Barclays PLC
Fixed Income Investor Call

H1 2020 Results Announcement

29 July 2020

Tushar Morzaria

Barclays Group Finance Director

H120 Group highlights

Despite the impacts of the pandemic, Barclays delivered H120 Group PBT of £1.3bn

Financial performance

Income
£11.6bn H119: £10.8bn

Costs
£6.6bn H119: £6.9bn

Cost: income ratio
57% H119: 64%

Impairment
£3.7bn H119: £0.9bn

PBT
£1.3bn H119: £3.0bn

RoTE
2.9% H119: 9.1%

EPS
4.0p H119: 12.1p

CET1 ratio
14.2% Dec-19: 13.8%

TNAV per share
284p Dec-19: 262p

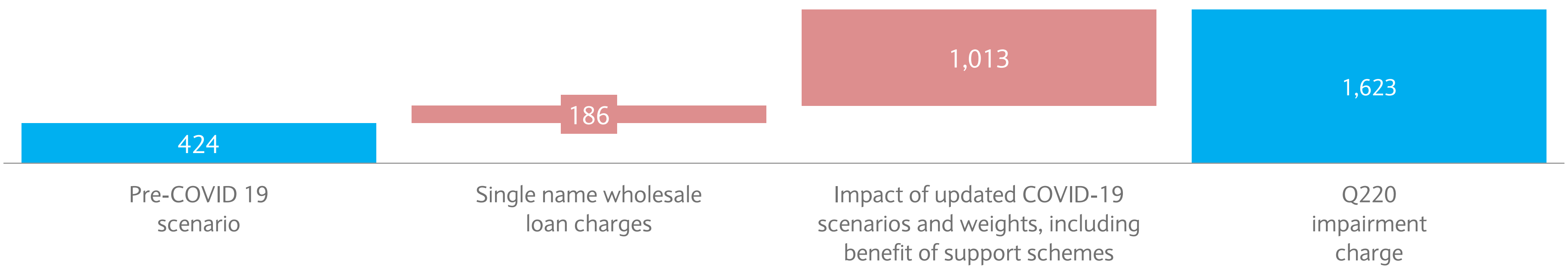
Liquidity coverage ratio
186% Dec-19: 160%

Loan: deposit ratio
76% Dec-19: 82%

- Pre-provision profits increased 27% to £5.0bn, highlighting the benefits of Barclays' diversified business model
- Income increased 8%, reflecting a 31% increase in CIB income, driven by a standout performance in Markets, more than offsetting income headwinds in BUK and CC&P
- Costs decreased by 4%, delivering positive cost: income jaws of 12% and improved cost: income ratio of 57%
- Impairment increased to £3.7bn primarily reflecting £0.6bn in respect of single name wholesale loan charges and £2.4bn impact from revised IFRS 9 scenarios (including a prolonged period of heightened UK and US unemployment), partially offset by the estimated impact of central bank, government and other support measures, and lower balances in UK and US cards
  - Impairment coverage ratios across all portfolios have increased
- Generated a RoTE of 2.9% and EPS of 4.0p
- CET1 ratio increased to 14.2%, up 40bps from FY19 reflecting profits, increased IFRS 9 transitional relief and cancellation of the FY19 dividend payment, partially offset by higher RWAs
- TNAV increased 22p to 284p reflecting profits and favourable reserve movements
- Liquidity position remained of high quality and prudently positioned following a significant increase in deposits, resulting in a liquidity pool of £298bn and LCR of 186%
- LDR reduced to 76% reflecting material deposit growth, partially offset by net drawdowns of Revolving Credit Facilities (RCFs) and increased lending through government loan schemes

Q220 impairment charge driven by updated economic forecasts and expectation of a slower recovery

Components of Q220 impairment charge (£m)



Baseline scenario macroeconomic variables (MEVs)

		Mar-20 MEVs			Jun-20 MEVs			5-year average
		2020	2021	2022	2020	2021	2022	Jun-20 to Jun-25
UK GDP	Annual growth	(8.0%)	6.3%	1.3%	(8.7%)	6.1%	2.9%	5.4%
UK unemployment	Quarterly average	6.7%	4.5%	3.7%	6.6%	6.5%	4.4%	4.9%
US GDP	Annual growth	(6.4%)	4.4%	3.2%	(4.2%)	4.4%	(0.3%)	3.3%
US unemployment	Quarterly average	12.9%	7.5%	3.8%	9.3%	7.6%	5.5%	6.3%

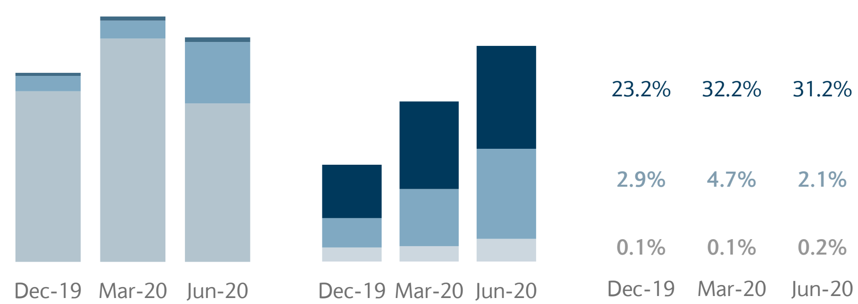
- Since the Q120 impairment charge, UK and US macroeconomic variables have been revised and new IFRS 9 scenarios generated
  - The Jun-20 baseline scenario now assumes a longer period of recovery in both economies than as at Mar-20
  - The unemployment rate in the UK and US, which is the key economic variable for unsecured lending impairment, is now expected to be heightened for a prolonged period
  - Assumptions around the benefit of support schemes are largely reflected in these variables

Q220 impairment coverage ratios

Increased impairment coverage across all portfolios with the stage 2 unsecured coverage ratio of 23.1%

Wholesale loans

	Dec-19	Mar-20	Jun-20
Gross exposure (£m)	130,332	168,978	154,697
Impairment allowance (£m)	992	1,641	2,209
Coverage ratio	0.8%	1.0%	1.4%

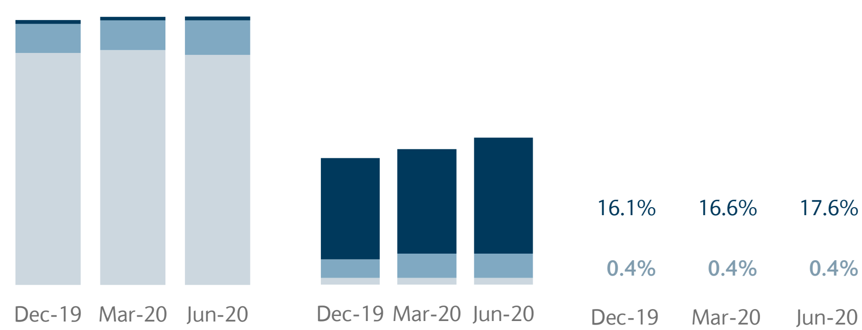


Credit cards, unsecured loans and other retail lending

	Dec-19	Mar-20	Jun-20
Gross exposure (£m)	60,180	57,189	52,035
Impairment allowance (£m)	4,884	5,835	6,250
Coverage ratio	8.1%	10.2%	12.0%

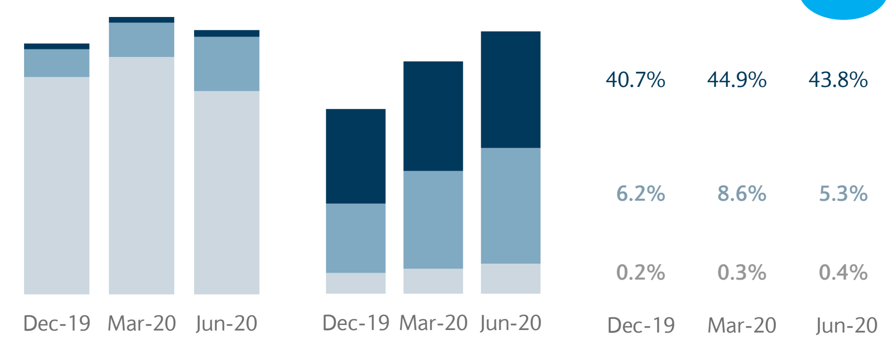
Home loans

	Dec-19	Mar-20	Jun-20
Gross exposure (£m)	154,911	156,921	157,141
Impairment allowance (£m)	432	463	502
Coverage ratio	0.3%	0.3%	0.3%



Total loans

	Dec-19	Mar-20	Jun-20
Gross exposure (£m)	345,423	382,088	363,873
Impairment allowance (£m)	6,308	7,939	8,961
Coverage ratio	1.8%	2.1%	2.5%



Stage 1 Stage 2 Stage 3

Kathryn McLeland

Group Treasurer

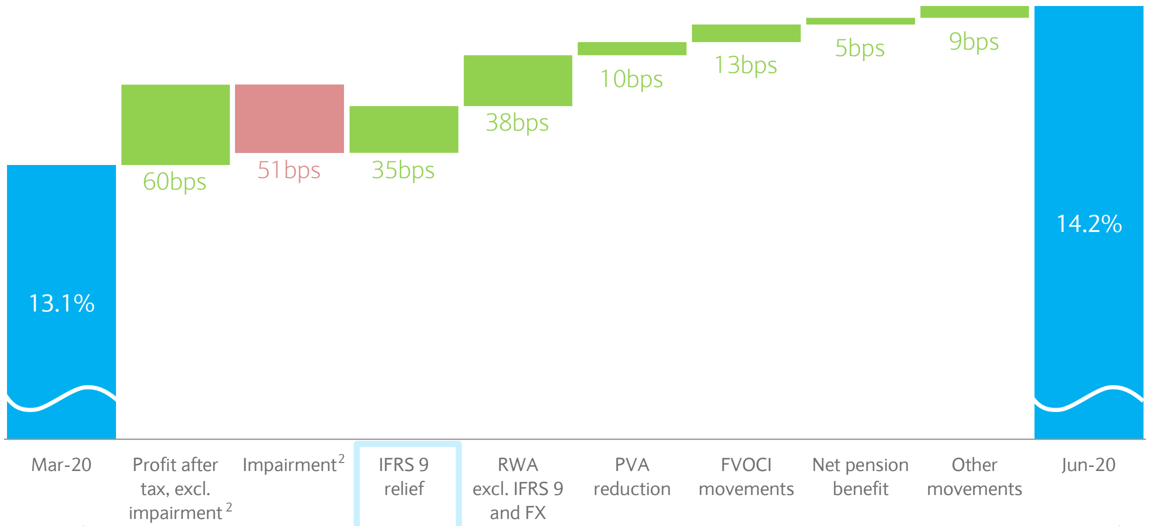
H120 highlights

Strong balance sheet evidenced across key metrics, providing ability to support clients

Key principles	Key metrics
Capital	Prudently managing the Group's capital position; CET1 ratio of 14.2%, with a 300bps buffer to MDA
Funding	Strong progress towards meeting MREL requirement; HoldCo MREL ratio of 32.4%
Liquidity	Liquidity pool of £298bn, with LCR of 186%

Q220 CET1 ratio[1] increased to 14.2%

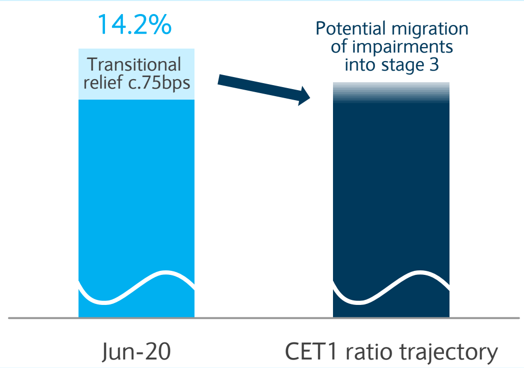
Reflecting resilient profits, regulatory changes and reduced RWAs



