UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 20-F

(Mark One)

☐ REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

☑ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2024

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _______________ to _______________

OR

☐ SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report _______________

Commission file number Barclays Bank PLC 1-10257

BARCLAYS BANK PLC
(Exact Name of Registrant as Specified in its Charter)

England
(Jurisdiction of Incorporation or Organization)

1 CHURCHILL PLACE, LONDON E14 5HP, England
(Address of Principal Executive Offices)

KATHRYN ROBERTS , +44 (0)20 7116 3170, KATHRYN.ROBERTS@BARCLAYS.COM
1 CHURCHILL PLACE, LONDON E14 5HP, England
(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

As a wholly-owned subsidiary of Barclays PLC, which is a reporting company under the Securities Exchange Act of 1934, Barclays Bank PLC meets the conditions set forth in General Instruction I(1)(a) and (b) of Form 10-K, as applied to annual reports on Form 20-F, and is therefore filing this Form 20-F with a reduced disclosure format.

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange On Which Registered
iPath® Bloomberg Commodity Index Total Return℠ ETN	DJP	NYSE Arca
iPath® Series B Carbon ETN	GRN	NYSE Arca
iPath® Series B S&P 500 VIX Short-Term Futures™ ETNs	VXX	CBOE BZX Exchange
iPath® Series B S&P 500 VIX Mid-Term Futures™ ETNs	VXZ	CBOE BZX Exchange
iPath® Select MLP ETN	ATMP	CBOE BZX Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act: None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

£1 ordinary shares	2,342,558,515
€100 preference shares	31,856
$100 preference shares	58,133

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☑ No ☐

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes ☐ No ☑

Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer", "accelerated filer" and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large Accelerated Filer ☐ Accelerated Filer ☐ Non-Accelerated Filer ☑ Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive- based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

*Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐

International Financial Reporting Standards as issued by the International Accounting Standards Board ☑

Other ☐

*If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow:

Item 17 ☐

Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☑

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes ☐ No ☐

SEC Form 20-F Cross reference information

Form 20-F item number			Page and caption references in this document*
1	**Identity of Directors, Senior Management and Advisers**		Not applicable
2	**Offer Statistics and Expected Timetable**		Not applicable
3	**Key Information**		
	A.	[Reserved]	
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	C.	Reason for the offer and use of proceeds	Not applicable
	D.	Risk factors	47-61
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	B.	Business overview	i (Market and other data), 49-50, 137-148, 167-168 (Note 2), 278-282
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	C.	Research and development, patents and licenses, etc.	Omitted
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	B.	Compensation	Omitted
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	D.	Employees	Omitted
	E.	Share ownership	Omitted
	F.	Disclosure of a registrant's action to recover erroneously awarded compensation	Not applicable
7	**Major Shareholders and Related Party Transactions**		
	A.	Major shareholders	Omitted
	B.	Related party transactions	Omitted
	C.	Interests of experts and counsel	Not applicable
8	**Financial Information**		
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	C.	Markets	Not applicable
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	B. Warrants and Rights	Not applicable
	C. Other Securities	Not applicable
	D. American Depositary Shares	Not applicable
13	**Defaults, Dividends Arrearages and Delinquencies**	Not applicable
14	**Material Modifications to the Rights of Security Holders and Use of Proceeds**	Not applicable
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16A	**Audit Committee Financial Expert**	Omitted
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16C	**Principal Accountant Fees and Services**	16, 243 (Note 38)
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19	**Exhibits**	Exhibit Index

* Certain items are indicated as omitted as Barclays Bank PLC is a wholly owned subsidiary of Barclays PLC, which is a reporting company under the Securities Exchange Act of 1934, and meets the conditions set forth in General Instruction I(1)(a) and (b) of Form 10-K, as applied to annual reports on Form 20-F, and is therefore filing this Form 20-F with a reduced disclosure format.

Notes

The term Barclays Bank Group refers to Barclays Bank PLC together with its subsidiaries. Unless otherwise stated, the income statement analysis compares the year ended 31 December 2024 to the corresponding twelve months of 2023 and balance sheet analysis as at 31 December 2024 with comparatives relating to 31 December 2023. The abbreviations '£m' and '£bn' represent millions and thousands of millions of Pounds Sterling respectively; the abbreviations '$m' and '$bn' represent millions and thousands of millions of US Dollars respectively; and the abbreviations '€m' and '€bn' represent millions and thousands of millions of Euros respectively.

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 Barclays Bank Group. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements. Forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Forward-looking statements can be made in writing but also may be made verbally by directors, officers and employees of the Barclays Bank Group (including during management presentations) in connection with this document. Examples of forward-looking statements include, among others, statements or guidance regarding or relating to the Barclays Bank Group's future financial position, business strategy, income levels, costs, assets and liabilities, impairment charges, provisions, capital leverage and other regulatory ratios, capital distributions (including policy on dividends and share buybacks), return on tangible equity, projected levels of growth in banking and financial markets, industry trends, any commitments and targets (including environmental, social and governance (ESG) commitments and targets), plans and objectives for future operations, International Financial Reporting Standards ("IFRS") and other statements that are not historical or current facts. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements speak only as at the date on which they are made. Forward-looking statements may be affected by a number of factors, including, without limitation: changes in legislation, regulations, governmental and regulatory policies, expectations and actions, voluntary codes of practices and the interpretation thereof, changes in IFRS and other accounting standards, including practices with regard to the interpretation and application thereof and emerging and developing ESG reporting standards; the outcome of current and future legal proceedings and regulatory investigations; the Barclays Bank Group's ability along with governments and other stakeholders to measure, manage and mitigate the impacts of climate change effectively or navigate inconsistencies and conflicts in the manner in which climate policy is implemented in the regions where the Barclays Bank Group operates, including as a result of the adoption of anti-ESG rules; environmental, social and geopolitical risks and incidents and similar events beyond the Barclays Bank Group's control; financial crime; the impact of competition in the banking and financial services industry; capital, liquidity, leverage and other regulatory rules and requirements applicable to past, current and future periods; UK, US, Eurozone and global macroeconomic and business conditions, including inflation; volatility in credit and capital markets; market related risks such as changes in interest rates and foreign exchange rates; reforms to benchmark interest rates and indices; higher or lower asset valuations; changes in credit ratings of any entity within the Barclays Bank Group or any securities issued by it; changes in counterparty risk; changes in consumer behaviour; the direct and indirect consequences of the conflicts in Ukraine and the Middle East on European and global macroeconomic conditions, political stability and financial markets; political elections, including the impact of the UK, European and US elections in 2024; developments in the UK's relationship with the European Union ("EU"); the risk of cyber-attacks, information or security breaches, technology failures or operational disruptions and any subsequent impact on the Barclays Bank Group's reputation, business or operations; the Barclays Bank Group's ability to access funding; and the success of acquisitions, disposals and other strategic transactions. A number of these factors are beyond the Barclays Bank Group's control. As a result, the Barclays Bank Group's actual financial position, results, financial and non-financial metrics or performance measures or its ability to meet commitments and targets may differ materially from the statements or guidance set forth in the Barclays Bank Group's forward-looking statements. Additional risks and factors which may impact the Barclays Bank Group's future financial condition and performance are identified in Barclays Bank PLC's filings with the SEC (including, without limitation, this Barclays Bank PLC Annual Report on Form 20-F for the financial year ended 31 December 2024), which are available on the SEC's website at www.sec.gov.

Subject to the Barclays Bank Group's 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.

References to Strategic Report

This document contains references throughout to the Barclays Bank PLC Strategic Report and Pillar 3 Report. References to the aforementioned reports are made for information purposes only, and information found in said reports is not incorporated by reference into this document.

Market and other data

This document contains information, including statistical data, about certain Barclays markets and its competitive position. Except as otherwise indicated, this information is taken or derived from Datastream and other external sources. Barclays cannot guarantee the accuracy of information taken from external sources, or that, in respect of internal estimates, a third party using different methods would obtain the same estimates as Barclays.

Uses of Internet addresses

This document contains inactive textual addresses to internet websites operated by us and third parties. Reference to such websites is made for information purposes only, and information found at such websites is not incorporated by reference into this document.

Governance
Contents

Our corporate governance processes and the role they play in supporting the delivery of our strategy.

The Board

Details of the Directors who served during the financial year ended 31 December 2024 are set out in the table below, together with the composition of each of the Board's Committees.

We welcomed Brian Shea to the Board as a Non-Executive Director with effect from 19 July 2024. Mohamed A. El-Erian stepped down from the Board on 31 August 2024 and Diane Schueneman stepped down from the Board with effect from 31 January 2025. The Board is grateful for both Mohamed's and Diane's invaluable contributions to the Board during their tenure.

	Board	Nominations Committee	Audit Committee	Risk Committee	Remuneration Committee	Sustainability Committee
Nigel Higgins[1] Chairman of the Board	C	C			M	C
Robert Berry Independent Non-Executive Director	M		M	C		M
Anna Cross Executive Director	M					
Dawn Fitzpatrick Independent Non-Executive Director	M			M	M	M
Mary Francis Independent Non-Executive Director	M				C	M
Marc Moses Independent Non-Executive Director	M		M	M		
Brian Shea[2] Independent Non-Executive Director	M					
C.S. Venkatakrishnan Executive Director	M					M
Julia Wilson Independent Non-Executive Director	M	M	C	M	M	M
Former Directors						
Mohamed A. El-Erian[3] Independent Non-Executive Director	M	M		M		
Diane Schueneman[4] Independent Non-Executive Director	M	M	M	M		

[C] Chair of Board or Board Committee.
[M] Member of Board or Board Committee.

[1] Nigel Higgins was appointed as a member of the Board Remuneration Committee with effect from 31 January 2025.
[2] Brian Shea was appointed to the Board with effect from 19 July 2024.
[3] Mohamed A. El-Erian stepped down from the Board and as a member of the Board Nominations and Risk Committees on 31 August 2024.
[4] Diane Schueneman stepped down from the Board Risk Committee with effect from 31 May 2024. She stepped down from the Board and as a member of the Board Nominations and Audit Committees with effect from 31 January 2025.

Attendance

Directors are expected to attend every Board meeting. During 2024, there was one ad hoc Board meeting held in addition to scheduled meetings. Attendance at meetings in 2024 is set out in the table below. The aggregate attendance for Board and Board Committee meetings in 2024 did not fall below 75% for any Director.

Director	Meetings attended / eligible to attend	Ad hoc meetings attended / eligible to attend	Effective date
Nigel Higgins	7/7	1/1	Appointed 1 March 2019
Robert Berry	7/7	1/1	Appointed 8 February 2022
Anna Cross	7/7	1/1	Appointed 23 April 2022
Dawn Fitzpatrick	7/7	1/1	Appointed 25 September 2019
Mary Francis	7/7	1/1	Appointed 25 September 2019
Marc Moses	7/7	1/1	Appointed 23 January 2023
Brian Shea	4/4	0/0	Appointed 19 July 2024
C.S. Venkatakrishnan	7/7	1/1	Appointed 1 November 2021
Julia Wilson	7/7	1/1	Appointed 1 April 2023
Former Directors			
Mohamed A. El-Erian	4/4	1/1	Stepped down 31 August 2024
Diane Schueneman	7/7	1/1	Stepped down 31 January 2025

Overview of governance framework

Membership of the BPLC and BBPLC Boards is partially consolidated in order to drive efficiency and coordination, whilst also reducing complexity and unnecessary duplication. As a result, membership of the BBPLC Board is a subset of the BPLC Board, with all members of the BPLC Board (except for the Senior Independent Director, the Chair of Barclays Bank UK PLC (BBUKPLC) and at least one other Non-Executive

Director) also serving on the BBPLC Board. This structure provides oversight over the activities of BBPLC, in addition to which Board members have direct accountability to BPLC's shareholders through their separate responsibilities as members of the BPLC Board.

The Board is committed to high standards of corporate governance and, in accordance with the Companies (Miscellaneous Reporting) Regulations 2018 (the 2018 Regulations), has adopted its own corporate governance arrangements, which it considers are appropriate to apply and are designed to facilitate effective decision-making to promote BBPLC's long-term success.

The Board has chosen not to adopt and report against the UK Corporate Governance Code (Code), which is intended for companies with listed equity securities. Furthermore, whilst fully supportive of the Wates Corporate Governance Principles for Large Private Companies (in particular the focus on purpose, culture and colleague and stakeholder engagement), the Board considers that the Wates Principles are less appropriate for a wholly-owned subsidiary of a listed company, which is also a complex financial institution subject to a comprehensive regulatory regime. This is consistent with the approach of other significant subsidiaries within the Barclays Group which are subject to the 2018 Regulations.

The primary aims of our governance framework are that it:
- ensures we have an effective and entrepreneurial Board which makes decisions and provides oversight to promote BBPLC's success, creating long-term sustainable value for its shareholder and the ultimate shareholders of BPLC, having regard to the interests of all our other stakeholders
- seeks to ensure that our decision-making is aligned to our Purpose, Values and Mindset
- is effective in providing constructive challenge, advice and support to management
- provides checks and balances and drives informed, collaborative and accountable decision-making.

Set out below are the principles which underpin our corporate governance arrangements and how these principles have been applied during 2024.

The Barclays Group-wide governance framework, which is set by BPLC, is designed to facilitate the effective management of the Barclays Group. This includes the setting of Barclays Group policies and approach in relation to matters such as Barclays' Purpose, Values and Mindset, Barclays' Remuneration Policy and the Barclays *Charter of Expectations*. Where appropriate, this corporate governance statement makes reference to those Barclays Group-wide policies, which are relevant to the way in which the Company is governed.

