risk exposure amount) <sup>2</sup>  | 14.6%                   | 15.1%                   | 14.6%                   | 14.2%                   | 13.1%                   |
| 10 CET1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied          | 14.0%                   | 14.3%                   | 13.9%                   | 13.5%                   | 12.7%                   |
| 11 Tier 1 (as a percentage of risk exposure amount) <sup>2,3</sup>   | 18.4%                   | 19.0%                   | 18.7%                   | 17.8%                   | 16.6%                   |
| 12 Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied        | 17.7%                   | 18.2%                   | 17.9%                   | 17.1%                   | 16.2%                   |
| 13 Total capital (as a percentage of risk exposure amount) <sup>2,3</sup>  | 21.8%                   | 22.1%                   | 22.5%                   | 21.7%                   | 20.4%                   |
| 14 Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied | 21.3%                   | 21.6%                   | 22.1%                   | 21.3%                   | 20.2%                   |
| <b>Leverage ratio</b>  |                         |                         |                         |                         |                         |
|  | £m                      | £m                      | £m                      | £m                      | £m                      |
| 15 Leverage ratio total exposure measure   | 1,320,628               | 1,254,157               | 1,306,828               | 1,248,215               | 1,326,549               |
| 16 Leverage ratio <sup>4</sup>   | 4.1%                    | 4.4%                    | 4.2%                    | 4.3%                    | 3.9%                    |
| 17 Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied  | 4.1%                    | 4.4%                    | 4.2%                    | 4.3%                    | 3.9%                    |

<sup>1</sup> As at 31 March 2021, the Group had not elected to apply the temporary treatment specified in Article 468 of the CRR, amended by Regulation EU 2020/873, resulting in the Group's capital and leverage ratios reflecting the full impact of unrealised gains and losses measured at fair value through other comprehensive income.

<sup>2</sup> Transitional CET1 capital and RWAs are calculated applying the IFRS 9 transitional arrangements of the CRR as amended by CRR II.

<sup>3</sup> Transitional T1 and Total capital are calculated applying the transitional arrangements of the CRR as amended by CRR II. This includes the grandfathering of CRR and CRR II non-compliant capital instruments and IFRS 9 transitional arrangement.

<sup>4</sup> Fully loaded CRR leverage ratio is calculated without applying the transitional arrangements of the CRR as amended by CRR II.

## Risk Weighted Assets

**Table 3: RWAs by risk type and business**

|                                     | Credit risk   |                | Counterparty credit risk |               |                 |              | Market risk   |               | Operational risk | Total RWAs     |
|-------------------------------------|---------------|----------------|--------------------------|---------------|-----------------|--------------|---------------|---------------|------------------|----------------|
|                                     | Std           | A-IRB          | Std                      | A-IRB         | Settlement risk | CVA          | Std           | IMA           |                  |                |
|                                     | £m            | £m             | £m                       | £m            | £m              | £m           | £m            | £m            | £m               | £m             |
| <b>As at 31.03.21</b>               |               |                |                          |               |                 |              |               |               |                  |                |
| Barclays UK                         | 7,066         | 53,512         | 431                      | -             | -               | 217          | 64            | -             | 11,381           | 72,671         |
| Corporate and Investment Bank (CIB) | 25,832        | 75,854         | 13,781                   | 19,218        | 102             | 2,452        | 16,479        | 24,083        | 23,452           | 201,253        |
| Consumer, Cards and Payments (CC&P) | 18,621        | 2,875          | 178                      | 41            | -               | 28           | -             | 59            | 6,949            | 28,751         |
| Barclays International              | 44,453        | 78,729         | 13,959                   | 19,259        | 102             | 2,480        | 16,479        | 24,142        | 30,401           | 230,004        |
| Head Office                         | 4,424         | 7,065          | -                        | -             | -               | -            | -             | -             | (808)            | 10,681         |
| <b>Barclays Group</b>               | <b>55,943</b> | <b>139,306</b> | <b>14,390</b>            | <b>19,259</b> | <b>102</b>      | <b>2,697</b> | <b>16,543</b> | <b>24,142</b> | <b>40,974</b>    | <b>313,356</b> |