	Mar-20	Profit after tax, excl. impairment	Impairment	IFRS 9 relief	RWA excl. IFRS 9 and FX	PVA reduction	FVOCI movements	Net pension benefit	Other movements	Jun-20
CET1 capital:	£42.5bn	£1.9bn	(£1.6bn)	£1.2bn		£0.3bn	£0.4bn	£0.2bn	£0.4bn	£45.4bn
RWAs:	£325.6bn			£0.9bn	(£8.4bn)				£0.9bn	£319.0bn

IFRS 9 transitional relief

- IFRS 9 transitional relief applies to stage 1 and 2 impairments, therefore migration into stage 3 would lead to CET1 ratio decline, all else equal
  - Total post-tax IFRS 9 transitional relief of £2.5bn, or c.75bps as at Jun-20



CET1 ratio of 14.2% reflecting:

- 60bps of profit after tax, excluding impairment charges2
- 35bps of post-tax IFRS 9 transitional relief
- 38bps of RWA movements excluding IFRS 9 impact and FX
- 10bps of PVA reduction
- 13bps of FVOCI reserve movements
- 5bps net benefit from pensions
- 9bps from other movements

Partly offset by:

- 51bps of impairment charges[2]

Jun-20 UK leverage ratios

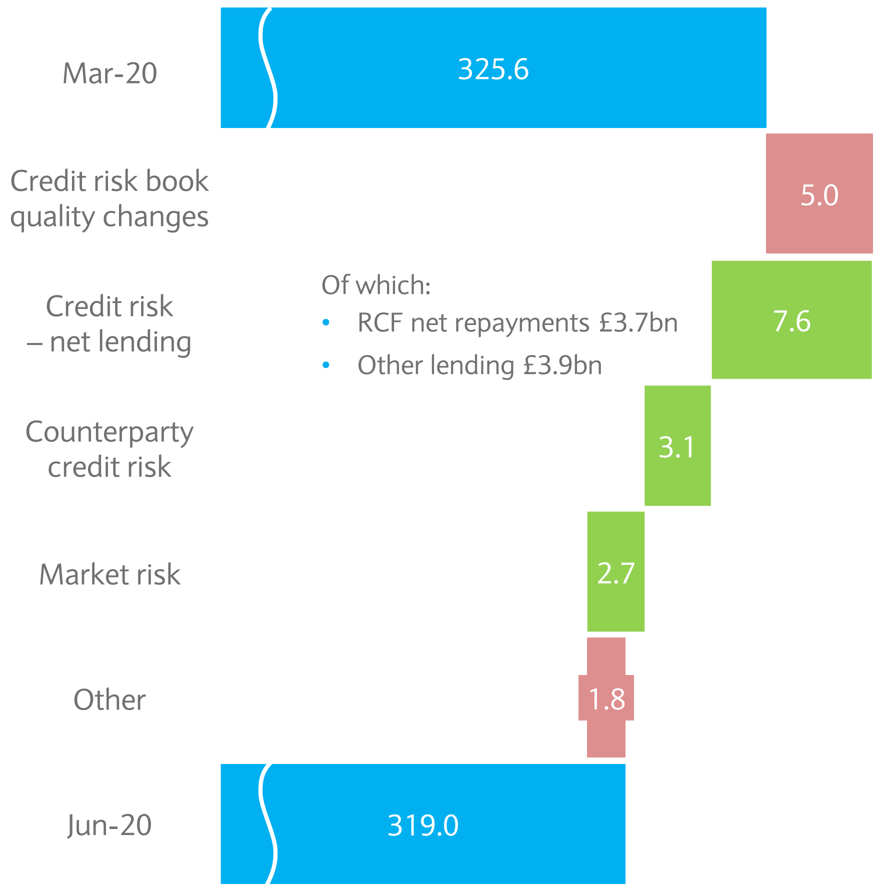
- Spot: 5.2%
- Average: 4.7%

[1] CET1 ratio is currently 300bps above the MDA hurdle. The fully loaded CET1 ratio was 13.5% as at 30 June 2020 | [2] Represents pre-tax impairment charges. |

RWAs decreased over Q220

RWAs reduced as anticipated procyclical RWA inflation was more than offset by management actions and lower loan demand

Total RWAs (£bn)



- Anticipated procyclicality in RWAs only partially materialised in the quarter, with a c.£5bn increase in credit risk RWAs from credit quality deterioration
- This was more than offset by a c.£11bn decrease in credit and counterparty credit risk RWAs, reflecting:
  - £7.6bn decrease in credit risk from lending, reflecting £3.7bn of net repayments of revolving credit facilities (RCFs) and £3.9bn decrease in other lending, primarily in retail, net of lending through government schemes
  - £3.1bn decrease in counterparty credit risk, largely reflecting management actions taken
- Market risk RWAs decreased by £2.7bn reflecting management actions taken
- Other movements, including £0.9bn increase due to the FX impact on credit risk RWAs and £0.9bn increase from IFRS 9 add-back
- We continue to support the economy with new lending and participation in government support schemes
- RWA increases from procyclicality could materialise in the second half of the year

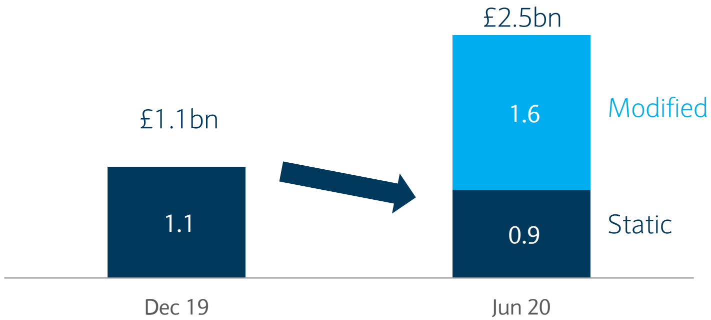
Increase in IFRS 9 transitional relief, now at c.75bps

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

Constructive regulatory action gives greater relief for stage 1 and 2 impairments

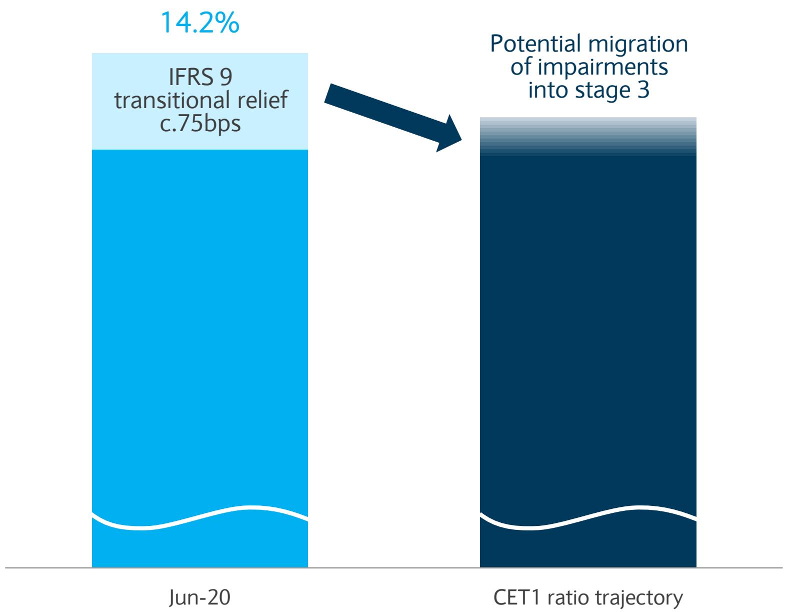
- 100% transitional relief for modified impairment post Dec-19 now applied until end-2021
- Transitional relief schedule for static component remains as before
- Total post-tax IFRS 9 transitional relief now stands at £2.5bn or c.75bps capital

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



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

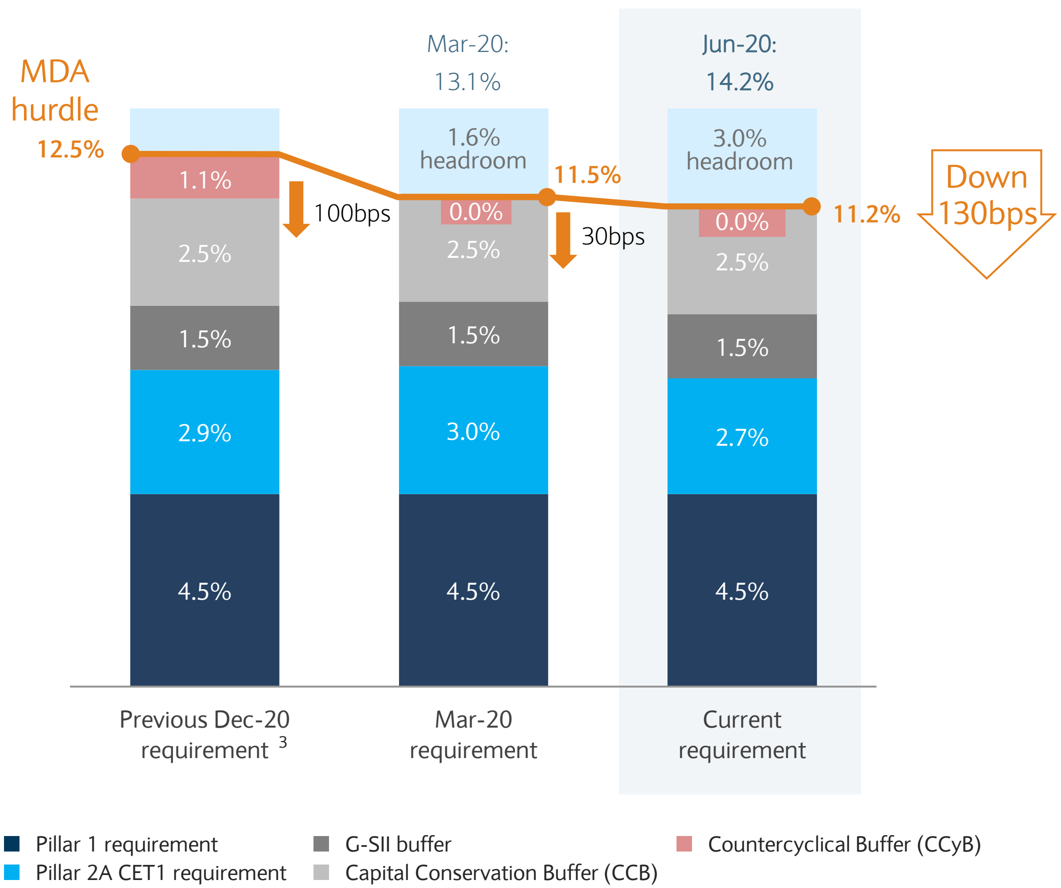
Prudently positioned CET1 ratio in the event of stage migration



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

Continue to manage CET1 ratio[1] with appropriate headroom above MDA through the stress

Illustrative evolution of minimum CET1 requirements and buffers



- Barclays intends to manage its capital position to enable it to support customers whilst maintaining appropriate headroom over the MDA hurdle, which is currently 11.2%[2]
- Headroom above MDA increased to 300bps as the regulators introduced further measures to preserve the flexibility banks needed to extend credit to the wider economy, whilst Barclays achieved strong capital accretion in Q220
- In H220 there may be headwinds to the Group's CET1 ratio from procyclical effects on RWAs, and reduced benefit from transitional relief on IFRS 9 impairment. However, the Group's CET1 ratio will continue to be managed to maintain an appropriate headroom above the MDA hurdle