The Company's corporate governance principles and how the Company has applied them during 2024 and to the date of this report

Principle One: Board leadership and company purpose

A successful company is led by an effective and entrepreneurial board, whose role is to establish the company's purpose, values and strategy, aligned to its culture and make decisions to promote its success for the long-term benefit of its shareholder, having regard to the interests of other relevant stakeholders and factors.

- Through the leadership of the Board, a clear vision of the Barclays Purpose, Values and Mindset is articulated, underpinning and defining BBPLC's strategy and culture, with a drive to embed this at every level of the organisation.
- Given its fundamental importance, the Board regularly considered strategy matters throughout the year, including the Barclays Bank Group's elements of Barclays' three-year strategy announced on 20 February 2024. Further detail on the Company's strategy can be found within the Strategic report of the Barclays Bank PLC Annual Report 2024 and details of the Barclays Group strategy can be found within the Strategic report of the Barclays PLC Annual Report 2024.
- The Board supports *The Barclays Way*, which provides a path for achieving a dynamic and positive culture. The Board believes that a positive culture, supported by effective leadership and a consistent 'tone from the top', is crucial to our success.

What the Board did in 2024

The key areas of focus for the Board in 2024 are set out below.

Strategy and operational matters

- Considered strategy matters regularly throughout the year. In addition, the Board received business reviews throughout the year to understand key risks and opportunities and monitor progress against the targets set in the three-year plan in relation to the re-segmented business divisions within BBPLC of Private Bank and Wealth Management (PBWM), Investment Bank (IB) (covering both Global Markets and Investment Banking), US Consumer Bank (USCB) and UK Corporate Bank (UKCB).
- Reviewed materials for investor presentations on USCB, UKCB, Investment Banking and PBWM.
- Received focused presentations on 'horizontal topics' impacting the wider Barclays Group, such as financial crime risk, reputation risk, cybersecurity risk and controls, operational resilience and transformation initiatives to support the delivery of the strategy.
- Reviewed and approved the 2024 Medium Term Plan.
- Received updates on climate and sustainability matters through reports from the Board Sustainability Committee, including on the Barclays Group's sustainable finance strategy (including in relation to Investment Banking, Global Markets and UKCB), energy strategy and the development of a Barclays Group Transition Plan. Details of a briefing the Board received on the external climate reporting landscape can be found in Additional information relating to sustainability matters.
- In early 2024, approved the 2023 Barclays Group Modern Slavery Statement, which covered BBPLC.
- Considered culture and colleague engagement. Received regular updates from the Chief Executive Officer on the Barclays Group-wide cultural change programme to deliver to a consistently excellent standard and considered progress on embedment through management reporting and Your View colleague survey results. Board members also engaged directly with colleagues during the year, including through town halls and site visits. Refer to the Colleagues section from page 41 for more information on colleague matters.
- Confirmed that BBPLC's method of workforce engagement has been effective in 2024
- Received an update on Diversity, Equity and Inclusion (DEI) activities during 2024, including progress against the Barclays Group's DEI ambitions for senior women and colleagues from underrepresented races and ethnicities.

Finance

- Regularly assessed the financial performance of the BBPLC businesses and Barclays Bank Group results through reports from management and through business specific updates to the Board.
- Reviewed and approved BBPLC's financial results prior to publication.
- Reviewed and approved the payment by BBPLC in February 2024 of an interim dividend in respect of the year ended 31 December 2023 to its ordinary shareholder, and approved the payment of a 2024 interim dividend in September 2024. Details of dividends paid by BBPLC in 2024 are set out in Note 10 of the financial statements.
- Considered and approved the BBPLC elements of the Barclays Group Recovery Plan.

Governance and risk (including regulatory issues)

- Received updates on management's implementation of the Financial Conduct Authority's (FCA) Consumer Duty for closed products and approved the first BBPLC Consumer Duty Annual Board Report ahead of the 31 July 2024 regulatory deadline. This included updates on embedment and observations from the BBPLC Consumer Duty Champion on the BBPLC Consumer Duty programme.
- Received regular updates on emerging risks in the context of the macroeconomic, regulatory and geopolitical outlook.
- Approved the BBPLC Risk Appetite Statement and adopted the Enterprise Risk Management Framework.
- Considered the Barclays Group's annual operational resilience self-assessment and management actions to enhance recovery capability for Important Business Services insofar as it related to BBPLC.
- Upon the recommendation of the Board Nominations Committee, considered succession planning for, and approved changes to, Board and Board Committee membership.
- Upon the recommendation of the Board Audit Committee, approved putting the external audit out to tender. Refer to page 16 for further details about the audit tender process.
- Received regular reports from the Chair of each Board Committee.
- Received and considered feedback from the Barclays Group's key regulators insofar as it related to BBPLC.

Principle Two: Division of responsibilities

An effective board requires a clear division of responsibilities with the Chair leading the board and being responsible for its overall effectiveness, and the executive leadership of the company's business being delegated to the Chief Executive. The board should consist of an appropriate combination of Executive and independent Non-Executive Directors, each with a clear understanding of their accountability and responsibilities. The board's policies and procedures should support effective decision-making and independent challenge.

- There is a clear division of responsibilities between the Chair and Chief Executive Officer. Page 2 sets out the details of the Board members, the majority of whom are independent Non-Executive Directors.
- Policies and protocols are in place to support effective decision-making and independent challenge, including the Barclays *Charter of Expectations* which sets out the individual role profiles and required behaviours and competencies of the Chair, Non-Executive Directors, Executive Directors and Committee Chairs. In accordance with the *Charter of Expectations*, the Non-Executive Directors are responsible for providing effective oversight, strategic guidance and constructive challenge while holding the Executive Directors to account against agreed performance objectives. The Chairman meets privately with the Non-Executive Directors when appropriate, to promote independence.
- The Board's responsibilities are executed in part through the Board Committees, each of which has its own Terms of Reference which set out its remit and decision-making powers. The Chairs of each of the Board Committees provide a report on the work of the Committee at every scheduled Board meeting. Details of the principal Board Committees and their core responsibilities and activities in 2024 are set out later in this report.
- Appropriate information and support is provided to the Board, to enable it to undertake its work with due care and discharge its responsibilities.
- The Barclays Group *Corporate Governance Operating Manual* sets out guidelines as to how the Barclays Group's significant subsidiaries (and their respective Boards and Board Committees) should interact with each other, while providing guidance and clarity for management and Directors as to how these relationships and processes should work in practice. It is a dynamic document that evolves with the changing nature of the Barclays Group.

The Board

Executive and Non-Executive Directors share the same duties and are subject to the same constraints. However, a clear division of responsibilities has been established. The Chairman is responsible for leading the Board and its overall effectiveness in directing the Company, demonstrating objective judgement and promoting a culture of openness and inclusion, and facilitating and encouraging constructive challenge and debate between all Directors, and which challenges executives where appropriate. The Chairman facilitates constructive Board relations and the effective contribution of all Non-Executive Directors, and ensures Directors receive information in an accurate, timely and clear form that is relevant to discharge their obligations. It is the Board's responsibility to ensure that management delivers on short-term objectives, whilst promoting the long-term success of the Company and the Barclays Bank Group.

The BBPLC *Matters Reserved to the Board* ensures that appropriate coordination with the governance of the partially consolidated BPLC and BBPLC Boards is in place. The *Matters Reserved to the Board* specifies those decisions reserved solely to the decision-making power of the Board. Those matters include material decisions relating to strategy, risk appetite, medium term plans, capital and liquidity plans, risk management and controls frameworks, approval of financial statements, approval of large transactions and the approval of share allotments, dividends, share buy-backs and reputation risk with strategic implications relating to the Barclays Bank Group. The Board has delegated the responsibility for making and implementing operational decisions and running the Company's business on a day-to-day basis to the Chief Executive Officer, supported by the BBPLC Executive Committee.

The current Board comprises a Chairman, who was independent on appointment, two Executive Directors and six independent Non-Executive Directors. The Board comprises a majority of independent Non-Executive Directors, bringing significant expertise and independent challenge. The independence of the Non-Executive Directors is considered by the Board Nominations Committee annually. The percentage of independent Non-Executive Directors, including the Chairman, on the Board is 78%. In respect of its Committees, except for the Board Sustainability Committee whose membership comprises 83% independent Non-Executive Directors, the percentage of independent Non-

Executive Directors on each of the Board Nominations Committee, Board Audit Committee, Board Risk Committee and Board Remuneration Committee is 100%.

There is no workforce representative on the Board or its Committees.

Non-Executive Directors' time commitment and conflicts of interest

Non-Executive Directors, including the Chairman, are informed of the minimum time commitment prior to their appointment and they are required to devote sufficient time to the Company to discharge their responsibilities effectively.

The time commitments of Directors are considered prior to appointment and are monitored by the Board Nominations Committee. All Directors must seek approval (providing an indication of expected time commitment) before accepting any significant new commitments outside of Barclays. The Board is satisfied that there are no Directors whose time commitment is considered to be a matter for concern. A record of each Director's external time commitments is maintained by the Company.

In accordance with the Companies Act 2006 (the Act) and the Company's Articles of Association (Articles), the Board has authority to authorise conflicts of interest, and this ensures that the influence of third parties does not compromise or override the independent judgement of the Board. A conflicts register is maintained by the Company, which is a record of actual and potential conflicts, together with any Board authorisation of the conflict.

Executive Committee

On 20 February 2024, Barclays announced the re-segmentation of its operating structure into five divisions. Four of those divisions sit within the Barclays Bank Group: UKCB, PBWM, the IB and USCB.

During 2024, the BBPLC Executive Committee membership included the Chief Executive Officer, the President of BBPLC and Head of Investment Bank Management, the heads of the four operating divisions referenced above, the BBPLC Chief Financial Officer, BBPLC Chief Risk Officer and other BBPLC functional partners.

We welcomed the following new members of the BBPLC Executive Committee in 2024, including to ensure the new operating divisions within BBPLC were represented as well as following other changes during the year:

- Aunoy Banerjee, BBPLC and Investment Bank Chief Financial Officer
- Matt Hammerstein, Chief Executive of the UK Corporate Bank
- Tim Jones, BBPLC and Investment Bank HR Director
- Denny Nealon, Chief Executive Officer for Barclays US Consumer Bank and Barclays Bank Delaware
- Sasha Wiggins, Chief Executive of Private Bank and Wealth Management

The BBPLC Executive Committee meets quarterly and is chaired by the President of BBPLC and Head of Investment Bank Management. In addition to the day-to-day management of the Company, the Executive Committee supports the Chief Executive Officer in ensuring that the Barclays values, strategy and culture align, are implemented and are communicated consistently to colleagues.

Principle Three: Composition, succession and evaluation

A board with the right balance of skills, experience and diversity is critical to the sustainable delivery of value to the company's shareholder and broader stakeholders. The size of the board should be guided by the scale and complexity of the company and appointments should be based on merit and objective criteria, with a view to promoting diversity and subject to a formal, rigorous and transparent procedure, which is underpinned by an effective succession plan for board and senior management. A successful board is a cohesive board that provides informed and constructive challenge to the management team and measures its effectiveness.

- The membership of the Board is drawn exclusively from the BPLC Board. The size and composition of the Board is considered appropriate for the Barclays Bank Group. There is a good balance between Executive and independent Non-Executive Directors, with the Non-Executive Directors able to provide essential independent challenge. Board members have a strong combination of technical, financial (including significant financial services experience) and commercial skills along with broader experience in culture and colleague engagement. Further detail on industry and leadership experience and international experience, on the basis of Board composition as at 31 December 2024, is set out in the tables below.
- All appointments to the Board and senior management are based on merit and objective criteria, with a continued strong belief in the benefits that diversity, in all its forms, brings to the Board. This includes in relation to gender, ethnicity, age, sexual orientation, disability and socio-economic background. Board appointments are made following a formal, rigorous and transparent process, facilitated by the Board Nominations Committee, with the aid of external search consultancy firms.
- The Company continues to strive to build an inclusive, diverse and equitable workplace, making the most of the different backgrounds, perspectives, and experiences of our colleagues to better serve the Barclays Bank Group's customers and clients. Further information, including in relation to Barclays' DEI strategy and progress in this area, can be found within the Colleagues section of the Barclays PLC Annual Report 2024 and in the Inclusion, diversity and equity section below.
- There is regular review of the leadership and succession needs of the business to maintain depth and diversity in the talent and succession pipeline at the Board, executive and key management level. This remains a key focus to maintain the quality of leadership that is in place to lead the business in the delivery of the Barclays Bank Group's strategy.
- Ongoing training and professional development is key in providing Board members with a deeper and more granular understanding of the business, contributing to informed and sound decision-making. Further information on training and induction for Directors in 2024 can be found in the Training and induction section later in this report.
- Effectiveness is supported through annual reviews of the Board, Board Committees and individual Directors. In 2024, the Board, Board Committee and individual Director effectiveness reviews were externally facilitated by Christopher Saul Associates (CSA), an independent, external corporate governance advisory firm with no connection to the Barclays Bank Group or any individual BBPLC Director other than as disclosed within the report of the Board Nominations Committee in the Barclays PLC Annual Report 2024. The BBPLC review was conducted in parallel with the external review of the BPLC Board, Board Committees and Directors. Key findings from the CSA review for the Board are set out below and for each Board Committee are set out later in this report.

- Feedback from the 2024 Board effectiveness review indicated that the Board is operating effectively, and that the Board is hard working, collegiate and well led, providing an appropriate level of constructive challenge and support to management. The interaction between the Board, Board Committees and senior management was commented upon favourably. Feedback indicates that concurrent meetings of the BPLC and BBPLC Boards remain effective and work well in practice.

Industry and leadership experience[1] (number of Directors)		International experience[2] (number of Directors)	
Financial services	10	UK	10
Political/Regulatory Experience	10	US	5
Current/recent Chair/CEO	7	Rest of the World	5
Accountancy/Auditing	5		
Operations/Technology	2		

[1] Diane Schueneman retired from the Board with effect from 31 January 2025. Individual Directors may fall into one or more categories.
[2] Diane Schueneman retired from the Board with effect from 31 January 2025. International experience is based on the location of the headquarters/registered office of a company. Individual Directors may fall into one or more categories.