**As at 31.12.20**

|                                     |               |                |               |               |            |              |               |               |               |                |
|-------------------------------------|---------------|----------------|---------------|---------------|------------|--------------|---------------|---------------|---------------|----------------|
| Barclays UK                         | 7,360         | 54,340         | 394           | -             | -          | 136          | 72            | -             | 11,359        | 73,661         |
| Corporate and Investment Bank (CIB) | 24,660        | 73,792         | 12,047        | 20,280        | 246        | 2,351        | 13,123        | 22,363        | 23,343        | 192,205        |
| Consumer, Cards and Payments (CC&P) | 19,754        | 3,041          | 177           | 45            | -          | 31           | -             | 71            | 6,996         | 30,115         |
| Barclays International              | 44,414        | 76,833         | 12,224        | 20,325        | 246        | 2,382        | 13,123        | 22,434        | 30,339        | 222,320        |
| Head Office                         | 4,153         | 6,869          | -             | -             | -          | -            | -             | -             | (800)         | 10,222         |
| <b>Barclays Group</b>               | <b>55,927</b> | <b>138,042</b> | <b>12,618</b> | <b>20,325</b> | <b>246</b> | <b>2,518</b> | <b>13,195</b> | <b>22,434</b> | <b>40,898</b> | <b>306,203</b> |

**Table 4: Movements in RWAs**

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

|  | Credit Risk    | Counterparty Credit Risk <sup>1</sup> | Market Risk   | Operational Risk | Total          |
|--|----------------|---------------------------------------|---------------|------------------|----------------|
|  | £m             | £m                                    | £m            | £m               | £m             |
| <b>As at 01.01.21</b>                  | <b>193,969</b> | <b>35,707</b>                         | <b>35,629</b> | <b>40,898</b>    | <b>306,203</b> |
| Book size                              | 2,971          | 691                                   | 5,056         | 76               | 8,794          |
| Acquisitions and disposals             | (59)           | -                                     | -             | -                | (59)           |
| Book quality                           | 628            | 213                                   | -             | -                | 841            |
| Model updates                          | (438)          | (163)                                 | -             | -                | (601)          |
| Methodology and policy                 | (115)          | -                                     | -             | -                | (115)          |
| Foreign exchange movement <sup>2</sup> | (1,707)        | -                                     | -             | -                | (1,707)        |
| <b>Total RWA movements</b>             | <b>1,280</b>   | <b>741</b>                            | <b>5,056</b>  | <b>76</b>        | <b>7,153</b>   |
| <b>As at 31.03.21</b>                  | <b>195,249</b> | <b>36,448</b>                         | <b>40,685</b> | <b>40,974</b>    | <b>313,356</b> |

<sup>1</sup> RWAs in relation to default fund contributions are included in counterparty credit risk.

<sup>2</sup> Foreign exchange movement does not include FX for counterparty risk or market risk.

Overall RWAs increased £7.2bn to £313.4bn (December 2020: £306.2bn). Significant movements in the period were:

Credit risk RWAs increased £1.3bn:

- A £3.0bn increase in book size primarily due to increased CIB lending, growth in mortgages within Barclays UK partially offset by lower consumer lending and Education, Social Housing and Local Authority (ESHLA)
- A £1.7bn decrease due to the depreciation of period end EUR and USD against GBP

Market risk RWAs increased £5.1bn:

- A £5.1bn increase in book size primarily due to increased client and trading activity

## Risk Weighted Assets

**Table 5: CR8 - RWA flow statement of credit risk exposures under the AIRB approach**

|                              | RWA amount<br>£m | Capital requirements<br>£m |
|------------------------------|------------------|----------------------------|
| <b>1 As at 01.01.21</b>      | <b>138,042</b>   | <b>11,043</b>              |
| 2 Asset size                 | 2,070            | 166                        |
| 3 Asset quality              | 568              | 45                         |
| 4 Model updates              | (438)            | (35)                       |
| 5 Methodology and policy     | -                | 9                          |
| 6 Acquisitions and disposals | (56)             | (4)                        |
| 7 Foreign exchange movements | (998)            | (80)                       |
| 8 Other                      | -                | -                          |
| <b>9 As at 31.03.21</b>      | <b>139,306</b>   | <b>11,144</b>              |