[1] CET1 ratio calculated applying the transitional arrangements of the CRR as amended by CRR II applicable as at the reporting date | [2] Barclays' MDA hurdle at 11.2% reflecting the new Pillar 2A requirement as per the PRA's ICR effective from 23 July 2020 | [3] Previously expected Dec-20 requirement, following revision of the UK CCyB and Pillar 2A requirements by the PRA in December 2019 |

Well positioned to navigate headwinds to capital

Drivers of CET1 ratio movements

Headwinds:
- RWA procyclicality
- Migration of impairment into Stage 3

Tailwinds:
- Profit generation
- Management actions
- Regulatory support

Constructive regulatory action supporting our capital position, many in place for the medium term and beyond

CET1 requirement

- Modification of Pillar 2A requirement[1]

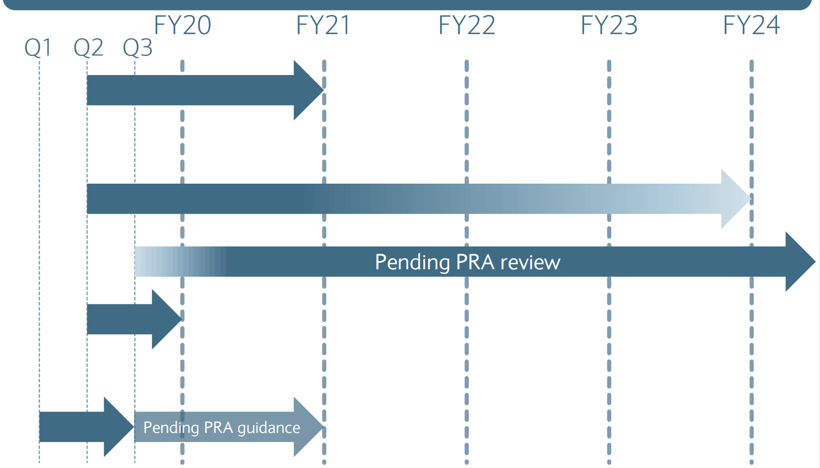
CET1 capital

- IFRS 9 transitional relief on new Covid-19 related expected credit loss provisions[2]
- CRR software intangibles change (c.20bps expected benefit)[3]
- PVA[4]

RWAs

- Market risk changes, including VaR back-testing[2,5,6]

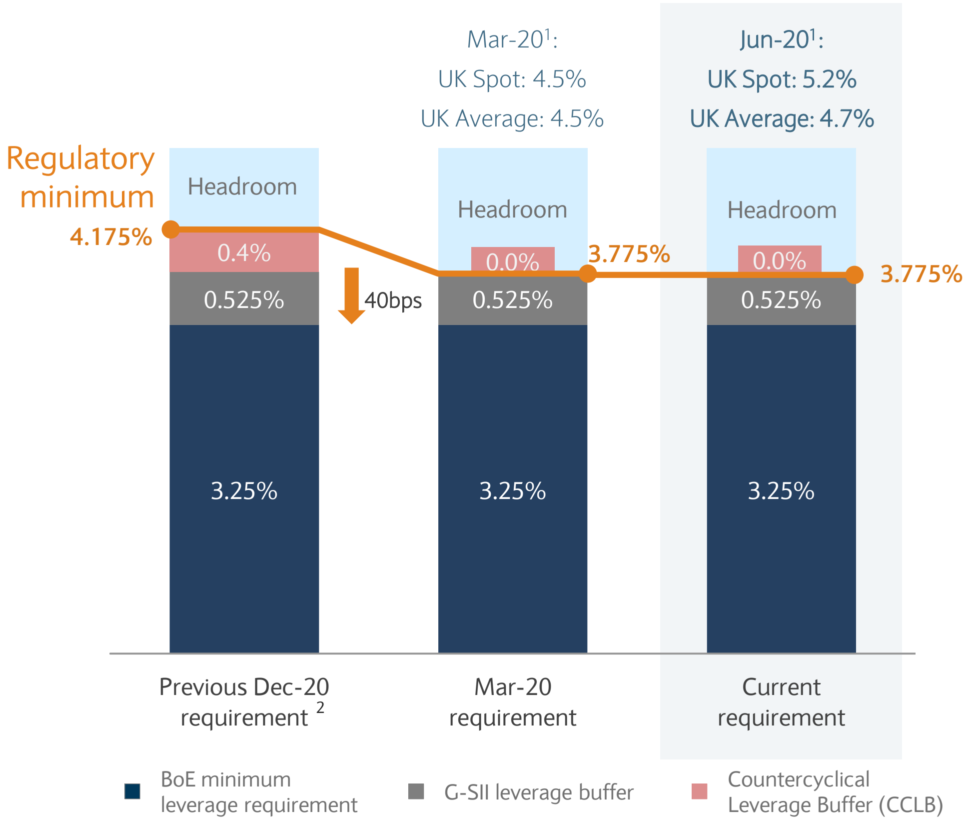
Expected timeline



[1] The Pillar 2A requirement will continue to move, given the changes outlined in the new methodology outlined in the 7 May 2020 statement by the PRA | [2] Measures outlined in Regulation (EU) 2020/873, effective on 27 June 2020, as part of the CRR II 'Quick Fix' package, and adopted in H1 2020 reporting | [3] As outlined in EBA Consultation Paper EBA/CP/2020/11 on 9 June 2020. As noted in the PRA statement on the CRR 'Quick Fix' package published on 30 June 2020, the PRA will require more information on the software intangibles change, which could result in further changes to the Pillar 2 requirement. | [4] Measures adopted as part of amendments to regulatory technical standard on Prudential Valuation. | [5] As per PRA guidance (30 March 2020) which allows the offset of market risk increases due COVID-19 related back testing exceptions against risks-not-in-VAR (RNIV); further guidance to be provided by the PRA prior to Q3 2020 | [6] Timeline refers to VaR back-testing. |

Managing evolving future Group minimum leverage requirements

Minimum leverage requirements and buffers under the UK regime



- Headroom to minimum leverage requirement increased to above 140bps in Q2, while the RWA based CET1 ratio remains our primary regulatory constraint
- The Group currently has one leverage requirement, as measured under the UK's PRA leverage regime. The requirement must be met on a daily basis, and is reflected in the daily average leverage exposure
- The Q2 leverage position included the benefit of netting of settlement balance assets and liabilities which was permitted by the PRA in advance of CRR II's timeline
- The UK leverage ratio now reflects the netting of settlement balance assets and liabilities, and we expect further tailwinds to be realised when the remaining CRR II changes come into effect in June 2021
- The CRR II leverage requirement, due to become binding from June 2021, will only be at 3%, as the G-SIB component will now not apply until 2023

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

Strong legal entity capital and liquidity positions

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

Barclays PLC

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

Barclays Bank UK PLC sub-group

Barclays Bank UK PLC (solus)
Capital regulated on a consolidated and solus basis[1]

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

Barclays Bank PLC sub-group

Barclays Bank PLC (solo)
Capital continues to be regulated on a solo basis[2]

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]	H120	FY19
CET1 ratio	14.2%	13.5%
Tier 1 ratio	17.6%	16.9%
Total capital ratio	23.1%	21.3%
LCR[4]	171%	144%
Liquidity pool	£64bn	£42bn

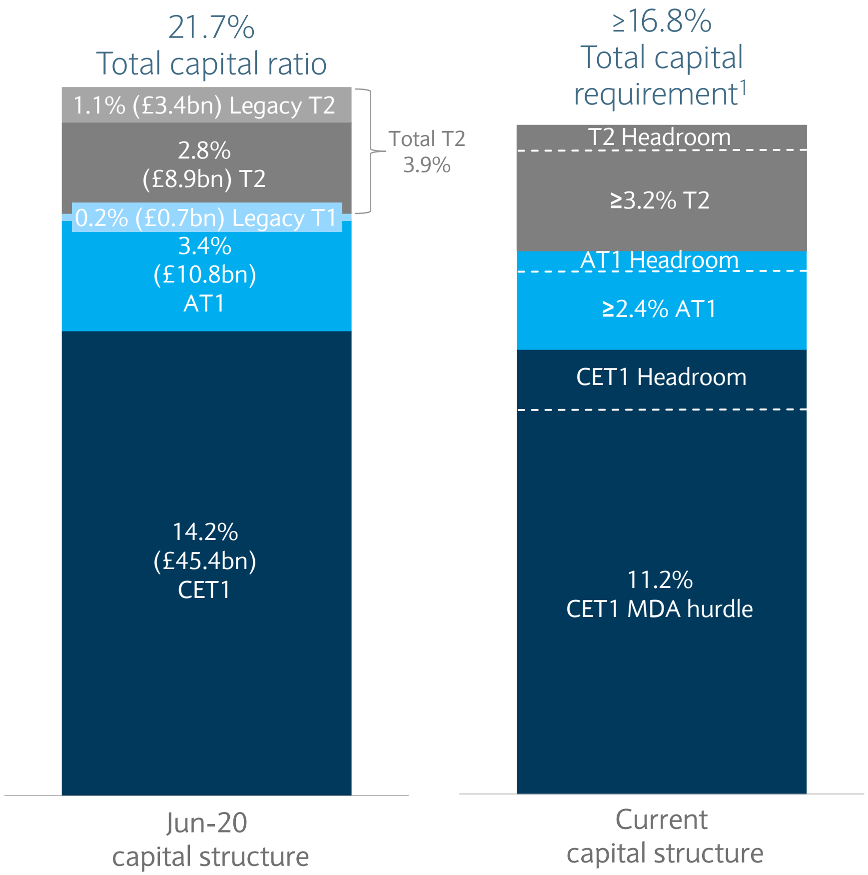
BBPLC (solo) metrics[3]	H120	FY19
CET1 ratio	14.3%	13.9%
Tier 1 ratio	17.8%	18.1%
Total capital ratio	21.0%	22.1%
LCR[4]	166%	141%
Liquidity pool[5]	£234bn	£169bn

[1] Regulation on a consolidated basis became effective on 1 January 2019 | [2] Barclays Bank PLC (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 as at the reporting date. This includes IFRS 9 transitional arrangements and the grandfathering of CRR and CRR II non-compliant capital instruments | [4] Barclays Bank UK Group and Barclays Bank PLC DoLSub liquidity coverage ratio | [5] Barclays Bank Group liquidity pool |

Capital structure well established

Expect to hold prudent headroom above AT1 and Tier 2 minimums

Illustrative evolution of regulatory capital structure



Well managed and balanced total capital structure

- BBPLC issued capital instruments are expected to be included as MREL, until 1 January 2022[2], and may continue to qualify as Tier 2 regulatory capital thereafter
- Aim is to manage our capital structure in an efficient manner:
  - Comfortable at or around the current level of AT1s. AT1 as a proportion of RWAs may vary due to seasonal and FX driven fluctuations, in addition to potential issuance and redemptions
  - Expect to continue to maintain a headroom to 3.2% of Tier 2