Board Nominations Committee

The Board Nominations Committee is comprised solely of independent Non-Executive Directors. The Board Nominations Committee is chaired by Nigel Higgins, as Chair of the BBPLC Board. Julia Wilson is the other member of the Committee. Mohamed A. El-Erian stepped down from the Board Nominations Committee on 31 August 2024, and Diane Schueneman stepped down with effect from 31 January 2025.

The Board Nominations Committee held three scheduled and no ad hoc meetings in 2024. Mohamed A. El-Erian was unable to attend one meeting due to a prior commitment. Board Nominations Committee meetings were attended during the year by the Chief Executive Officer and the Barclays Group Human Resources Director.

Attendance at Board Nominations Committee meetings during 2024 was as follows:

Member	Meetings attended / eligible to attend	Effective date
Nigel Higgins (Chair)	3/3	Appointed 1 March 2019
Julia Wilson	3/3	Appointed 1 April 2023
Mohamed A. El-Erian	1/2	Stepped down 31 August 2024
Diane Schueneman	3/3	Stepped down 31 January 2025

The principal role and responsibilities of the Board Nominations Committee, pursuant to its Terms of Reference, are:
- considering appointments to the Board, its Committees and boards of BBPLC's significant subsidiaries
- considering the composition of the Board and its Committees
- considering succession planning and talent management
- evaluating Board effectiveness
- assessing the length of Directors' tenure
- considering Board induction and training
- considering governance matters.

During 2024, the principal activities of the Board Nominations Committee included:
- Reviewing and approving Board and Board Committee size, composition and succession planning, taking into account tenure, time commitment, skills, knowledge, experience and diversity of the Directors, and identifying any desirable skills to aid the Company in operating and competing effectively (and leading the search and recruitment process).
- Receiving updates on the Company's executive governance framework, executive talent and succession management, including Executive Committee succession planning and reviewing and approving proposed changes to Executive Committee composition.
- Continuing to support, alongside the Board, the Barclays Group's global Gender Ambition and Multicultural agenda, including Barclays' Underrepresented Race and Ethnicity Ambitions. You can read more about Barclays' approach to DEI, including Barclays' DEI strategy, and data on gender and ethnic diversity, within the Colleagues section of the Barclays PLC Annual Report 2024.
- Re-affirming (and recommending to the Board for approval) the Board's existing gender and ethnic diversity targets in the Board Diversity and Inclusion Policy which was adopted in February 2024 for a further year until the end of 2025 (and which align to the targets adopted by Barclays PLC which reflect the requirements of the UK Listing Rules), as set out below and further detailed in the Inclusion, diversity and equity section:

Gender diversity target	To ensure that by 2025: (i) the proportion of women on the Board is at least 40%; and (ii) at least one of the following senior Board positions is held by a woman: Chair, Chief Executive, Senior Independent Director or Chief Financial Officer, and that this is to be maintained going forward.
Ethnic diversity target	To ensure that at least one Board member is from an ethnic minority background excluding white ethnic groups, and that this is maintained going forward.

- Receiving updates on succession planning for the Company's main subsidiary company boards.
- Considering an interim review of the 2023 Board effectiveness recommendations, and approving that an external Board, Board Committee and individual Director effectiveness review be undertaken in respect of 2024.

The 2024 Board Nominations Committee effectiveness review was externally facilitated by CSA. The review was carried out in conjunction with the review of the BPLC Board Nominations Committee. The results of the review confirm the Committee is operating effectively. It is considered to be well constituted and chaired, providing an effective and appropriate level of constructive challenge and oversight of the areas within its remit. The Committee's interaction with the Board, Board Committees and senior management is considered effective. The review recognised the importance that both the Committee and the Board place on effective succession planning for the Board and BBPLC Exco and key subsidiaries within the BBPLC Group. This work is coupled with a focus on broader talent development across the business. Feedback indicated that concurrent meetings of the BPLC and BBPLC Board Nominations Committee continue to be effective, with coverage of BBPLC matters considered appropriate.

Appointment and retirement of Directors

The appointment and retirement of Directors is governed by the Articles, the Act and related legislation.

The Articles may be amended only by a special resolution of the shareholders. The Board has the power to appoint additional Directors or to fill a casual vacancy amongst the Directors and any Director so appointed holds office only until the next AGM where they may offer themselves for re-election.

The Board Nominations Committee regularly reviews the composition of the Board, Board Committees and Executive Committee and the core skills, experience, knowledge and diversity of thought required. For the Board, it is standard practice to appoint any new Non-Executive Director or Chair for an initial three-year term, which may be extended for up to a further three-year term. As such, Non-Executive Directors typically serve up to a minimum of six years, although this period may be extended where considered appropriate by the Board Nominations Committee.

Inclusion, diversity and equity

Having due regard to the benefits of diversity in all its forms - including in relation to gender, ethnicity, age, sexual orientation, disability and socio-economic background - is a vital element of the Board Nominations Committee's role in leading appointments and succession planning for the Board, Board Committees and the Executive Committee. Both the Committee and the Board recognise the benefits of an inclusive and diverse Board, reflective of the communities in which Barclays operates, in driving effective decision-making. With this in mind, in December 2024, the Board re-affirmed the existing targets in the Board Diversity and Inclusion Policy, which was adopted by the Board in February 2024, which articulate these aims.

As at the date of this report:

- BBPLC Board gender diversity stands at 44% female, meeting the Board target of 40% gender diversity.
- 22% of the Board (two Directors) are from a minority ethnic background (excluding minority white ethnic groups) and the Company also satisfies the Board's target of having at least one Board member who is from an ethnic minority background (excluding white ethnic groups).

The Company recognises that being an inclusive, diverse and equitable company is an integral part of our success. Further information on DEI at Barclays can be found within the Colleagues section and Board Nominations Committee report in the Barclays PLC Annual Report 2024.

Training and induction

Directors are provided with the opportunity to take part in ongoing training and development as part of the Board and Board Committee schedule, but can also request specific training as required. During 2024, Directors continued to deepen their understanding of the business through Board deep dives, covering the operating divisions within BBPLC as well as updates from key Barclays Group functions. The Board also received an annual briefing on the Senior Managers Regime and certain Barclays Compliance Risk policies and standards, including concerning financial crime. In addition, the Board received updates on developments in corporate governance matters.

On appointment, all Directors receive a comprehensive induction tailored to their individual requirements, designed to provide them with an understanding of how the Barclays Bank Group works and the key issues that the Company and the Barclays Bank Group face. When a Director joins a Board Committee, the schedule also includes an induction to the operation of that Board Committee.

Principle Four: Audit, risk and internal control

A board should establish formal and transparent policies and procedures to (i) identify the nature and extent of principal risks the company is willing to take in order to achieve its long-term strategic objectives; (ii) manage such risks effectively; (iii) oversee the internal control framework; (iv) promote the independence and effectiveness of internal and external audit functions; and (v) satisfy itself on the integrity of financial reporting.

- The Company is committed to operating within a strong system of internal controls that enables business to be transacted and risks taken without exposure to unacceptable potential losses or reputational damage. The principal risks facing the Barclays Bank Group have been identified and robust processes are in place to evaluate and manage such risks including regular reporting to, and oversight by, the Board Risk Committee and the Board. A key component of the risk management framework is the Enterprise Risk Management Framework (ERMF), which supports the business in its aim to embed effective risk management and a strong risk management culture. The ERMF is designed to identify and set minimum requirements, in respect of the main risks, to achieve the Company's strategic objectives and to provide reasonable assurance that internal controls are effective.
- The Board approves the Barclays Bank Group's risk appetite (the amount of risk the Barclays Bank Group is prepared to take to earn an appropriate return while meeting minimum internal and regulatory capital requirements in a severe but plausible stress environment), including testing whether the Barclays Bank Group's financial position and risk profile provide sufficient resilience to withstand the impact of severe but plausible economic scenarios within the parameters set by the BPLC Board Risk Committee.

- The effectiveness of risk management and internal controls is reviewed regularly by the Board Risk Committee (responsible for overseeing the ERMF and current and potential future risk exposures) and the Board Audit Committee (responsible for evaluating the effectiveness of internal controls).
- The Board Audit Committee also has oversight of the financial reporting processes and the work of the external and internal auditors (including independence and effectiveness).

Board Audit Committee

The Board Audit Committee is comprised solely of independent Non-Executive Directors, with membership of the Board Audit Committee aligned with the BPLC Board Audit Committee and designed to provide the breadth of financial expertise and commercial acumen it needs to fulfil its responsibilities. Its members as a whole have recent and relevant experience of the banking and financial services sector, in addition to general management and commercial experience, and are financially literate. The Board Audit Committee is chaired by Julia Wilson, who has significant corporate finance, tax and accounting experience. Robert Berry and Marc Moses are the other members of the Committee. Diane Schueneman stepped down from the Board Audit Committee with effect from 31 January 2025.

The Board Audit Committee held 14 scheduled meetings and two ad hoc meetings in 2024. Julia Wilson was unable to attend one short ad hoc meeting, which was called at short notice, due to an unavoidable personal commitment. Diane Schueneman was unable to attend three scheduled meetings (held in short succession) due to a prior commitment and one scheduled meeting due to travel disruptions. Board Audit Committee meetings were attended by representatives from the Barclays Group and BBPLC management in respect of matters relevant to their business or function area, including (as appropriate) the Chief Executive Officer, Barclays Group Finance Director, the Group Controller, BBPLC Chief Financial Officer, the Barclays Group and BBPLC Chief Internal Auditor, the Barclays Group Chief Compliance Officer, the Barclays Group Chief Operating Officer, the Head of Group Control, and Barclays Group General Counsel. The Company's statutory auditor, KPMG, also attended Committee meetings.

As part of the Company's commitment to effective oversight and allocation of responsibilities between the BPLC Board Audit Committee, BBPLC Board Audit Committee and the BBUKPLC Board Audit Committee, Julia Wilson held regular meetings during 2024 with the BBUKPLC Board Audit Committee Chair to share relevant information and to ensure embedment of information flows and governance practice. In addition, discussions were held with the Board Audit Committee Chairs of the Company's other major subsidiaries, Barclays Bank Ireland PLC (Barclays Europe) and Barclays US LLC (IHC).

Attendance at Board Audit Committee meetings during 2024 was as follows:

Member	Meetings attended (incl. ad hoc) / eligible to attend	Effective date
Julia Wilson (Chair)	15/16	Appointed 1 April 2023
Robert Berry	16/16	Appointed 1 March 2022
Marc Moses	16/16	Appointed 23 January 2023
Diane Schueneman	12/16	Stepped down 31 January 2025

The principal role and responsibilities of the Board Audit Committee, pursuant to its Terms of Reference, are to review and monitor:
- the integrity of the Barclays Bank Group's financial statements
- the effectiveness of the Barclays Bank Group's internal controls
- the independence and effectiveness of the internal and external audit processes
- the relationship with the Barclays Bank Group's statutory auditor
- the effectiveness of the Barclays Bank Group's whistleblowing procedures.

During 2024, the principal activities of the Board Audit Committee included:
- Financial reporting: assessing the appropriateness of BBPLC's financial disclosures, including considering feedback from KPMG and management's review of controls relating to financial reporting. The Committee reviewed and recommended to the BBPLC Board for approval the Barclays Bank PLC Annual Report 2023 and the Barclays Bank PLC Results Announcement for the period ended 30 June 2024. This review included consideration of how the new business segmentation was presented. The Committee recommended to the Board that the financial statements should be prepared on a going concern basis. The Committee also received an update on the reporting requirements under CSRD for BBPLC.
- Impairment: assessing management's approach to impairment coverage levels, including the impact of delinquency levels in certain areas of the portfolio, the use of post-model adjustments and in respect of material exposures across the Barclays Bank Group.
- Conduct provisions: analysing management's judgements and estimates made with regard to the Barclays Bank Group's material conduct provisions. The Committee also sought KPMG's views on the timeliness and adequacy of provisioning in relation to conduct matters.
- Legal, competition and regulatory provisions: evaluating advice on the status of current legal, competition and regulatory matters and considering management's judgements on the level of provisions, including challenging management on the timeliness of raising provisions as well as understanding areas of KPMG challenge.
- Valuations: monitoring the valuation methods applied by management to significant valuation items and areas of judgement, with a particular focus on the leverage finance portfolio.
- Tax: overseeing tax matters relating to the Barclays Bank Group, including tax risk provisions, regulatory matters and interactions with tax authorities.
- Internal controls and business control environment: monitoring and evaluating the status of the more significant control matters and remediation programmes across the Barclays Bank Group. The Committee also discussed reports from the heads of UKCB, PBWM, IB and USCB on their control environment, together with views from the second and third lines of defence. In addition, the Committee received a presentation on the control framework to support the commitments made in the Barclays Group Modern Slavery Statement and the implementation of the Barclays Group Human Rights Statement.
- Internal audit: receiving reports from Barclays Internal Audit (BIA) in relation to specific audits, key areas of focus and themes arising with respect to businesses in the Barclays Bank Group; considering remediation plans arising from adverse audit reports and monitoring related remediation programmes; discussing BIA's assessment of the management control approach and control environment in the Barclays Bank Group; and approving the annual BIA audit plan for the Barclays Bank Group. Committee members, along with the

Barclays Europe and IHC board audit committee chairs, attended a 'BIA Teach In' which covered BIA talent and succession planning for key internal audit roles across the Barclays Group (including BBPLC and material BBPLC subsidiaries), and BIA's use of artificial intelligence to support the effective provision of assurance work.