Advanced credit risk RWAs increased £1.3bn to £139.3bn mainly driven by:

- A £2.1bn increase in book size primarily due to increased CIB lending, growth in mortgages within Barclays UK partially offset by lower consumer lending and ESHLA

**Table 6: CCR7 - RWA flow statement of counterparty credit risk exposures under the IMM**

The total in this table shows the contribution of Internal Model Method (IMM) exposures to CCR RWAs (under both standardised and AIRB) and will not directly reconcile to CCR AIRB RWAs in table 3.

|                                     | RWA amount<br>£m | Capital requirements<br>£m |
|-------------------------------------|------------------|----------------------------|
| <b>1 As at 01.01.21</b>             | <b>25,584</b>    | <b>2,047</b>               |
| 2 Asset size                        | (1,078)          | (87)                       |
| 3 Credit quality of counterparties  | 99               | 8                          |
| 4 Model updates (IMM only)          | (143)            | (11)                       |
| 5 Methodology and policy (IMM only) | -                | -                          |
| 6 Acquisitions and disposals        | -                | -                          |
| 7 Foreign exchange movements        | -                | -                          |
| 8 Other                             | -                | -                          |
| <b>9 As at 31.03.21</b>             | <b>24,462</b>    | <b>1,957</b>               |

A £1.1bn decrease in Internal Model Method (IMM) RWAs primarily due to a decrease in modelled derivatives and Securities Financing Transactions (SFTs).

## Risk Weighted Assets

**Table 7: MR2-B - RWA flow statement of market risk exposures under the IMA**

|                              | VaR   | SVaR  | IRC   | CRM | Other | Total RWA | Total Capital requirements |
|------------------------------|-------|-------|-------|-----|-------|-----------|----------------------------|
|                              | £m    | £m    | £m    | £m  | £m    | £m        | £m                         |
| 1 As at 01.01.21             | 5,126 | 9,037 | 4,671 | -   | 3,600 | 22,434    | 1,795                      |
| 2 Movement in risk levels    | 383   | 108   | 1,232 | -   | (15)  | 1,708     | 137                        |
| 3 Model updates/changes      | -     | -     | -     | -   | -     | -         | -                          |
| 4 Methodology and policy     | -     | -     | -     | -   | -     | -         | -                          |
| 5 Acquisitions and disposals | -     | -     | -     | -   | -     | -         | -                          |
| 6 Other                      | -     | -     | -     | -   | -     | -         | -                          |
| 7 As at 31.03.21             | 5,509 | 9,145 | 5,903 | -   | 3,585 | 24,142    | 1,932                      |

A £1.7bn increase in Internal Model Approach RWAs primarily due to an increase in client and trading activity.