Pillar 2A requirement

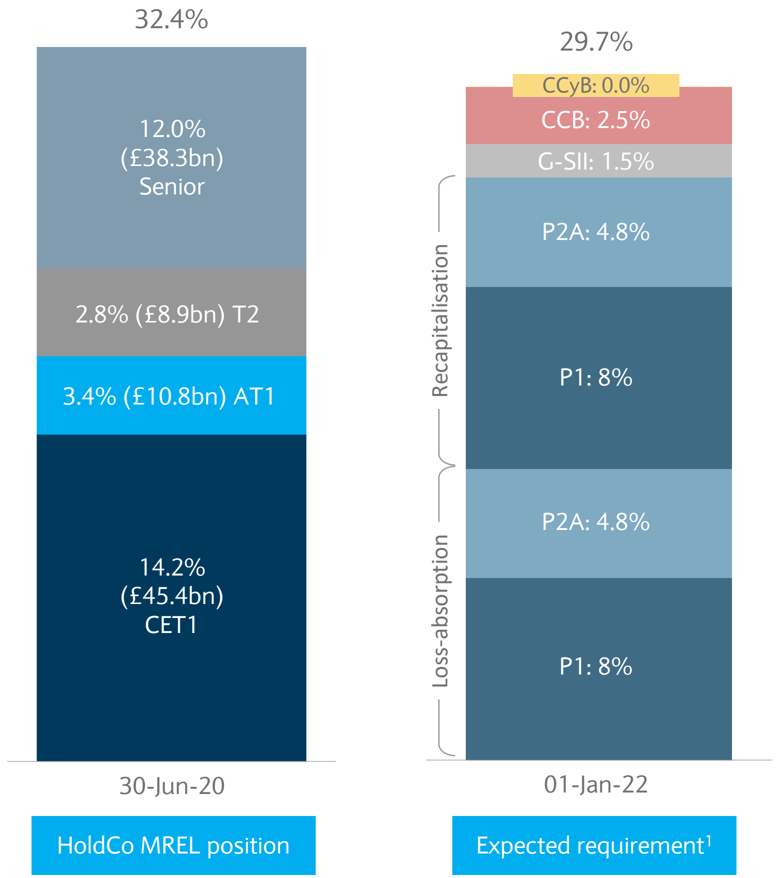
- Barclays' Pillar 2A requirement is set as part of an "Overall Capital Requirement" (P1 + P2A + CBR) reviewed and prescribed at least annually by the PRA
- The Group P2A requirement applicable from 23 July 2020 has been revised to 4.8% and is split:
  - CET1 of 2.7% (56.25% of total P2A requirement)
  - AT1 of 0.9% (18.75% of total P2A requirement)
  - Tier 2 of 1.2% (25% of total P2A requirement)

[1] Excludes headrooms | [2] In line with their regulatory capital values until 1 January 2022; based on Barclays' understanding of the current BoE position |

Successfully transitioning to a HoldCo funding model

Continue to expect £7-8bn of MREL issuance in 2020

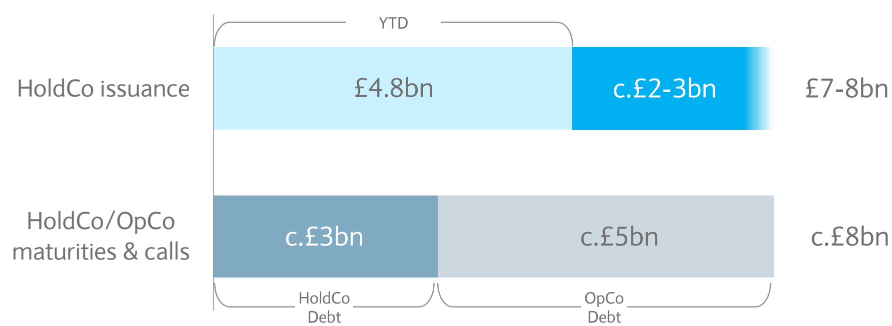
HoldCo MREL position and expected requirement



Well advanced on 2022 HoldCo issuance plan

- Continue to expect £7-8bn of MREL issuance for 2020 across Senior, Tier 2 and AT1
- Issued c.£5bn equivalent of MREL year to date towards the 2020 HoldCo issuance plan, in Senior and Tier 2 form
- Issuance plan out to 2022 calibrated to meet MREL requirements and allow for a prudent headroom
- Transitional MREL ratio as at June 2020: 33.7%
  - 2020 interim requirement already met

2020 MREL issuance, maturities and calls



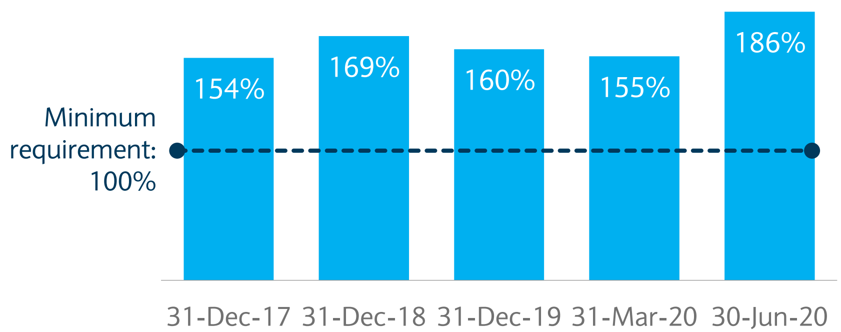
[1] 2022 requirements subject to BoE review by end-2020 |

High quality liquidity position

Prudently positioned liquidity pool and LDR

Highly liquid, comfortably exceeding minimum requirements

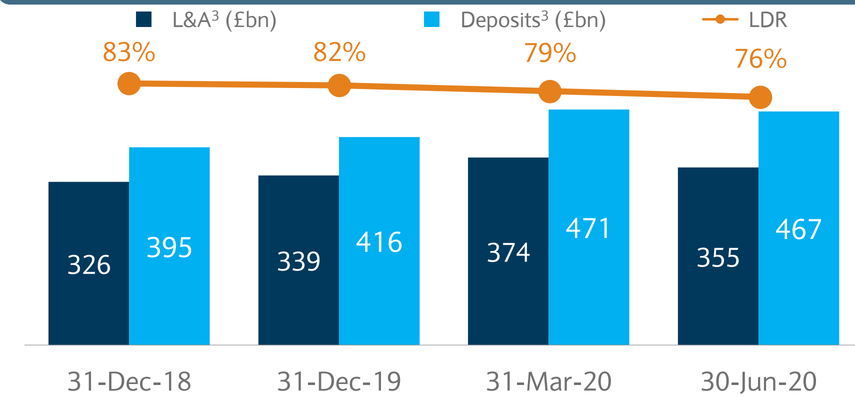
Liquidity Coverage Ratio (LCR)



	31-Dec-17	31-Dec-18	31-Dec-19	31-Mar-20	30-Jun-20
Liquidity pool[1] (£bn)	220	227	211	237	298
Liquidity surplus (£bn)	75	90	78	82	135

- Quality of the liquidity pool remains high, with the majority held in cash and deposits with central banks, and highly rated government bonds
- The change in the liquidity pool, LCR and surplus during H120 is driven by a 12% deposit growth, and reflects actions to maintain a prudent funding and liquidity position in the current environment
- Liquidity pool of £298bn represents 22% of Group balance sheet

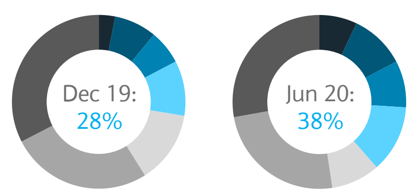
Conservative loan: deposit ratio[2]



Loan: deposit ratio of 76% as at 30 June 2020, down 3% QoQ as loans and advances decreased by £19bn while deposits remained broadly stable.

Expected temporary increase on <1 year wholesale funding

≤1month
1-3 months
3-6 months
6-12 months
1-2 years
2-5 years
>5 years



Temporary increase in <1 year wholesale funding to 38% of total as at Jun-20 from 28% as at Dec-19, reflecting cost-efficient short-term borrowing to manage liquidity needs due to prevailing uncertainty.

[1] Liquidity pool as per the Barclays Group's Liquidity Risk Appetite (LRA) | [2] Loan: deposit ratio is calculated as loans and advances at amortised cost divided by deposits at amortised cost. | [3] At amortised cost |

Interest rate sensitivity

Illustrative sensitivity of Group NII to a 10bps and 25bps parallel downward shifts in interest rates[1]

Change in NII based on illustrative scenario (£m)

10bps downward parallel shift in interest rates		
Year 1	**Year 2**	**Year 3**
c.(150)	c.(150)	c.(200)

25bps downward parallel shift in interest rates		
Year 1	**Year 2**	**Year 3**
c.(400)	c.(500)	c.(600)

Commentary/assumptions

- This analysis is based on the modelled performance of the consumer and corporate banking book, and includes the impact of both the product and equity structural hedges
- It assumes an instantaneous parallel shift in interest rate curves
- The NII sensitivity is calculated using a constant balance sheet, i.e. maturing business is reinvested at a consistent tenor and margin
- The sensitivity scenario illustrated incorporates the increasingly limited ability to pass through rate cuts to deposit holders as rates trend lower. This scenario does not reflect pricing decisions that would be made in the event of rate falls and is provided for illustrative purposes only
- The sensitivities illustrated do not represent a forecast of the effect of a change in interest rates on Group NII
- Combined gross equity and product structural hedge contribution in H120 was £0.9bn

[1] This sensitivity is provided for illustrative purposes only and is based on a number of assumptions regarding variables which are subject to change. Such assumptions might also differ from those underlying the AEaR calculation in the Annual Report. This sensitivity is not a forecast of interest rate expectations, and Barclays' pricing decisions in the event of an interest rate change may differ from the assumptions underlying this sensitivity. Accordingly, in the event of an interest rate change the actual impact on Group NII may differ from that presented in this analysis. The model does not apply floors to shocked market rates. |

Strategic priority to maintain strong ratings

Focus on maintaining current ratings profile during COVID-19 stress

Current Senior Long and Short Term ratings	Moody's	Standard & Poor's	Fitch
Barclays PLC	**Baa2** Stable **P-2**	**BBB** Negative **A-2**	**A** RWN **F1**
Barclays Bank PLC (BBPLC)	**A1** Stable **P-1** Counterparty risk assessment A1/P-1 (cr)	**A** Negative **A-1** Resolution counterparty rating A+/A-1	**A+** RWN **F1** Derivative counterparty rating A+/RWN (dcr)
Barclays Bank UK PLC (BBUKPLC)	**A1**[1] Negative **P-1** Counterparty risk assessment Aa2/P-1 (cr)	**A** Negative **A-1**	**A+** Negative **F1** Derivative counterparty rating A+/Negative (dcr)