- External audit: reviewing and approving the annual external audit plan for the Barclays Bank Group (including the key areas of focus) and assessing the progress of the 2024 audit. The Committee also reviewed audit quality and discussed KPMG's feedback and challenge of management on areas such as critical accounting estimates and judgements and internal controls. The Committee received updates on CSRD disclosures by BBPLC and Barclays Europe. The Committee recommended to the Board to put the external audit out to tender. Refer to page 16 for further details about the audit tender process.
- Raising concerns: reviewing management's reports on whistleblowing matters, monitoring key whistleblowing metrics, considering potential whistleblowing trends and discussing with management to understand the impact of the whistleblowing process on colleague experience and suggested ways in which speaking up amongst colleagues could be further encouraged.

The 2024 Board Audit Committee effectiveness review was externally facilitated by CSA. The review was carried out in conjunction with the review of the BPLC Board Audit Committee. The results of the review confirm the Committee is operating effectively. It is considered appropriately constituted and diligently chaired, providing an effective and appropriate level of constructive challenge and oversight of the areas within its remit, with agendas considered appropriate having regard to the Committee's broad remit. The Committee's interaction with the Board, Board Committees and senior management is considered effective. The review suggested that members would welcome additional training and external perspectives on topics of relevance to the work of the Committee. In addition, a continued focus on ensuring shorter and more focused papers which clearly identify the key matters for the Committee's attention was considered beneficial. Feedback indicated that concurrent meetings of the BPLC and BBPLC Board Audit Committee continue to be effective, with coverage of BBPLC matters considered appropriate.

Board Risk Committee

The Board Risk Committee is comprised solely of independent Non-Executive Directors with membership of the Committee broadly aligned with the BPLC Board Risk Committee. The Board Risk Committee is chaired by Robert Berry. Dawn Fitzpatrick, Marc Moses and Julia Wilson are the other members of the Committee. Diane Schueneman and Mohamed A. El-Erian stepped down from the Board Risk Committee on 31 May 2024 and 31 August 2024, respectively.

Board Risk Committee meetings are attended by management as appropriate, including the Chief Executive Officer, Barclays Group Finance Director, BBPLC Chief Financial Officer, Barclays Group Chief Risk Officer, BBPLC Chief Risk Officer, Barclays Group Chief Compliance Officer, BBPLC Chief Compliance Officer, Barclays Group and BBPLC Chief Internal Auditor, and Barclays Group General Counsel. The Company's statutory auditor, KPMG, also attended meetings.

The Board Risk Committee held 10 scheduled meetings and no ad hoc meetings in 2024. Owing to a prior commitment, Mohamed A. El-Erian and Diane Schueneman were each unable to attend one meeting. Dawn Fitzpatrick was unable to attend one meeting owing to jury duty and Julia Wilson was unable to attend one meeting due to an unavoidable personal commitment.

Attendance at Board Risk Committee meetings during 2024 was as follows:

Member	Meetings attended / eligible to attend	Effective date
Robert Berry (Chair)	10/10	Appointed 1 March 2022
Dawn Fitzpatrick	9/10	Appointed 1 January 2020
Marc Moses	10/10	Appointed 23 January 2023
Julia Wilson	9/10	Appointed 1 April 2023
Mohamed A. El-Erian	5/6	Stepped down 31 August 2024
Diane Schueneman	3/4	Stepped down 31 May 2024

The principal role and responsibilities of the Board Risk Committee, pursuant to its Terms of Reference, are to:

- review, on behalf of the Board, the management of the principal risks as set out in the ERMF (with the exception of reputation risk with strategic implications relating to the Barclays Bank Group, which is a matter reserved to the Board)
- consider and recommend to the Board, within the risk parameters set by the BPLC Board Risk Committee, the Company's risk appetite and tolerance for those principal risks
- review, on behalf of the Board, the Barclays Bank Group's risk profile for those principal risks
- commission, receive and consider reports on key risk issues.

During 2024, the principal activities of the Board Risk Committee included:

- Advising the Board on the appropriate risk appetite and risk tolerance for the Barclays Bank Group in respect of the principal risks in the ERMF when determining strategy; reviewing and/or approving (as appropriate) risk limits throughout the year.
- Reviewing reports on key themes arising from the current and prospective macroeconomic, geopolitical, macro-prudential and financial environment and their impact on the Company's risk appetite and risk profile.
- Reviewing updates on credit and market risk, with particular consideration given to the structured lending and finance and leveraged finance portfolios, and actions taken to mitigate rising risk.
- Receiving regular reporting on areas of elevated climate risk and progress against sector targets.
- Considering and approving the Company's internal stress test themes and the results of internal stress testing, and approved the results of the internal reverse stress test.
- Considering reports on the IHC's 2024 horizontal capital exam outcomes, 2024 US regulatory stress test outcomes, and its supervisory capital rating and new capabilities.
- Considering macroeconomic developments, including the evolving rates environment, US Government fiscal position, disintermediation, EU geopolitical and economic landscape and execution risk arising in relation to the execution of the Barclays Bank Group elements of the Barclays Group's strategy.
- Receiving reports on enhancements to regulatory reporting.

- Monitoring the capital, liquidity and financial resources of BBPLC to ensure it meets its regulatory requirements and obligations, taking into account potential impacts of the increased cost of living, geopolitical tensions, and other macroeconomic factors.
- Reviewing and considering the operational risks arising from the Company's procedures, processes, systems and policies. The Committee continues to oversee work to drive robust operational risk management across the Barclays Bank Group, with the severe systems incident in early 2025 impacting many areas of our UK business a reminder of the need for continued vigilance in this area.
- Overseeing the management of compliance risk within BBPLC, and the performance of the Compliance function.
- Overseeing the Company's regulatory requirements, as they relate to risk management, including regulatory and internal capital and funding requirements, approving the Company's Internal Capital Adequacy Assessment Process and Internal Liquidity Adequacy Assessment Process.
- Reviewing the frameworks, policies and resources in place to support effective risk management and oversight of the Barclays Bank Group.
- Advising the Board Remuneration Committee when making remuneration adjustment decisions for 2024.
- Discussing reports on key risk areas specific to the Barclays Bank Group which were provided to the Board Risk Committee throughout the year including actions taken by central banks, geopolitical tensions and associated credit risk strategy.

The Board Risk Committee continually considers the impact of issues on the Barclays Bank Group and the risk environment in which it operates. It reviews steps taken by the business to manage exposures in this context. The Committee also received focused presentations on a number of areas specific to the business and activities of Barclays Bank Group.

The 2024 Board Risk Committee effectiveness review was externally facilitated by CSA. The review was carried out in conjunction with the review of the BPLC Board Risk Committee. The results of the review confirm the Committee is operating effectively. It is considered appropriately constituted and diligently chaired, providing an effective and appropriate level of constructive challenge and oversight of the areas within its remit. The Committee's interaction with the Board, Board Committees and senior management is considered effective. Whilst agendas are considered appropriate having regard to the Committee's broad remit, the review recommended that consideration be given to how future Committee agendas might be shaped towards more open-ended discussion and to bring in more external perspectives. A continued focus on ensuring shorter and more focused papers which clearly identify key matters for the Committee's attention was considered beneficial. Feedback indicated that concurrent meetings of the BPLC and BBPLC Board Risk Committee continue to be effective, with coverage of BBPLC matters considered appropriate.

Audit, risk and internal control

The Board, together with the Board Audit Committee, is responsible for ensuring the independence and effectiveness of the internal and external audit functions. For this reason, the Board Audit Committee held regular private sessions with each of the BBPLC Chief Internal Auditor and the lead audit engagement partner of the statutory auditor without management present.

The Board is also responsible for ensuring that management maintains an effective system of risk management and internal control and assessing its effectiveness. Such a system is designed to identify, evaluate and manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable, and not absolute, assurance against material misstatement or loss.

The Board Audit Committee oversees the control environment (and remediation of related issues) and also reviews annually the risk management and internal control system. Key controls are assessed on a regular basis for both design and operating effectiveness. Issues arising out of these assessments, where appropriate, are reported to the Board Audit Committee. The Board Audit Committee is supported in its review of internal controls by the assurance conducted by BIA. The severe systems incident in early 2025 impacting many areas of our UK business is a reminder of the need for continued focus in the management of operational risk.

Controls over financial reporting

A framework of disclosure controls and procedures is in place to support the approval of the financial statements of the Barclays Bank Group.

Specific governance committees are responsible for examining the financial reports and disclosures to help ensure that they have been subject to adequate verification and comply with applicable standards and legislation.

Where appropriate, these committees report their conclusions to the Board Audit Committee, which debates such conclusions and provides further challenge. Finally, the Board scrutinises and approves results announcements and the Annual Report to ensure that appropriate disclosures have been made. This governance process is designed to ensure that both management and the Board are given sufficient opportunity to debate and challenge the financial statements of the Barclays Bank Group and other significant disclosures before they are made public.

Management's report on internal control over financial reporting

Management is responsible for establishing and maintaining adequate internal controls over financial reporting under the supervision of the principal executive and financial officers, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements, in accordance with (a) UK-adopted international accounting standards; (b) International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), including interpretations issued by the IFRS Interpretations Committee; and (c) IFRS adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

Internal control over financial reporting includes policies and procedures that pertain to the maintenance of records that, in reasonable detail:

- accurately and fairly reflect transactions and dispositions of assets
- provide reasonable assurances that transactions are recorded as necessary to permit preparation of financial statements in accordance with UK-adopted international accounting standards and IFRS and that receipts and expenditures are being made only in accordance with authorisations of management and the respective Directors
- provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of assets that could have a material effect on the financial statements.

Internal control systems, no matter how well designed, have inherent limitations and may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that internal control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Management has assessed internal control over financial reporting as at 31 December 2024. In making its assessment, management utilised the criteria set out in the 2013 COSO framework. Management has concluded that, based on its assessment, internal control over financial reporting was effective as at 31 December 2024.

The system of internal financial and operational controls is also subject to regulatory oversight in the UK and overseas. Further information on supervision by financial services regulators is provided under Supervision and Regulation in the Risk review section on pages 137 to 148.

Changes in internal control over financial reporting

There have been no changes that occurred during the period covered by this report, which have materially affected or are reasonably likely to materially affect the Barclays Bank Group's internal control over financial reporting.

Principle Five: Remuneration

The remuneration policies and practices should support strategy and promote long-term sustainable success and be developed in accordance with formal and transparent procedures, ensuring no Director is involved in deciding their own remuneration outcome. Executive remuneration should be aligned to the company's purpose and values and the successful delivery of the strategy with outcomes taking account of company and individual performance, and wider circumstances such as pay across the company's workforce and Barclays' Fair Pay Agenda.

- The Barclays Group Remuneration Policy is set by the BPLC Board Remuneration Committee and reviewed and adopted by the BBPLC Board Remuneration Committee. The policy ensures that remuneration is aligned to the Barclays Bank Group's strategy and risk management approach and is designed to promote the long-term success of the Company.
- Remuneration for executives and senior management is considered in the context of the wider workforce remuneration and alignment of incentives and rewards with performance and culture. Their remuneration is reviewed annually by the BBPLC Board Remuneration Committee and the BPLC Board Remuneration Committee, as appropriate. No individual is involved in deciding their own remuneration.
- The Barclays Bank Group is committed to paying people fairly, with regards to their specific role, seniority, responsibilities, skills and experience and other factors that properly affect pay, in a way that balances the needs of the Barclays Bank Group's stakeholders. You can find more information on the Barclays Fair Pay Agenda which underpins all remuneration decisions in the Barclays Fair Pay Report 2024. The Barclays Bank Group also remains focused on closing its gender and ethnicity representation gaps where they exist, and the pay gaps that result, by increasing the representation of females and employees from underrepresented minority group at more senior levels. You can find more information in the Barclays Group's UK Pay Gaps 2024 disclosure.

Board Remuneration Committee

The Board Remuneration Committee is comprised solely of independent Non-Executive Directors. The Committee is chaired by Mary Francis. Dawn Fitzpatrick and Julia Wilson are the other Committee members. Nigel Higgins regularly attended meetings of the Board Remuneration Committee during 2024 and was appointed as an additional Committee member with effect from 31 January 2025.

The Board Remuneration Committee held five scheduled and no ad hoc meetings in 2024. Meetings were attended by the Group Chief Executive, Group Finance Director, Group Chief Risk Officer, Group Human Resources Director, and the Group Reward and Performance Director as required.

Attendance at Board Remuneration Committee meetings during 2024 was as follows:

Member	Meetings attended / eligible to attend	Effective date
Mary Francis	5/5	Appointed 25 September 2019
Dawn Fitzpatrick	5/5	Appointed 1 July 2021
Julia Wilson	5/5	Appointed 1 July 2023

The principal role and responsibilities of the Committee, pursuant to its Terms of Reference, are to:
- set the overarching principles of remuneration policy for the Barclays Bank Group within the parameters set by the BPLC Board Remuneration Committee
- consider and endorse the incentive pool for the Barclays Bank Group and the remuneration of key BBPLC executives and other specified individuals as determined by the Board Remuneration Committee from time to time
- exercise oversight of remuneration issues within the Barclays Bank Group.

During 2024, the principal activities of the Committee included:
- Reviewing and adopting the Barclays Group People Risk Reward Policy.
- Reviewing the Board Remuneration Committee's Control Framework, Terms of Reference, annual activity and effectiveness.
- Reviewing and adopting the methodology and framework for 2024 incentive funding, and reviewing and endorsing the resulting incentive pool, including considering financial performance and risk updates (and the appropriateness of risk adjustments to incentives).
- Considering the appropriate bonus cap to set for BBPLC Material Risk Takers, and adopting a formal cap of 10:1, effective from performance-year 2024. A 2:1 bonus cap continues to apply in certain businesses that are subject to ongoing EU regulations, which continue to mandate this.
- Reviewing progress against the Fair Pay Agenda and the gender and ethnicity pay gaps for the year.
- Considering regular updates on stakeholders matters, regulatory and legal considerations and payround considerations.
- Reviewing and approving, as appropriate, specific remuneration proposals for individuals within the Committee's remit.