## Risk Weighted Assets

**Table 8: OV1 - Overview of RWAs by risk type and capital requirements**

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

|  | RWA      |          | Minimum Capital Requirements |          |
|--|----------|----------|------------------------------|----------|
|  | As at    | As at    | As at                        | As at    |
|  | 31.03.21 | 31.12.20 | 31.03.21                     | 31.12.20 |
|  | £m       | £m       | £m                           | £m       |
| 1 Credit risk (excluding counterparty credit risk) (CCR)                           | 172,002  | 171,648  | 13,760                       | 13,732   |
| 2 Of which standardised approach   | 50,901   | 51,194   | 4,072                        | 4,096    |
| 3 Of which the foundation IRB (FIRB) approach                                      | -        | -        | -                            | -        |
| 4 Of which the advanced IRB (AIRB) approach  | 121,101  | 120,454  | 9,688                        | 9,636    |
| 5 Of which Equity IRB under the Simple risk-weight or the internal models approach | -        | -        | -                            | -        |
| 6 CCR  | 36,241   | 35,359   | 2,899                        | 2,829    |
| 7 Of which mark to market  | 2,991    | 1,974    | 239                          | 158      |
| 8 Of which original exposure   | -        | -        | -                            | -        |
| 9 Of which standardised approach   | -        | -        | -                            | -        |
| 9a Of which financial collateral comprehensive method                              | 5,537    | 4,270    | 443                          | 342      |
| 10 Of which internal model method  | 24,357   | 25,482   | 1,949                        | 2,039    |
| 11 Of which risk exposure amount for contributions to the default fund of a CCP    | 659      | 1,115    | 53                           | 89       |
| 12 Of which CVA  | 2,697    | 2,518    | 216                          | 201      |
| 13 Settlement risk   | 102      | 246      | 8                            | 20       |
| 14 Securitisation exposures in banking book (after cap)                            | 13,107   | 12,642   | 1,049                        | 1,011    |
| 14a Of which 1250%   | 97       | 88       | 8                            | 7        |
| 14b Of which look through approach (KIRB)  | -        | -        | -                            | -        |
| 15 Of which IRB approach   | -        | -        | -                            | -        |
| 16 Of which IRB supervisory formula approach (SFA)                                 | -        | -        | -                            | -        |
| 17 Of which internal assessment approach (IAA)                                     | -        | -        | -                            | -        |
| 18 Of which standardised approach  | -        | -        | -                            | -        |
| 14c Of which Sec-ERBA  | 480      | 514      | 38                           | 41       |
| 14d Of which Sec-IAA   | 846      | 1,006    | 68                           | 80       |
| 14e Of which Sec-SA  | 1,788    | 1,487    | 143                          | 119      |
| 14f Of which Sec-IRBA  | 9,896    | 9,547    | 792                          | 764      |
| 19 Market risk   | 40,685   | 35,629   | 3,254                        | 2,850    |
| 20 Of which the standardised approach  | 16,543   | 13,195   | 1,323                        | 1,055    |
| 21 Of which IMA  | 24,142   | 22,434   | 1,931                        | 1,795    |
| 22 Large exposures   | -        | -        | -                            | -        |
| 23 Operational risk  | 40,974   | 40,898   | 3,278                        | 3,272    |
| 24 Of which basic indicator approach   | -        | -        | -                            | -        |
| 25 Of which standardised approach  | 40,974   | 40,898   | 3,278                        | 3,272    |
| 26 Of which advanced measurement approach  | -        | -        | -                            | -        |
| 27 Amounts below the thresholds for deduction (subject to 250% risk weight)        | 10,245   | 9,781    | 820                          | 782      |
| 28 Floor Adjustments   | -        | -        | -                            | -        |
| 29 Total   | 313,356  | 306,203  | 25,068                       | 24,496   |

## Minimum requirements for own funds and eligible liabilities

### Minimum requirement for own funds and eligible liabilities (MREL)

KM2 has been prepared in accordance with CRR as amended by CRR II, using the uniform format set out in the BCBS Standard on Pillar 3 disclosure requirements.

### Table 9: KM2 - Key metrics - TLAC requirements (at resolution group level)

This table shows the key metrics for the Group's own funds and eligible liabilities.

|   | As at<br>31.03.21<br>£m | As at<br>31.12.20<br>£m | As at<br>30.09.20<br>£m | As at<br>30.06.20<br>£m | As at<br>31.03.20<br>£m |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| 1 Total Loss Absorbing Capacity (TLAC) available <sup>1</sup>   | 102,756                 | 102,746                 | 105,115                 | 107,470                 | 100,068                 |
| 1a Fully loaded ECL accounting model TLAC available   | 101,271                 | 101,030                 | 103,544                 | 105,975                 | 99,318                  |
| 2 Total RWA at the level of the resolution group <sup>1</sup>   | 313,356                 | 306,203                 | 310,727                 | 318,987                 | 325,631                 |
| 3 TLAC as a percentage of RWA (row 1 / row 2) (%)   | 32.8%                   | 33.6%                   | 33.8%                   | 33.7%                   | 30.7%                   |
| 3a Fully loaded ECL accounting model TLAC as a percentage of fully loaded ECL accounting model RWA (%)  | 32.4%                   | 33.1%                   | 33.4%                   | 33.3%                   | 30.5%                   |
| 4 Leverage ratio exposure measure at the level of the resolution group <sup>2</sup>   | 1,320,628               | 1,254,157               | 1,306,828               | 1,248,215               | 1,326,549               |
| 5 TLAC as a percentage of leverage ratio exposure measure (row 1 / row 4) (%)   | 7.8%                    | 8.2%                    | 8.0%                    | 8.6%                    | 7.5%                    |
| 5a Fully loaded ECL accounting model TLAC as a percentage of fully loaded ECL accounting model Leverage exposure measure (%)  | 7.7%                    | 8.1%                    | 7.9%                    | 8.5%                    | 7.5%                    |
| 6a Does the subordination exemption in the antepenultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?  | No                      | No                      | No                      | No                      | No                      |
| 6b Does the subordination exemption in the penultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?  | No                      | No                      | No                      | No                      | No                      |
| 6c If the capped subordination exemption applies, the amount of funding issued that ranks pari passu with Excluded Liabilities and that is recognised as external TLAC, divided by funding issued that ranks pari passu with Excluded Liabilities and that would be recognised as external TLAC if no cap was applied (%) | N/A                     | N/A                     | N/A                     | N/A                     | N/A                     |