[1] Deposit rating |

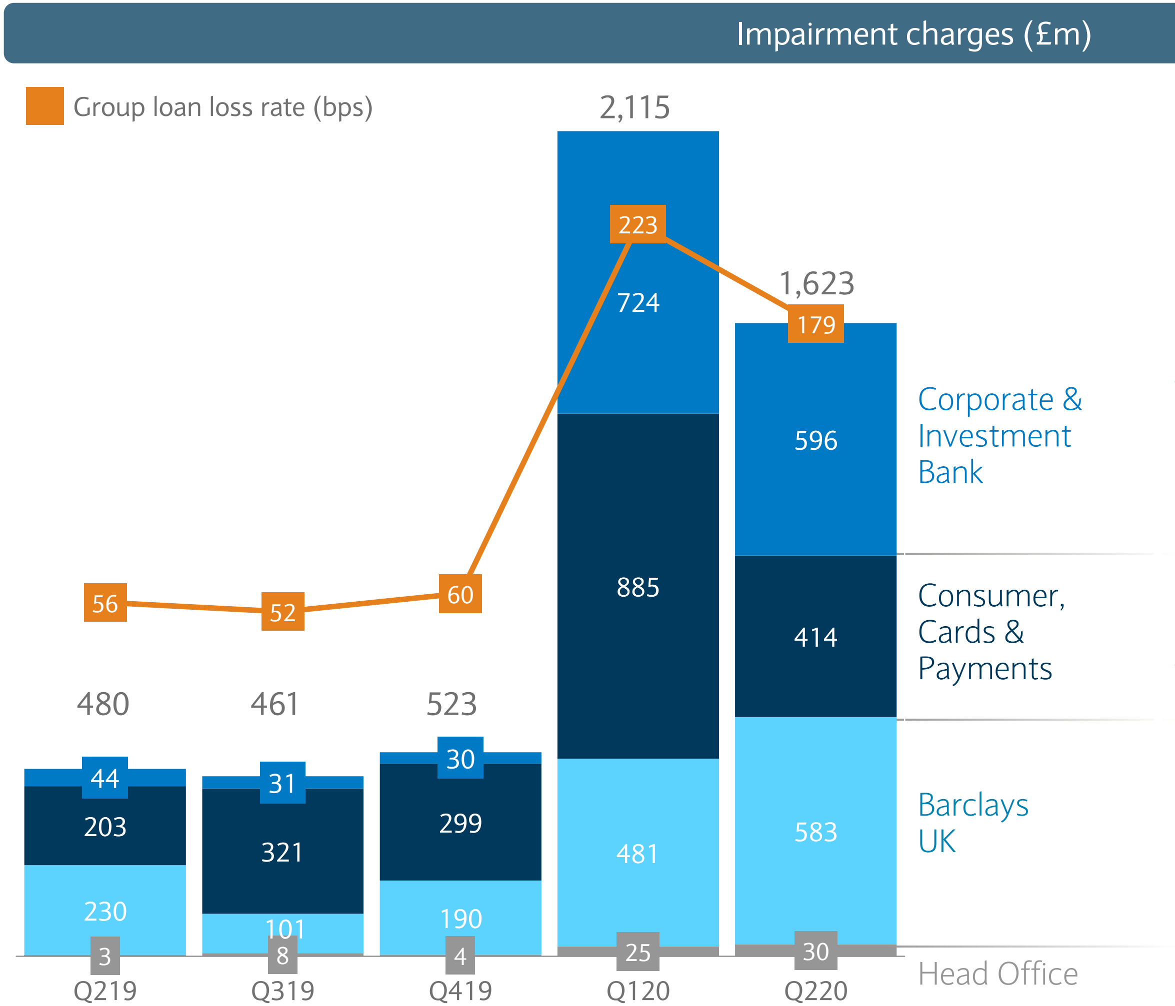
Tushar Morzaria

Barclays Group Finance Director

Q&A

Appendix

Increased impairment charges in Q120 and Q220 have resulted in higher coverage ratios across portfolios



- Although reduced from Q1 level, impairment increased YoY reflecting single name wholesale loan charges and impacts from the revised COVID-19 scenarios (including a prolonged period of heightened UK and US unemployment), partially offset by the estimated impact of central bank, government and other support measures
- Impairment coverage ratio for the unsecured consumer lending portfolio increased to 12.0% (Dec-19: 8.1%), coverage for exposures to selected industry sectors regarded as particularly vulnerable to the COVID-19 pandemic increased to 4.0% (Dec-19: 2.3%)

Q220 impairment coverage ratios for credit cards, unsecured loans and other retail lending

UK and US cards stage 2 coverage ratios increased to 28% and 24.5% respectively

UK cards

	Dec-19	Mar-20	Jun-20
Gross exposure (£m)	16,457	15,517	13,639
Impairment allowance (£m)	1,736	1,926	2,179
Coverage ratio	10.5%	12.4%	16.0%
Coverage ratio – Stage 3	65.1%	68.0%	68.3%
Coverage ratio – Stage 2	21.6%	22.3%	28.0%
Coverage ratio – Stage 1	1.2%	1.6%	2.6%

US cards

	Dec-19	Mar-20	Jun-20
Gross exposure (£m)	22,516	22,010	19,887
Impairment allowance (£m)	2,059	2,751	2,766
Coverage ratio	9.1%	12.5%	13.9%
Coverage ratio – Stage 3	79.6%	85.9%	81.4%
Coverage ratio – Stage 2	21.3%	27.9%	24.5%
Coverage ratio – Stage 1	1.6%	2.2%	2.9%

UK Personal loans and Partner finance

	Dec-19	Mar-20	Jun-20
Gross exposure (£m)	12,386	10,724	9,814
Impairment allowance (£m)	665	695	766
Coverage ratio	5.4%	6.5%	7.8%
Coverage ratio – Stage 3	70.7%	71.7%	77.9%
Coverage ratio – Stage 2	10.5%	17.4%	19.3%
Coverage ratio – Stage 1	0.8%	1.0%	1.3%

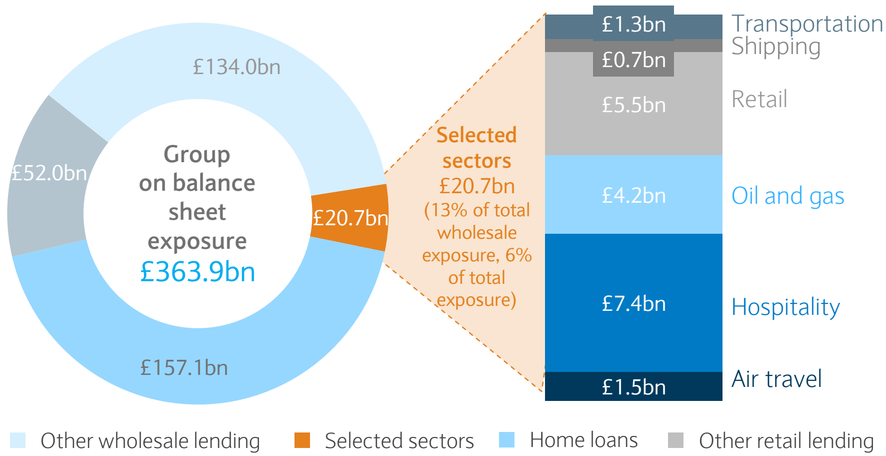
Germany and other unsecured lending

	Dec-19	Mar-20	Jun-20
Gross exposure (£m)	8,821	8,938	8,695
Impairment allowance (£m)	424	464	541
Coverage ratio	4.8%	5.2%	6.2%
Coverage ratio – Stage 3	40.6%	46.1%	50.3%
Coverage ratio – Stage 2	11.5%	13.8%	11.3%
Coverage ratio – Stage 1	0.7%	0.7%	1.0%

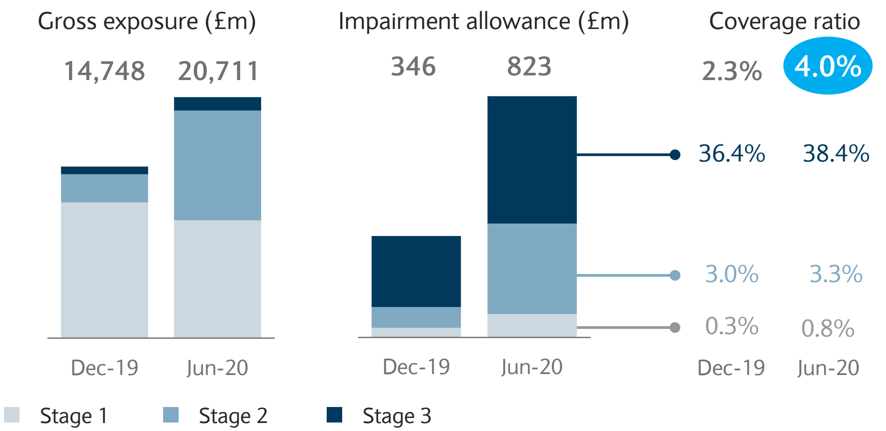
Stage 1 Stage 2 Stage 3

Exposure to selected sectors vulnerable to the current environment only 13% of total wholesale exposure

Gross exposure as at Jun-20



Impairment allowance and coverage ratios



- Our exposure to higher risk sectors as a result of the COVID-19 pandemic totalled £20.7bn
- 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
- Well diversified portfolio across sector and geography
- Government stimulus and support measures expected to partly mitigate the impact on higher risk sectors
- Active identification and management of high risk sectors has been in place following the Brexit referendum with actions taken to enhance lending criteria and reduce risk profile
- >25% synthetic protection provided by risk mitigation trades
- Covenants in place based on leverage, LTVs, and debt service ratios for clients in high risk sectors

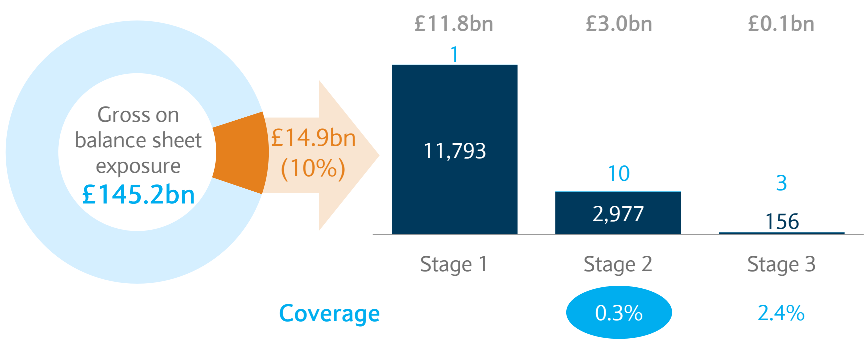
  Retailers – top names are typically consumer staples or secured against premises/subject to asset-backed loans

  Airlines – tenor of lending typically less than 24 months, focused on top tier airlines in the UK and US

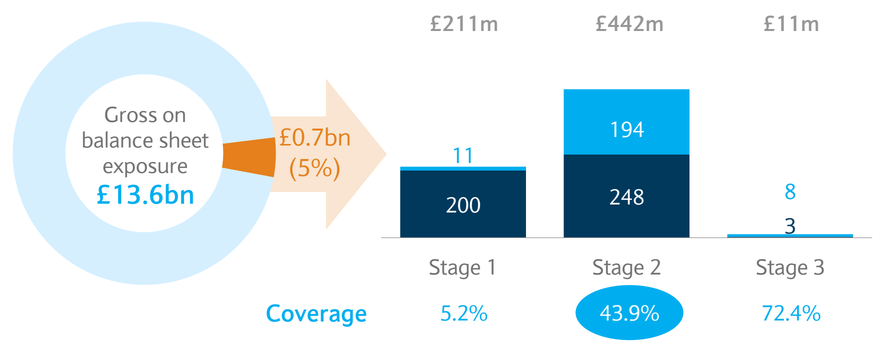
  Oil & Gas – exposure well balanced with no large concentration either by activity or geography

Balances on payment holidays across portfolios were well covered as at Jun-20

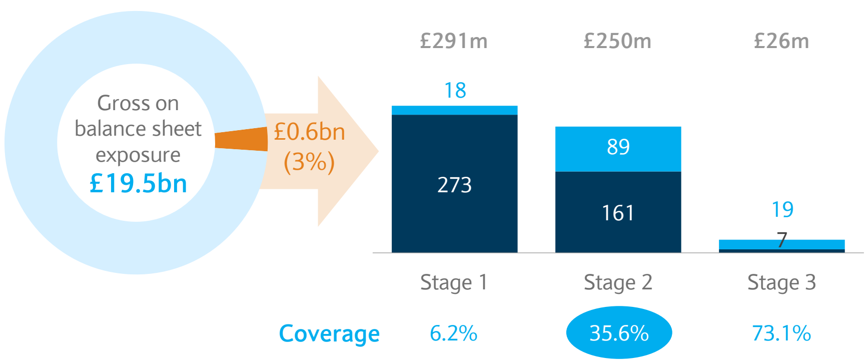
UK mortgages: The average current LTV of balances on active payment holidays is 57%