The 2024 Board Remuneration Committee effectiveness review was externally facilitated by CSA. The review was carried out in conjunction with the review of the BPLC Board Remuneration Committee. The results of the review confirm the Committee is operating effectively. It is considered to be well constituted and chaired, providing an effective and appropriate level of constructive challenge and oversight of the areas within its remit, including in respect of areas of judgement and discretion. The Committee's interaction with the Board, Board Committees and senior management is considered effective. Feedback indicated that the Committee's interaction with the BPLC Board Remuneration Committee continues to be effective.

Principle Six: Stakeholder relationships and engagement

Directors should foster effective stakeholder relationships aligned to the company's purpose. The board should recognise the importance of listening to, and understanding, the views of its stakeholders, including the workforce, and specifically the impact of the company's behaviour and business on customers and clients, colleagues, suppliers, communities and society more broadly; having regard to these views and impact when taking decisions.

- As described under Principle One, the Company has a defined Purpose and strategy; through this the Board has identified key stakeholders on whom the success of the Company depends.
- The Board and management engage throughout the year with the Company's stakeholders. The Board seeks to understand the views of key stakeholders and the impact of the Company's behaviour and business on customers and clients, colleagues, suppliers, communities and society more broadly. See also the Directors' report for information about how we engage with suppliers.
- The Company's long-standing commitment to the importance and value of colleague engagement continues; the Company's people are its most valuable asset. While there is no designated workforce engagement Director on the BBPLC Board, the Board receives feedback on culture and colleague engagement during the year through, for example, updates on colleague and workforce matters presented to Board meetings. Board members also have the opportunity to engage with colleagues during the year at colleague events. Further detail on the Company's workforce commitment and engagement model can be found in the Colleagues section from page 41.
- The Board Sustainability Committee supports the Board's oversight of climate and sustainability matters, in accordance with its Terms of Reference.

Board Sustainability Committee

The Board Sustainability Committee comprises a majority of independent Non-Executive Directors, with membership of the Committee broadly aligned with the BPLC Board Sustainability Committee. The Board Sustainability Committee is chaired by Nigel Higgins. Robert Berry, Dawn Fitzpatrick, Mary Francis, C.S. Venkatakrishnan and Julia Wilson are also members of the Committee.

The Board Sustainability Committee held five scheduled and no ad hoc meetings in 2024. Owing to a prior commitment, C.S. Venkatakrishnan and Dawn Fitzpatrick were each unable to attend one meeting. Board Sustainability Committee meetings are attended by management including the Head of Public Policy and Corporate Responsibility, Group Head of Sustainability, Group Head of Sustainable and Transition Finance, and the Head of Legal, Public Policy and Corporate Responsibility.

Attendance at Board Sustainability Committee meetings during 2024 was as follows:

Member	Meetings attended / eligible to attend	Effective date
Nigel Higgins (Chair)	5/5	Appointed 23 March 2023
Robert Berry	5/5	Appointed 23 March 2023
Dawn Fitzpatrick	4/5	Appointed 23 March 2023
Mary Francis	5/5	Appointed 23 March 2023
CS Venkatakrishnan	4/5	Appointed 23 March 2023
Julia Wilson	5/5	Appointed 1 April 2023

The principal role and responsibilities of the Board Sustainability Committee, pursuant to its Terms of Reference, are:

- supporting and advising the Board on its oversight of climate and sustainability matters relating to (i) the services and products provided to the Company's clients and customers, (ii) particular sectors, and (iii) its own corporate activities
- supporting the Board in monitoring the implementation of the Company's climate and sustainability strategy
- reviewing and making recommendations to the Board on the suitability of the Company's climate and sustainability strategy, position statements, frameworks, ambitions, metrics, and targets
- reporting to the Board on the climate and sustainability matters for which it is responsible, escalating issues and making recommendations to the Board where appropriate.

During 2024, the principal activities of the Committee included:

- Overseeing developments in our Sustainable Finance Strategy, which saw continued progress toward our sustainable and transition financing target.
- Examining the potential market barriers in relation to client transitions, and policy changes required to enable a better client transition aligned to a goal of 1.5C.
- Receiving updates on the energy related sections of Barclays' Climate Change Statement, including the planned updates to that statement and the impact of those updates.
- Receiving updates from management on opportunities to make further progress on achieving 2030 financed emissions sector targets, considering financial impacts, risks and actions required for real world transition.
- Receiving an external briefing on human rights, further details of which are set out below in Additional information relating to sustainability matters.

The 2024 Board Sustainability Committee effectiveness review was externally facilitated by CSA. The review was carried out in conjunction with the review of the BPLC Board Sustainability Committee. The results of the Committee effectiveness review confirm the Committee is operating effectively. It is considered well constituted and chaired, providing an effective and appropriate level of constructive challenge and oversight of the areas within its remit. The Committee's interaction with the Board, Board Committees and senior management is considered effective. A continued focus on the potential overlap between the work of the Committee and that of the Board Audit and Risk Committees was considered beneficial. The review suggested that there may be merit in considering how agendas for future Committee meetings might be shaped to include regular horizon scanning items for emerging topics and to create opportunities for Committee members to hear from third party experts. Feedback indicated that concurrent meetings of the BPLC and BBPLC Board Sustainability Committee are effective, with coverage of BBPLC matters considered appropriate.

Additional information relating to sustainability matters

Board and Board Committee oversight of sustainability matters

The Board sets the strategic direction for BBPLC and has direct oversight of matters relating to culture. Further details on the role and responsibilities of the Board are set out in Principle One: Board Leadership and company purpose. Further to this, the Board and, as appropriate, its Committees oversee sustainability matters which may, where appropriate, include material impacts, risks and opportunities (IROs) as relevant.

The *Matters Reserved to the Board* sets out those matters reserved to the Board, which include material decisions relating to strategy, risk appetite, risk management and controls frameworks and the approval of large transactions among other matters. The Board considers a range of matters in its decision-making process, which may include, where appropriate, consideration of any material IROs, as relevant.

Each Committee has its own Terms of Reference setting out its principal role and responsibilities and incorporating oversight of our IROs where appropriate. In particular:

- Recognising the importance of climate and sustainability matters and the growing importance of other sustainability areas including nature and biodiversity, the Board established the Board Sustainability Committee in 2023 to support and advise the Board in its oversight of climate and sustainability matters, including related risks and opportunities. The Chief Executive Officer is an Executive member of the Board Sustainability Committee and in that role brings invaluable climate and sustainability insights to the Committee's discussions, including external perspectives from his outside appointments.

- The Board Risk Committee oversees risk appetite and management of principal risks, including climate risk. In evaluating BBPLC's risk profile, the Committee's considerations include the risk of financial losses arising from climate change through physical risks and risks associated with transitioning to a low-carbon economy and progress against the Barclays Group's financed emissions reduction targets (insofar as BBPLC contributes to these targets).

- The role of the Board Remuneration Committee includes exercising oversight over remuneration issues within the BBPLC Group, including the Fair Pay Agenda and gender and ethnicity pay gaps.

The *Matters Reserved to the Board* and Committee Terms of Reference are reviewed on a regular basis and updated as required, including if appropriate, to reflect changes in the nature of BBPLC's business and any relevant material IROs.

The Board and, as appropriate, its Committees oversee the setting of certain targets that are material to the Barclays Bank Group and monitor progress towards them in accordance with the *Matters Reserved to the Board* and Committee Terms of Reference respectively. The Board and Board Sustainability Committee oversee the setting of material climate-related targets, aligning with the Barclays Group's broader sustainability goals. The Board Sustainability Committee has responsibility for considering changes to the Barclays Group's financed emissions reduction targets (insofar as BBPLC contributes to these targets) and the Board Risk Committee monitors progress against these targets and may, at the discretion of the Chair, escalate target performance matters to the Board Sustainability Committee for its consideration. In 2024, the Board Risk Committee received regular reporting on areas of elevated climate risk and progress against sector targets.

Skills and expertise related to sustainability matters

Board members and members of relevant Board Committees (for example, the Board Sustainability Committee) are able to reflect on and deepen their skills and expertise on sustainability matters, including in relation to our IROs as relevant, through periodic briefings on key business developments and external developments provided by management. In the context of an evolving legal and regulatory environment with respect to climate and sustainability, the Board received a briefing on the external reporting landscape in this area, including in respect of the disclosure requirements under the Corporate Sustainability Reporting Directive. Further information regarding briefings related to our material sustainability matters (including where appropriate updates regarding their management) provided to the Board during 2024 can be found in Principle One: Board leadership and company purpose (see the 'What the Board did in 2024' section). Information regarding the key sustainability-related activities of relevant Committees in 2024 can be found in Principle Three: Composition, succession and evaluation, Principle Four: Audit, risk and internal control, Principle Five: Remuneration and Principle Six: Stakeholder relationships and engagement.

Where the Board or a Board Committee identifies that additional expertise and insight would be helpful to support informed decision-making, they are able to call on internal subject matter experts to provide additional briefings and training on particular material sustainability matters. Where appropriate, training may be requested from relevant external experts. Recognising the importance of external perspectives and the current landscape, members of the Board Sustainability Committee received an external briefing on business, human rights and the financial sector. With an increasing reputational, regulatory and legal focus arising from human rights, the briefing covered matters including the UN Guiding Principles on Business and Human Rights and the scope of business responsibility to respect human rights. This session provided valuable insights on the external human rights landscape and supported the Committee's understanding of relevant frameworks and responsibilities.

The Directors present their report together with the audited accounts for the Company for the year ended 31 December 2024.

Other information that is relevant to the Directors' report, and which is incorporated by reference into this report, can be located at:

Profits and dividends

The results of the Barclays Bank Group show statutory profit after tax of £3,748m (2023: £3,561m, 2022: £4,382m). The Barclays Bank Group had net assets of £59,220m as at 31 December 2024 (2023: £60,504m).

The Company declared a £1,195m dividend to its parent, Barclays PLC, in respect of 2024, which is expected to be paid on or around 13 February 2025.

Dividends paid on preference shares for the year ended 31 December 2024 amounted to £41m (2023: £40m, 2022: £31m).

Further details on dividends on ordinary shares and preference shares paid in 2024 are set out in Note 10 to the financial statements.

Share capital

There was no increase in ordinary share capital during the year. BPLC owns 100% of the issued ordinary shares. There are no restrictions on the transfer of ordinary shares or agreements between holders of ordinary shares known to the Company which may result in restrictions on the transfer of securities or voting rights. Further information on the Company's share capital, including preference shares, can be found in Note 26 of the financial statements.

Shareholder rights in relation to shareholder meetings

The Company is required to hold an annual general meeting each year in addition to such other general meetings as the directors think fit. 21 clear days' notice must be given for an annual general meeting and 14 days' clear notice must be given for any other general meeting. The Company is also required to hold a general meeting if so requested by a shareholder or shareholders representing at least 5% of such of the paid-up capital of the Company as carries the right of voting at general meetings of the Company. Such a meeting must be called within 21 days of the Company being required to hold such a meeting and must be held not more than 28 days after the notice convening such a meeting.

Notice of a general meeting must be in writing and must specify the place, the day and time of meeting, and the general nature of the business to be transacted. If a special resolution is proposed, the notice must also specify the intention to propose the resolution as such.

Subject as noted below, all shareholders are entitled to attend and vote at general meetings.

The quorum for a general meeting is two qualifying persons present and entitled to vote. Voting is done on a show of hands unless a poll is properly demanded by the chair of the meeting or any shareholder entitled to vote on the resolution. Shareholders may vote at a general meeting in person or by proxy or, in the case of a corporation, by a duly appointed corporate representative. At a general meeting, shareholders vote on matters which are required to be approved by shareholders, by ordinary resolution or special resolution, as a matter of law or in accordance with the articles of association. An ordinary resolution is passed, on a show of hands, by a simple majority of votes cast or, on a poll, by shareholders representing a simple majority of total voting rights of the voting shareholders. A special resolution is passed, on a show of hands, by a majority of not less than 75% of the votes cast or, on a poll, by shareholders representing not less than 75% of the total voting rights of the voting shareholders.

Holders of preference shares have no right to receive notice of, attend or vote at, any general meetings of the Company.

Powers of Directors to issue and allot or buy back the Company's shares

The powers of the Directors are determined by the Act and the Articles. No shares were issued or bought back in 2024. The Directors are authorised to issue and allot shares and to buy back shares subject to annual shareholder approval at the AGM. Such authorities were granted by shareholders at the 2024 AGM. It will be proposed at the 2025 AGM that the Directors be granted new authorities to allot and buy back shares.

Repurchase of shares

The Company did not repurchase any of its shares in 2024.

Directors

The list of current Directors of the Company can be found in the Corporate Governance Statement on page 2. Changes to Directors during 2024 and up to the date of this report are set out below.

Name	Role	Effective date
Brian Shea	Non-Executive Director	Appointed 19 July 2024
Mohamed A. El-Erian	Non-Executive Director	Stepped down 31 August 2024
Diane Schueneman	Non-Executive Director	Stepped down 31 January 2025

Directors' indemnities

Qualifying third party indemnity provisions (as defined by section 234 of the Act) were in force during the course of the financial year ended 31 December 2024 for the benefit of the then Directors of the Company and the then directors of certain of the Company's subsidiaries and, at the date of this report, are in force for the benefit of the Directors of the Company and the directors of certain of the Company's subsidiaries in relation to certain losses and liabilities which they may incur (or have incurred) in connection with their duties, powers or office. The Barclays Group also maintains Directors' & Officers' Liability Insurance which gives appropriate cover for legal action brought against its Directors.