<sup>1</sup> Own funds included in TLAC, and RWAs are calculated applying the transitional arrangements of the CRR as amended by CRR II. This includes IFRS 9 transitional arrangements and the grandfathering of CRR and CRR II non-compliant capital instruments.

<sup>2</sup> Fully loaded CRR leverage exposure is calculated without applying the transitional arrangements of the CRR as amended by CRR II.

## Liquidity

### Table 10: LIQ1 - Liquidity Coverage ratio

This table shows the level and components of the Liquidity Coverage Ratio. This disclosure has been prepared in accordance with the requirements set out in the 'Guidelines on LCR disclosure to complement the disclosure of liquidity risk management under Article 435 of Regulation (EU) No 575/2013' as specified in Annexure II which complements Article 435(1)(f) of Regulation (EU) No 575/2013.

#### Liquidity coverage ratio (period end)

|   | Total period end value |                |                |                |                |
|---|------------------------|----------------|----------------|----------------|----------------|
|   | 30.03.21<br>£m         | 31.12.20<br>£m | 30.09.20<br>£m | 30.06.20<br>£m | 30.03.20<br>£m |
| Total High-quality liquid assets (HQLA)   | 280,175                | 258,198        | 319,785        | 291,116        | 232,296        |
| Total net cash outflows                   | 173,490                | 159,320        | 176,394        | 156,201        | 149,946        |
| Liquidity coverage ratio (%) (period end) | 161%                   | 162%           | 181%           | 186%           | 155%           |