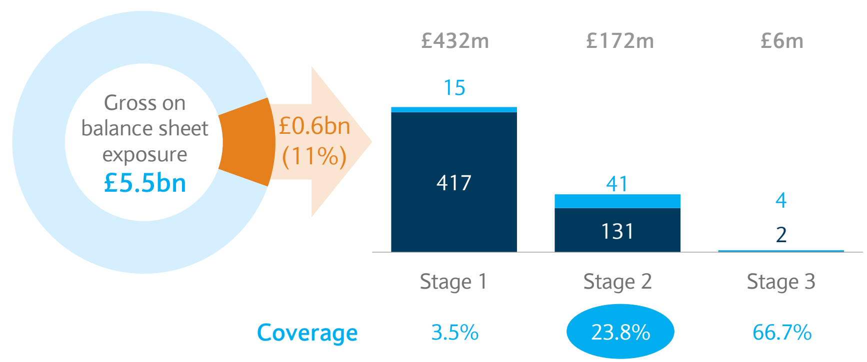
UK cards: Total net exposure on payment holidays of £451m



US Cards: Total net exposure on payment holidays of £441m



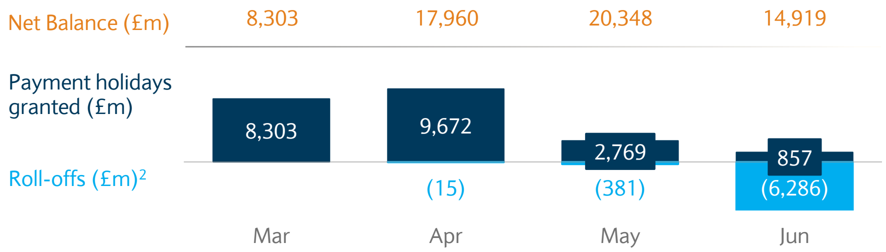
UK personal loans: 71% of gross exposure on payment holidays in stage 1



■ Payment holidays granted ■ Net exposure ■ Impairment allowance

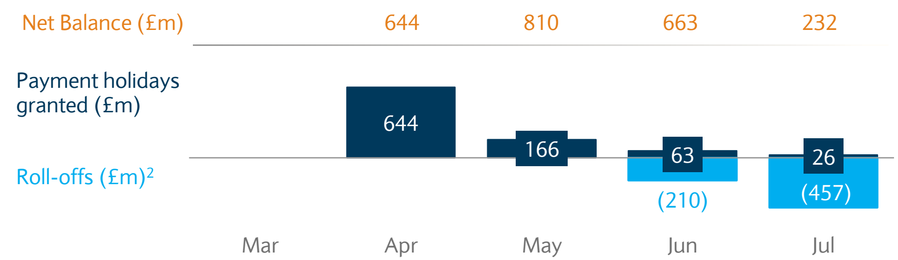
Payment holidays granted continue to reduce and net balances are also reducing as customers roll off

UK mortgages



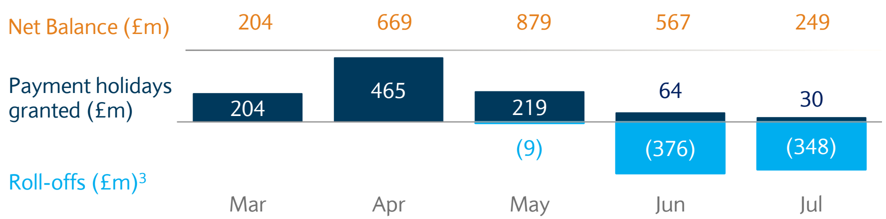
- Value of payment holidays granted to customers in June was 91% lower than granted in April
- July mortgage payment roll-offs do not occur until the end of the month

UK cards[1]



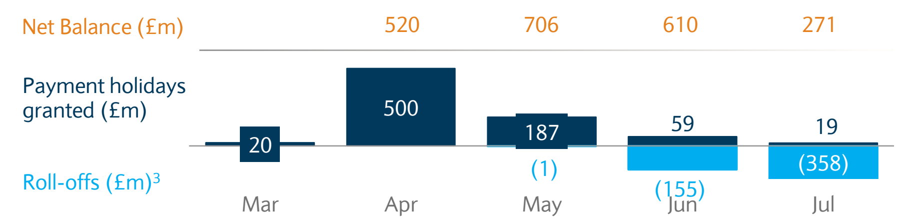
- Value of payment holidays granted to customers in July is 96% lower than granted in April. July net balances are 71% lower than the peak in May
- c.80% of June payment holiday roll offs have returned to making regular payments (where a payment has been due)[3]

US Cards[1]



- Value of payment holidays granted to customers in July is 93% lower than granted in April
- July net balances are 72% lower than the peak in May
- c.80% of payment holiday roll offs since May have returned to making regular payments (where a payment has been due)[3]

UK personal loans[1]



- Value of payment holidays granted to customers in July is 98% lower than granted in April. July net balances are 61% lower than the peak in May
- c.75% of payment holiday roll offs since May have returned to making regular payments (where a payment has been due)[3]

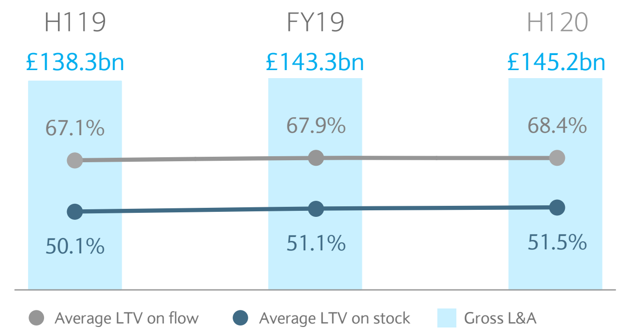
[1] July payment holidays data estimated as at 22nd July 2020 | [2] Mortgage roll offs represent accounts exiting the initial payment holiday where no further payment holiday has been applied prior to 30th June. Customers returning to contracted monthly payments or requesting other forms of support are included in the roll off numbers. | [3] Roll off month is the last month where no payment is due from the customer. June roll-offs are required to make their first payment in July and July roll offs will be required to make their first payment in August |

Retail portfolios in the UK and US prudently positioned ahead of the crisis

UK secured

- Focused on growing mortgage book within risk appetite
- c.50% average LTV of mortgage book stock
- Buy-to-Let mortgages represent only 14% of the book

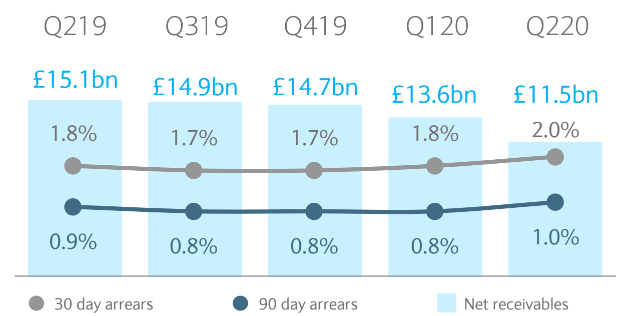
UK mortgage balance growth within risk appetite



UK unsecured

- Early signs of credit deterioration following COVID-19 pandemic
- A suite of prudent risk actions taken, suspending proactive growth activity and reducing exposure/limits
- 0% BTs followed prudent lending criteria, with 96% of the balances having a duration of <24 months

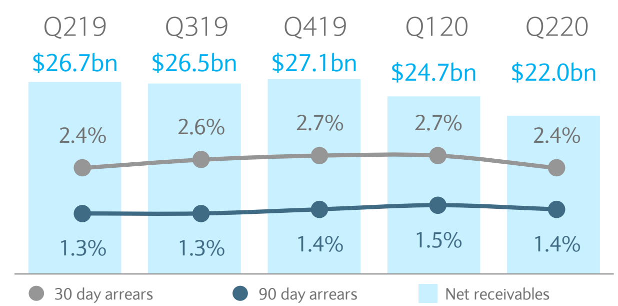
UK cards arrears rates increased marginally year-on-year



US Cards

- Diversified portfolio across segments with good risk/return balance
- Continuing our focus to shift strategy to co-branded cards whilst scaling back our branded cards presence
- Delinquency trends remained stable, with stable arrears rates in recent years

US Cards arrears rates remained broadly stable year-on-year



2020 pension update

Capital benefit of £250m in Q2 due to UK Retirement Fund (UKRF) Trustee investment in Senior Notes

- As at 30 September 2019, the triennial valuation showed a funding deficit of £2.3bn with the difference to the IAS 19 surplus representing a different approach to setting the discount rate and a more conservative longevity assumption for funding
- The Bank asked the UKRF Trustee to consider an investment in a gilt backed note (similar to the issued note in December 2019) in order to manage the capital impact of 2020 contributions to the UKRF. The UKRF Trustee agreed and:
  - i. In June 2020, the Bank paid £500m to the UKRF as 2020 deficit contributions; and
  - ii. In June 2020, the UKRF subscribed for non-transferrable listed senior fixed rate notes for £750m, backed by UK gilts (the Senior Notes). These Senior Notes entitle the UKRF to semi-annual coupon payments for five years, and full repayment of the subscription in cash in three equal tranches in 2023, 2024, and at final maturity in 2025.
- As a result of the investment in Senior Notes, the regulatory capital impact of the £500m deficit contribution paid on 12 June takes effect in 2023, 2024 and 2025 on maturity of the notes. The £250m additional investment by the UKRF in the Senior Notes has a positive capital impact in 2020 which is reduced equally in 2023, 2024 and 2025 on the maturity of the notes.
- As at 30 June 2020, the Group's IAS 19 pension surplus across all schemes was £2.5bn (December 2019: £1.8bn). The UK Retirement Fund (UKRF), which is the Group's main scheme, had an IAS 19 pension surplus of £2.8bn (December 2019: £2.1bn). The movement for the UKRF was driven by higher than assumed asset returns and lower expected long-term price inflation, partially offset by a decrease in the discount rate.

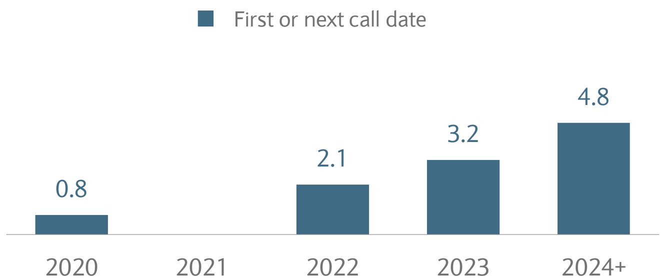
Capital impact of deficit reduction contributions (£bn)	2020	2021	2022	2023	2024	2025	2026	Sum 2020-26
Based on 2016 Triennial valuation	0.5	1.0	1.0	1.0	1.0	1.0	1.0	6.5
Based on 2019 Triennial valuation	0.5	0.7	0.3	0.3	0.5 (paid in Q419)[1]	-	-	2.3
Capital benefit of reduced contributions (pre-tax)	-	(0.3)	(0.7)	(0.7)	(0.5)	(1.0)	(1.0)	(4.2)
Investment in Senior Notes	(0.75)	-	-	0.25	0.25	0.25	-	-
Net capital impact (pre-tax)	(0.25)	0.7	0.3	0.55	0.75	0.25	-	2.3
Net capital impact (bps) – based on Jun-20 RWAs	(8)bps	22bps	9bps	17bps	24bps	8bps		

[1] £500m paid in Q419 relates to the unwind of the Gilt-backed notes issued as part of Heron.