Qualifying pension scheme indemnity provisions (as defined by section 235 of the Act) were in force during the course of the financial year ended 31 December 2024 for the benefit of the then directors and, at the date of this report are in force for the benefit of directors of Barclays Pension Funds Trustees Limited as trustee of the Barclays Bank UK Retirement Fund, and Barclays Executive Schemes Trustees Limited as Trustee of Barclays Capital International Pension Scheme (No.1) and Barclays PLC Funded Unapproved Retirement Benefits Scheme. The directors of the trustees are indemnified against liability incurred in connection with the trustee's activities in relation to the aforementioned schemes.

Political donations

The Barclays Bank Group did not give any money for political purposes in the UK or outside the UK, nor did it make any political donations to political parties or other political organisations or to any independent election candidates, or incur any political expenditure during the year. Details of any political contributions made by the wider Barclays Group can be found in the Barclays PLC Annual Report 2024.

Support for candidates and colleagues with disabilities and long-term conditions

Barclays' commitment to inclusion means we want to ensure that candidates with disabilities and long-term health conditions receive support and adjustments in the application process and beyond. Barclays welcomes applications from all candidates and is committed to ensuring reasonable adjustments (accommodations) are put in place to ensure a fair and inclusive candidate experience. Barclays is committed to providing all colleagues with the support and tools they need to have a productive and fulfilling career. We can consider making adjustments to remove or reduce barriers colleagues might face if they have a disability, health concern or mental health condition. We also ensure opportunities for training, career development and promotion are available to all.

Engagement with customers, suppliers and others in a business relationship with the Company

Barclays must effectively manage, monitor and mitigate risks in our supply chain. The Directors, via management, have regard to the need to foster business relationships with suppliers. We expect our Third Party Service Providers (TPSP) to make responsible decisions that, where relevant, take our stakeholders' needs into account in both the short and the long term. Barclays expects the TPSPs to comply with applicable laws, regulations and standards within the geographies in which they operate. Barclays' standard approach to new TPSP on-boarding and renewal begins by assessing the services that are being provided and ascertaining the level of risk. TPSPs that are assessed as being above a low risk of exposure from a business risk perspective (at the point of onboarding and on an ongoing basis) are subject to Barclays' Supplier Control obligations (SCOs). TPSPs to whom the SCOs apply become managed TPSPs and are subject to ongoing management and controls assurance during the term of service. Prior to contractual agreement and service go live, these TPSPs are required to complete a pre-contractual questionnaire which captures their adherence to the SCOs and Barclays' TPSP Code of Conduct (TPSP CoC). The TPSP CoC encourages our TPSPs to adopt our approach to doing business and details our expectations for matters including environmental management and human rights, and also for living the Barclays Values.

Barclays works closely with the Small Business Commissioner and other organisations, including Good Business Pays, to raise awareness to the public and larger businesses on late payments and the impact these can have on businesses and business owners.

For information on our engagement with customers and clients, please refer to the Strategic report and the Customers and clients section of the Barclays PLC Annual Report 2024.

Branches and Country-by-Country reporting

The Barclays Bank Group operates through branches, offices and subsidiaries in the UK and overseas. Those branches are in a number of different jurisdictions including in Hong Kong, Singapore and New York. The Company is exempt from publishing information required by the Capital Requirements (Country-by-Country Reporting) Regulations 2013 as this information is published by its parent, BPLC. This information is available on the Barclays website: home.barclays/annualreport

Research and development

In the ordinary course of business, the Barclays Bank Group develops new products and services in each of its business divisions.

Key intangible resources

Our key intangible resources are those resources without physical substance on which our business model fundamentally depends. We deploy them to serve the financial needs of our diversified customer base, delivering value through synergies, providing clear outcomes for our stakeholders. They include our:

- People, purpose, values and mindset - Our people are our organisation. We deliver success through a purpose-driven and inclusive culture;
- Brand - Our brand equity instils trust, lowers the cost of acquiring customers and clients and helps retain them for longer; and
- Technology and infrastructure - Our deep technology and infrastructure capabilities drive customer experiences and support strong resiliency.

Change of control

There are no significant agreements to which the Company is a party that take effect, alter or terminate on a change of control of the Company following a takeover bid.

There are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment that occurs because of a takeover bid.

Statutory auditor

The BPLC Board Audit Committee reviews the appointment of the Barclays Group statutory auditor, as well as their relationship with the Barclays Group, including monitoring the Barclays Group's use of the statutory auditors for non-audit services and the balance of audit and non-audit fees paid to them. The BBPLC Board Audit Committee also monitors the use of the statutory auditor for non-audit services within the Barclays Bank Group.

In December 2024, Barclays PLC announced its intention to conduct a formal tender process for the role of statutory auditor for the Barclays Group (including Barclays Bank PLC) with effect from the 2027 financial year onwards. After recommendation by the BBPLC Board Audit Committee upon request of the BPLC Board, the BBPLC Board approved the commencement of the formal audit tender process for the statutory auditor. The audit tender process will be overseen by the BPLC Board Audit Committee (with support from the BBPLC Board Audit Committee) and is expected to conclude in June 2025. An announcement will be made by Barclays PLC following the selection of the preferred firm by the BPLC Board.

Please refer to the report of the Board Audit Committee in the Barclays PLC Annual Report 2024 for further information about the audit tender process.

Non-audit services

In order to safeguard the statutory auditor's independence and objectivity, the Barclays Group has in place a policy on the Provision of Services by the Barclays Group Statutory Auditor (the Policy) setting out the circumstances in which the statutory auditor may be engaged to provide services other than those covered by the Barclays Group audit. The Policy applies to all Barclays subsidiaries and other material entities over which Barclays has significant influence. The core principle of the Policy is that non-audit services (other than those legally required to be carried out by the Barclays Group's auditor) should be performed by the statutory auditor only in certain controlled circumstances. The Policy sets out those types of services that are permitted.

Under the Policy, except for specific categories of 'permitted' services that require explicit Board Audit Committee approval, the BPLC Board Audit Committee has pre-approved all permitted services for which fees are less than £100,000. All requests to engage the statutory auditor are assessed by independent management before work can commence. Requests for permitted service types in respect of which the fees are expected to meet or exceed the above threshold, but expected to be less than £250,000, must be approved by the Chair of the BPLC Board Audit Committee before work is permitted to begin. Services where the fees are expected to be £250,000 or higher must be approved by the BPLC Board Audit Committee as a whole. All expenses and disbursements must be included in the fees calculation. More information on the Policy can be found in the Barclays PLC Annual Report 2024.

The fees payable to KPMG for the year ended 31 December 2024 amounted to £57m (2023: £49m), of which £15m (2023: £9m) was payable in respect of non-audit services. A breakdown of the fees payable to the auditor for statutory audit and non-audit work can be found in Note 38 to the financial statements.

Disclosure of information to the Auditor

Each Director confirms that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware and that each of the Directors has taken all the steps that they ought to have taken as a Director to make themself aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given pursuant to section 418 of the Act and should be interpreted in accordance with and subject to those provisions.

Directors' responsibilities

The following statements, which should be read in conjunction with the auditor's report set out on pages 150 to 152, are made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the auditor in relation to the accounts.

Going concern

In preparing each of the Barclays Bank Group and Company financial statements, the Directors are required to:

- assess the Barclays Bank Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Barclays Bank Group and the Company or to cease operations, or have no realistic alternative but to do so.

The Barclays Bank Group's business activities, financial position, capital, factors likely to affect its future development and performance, and its objectives and policies in managing the financial risks to which it is exposed are discussed in the Risk review section of this report.

The Directors have evaluated these risks in the preparation of the financial statements and consider it appropriate to prepare the financial statements on a going concern basis.

Preparation of accounts

The Directors are required by the Act to prepare the Company and the Barclays Bank Group accounts for each financial year and, with regard to Barclays Bank Group accounts, in accordance with UK-adopted international accounting standards. The Directors have prepared these accounts in accordance with (a) UK-adopted international accounting standards; (b) IFRS as issued by the IASB, including interpretations issued by the IFRS Interpretations Committee; and (c) IFRS adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union. Pursuant to the Act, the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Barclays Bank Group and the Company and of their profit or loss for that period.

The Directors consider that, in preparing the financial statements, the Barclays Bank Group and the Company have used appropriate accounting policies, supported by reasonable judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The Directors are satisfied that the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Directors are responsible for such internal controls as they determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

By order of the Board

Hannah Ellwood
Company Secretary
12 February 2025

Barclays Bank PLC
Registered in England. Company No. 1026167
Registered office, 1 Churchill Place, London E14 5HP

Introduction

Barclays Bank PLC (BB PLC) is a wholly-owned subsidiary of Barclays PLC. The consolidation of Barclays Bank PLC and its subsidiaries is referred to as the Barclays Bank Group. The consolidation of Barclays PLC and its subsidiaries is referred to as the Barclays Group. The term 'Barclays' refers to either Barclays PLC or, depending on the context, the Barclays Group as a whole.

Barclays Bank Group's success is measured not only by its commercial performance, but also by the contribution to society and the way we work together for a better financial future for all stakeholders. We also have an important role to play in facilitating the investment needed to build the processes and infrastructure for the transition to net zero. Facilitating the world's decarbonisation requires collaboration between financial services, governments and the real economy. Nature and its ecosystem services fundamentally underpin economies and societies, and nature and biodiversity are intrinsically connected to our efforts to mitigate and adapt to climate change, maintain healthy communities, and support productive, sustainable economies. The scale of our business gives us the opportunity to help finance the transition – to use our global reach, products, expertise and position in the global economy to work with our clients, as they transition to a sustainable business model.

Barclays, including Barclays Bank Group, is committed to building a stronger and more inclusive economy that is better for everyone. A vibrant skilled workforce ensures that businesses can thrive and that individuals, along with their families and wider communities, can achieve financial independence and security. We are also helping communities to develop the skills and confidence they need to succeed and helping businesses to grow.

Sustainability Governance

Board and Board Committee oversight of sustainability matters

Specific information relating to our Board and its Committees can be found in the Corporate governance statement from page 2. In particular:

- Information on the composition and diversity of our Board and its Committees is set out on page 2 (the table in 'The Board' section), pages 4-5 (Principle Two: Division of responsibilities, 'The Board' section), page 5 (Principle Three: Composition, succession and evaluation) and pages 6-7 (Principle Three: the table setting out industry and leadership experience and international experience and the 'Inclusion, diversity and equity' section);
- Information on the roles and responsibilities of our Board and its Committees in relation to sustainability matters and how these are reflected in governance documentation, is set out on page 13 (Additional information relating to sustainability matters, the 'Board and Board Committee oversight of sustainability matters' section);
- Information on how the Board and its Committees oversee the setting of targets and how they monitor progress towards them is set out on page 13 (Additional information relating to sustainability matters, the 'Board and Board Committee oversight of sustainability matters' section);
- Information relating to the skills and expertise of Board and Committee members in relation to sustainability matters is set out on page 13 (Additional information relating to sustainability matters, the 'Skills and expertise related to sustainability matters' section);
- For information on how the Board and its Committees are informed about our material risks, impacts and opportunities, refer to page 13 (Additional information relating to sustainability matters, the 'Skills and expertise related to sustainability matters' section);
- For information on how the Board and its Committees consider our material risks, impacts and opportunities when overseeing our strategy, risk management and any decisions on major transactions, refer to page 13 (Additional information relating to sustainability matters, the 'Board and Board Committee oversight of sustainability matters' section); and
- Information about the material risks, impacts and opportunities considered by the Board and its Committees during 2024 is set out from page 13 (Additional information relating to sustainability matters section).

Management's role in the governance processes

Management across relevant business areas and functions are involved in the governance processes, controls and procedures used to monitor, manage and oversee our material impacts, risks and opportunities. Where appropriate, specific management committees also have oversight of relevant material risks, impacts and opportunities in accordance with their Terms of Reference, with management responsibility and oversight ultimately being held by the Barclays Group Executive Committee. Reporting lines are in place between our management committees, the Board and its relevant committees, and ultimately the Barclays PLC Board and its committees, with roles and responsibilities set out in their Terms of Reference.

The Enterprise Risk Management Framework (ERMF) governs the way in which the Barclays Bank Group identifies and manages its risks. It outlines the highest level arrangements for risk management by setting out standards, objectives and key responsibilities of different groups of employees of the Barclays Bank Group. The ERMF is complemented by frameworks, policies and standards which are mainly aligned to individual principal risks:

- frameworks cover high level principles guiding the management of principal risks, and set out details of which policies are needed, and high level governance arrangements;
- policies set out the control objectives and high level requirements to address the key principles articulated in their associated frameworks. Policies state 'what' those within scope are required to do; and
- standards set out detail of the control requirements to ensure the control objectives set by the policies are met.

In relation to the management of material impacts and opportunities, our standard business controls and operating procedures apply.

Targets are currently set and monitored at the Barclays Group level and, as such, where appropriate, relevant senior executive management (which would include relevant executive committees) contribute their business insights into the overall setting of targets.

Sustainability-Related Performance in Incentive Schemes

Remuneration decisions for colleagues result from the application of Barclays' remuneration philosophy, which applies to all colleagues globally, including BB PLC Executive Committee members. The objectives of the remuneration philosophy include the following:

- Remuneration in Barclays should reward sustainable performance. Sustainable performance means making a positive and enduring difference to investors, customers and communities, delivering good customer outcomes, taking pride in leaving things better than we found them, and playing a valuable role in society

- Remuneration should align with risk appetite, risk exposure and conduct expectations, including sustainability-related risks. Barclays' remuneration approach is designed to reward colleagues for achieving results in line with the Barclays Group's risk appetite and conduct expectations

The Barclays Group Remuneration Policy is set by the BPLC Board Remuneration Committee, and reviewed and adopted by the BB PLC Board Remuneration Committee. The policy ensures that remuneration is aligned to the Barclays Bank Group's strategy and risk management approach and is designed to promote the long-term success of the Barclays Group.