#### LIQ1 - Liquidity coverage ratio (average)

|  | Total unweighted value (average) |           |           |           |           | Total weighted value (average) |           |           |           |           |
|--|----------------------------------|-----------|-----------|-----------|-----------|--------------------------------|-----------|-----------|-----------|-----------|
|  | 30.03.21                         | 31.12.20  | 30.09.20  | 30.06.20  | 31.03.20  | 30.03.21                       | 31.12.20  | 30.09.20  | 30.06.20  | 31.03.20  |
| Number of data points used in calculation of averages <sup>1</sup>   | 12                               | 12        | 12        | 12        | 12        | 12                             | 12        | 12        | 12        | 12        |
| <b>High-quality liquid assets</b>  | <b>£m</b>                        | <b>£m</b> | <b>£m</b> | <b>£m</b> | <b>£m</b> | <b>£m</b>                      | <b>£m</b> | <b>£m</b> | <b>£m</b> | <b>£m</b> |
| 1 Total high-quality liquid assets (HQLA)  | 295,957                          | 281,470   | 262,744   | 242,005   | 230,568   | 295,957                        | 281,470   | 262,744   | 242,005   | 230,568   |
| <b>Cash outflows</b>   |                                  |           |           |           |           |                                |           |           |           |           |
| 2 Retail deposits and deposits from small business customers, of which:  | 20,507                           | 19,795    | 19,184    | 18,655    | 18,224    | 20,507                         | 19,795    | 19,184    | 18,655    | 18,224    |
| 3 Stable deposits  | 6,566                            | 6,281     | 6,022     | 5,779     | 5,608     | 6,566                          | 6,281     | 6,022     | 5,779     | 5,608     |
| 4 Less stable deposits   | 13,937                           | 13,509    | 13,156    | 12,870    | 12,608    | 13,937                         | 13,509    | 13,156    | 12,870    | 12,608    |
| 5 Unsecured wholesale funding, of which:   | 113,206                          | 107,669   | 99,108    | 92,557    | 89,155    | 113,206                        | 107,669   | 99,108    | 92,557    | 89,155    |
| 6 Operational deposits (all counterparties) and deposits in networks of cooperative banks  | 12,353                           | 11,946    | 11,251    | 10,525    | 9,555     | 12,353                         | 11,946    | 11,251    | 10,525    | 9,555     |
| 7 Non-operational deposits (all counterparties) <sup>2</sup>   | 92,479                           | 88,946    | 82,101    | 77,101    | 74,670    | 92,479                         | 88,946    | 82,101    | 77,101    | 74,670    |
| 8 Unsecured debt   | 8,374                            | 6,777     | 5,756     | 4,931     | 4,930     | 8,374                          | 6,777     | 5,756     | 4,931     | 4,930     |
| 9 Secured wholesale funding  | 58,042                           | 58,316    | 58,086    | 60,066    | 59,679    | 58,042                         | 58,316    | 58,086    | 60,066    | 59,679    |
| 10 Additional requirements, of which:  | 54,993                           | 54,122    | 52,815    | 53,275    | 51,530    | 54,993                         | 54,122    | 52,815    | 53,275    | 51,530    |
| 11 Outflows related to derivative exposures and other collateral requirements  | 19,890                           | 20,421    | 19,693    | 19,258    | 17,760    | 19,890                         | 20,421    | 19,693    | 19,258    | 17,760    |
| 12 Outflows related to loss of funding on debt products  | 10,311                           | 9,483     | 9,262     | 9,626     | 9,113     | 10,311                         | 9,483     | 9,262     | 9,626     | 9,113     |
| 13 Credit and liquidity facilities   | 24,792                           | 24,218    | 23,860    | 24,391    | 24,657    | 24,792                         | 24,218    | 23,860    | 24,391    | 24,657    |
| 14 Other contractual funding obligations   | 2,669                            | 2,351     | 2,053     | 1,924     | 1,637     | 2,669                          | 2,351     | 2,053     | 1,924     | 1,637     |
| 15 Other contingent funding obligations  | 5,783                            | 5,693     | 5,935     | 6,133     | 6,136     | 5,783                          | 5,693     | 5,935     | 6,133     | 6,136     |
| 16 Total cash outflows   | 255,200                          | 247,946   | 237,181   | 232,610   | 226,361   | 255,200                        | 247,946   | 237,181   | 232,610   | 226,361   |
| <b>Cash inflows</b>  |                                  |           |           |           |           |                                |           |           |           |           |
| 17 Secured lending (e.g. reverse repos)  | 55,605                           | 55,820    | 56,616    | 58,363    | 58,964    | 55,605                         | 55,820    | 56,616    | 58,363    | 58,964    |
| 18 Inflows from fully performing exposures   | 11,667                           | 12,010    | 10,469    | 9,172     | 8,518     | 11,667                         | 12,010    | 10,469    | 9,172     | 8,518     |
| 19 Other cash inflows <sup>3</sup>   | 10,790                           | 11,982    | 11,566    | 10,357    | 8,840     | 10,790                         | 11,982    | 11,566    | 10,357    | 8,840     |
| EU-19a (Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies) |                                  |           |           |           |           |                                |           |           |           |           |
| EU-19b (Excess inflows from a related specialised credit institution)  |                                  |           |           |           |           |                                |           |           |           |           |
| 20 Total cash inflows  | 78,062                           | 79,812    | 78,651    | 77,892    | 76,322    | 78,062                         | 79,812    | 78,651    | 77,892    | 76,322    |
| Fully exempt inflows   | -                                | -         | -         | -         | -         | -                              | -         | -         | -         | -         |
| Inflows subject to 90% cap   | -                                | -         | -         | -         | -         | -                              | -         | -         | -         | -         |
| Inflows subject to 75% cap   | 427,927                          | 422,635   | 407,686   | 398,840   | 381,164   | 427,927                        | 422,635   | 407,686   | 398,840   | 381,164   |
| 21 Liquidity buffer  | 295,957                          | 281,470   | 262,744   | 242,005   | 230,568   | 295,957                        | 281,470   | 262,744   | 242,005   | 230,568   |
| 22 Total net cash outflows   | 177,138                          | 168,134   | 158,530   | 154,718   | 150,039   | 177,138                        | 168,134   | 158,530   | 154,718   | 150,039   |
| 23 Liquidity coverage ratio (%) (average)  | 167%                             | 167%      | 166%      | 156%      | 154%      | 167%                           | 167%      | 166%      | 156%      | 154%      |