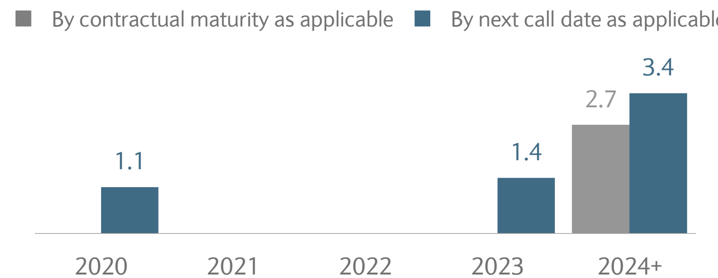
Managing the call and maturity profiles of BPLC and BBPLC capital instruments

BPLC capital call and maturity profile (£bn)

BPLC AT1 capital as at 30 June 2020[1]

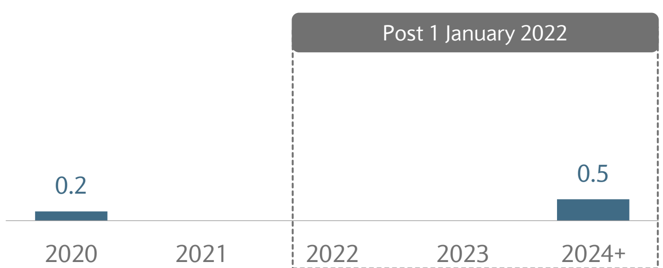


BPLC Tier 2 capital as at 30 June 2020[1]

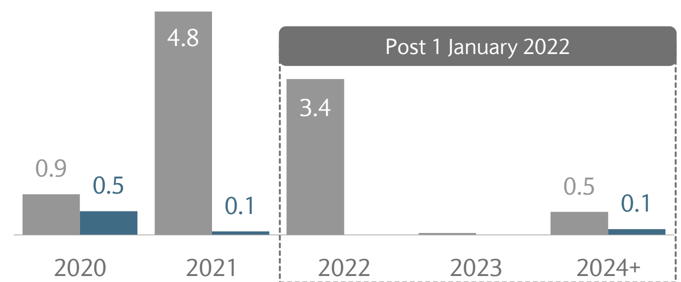


BBPLC capital call and maturity profile (£bn)

BBPLC AT1 capital as at 30 June 2020[1]



BBPLC Tier 2 capital as at 30 June 2020[1]

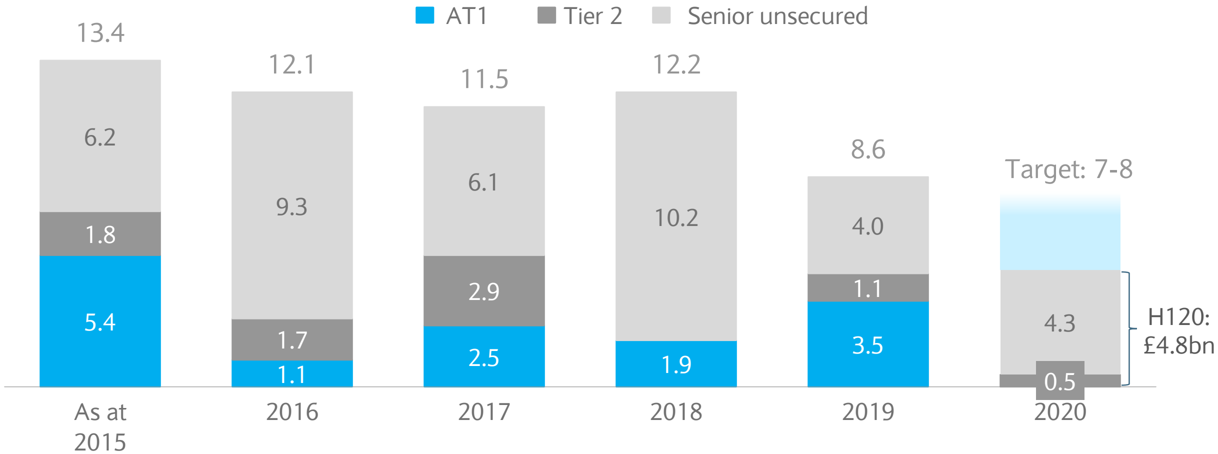


Short and small tail of legacy capital by 1 January 2022, with c.90% of all instruments maturing or callable by the end of 2022

[1] Prepared on nominal basis which will not reconcile with regulatory or accounting bases due to adjustments |

Continued progress in HoldCo issuance

Annual HoldCo issuance volume materially lower compared to 2016-18 (£bn)[1]



H120 HoldCo issuance by currency[3]

April: EUR 2bn Senior

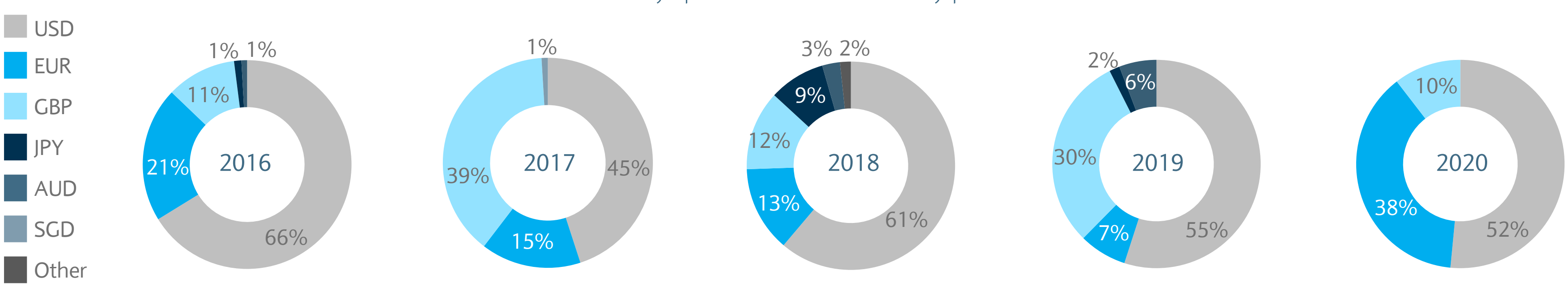
May: USD 1.75bn Senior

May: GBP 500m Tier 2

June: USD 1bn Senior

Diversified currency of HoldCo issued instruments

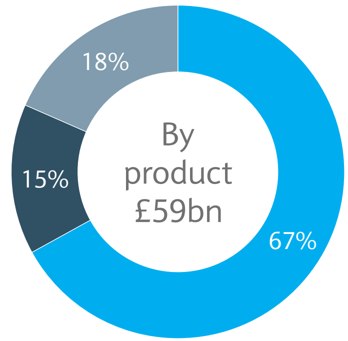
Currency split of HoldCo issuance by period[2]



[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] FX rates as at respective period ends | [3] Excludes private placements | Note: Charts may not sum due to rounding |

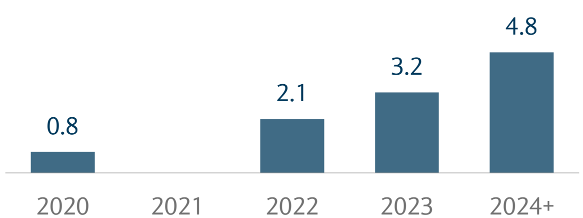
Balanced HoldCo funding profile by debt class and tenor

Barclays PLC



BPLC AT1 capital as at 30 June 2020[1]

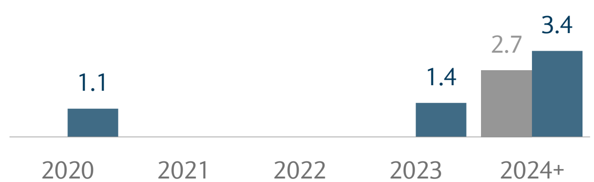
First or next call date

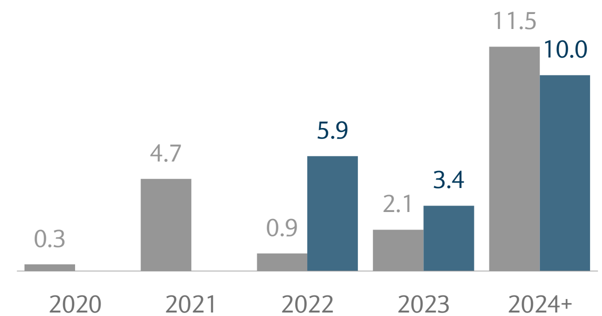


BPLC Tier 2 capital as at 30 June 2020[1]

BPLC Senior unsecured debt as at 30 June 2020[1]

By contractual maturity as applicable | By next call date as applicable





[1] Prepared on nominal basis which will not reconcile with regulatory or accounting bases due to adjustments | Note: Charts may not sum due to rounding |

Legal entity structure of the Group since April 2018

Barclays PLC

Divisions

Barclays UK

Market leading UK retail bank, combining digital innovation and scale

Personal Banking
Barclaycard Consumer UK
Business Banking

Barclays International and Head Office[1]

Diversified bank across Cards & Payments, Corporate & Investment Banking and Private Banking

Consumer, Cards & Payments
Corporate & Investment Bank
Head Office

Barclays Execution Services (BX)

Legal entities

Barclays Bank UK PLC

Total assets: £287bn as at H120

Barclays Execution Services Limited

Strategically integrated service company, providing scale and efficiency, enabling growth and delivering world-class shared services to Barclays UK and Barclays International

Barclays Bank PLC (and subsidiaries)

Total assets: £1,096bn as at H120

- **US IHC**
- **Barclays Bank Ireland**
- **Multiple entities**

[1] The Head Office division materially remains in Barclays Bank PLC and incorporates re-integrated Non-Core assets and businesses. The residual holding in BAGL (full regulatory deconsolidation effective 30 June 2018) is held in Barclays Principal Investments Limited as a direct subsidiary of BPLC |

Barclays is set up to continue serving clients based in the European Union

European Union subsidiary operational with a significant number of clients migrated

- Barclays is well positioned to continue providing services in the European Union with minimal disruption ahead of the end of the Brexit transition period
- Barclays Europe, operating through Barclays Bank Ireland PLC (BBI), is now operational with nine branches across the European Union, and a significant number of relationships with EU based clients have now been migrated
- BBI obtained all regulatory authorisations and licences for its expanded activity in 2018 and is supervised by the Single Supervisory Mechanism of the ECB and the Central Bank of Ireland since 2019
- Barclays Europe fortifies the diversification of the Group's business, operating across Corporate, Investment and Private Banking as well as a credit card and consumer business in Germany[1], with strategic investments to grow footprint
- Diversified, well balanced funding sources and strong liquidity ratios. MREL and capital provided from within the Group
- The entity reported strong financial profile as of H120 with credit ratings in line with its immediate parent BB PLC

European footprint to service key markets

Barclays Europe Key Jun-20 Ratios and Credit Ratings[2]

IFRS assets	€92.5bn
CET1 ratio[3]	13.3%
LCR	210%

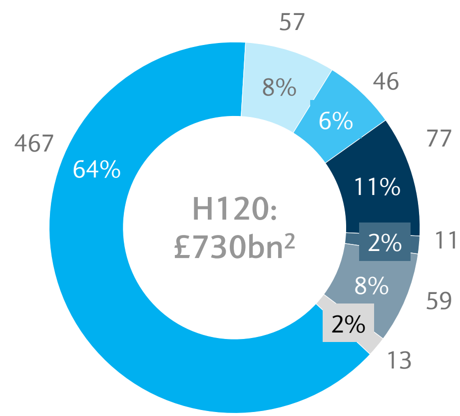
Barclays Bank Ireland PLC, as at 28 July 2020	
Fitch	A+ / RWN / F1
S&P	A / Negative / A-1

[1] The activity also incorporates a legacy Italian mortgage portfolio | [2] The ratings are equalised to those of Barclays Bank PLC, the immediate parent of Barclays Bank Ireland PLC | [3] CET1 ratio calculated applying the transitional arrangements of the CRR as amended by CRR II applicable as at the reporting date |