Remuneration for BB PLC Executive Committee members is considered in the context of the wider workforce remuneration and the alignment of incentives and rewards with performance and culture. Their remuneration is reviewed annually by the BB PLC Board Remuneration Committee, and the BPLC Board Remuneration Committee as appropriate. No individual is involved in deciding their own remuneration.

Performance for all colleagues, including BB PLC Executive Committee members, is assessed against colleague-specific performance objectives, which are aligned to the five lenses of the consistently excellent standard. The lenses include world-class service, precision, focus, simplicity, and diversity of thought, with sustainability considerations included as part of our objective to deliver world-class service. Specific sustainability-related objectives will depend on the role of the individual.

Incentives are delivered in the form of annual bonus awards for all employees, including BB PLC Executive Committee members, and also Long Term Incentive Plan (LTIP) awards for the Executive Directors of BB PLC. Non-Executive Directors of BB PLC are not eligible for annual bonus awards or other incentives.

Annual bonus awards aim to incentivise and reward the achievement of Barclays Group, business and individual objectives, and to reward colleagues for demonstrating behaviours in line with Barclays' Values and Mindset. Individual bonus outcomes are determined based on Barclays Group, business, and individual performance and are fully discretionary, so there is no pre-determined or explicit weighting for sustainability-related measures, except for the Executive Directors of BB PLC (as described below).

All colleagues are considered for annual bonus awards, subject to eligibility criteria, including BB PLC Executive Committee members. For employees earning higher bonuses and other employees identified as 'Material Risk Takers', including all of the BB PLC Executive Committee members, a significant proportion of the annual bonus is deferred to future years.

Barclays' performance against non-financial measures, including sustainability-related measures, is also factored into the determination of the Barclays Group and BB PLC incentive pools – impacting annual bonus awards of all employees, including BB PLC Executive Committee members. For 2024, sustainability-related measures considered as part of this assessment included:

- climate-related measures focused on progress towards Barclays' Sustainable and Transition Financing target, reductions in its financed emissions and progress against targets relating to achieving net zero operations;

- consideration of how Barclays Group is investing in communities through programmes such as LifeSkills (including number of people upskilled and placed into work);

- colleague-related measures including inclusion, engagement and culture.

Since the assessment is holistic, there is no pre-determined or explicit weighting for sustainability-related measures. The incentive pool is also adjusted to take account of risks, both crystalised and potential future risks. Consideration is given to vulnerabilities across all of Barclays' Principal Risks, including Climate Risk, through ex-ante and ex-post risk adjustments which are applied to the incentive pool.

The Executive Directors of BB PLC, who are also Executive Directors of BPLC, are in addition eligible to receive Long Term Incentive Plan (LTIP) awards. Given their roles as Executive Directors of BPLC, the determination of their annual bonus and LTIP outcomes is more structured that the approach for most other Barclays employees, and includes an assessment of performance against a framework of measures set by the BPLC Board Remuneration Committee at the start of the performance period for each award. A portion of both the annual bonus and LTIP award for the Executive Directors of BB PLC is driven by non-financial performance measures, aligned with the Barclays Group's strategic priorities.

The 2024 annual bonus, and the 2024-2026 LTIP awards, for the Executive Directors each included a Climate & sustainability category, weighted at 5% and 15% respectively. Additionally, in the 2024 annual bonus, 5% is based on Colleague measures and 10% is based on Risk & operational excellence measures, while in the 2024-2026 LTIP, 5% is based on each of these categories of measures.

In the next LTIP cycle, the 2025-2027 LTIP, sustainability-related measures will be included as part of a broader, renamed category of measures relating to Sustainability, customers and clients, weighted at 25%. The Sustainability measures will include Financing the transition, reducing financed emissions and achieving net zero operations, as well as supporting Barclays communities. Additionally, 10% of the 2025 annual bonus will be determined on a combination of colleague measures, including inclusion and engagement, and measures relating to customer and clients. Risk and operational excellence measures are also weighted at 5%, based on an assessment of performance against a range of measures of Barclays risk culture, operational precision and controls.

Performance against these measures will be assessed by the BPLC Board Remuneration Committee at the end of the performance period, and a detailed retrospective narrative will be provided in the Annual Report following the end of the performance period.

Integration of climate-related performance in incentive schemes

Climate-related performance is considered in incentive schemes in the same way as outlined in the 'Sustainability-Related Performance in Incentive Schemes' section above, given that sustainability-related measures include climate-related measures.

Strategy, business model and value chain

Business model

Barclays Bank Group's business model is aligned with the business model of Barclays Group. Barclays deploys its tangible and intangible assets, including people, technology, infrastructure and brand, to serve the financial needs of its diversified customer base, create synergies across the organisation, generate a well-diversified income stream and provide positive outcomes for its stakeholders.

Significant products, services, and customer groups

In February 2024, Barclays set out an updated business structure. Our products and services, based on the updated structure, are outlined below.

- **UKCB**: UK Corporate Bank brings together lending, trade and working capital, liquidity, payments and FX solutions for corporate clients with turnover of over £6.5m
- **PBWM**: Barclays Private Banking and Wealth Management provides holistic wealth and private banking solutions and is structured to service clients from across the UK wealth spectrum and grow the Private Bank franchise in selected international markets
- **IB**: Investment Bank incorporates the Global Markets, Investment Banking and International Corporate Banking businesses, serving FTSE 350, multinationals and financial institution clients
- **USCB**: US Consumer Bank represents the US credit card business, particularly focused in the partnership market as well as an online deposit franchise

Significant markets

The significant markets where we provide products and services are:

- UK: The primary products and services in this region are corporate banking and private banking and wealth management
- Americas: The US is our main market outside the UK. Our principal US activities include investment banking business and consumer cards operations
- Europe: Activities in this region consist of Investment Bank which is comprised of international Corporate banking, Investment banking and Global Markets, as well as Private Bank & Wealth management

Headcount by geography:

We had a diverse workforce of 23,788 employees globally at the end of FY24.

Main features of our upstream and downstream value chain

Direct relationships in value chain:

Upstream

- **Investors:** BB PLC is a wholly owned subsidiary of the Barclays Group, focused on creating long term sustainable value for Barclays and ultimately its shareholders. We are also a frequent issuer in the debt capital markets and have wholesale and retail debt investors

- **Third Party Service Providers (TPSPs)**[1]: A TPSP is any entity that has entered into an arrangement with Barclays' entities, including those in the Barclays Bank Group, to provide business functions, activities, goods and/or services. For example, through TPSPs we obtain a wide range of products and services including technology and facilities management, client focused payment solutions, customer service, trading platforms and clearing services, supporting our colleagues through recruitment services, learning partnerships and other TPSPs that support multiple functions through data services

Downstream

- **Clients and Customers**: Investment banking clients include corporates, money managers, financial institutions, governments and supranational organisations. Corporate clients are also served through the UK Corporate Bank. Private Bank and Wealth Management primarily cater to high net worth individuals. US Consumer Bank caters to retail and non-retail clients through the provision of cards. We also partner with distributors to provide co-branded cards

Indirect relationships in value chain

- **Affected communities**: Individuals or groups who may be affected by the actions, operations and/or value chains of those parties in our upstream (TPSPs) or downstream (Clients and Customers) value chain
- **Workers in our value chain**: Individuals who work in our upstream or downstream value chains but may not have direct contractual relationship with the Barclays Bank Group

Sustainability strategy and goals

Barclays Bank Group contributes to Barclays' sustainability strategy and goals. These are primarily focused on impacts, risks and opportunities arising from financing activities. We support Barclays' strategy of financing the transition through Sustainable and Transition Financing and the continued development of environmental, social and transition related financing products that meet our clients' needs globally and support the transition to a low carbon economy. This is reflected in Barclays' financing target to facilitate $1trn of Sustainable and Transition Financing between 2023 and the end of 2030. In 2024, Barclays announced its Transition Finance Framework (TFF), which outlines the criteria for transactions to qualify as transition financing and sits alongside the Sustainable Finance Framework (SFF) to define what can be included against this target. Both the SFF and TFF are available on Barclays' website. The products and services offered as a part of this strategy are financing activities including debt and equity capital markets, corporate lending, trade finance and consumer lending. It applies to all Barclays businesses globally. These products and services help to generate positive social and environmental outcomes through financing of activities such as, but not limited to, energy efficiency, renewable energy, affordable housing, basic infrastructure and services.

Our products and services that support the Barclays sustainability goals are as follows.

UKCB: Supporting our corporate clients with their transition journeys through strong client engagement, deepening our relationships through delivery of insights and strategic priorities, while we continue to embed and develop our suite of sustainability-related products to provide an enhanced offering to clients.

PBWM: Responsible investing and sustainable investing solutions focus on ESG integration and dedicated sustainable investment strategies. Barclays WM&I now offers most Global Access Funds as Article 8 products in a bid to promote sustainability pursuant to the EU's Sustainable Finance Disclosure Regulation.

IB: Blending the existing expertise and relationships in our coverage groups with new, specialised teams are focused on sustainable finance growth areas – providing enhanced and integrated solutions for our clients. The specialised teams are:

- the Energy Transition Group (which provides clients with holistic and cohesive strategic advice and financing solutions throughout the energy value chain, with a strong emphasis on decarbonisation);
- the Sustainable Banking Group (which supports the sustainability needs of our clients across all industries through a tailored approach to coverage, advice and execution across M&A, risk management, equity and debt);
- the Sustainable Project Finance Group (which provides tailored project financing solutions for clients aiming to decarbonize their business, accelerate the development of lower -carbon technology and monetize the associated transition-related revenue opportunities);
- the Sustainable Product Group (which provides structuring services and advice to clients in Investment Banking and UK Corporate Banking focused on executing Green and Sustainability-Linked financing for clients);and
- the Global Markets Team (which channels investments into sustainable activities, through a comprehensive range of solutions across asset classes).

We also support Barclays' commitment to aligning all of its financing to the goals and timelines of the Paris Agreement, consistent with limiting the increase in global temperatures to 1.5°C and supporting clients through the provision of sustainable and transition financing, providing financial advice and guidance as they transition to a low-carbon economy Barclays has set 2025 emissions reduction targets for energy and power sectors, and has set 2030 emissions reduction targets for eight high-emitting sectors see page 29. More generally, our broader sustainability goals include developing ways to effectively mitigate our material potential sustainability impacts and risks which could impact our customers and services, for example through the effective management of potential data privacy and cyber security impacts globally.

Note:
1 Third party service providers are equivalent to suppliers as defined in Annex II- Acronyms and Glossary of Terms in ESRS, published by Council of European Union

Barclays has set out its expectations in the Third Party Service Provider Code of Conduct (TPSP CoC) for matters including environmental management and human rights. Its sustainability goals in relation to other stakeholders (such as investors and regulators) are primarily focused on maintaining and strengthening these relationships, and continuing to develop a broad and deep understanding of their individual sustainability related views, goals, expectations and challenges.

Main challenges ahead relevant to sustainability reporting

While we have made progress in our ambition towards becoming a net zero bank, and continue to see a significant opportunity to demonstrate our commercial leadership and support for our clients in the transition, we recognise that the shift to a low-carbon economy is complex and subject to significant uncertainties. Our ability to implement our climate strategy depends heavily on our clients' ability to commercially decarbonise their business models, which is influenced by a wide range of external factors, including market developments, technological progress and its financial viability, a stable and supportive policy environment, regulatory alignment, changes to societal behaviour, geopolitical developments and regional variations.

Our climate strategy will continue to evolve as we continue to pursue our ambition of being a net zero bank by 2050 against the shifting and rapidly developing landscape. As explained later in the statement, we contribute to Barclays financed emissions targets. Barclays keeps its targets, policies that support the progress towards them, and year-on-year and cumulative progress under review in light of the rapidly changing external environment and its need to balance a range of factors when managing its portfolios including commercial objectives, effective risk management and the need to support governments and clients both in delivering an orderly transition and providing energy security. Barclays expects progress towards the targets to be volatile and non-linear. As the external environment in which we, Barclays and our clients operate shifts, and new information becomes available, there may be a need for us and Barclays to update the approach to manage the effectiveness and impact of these efforts to reduce financed emissions, while remaining focused on the ambition to be a net zero bank by 2050.

The development of sustainability related metrics, targets and disclosures are also dependent on data availability. Barclays relies on disclosures made by its clients and customers, which at this time are complex and still evolving to be reliable and consistent.

Climate Change

Strategy

Strategy and Transition Plan

Barclays' ambition is to be a net zero bank by 2050, aligning our financing with the goals and timelines of the Paris Agreement, by focusing on achieving net zero operations, reducing our financed emissions and financing the transition. Barclays' climate strategy is underpinned by the way it assesses and manages its exposure to climate-related risks. Barclays Bank Group contributes to achieving Barclays' climate strategy and works closely with its clients to ensure that over time the activities it finances are aligned to the goals and timelines of the Paris Agreement.

Barclays is currently developing a transition plan which it intends to publish later this year. Barclays Bank Group forms part of Barclays and will contribute to achieving the objectives of the Barclays transition plan. Barclays Bank Group does not have its own transition plan for climate change mitigation nor does it plan to adopt its own transition plan.

Climate Change Risk

Strategy

Barclays is exposed to financial risks from climate change through its downstream financing and investment activities. Barclays has implemented a risk management framework for climate risk which integrates within the broader ERMF aiming to guide effective management of climate risk and support the delivery of the Group's Climate Strategy. Climate Risk is considered as one of the principal risks within Barclays ERMF.