1 Trailing average of 12 month-end observations to the reporting date.

2 Non-operational deposits in row 7 include excess deposits as defined in the Delegated Act Article 27(4).

3 Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there is transfer restrictions or which are denominated in non-convertible currencies.

As at 31 March 2021, the Liquidity Coverage Ratio (LCR) was 161% (December 2020: 162%), equivalent to a surplus of £107bn (December 2020: £99bn) to the 100% regulatory requirement. The 12 month-end average LCR to 31 March 2021 was 167% (December 2020: 167%).

## Notes

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The terms Barclays or Barclays Group refer to Barclays PLC together with its subsidiaries. The abbreviations '£m' represents millions of Pounds Sterling.

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 date these interim results were approved.

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/investor-relations/reports-and-events/annual-reports](https://home.barclays/investor-relations/reports-and-events/annual-reports)

## Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to the Group. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Forward-looking statements can be made in writing but also may be made verbally by members of the management of the Group (including, without limitation, during management presentations to financial analysts) in connection with this document. Examples of forward-looking statements include, among others, statements or guidance regarding or relating to the Group's future financial position, income growth, assets, impairment charges, provisions, business strategy, capital, leverage and other regulatory ratios, capital distributions (including dividend pay-out ratios and expected payment strategies), projected levels of growth in the banking and financial markets, projected costs or savings, any commitments and targets, estimates of capital expenditures, plans and objectives for future operations, projected employee numbers, IFRS impacts and other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. The forward-looking statements speak only as at the date on which they are made. Forward-looking statements may be affected by: changes in legislation; the development of standards and interpretations under IFRS, including evolving practices with regard to the interpretation and application of accounting and regulatory standards; the outcome of current and future legal proceedings and regulatory investigations; future levels of conduct provisions; the policies and actions of governmental and regulatory authorities; the Group's ability along with government and other stakeholders to manage and mitigate the impacts of climate change effectively; geopolitical risks; and the impact of competition. In addition, factors including (but not limited to) the following may have an effect: capital, leverage and other regulatory rules applicable to past, current and future periods; UK, US, Eurozone and global macroeconomic and business conditions; the effects of any volatility in credit markets; market related risks such as changes in interest rates and foreign exchange rates; effects of changes in valuation of credit market exposures; changes in valuation of issued securities; volatility in capital markets; changes in credit ratings of any entity within the Group or any securities issued by such entities; direct and indirect impacts of the coronavirus (COVID-19) pandemic; instability as a result of the UK's exit from the European Union (EU), the effects of the EU-UK Trade and Cooperation Agreement and the disruption that may subsequently result in the UK and globally; the risk of cyber-attacks, information or security breaches or technology failures on the Group's business or operations; and the success of future acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Group's control. As a result, the Group's actual financial position, future results, capital distributions, capital, leverage or other regulatory ratios or other financial and non-financial metrics or performance measures may differ materially from the statements or guidance set forth in the Group's forward-looking statements. Additional risks and factors which may impact the Group's future financial condition and performance are identified in our filings with the SEC (including, without limitation, our Annual Report on Form 20-F for the fiscal year ended 31 December 2020), which are available on the SEC's website at [www.sec.gov](https://www.sec.gov).

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