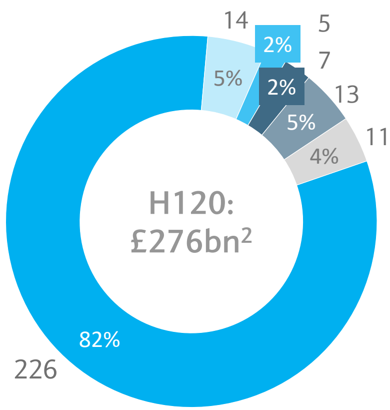
Diversified Funding Sources[1] across all legal entities

Majority of funding within legal entities through deposits

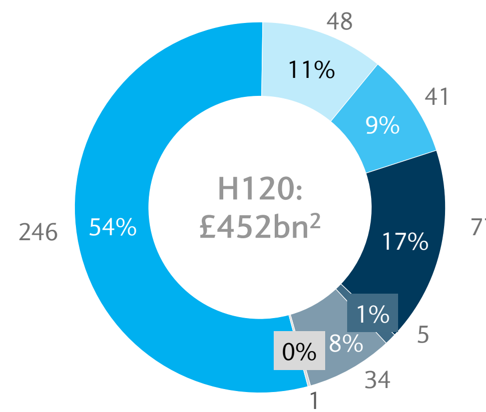
Barclays PLC



Barclays Bank UK PLC [3]



Barclays Bank PLC [3]



Key:

- Deposits
- Shareholders' equity
- OpCo short-term funding[4]
- OpCo unsecured term funding
- OpCo secured funding[5]
- HoldCo issued instruments (MREL)[6]
- Bank of England's Term Funding Scheme[7]

[1] The funding sources presented include external deposits at amortised cost, wholesale funding including public benchmark and privately placed senior unsecured notes, certificates of deposits, commercial paper, covered bonds, asset backed securities, subordinated debt, participation in Bank of England's Term Funding Scheme, Additional Tier 1 capital instruments and shareholders' equity | [2] Excludes derivative financial instruments, repurchase agreements and other similar secured borrowing (other than TFS borrowing), trading portfolio liabilities, cash collateral and settlement balances and other liabilities | [3] Barclays Bank PLC and Barclays Bank UK PLC funding profile includes subsidiaries | [4] OpCo short-term funding consists of certificates of deposit, commercial paper and asset backed commercial paper | [5] OpCo secured funding includes covered bonds and asset backed securities | [6] HoldCo MREL downstreamed to BBUKPLC, BBPLC, and other subsidiaries, including Barclays Execution Services Limited and Barclays Principal Investments Limited | [7] Excludes participation in other central bank facilities | Note: Charts may not sum due to rounding |

Deposit and wholesale funding sources of Barclays Bank UK PLC and Barclays Bank PLC

Barclays PLC

Barclays Bank UK PLC

			H120		FY19	
External funding sources[1] (£bn)	Deposit funding[2]	Personal Banking	170	226	159	206
		Business Banking	56		46	
	Operational funding (externally issued)	Certificates of deposits and commercial paper	5	5	1	1
		Senior unsecured debt ≤3 year	-		-	
	Term funding	Secured funding (e.g. covered bonds and asset-backed securities)	7	7	8	8
	Other	Bank of England's Term Funding Scheme	11	11	11	11
Internal MREL(£bn)		Internal funding of AT1s, subordinated debt and senior unsecured debt downstreamed from Barclays PLC (allocation to entities broadly determined by RWA size)	13	13	10	10

Barclays Bank PLC (and subsidiaries)

			H120		FY19	
External funding sources[1] (£bn)	Deposit funding[2]	Corporate and Investment Bank	174	246	146	214
		Consumer, Cards & Payments	67		64	
	Operational funding (externally issued)	Certificates of deposit, commercial paper and asset-backed commercial paper	41	70	25	50
		Senior unsecured debt ≤3 year	29		25	
	Term funding	Secured funding (e.g. asset-backed securities)	5	46	5	47
		Residual outstanding BBPLC externally issued debt capital and term senior unsecured debt (including structured notes)	42		42	
	Other	Bank of England's Term Funding Scheme	1	1	1	1
Internal MREL(£bn)		Internal funding of AT1s, subordinated debt and senior unsecured debt downstreamed from Barclays PLC (allocation to entities broadly determined by RWA size)	34	34	30	30

[1] Excludes participation in other central bank facilities | [2] BBPLC deposits include deposits from other Barclays entities |

Wholesale funding composition as at 30 June 2020[1]

As at 30 June 2020 (£bn)	<1 month	1-3 months	3-6 months	6-12 months	Total <1 year	1-2 years	2-3 years	3-4 years	4-5 years	>5 years	Total
Barclays PLC (the Parent company)											
Senior unsecured (Public benchmark)	-	0.3	-	2.6	2.9	2.8	5.2	7.2	6.3	14.0	38.4
Senior unsecured (Privately placed)	-	-	-	0.1	0.1	0.2	-	0.3	-	0.5	1.1
Subordinated liabilities	-	-	-	-	-	-	-	-	1.0	7.6	8.6
Barclays Bank PLC (including subsidiaries)											
Certificates of deposit and commercial paper	3.9	9.8	10.4	6.2	30.3	0.9	0.4	0.1	-	-	31.7
Asset backed commercial paper	3.2	3.9	1.6	0.3	9.0	-	-	-	-	-	9.0
Senior unsecured (Public benchmark)	-	-	-	3.1	3.1	1.6	0.1	1.2	-	1.7	7.7
Senior unsecured (Privately placed)[2]	0.6	3.2	2.5	4.6	10.9	6.8	6.6	4.6	5.8	22.8	57.5
Asset backed securities	0.5	-	0.1	-	0.6	0.6	1.1	0.4	0.3	1.6	4.6
Subordinated liabilities	-	0.2	0.9	4.9	6.0	1.3	2.4	-	0.1	1.5	11.3
Barclays Bank UK PLC (including subsidiaries)											
Certificates of deposit and commercial paper	3.7	1.3	0.2	0.1	5.3	-	-	-	-	-	5.3
Covered bonds	-	-	-	0.9	0.9	2.3	1.7	-	-	1.3	6.2
Asset backed securities	0.5	-	-	-	0.5	-	-	-	-	-	0.5
Total	**12.4**	**18.7**	**15.7**	**22.8**	**69.6**	**16.5**	**17.5**	**13.8**	**13.5**	**51.0**	**181.9**
Total as at 31 December 2019	4.5	11.6	9.4	15.1	40.6	19.8	12.1	15.1	11.6	47.9	147.1

[1] The composition of wholesale funds comprises the balance sheet reported financial liabilities at fair value, debt securities in issue and subordinated liabilities. It does not include participation in the central bank facilities reported within repurchase agreements and other similar secured borrowing. Term funding comprises public benchmark and privately placed senior unsecured notes, covered bonds, asset-backed securities and subordinated debt where the original maturity of the instrument is more than 1 year | [2] Includes structured notes of £48.5bn, of which £8.9bn matures within 1 year from 30 June 2020 |

Barclays rating composition for senior debt

Moody's

		BPLC	BBPLC	BBUKPLC
Stand-alone rating	Adj. Baseline Credit Assessment	baa2	baa2	a3
	Macro profile	Strong+	Strong+	Strong+
	Financial profile	baa1	baa2	a3
	Qualitative	-1	-1	0
	Affiliate support	0	+1	0
Notching	Loss Given Failure (LGF)		+3	+1
	Government Support		+1	+1
	Total notching	0	+4	+2
Liability ratings	Rating	Baa2	A1	A1[1]
	Outlook	STABLE		NEGATIVE

Standard & Poor's

		BPLC	BBPLC	BBUKPLC
Stand-alone rating	Stand-Alone Credit Profile	bbb+		
	Anchor	bbb+		
	Business position	0		
	Capital and earnings	+1		
	Risk position	-1		
	Funding and liquidity	0		
Notching	Additional Loss Absorbing Capacity (ALAC)		+2	+2
	Group status		Core	Core
	Structural subordination	-1		
	Government support			
	Total notching	-1	+2	+2
Liability ratings	Rating	BBB	A	A
	Outlook	NEGATIVE		

Fitch

		BPLC	BBPLC	BBUKPLC
Stand-alone rating	Viability Rating[2]	a	a	a
	Operating environment	aa to a+		
	Company profile	a to bbb+		
	Management & Strategy	a+ to a-		
	Risk appetite	a to bbb+		
	Financial profile	a+ to bbb+		
Notching	Qualifying Junior Debt		+1	+1
	Government Support			
	Total notching	0	+1	+1
Liability ratings	Rating	A	A+	A+
	Outlook	RWN		NEGATIVE

[1] Deposit rating | [2] The component parts relate to Barclays PLC consolidated |

Barclays rating composition for subordinated debt

Moody's

		BPLC		BBPLC			
		T2	AT1	T2 Coco	LT2	UT2	T1 (cum)
Stand-alone rating	Adj. Baseline Credit Assessment	baa2		baa2			
Notching	LGF	-1			-1	-1	-1
	Coupon skip risk (cum)					-1	-1
	Coupon skip risk (non-cum)						
	Model based outcome with legacy T1 rating cap		-3				
	Total notching	-1	-3		-1	-2	-2
Liability ratings	Rating	Baa3	Ba2	n/a	Baa3	Ba1	Ba1

Standard & Poor's

		BPLC		BBPLC			
		T2	AT1	T2 Coco	LT2	UT2	T1
Stand-alone rating	Stand-Alone Credit Profile	bbb+					
Notching	Contractual subordination	-1	-1	-1	-1	-1	-1
	Bail-in feature	-1	-1	-1	-1	-1	-1
	Buffer to trigger		-1	-1			
	Coupon skip risk		-2			-1	-2
	Structural subordination	-1	-1				
	Total notching	-3	-6	-3	-2	-3	-4
Liability ratings	Rating	BB+	B+	BB+	BBB-	BB+	BB

Fitch

		BPLC		BBPLC			
		T2	AT1	T2 Coco	LT2	UT2	T1
Stand-alone rating	Viability Rating	a		a			
Notching	Loss severity	-2	-2	-2	-2	-1	-2
	Non-performance risk		-2			-2	-2
	Total notching	-2	-4	-2	-2	-3	-4
Liability ratings	Rating	BBB+	BBB-	BBB+	BBB+	BBB	BBB-

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. All such regulatory requirements are subject to change;
- MREL is based on Barclays' understanding of the Bank of England's policy statement on "The Bank of England's approach to setting a minimum requirement for own funds and eligible liabilities (MREL)" published in June 2018, updating the Bank of England's November 2016 policy statement, and the non-binding indicative MREL requirements communicated to Barclays by the Bank of England. Binding future MREL requirements remain subject to change including at the conclusion of the transitional period, as determined by the Bank of England, taking into account a number of factors as described in the policy statement and as a result of the finalisation of international and European MREL/TLAC requirements;
- 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. The Bank of England will review the MREL calibration by the end of 2020, including setting Pillar 2A capital requirements, which may drive a different 1 January 2022 MREL requirement than currently proposed. The Pillar 2A requirement is subject to at least annual review.

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, payment of dividends (including dividend payout ratios and expected payment strategies), projected levels of growth in the banking and financial markets, projected costs or savings, any commitments and targets, estimates of capital expenditures, plans and objectives for future operations, projected employee numbers, IFRS impacts and other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. The forward-looking statements speak only as at the date on which they are made and such 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, 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 exit by the UK from the European Union and the disruption that may subsequently result in the UK and globally; 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, dividend payments, 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 2019 and our 2020 Interim Results Announcement for the six months ended 30 June 2020 filed on Form 6-K), which are available on the SEC's website at www.sec.gov.

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

Non-IFRS Performance Measures

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