The key principle underpinning this framework is that climate risk (including transition risk) is recognised as a driver of other existing financial (Credit, Market, Treasury and Capital) and non-financial (including Operational and Reputational) risks. The approach to identifying, measuring and managing Climate-related risk is consistent with other key risks, however there remains significant uncertainty around when these risks will materialise. The bank conducts assessment across short, medium and long-term timeframes to understand and quantify the impact of climate physical and transition risks in its financed portfolios. The climate risk management framework developed at the Group level is applicable to its entities and business lines. The approach is customised to reflect portfolio characteristics, size and exposure to specific climate risk drivers (including transition risk drivers) within various portfolios.

Climate scenario analysis forms a key part of the Barclays Bank Group's approach to assessing and quantifying the impact of both physical and transition risks in the Bank's portfolios. Through climate scenario analysis, the climate related risks and uncertainties can be translated into financial impacts to the Bank, allowing Barclays to identify risks and better understand the resilience of its business strategy and the impact on the Bank's business model.

Policies

Policies relating to Climate Change Impacts

Climate Change Statement

Barclays Bank Group applies the Barclays position statement titled 'Climate Change Statement' to manage our potential downstream negative impact for certain high emitting sectors. The statement addresses climate change mitigation and relates to the potential negative downstream impact that Barclays Bank Group can have by continuing to finance activities and/or companies active in high emitting sectors which significantly contribute to global emissions. The statement does not address climate change adaptation, energy efficiency or renewable energy deployment. With regards to climate change adaptation, energy efficiency and renewable energy deployment, we address this by including the financing of the above activities as eligible under our Sustainable and Transition Finance Framework, to be counted towards Barclays Group's $1 trillion sustainable and transition finance target, rather than through the use of policy.

The Climate Change Statement sets out Barclays position and approach to certain high emitting sectors with tightening policy criteria and increasing expectations over time as well as outlining Barclays focus on supporting its clients to transition to a low carbon economy. The statement has been developed in addition to Barclays sector-specific emission reduction targets consistent with the Barclays Purpose. The statement considers risk and market factors to energy and power sectors with higher carbon-related exposures, emissions or those which may have an impact on certain sensitive environments or communities.

The key contents of the Climate Change Statement are:

- Conditions or restrictions on the financing of certain activity such as project finance for expansion projects in upstream oil and gas, or financing provided to certain clients or groups active in sectors including but not limited to upstream oil and gas, thermal coal mining and thermal coal power
- The applicability of stated financing restrictions and the governance approach of the statement
- A brief overview of
  - The Client Transition Framework (CTF), which evaluates corporate clients' current and expected future progress as they transition to a low-carbon business model. Barclays conducts these assessments annually for corporate clients that are in-scope for sectors where BlueTrack™ targets have been set for Barclays
  - The senior Client Transition Review Forum (CTRF) which carries out targeted reviews of groups (any entity, the relevant parent company and its consolidated subsidiaries, as a whole) subject to a CTF assessment. These reviews are informed by the CTF assessment and take into account consideration of relevant risks and other business factors

- The approach to Enhanced Due Diligence (EDD) which evaluates groups that are in scope of the statement, performance on a range of environmental and social issues. The referral and escalation procedure for groups assessed as higher risk following either an EDD review or following a CTRF assessment

Barclays conducts EDD on a case-by-case basis and groups in scope of this statement are assessed against the Equator Principles (if a project finance or credit transaction is deemed to be in scope) including, where appropriate, any relevant International Finance Corporation (IFC) performance standards. The Performance Standards are directed towards clients, providing guidance on how to identify risks and impacts, and are designed to help avoid, mitigate and manage risks and impacts as a way of doing business in a sustainable way, including stakeholder engagement and disclosure obligations of the client in relation to project-level activities.

The Climate Change Statement is regularly reviewed, considering the rapidly changing external environment. The statement is informed by engagement with Barclays stakeholders, including shareholders, clients, subject specialists and civil society. Barclays also use these engagements to share the statement with affected stakeholders and clients. Any review of this Statement will be undertaken by the Barclays Group Sustainability Committee with escalation to the Barclays Board Sustainability Committee or Barclays Board (if appropriate).

Group-wide frameworks, policies and standards will be adopted throughout Barclays and applied unless local laws or regulations require otherwise. As such, the BB PLC CEO is the most senior individual in the organisation that is accountable for the implementation of the statement.

The scope of the statement is outlined in the table the below and covers our approach to financing certain sensitive sectors (thermal coal mining, coal-fired power generation, mountain-top coal removal, upstream oil and gas and unconventional oil and gas including oil sands, Arctic oil and gas, hydraulic fracturing ('fracking'), Amazon oil and gas, ultra-deep water and extra heavy oil) and enhanced due diligence requirements for biomass.

Words in *italics* as captured in the table below are defined in the Key Definitions table in the 'Further Information' section starting from page 36. These definitions clarify the intended scope of this statement. The Climate Change Statement is available to stakeholders on the Barclays website.

Sector	Project Level	Entity Level
Upstream Oil and Gas	As at the date of this statement, restrictions on business appetite are as follows: • We will not provide *project finance* for *expansion* projects or infrastructure projects primarily to be used for such *expansion* projects • We will not provide other *direct financing* to *Energy Groups* for *expansion* projects or infrastructure projects primarily to be used for such *expansion* projects	As at the date of this statement, • We expect all *Energy Groups* to be producing relevant information in relation to their transition plans or decarbonisation strategies • Any new *financing* or renewal of existing *financing* for *Non-diversified Groups* where more than 10% of their total planned oil and gas capital expenditure is in *long-lead expansion* will be by exception • We will not provide *financing* to *new clients* that are *Energy Groups* where more than 10% of their total planned oil and gas capital expenditure is in *expansion* *Energy Groups* meeting any of the following will be subject to mandatory annual review by the CTRF to determine whether continued financing support is appropriate in the context of their investment plans and overall decarbonisation or transition plans: • *Energy Groups* where more than 10% of their total planned upstream oil and gas capital expenditure is in *expansion* • *Non-diversified Groups* – We recognise that *Non-diversified Groups* may present greater transition risk than diversified *Energy Groups*, in particular those engaged in *long-lead expansion* – We have very limited appetite for *Non-diversified Groups* where they are engaged i*n long- lead expansion* • *Energy Groups* with the lowest *CTF* assessment scores Notwithstanding the outcomes of the CTRF reviews, *financing* decisions are transaction specific and will continue to be subject to consideration by relevant committees, if appropriate, to consider issues such as credit risk, reputational risk and capital impact. From 1 January 2026, we will only provide *financing* to *Energy Groups* if they are able to demonstrate that they are committed to reducing their own emissions by having: • net zero-aligned *near-term* Scope 1 and 2 emissions reduction targets (absolute or intensity-based); and • targets to reduce methane emissions by 2030, aligned with OGCI, OGMP2.0, or similar industry guidance; and a commitment to end all routine / non-essential venting and flaring by 2030

Sector	Project Level	Entity Level
Unconventional Oil and Gas	As at the date of this statement restrictions on business appetite are as follows: *Amazon Biome/Ultra-Deep Water/Extra Heavy Oil* • We will not provide *direct financing* to *Energy Groups* for any oil and gas projects in the *Amazon Biome*, or any oil and gas projects involving *Ultra-Deep Water* and/or *Extra Heavy Oil*, or infrastructure projects primarily to be used for such oil and gas projects *Arctic Circle* • We will not *directly finance* oil and gas projects in the *Arctic Circle* *Hydraulic Fracturing (Fracking)* • We will not *directly finance* projects involving *Hydraulic Fracturing (Fracking)* in the UK and Europe *Oil Sands* • We will not provide *direct financing* wholly or primarily to be used for the construction of new: (i) *Oil Sands* exploration, production and/or *Oil Sands processing* assets; or (ii) *Oil Sands pipelines*	As at the date of this statement restrictions on business appetite are as follows: *Amazon Biome* • We will not provide *financing* to *Clients engaged* in exploration, appraisal, development, and production of oil and gas in *the Amazon Biome* *Arctic Circle* • We will not provide *financing* to *Clients materially engaged* in oil and gas exploration and production or pipeline transportation operations in the *Arctic Circle* • We will not provide *financing* to *Clients* with ancillary oil and gas businesses in the *Arctic Circle* where proceeds are known to be for supporting new oil and gas exploration, production or new pipeline transportation projects in the *Arctic Circle* *Hydraulic Fracturing (Fracking)* • We will not provide *financing* to *Clients materially engaged in Fracking* activities in the UK and Europe *Oil Sands* • We will not provide *financing* to *Oil Sands exploration and production companies* • We will not provide general corporate purposes financing that is specified as being wholly or primarily for the construction of new: (i) *Oil Sands* exploration, production and/or *Oil Sands processing* assets; or (ii) *Oil Sands pipelines* We will not provide *financing* to *Energy Groups* whose aggregate share of production in *Oil Sands*, *Extra Heavy Oil*, *Hydraulic Fracturing* in the UK/EU, and *Arctic Circle* oil and gas exceeds 20% of their total oil and gas production.
Thermal Coal Mining	As at the date of this statement, restrictions on business appetite are as follows: • No *project finance* for greenfield development or *material expansion* of *thermal coal* mines anywhere in the world, including *captives* • No *project finance* for development of infrastructure projects primarily to be used for *thermal coal* mines anywhere in the world	As at the date of this statement, restrictions on business appetite are as follows: • No *financing* to *new clients* engaged in *thermal coal* mining • No general corporate purpose *financing* that is specified as being for new or *material expansion* of *thermal coal* mining • No *financing* to existing *clients* that generate more than 30% of revenues from *thermal coal* mining • No general corporate purposes *financing* to *clients* with entities *engaged in* opening new *thermal coal* mines or *material expansion* of existing *thermal coal* mines, unless an undertaking is received from the borrower, or we are otherwise satisfied that the proceeds of such *financing* will not be made available to entities *engaged in* opening new *thermal coal* mines or *material expansion* of existing *thermal coal* mines By **1 January 2030**: • For EU and OECD, we will phase out *financing* to all *clients engaged in thermal coal* mining • For the rest of the world, we will no longer provide *financing* to *clients* that generate more than 10% of revenue from *thermal coal* mining By **1 January 2035**, we will phase out *financing* for all *clients engaged in thermal coal* mining.

Sector	Project Level	Entity Level
Thermal Coal Power	As at the date of this statement, restrictions on business appetite are as follows: • No *project finance* to enable the construction or *material expansion* of *thermal coal*-fired power plants anywhere in the world, including *captives*	As at the date of this statement, restrictions on business appetite are as follows: • No general corporate purpose *financing* that is specified as being for new or *material expansion* of *thermal coal*-fired power plants • No *financing* to *clients* that generate more than 30% of *revenue from thermal coal-fired power generation* • No general corporate purposes *financing* to *clients* with entities *engaged in* developing new *thermal coal*-fired power plants or *material expansion* of existing *thermal coal*-fired power plants, unless an undertaking is received from the borrower, or we are otherwise satisfied that the proceeds of such *financing* will not be made available to entities *engaged* in developing new *thermal coal*-fired power plants or *material expansion* of existing *thermal coal*-fired power plants By **1 January 2030**: • For EU and OECD, we will phase out *financing* to *clients engaged in thermal* coal-fired power generation • For rest of the world, we will no longer provide *financing* to *clients* that generate more than 10% of *revenue from thermal coal-fired power generation* By **1 January 2035**, we will phase out financing for all *clients* engaged in *thermal coal*-fired power generation. Exceptions to the phase out date(s) for *thermal coal*-fired power generation apply if: • Remaining *thermal coal*-fired power plants are abated to reduce GHG emissions to near zero; OR • Remaining *thermal coal*-fired power plants solely utilised as backup to low carbon power supply; OR • Remaining *thermal coal*-fired power plants are required to remain open by operation of law, regulation or contract.
Mountain Top Removal (MTR) Coal Mining	As at the date of this statement, Barclays will not *directly finance* projects or developments using *MT*R coal mining.	
Biomass	Barclays will conduct EDD on *Groups* that have >500MW installed *Biomass* capacity AND/OR >50% of their total installed capacity as *Biomass*.	

General exceptions apply to our thermal coal mining policy in the following circumstance

- In relation to any transition finance provided by Barclays to clients reducing their *thermal coal* portfolio including retrofitting of existing facilities

General exceptions apply to out thermal coal power policy in the following circumstances

- In relation to any transition finance provided by Barclays to *clients* reducing their *thermal coal* portfolio including retrofitting of existing facilities and where Barclays is providing *financing* for decommissioning plants for those unable to transition

Policies relating to Climate Risk

Climate Risk is a Principal Risk with the Bank's ERMF. Barclays Bank Group has implemented a risk management framework for climate risk within the broader Enterprise Risk management framework aiming to guide effective management of climate risk and support the delivery of its Climate Strategy. The key principle underpinning this framework is that climate risk (including transition risk) is recognised as a driver of other existing financial (Credit, Market, Treasury and Capital) and non-financial (including Operational and Reputational) risks, and not treated as a standalone risk type. The approach to identifying, measuring and managing Climate-related risk is consistent with other key risks, however there remains significant uncertainty around when these risks will materialise.

The Bank conducts assessment across short, medium and long-term timeframes to understand and quantify the impact of climate physical and transition risks in its financed portfolios. The climate risk management framework developed at the Group level is applicable to its entities and business lines. The approach is customised to reflect portfolio characteristics, size and exposure to specific climate risk drivers (including transition risk drivers) within various portfolios. The emissions resulting from the activities of customers and clients to whom financing is provided is measured using BlueTrack™. Barclays has developed Client Transition framework to evaluate corporate client's progress as they transition to a lower-carbon economy. The client CTF scores and emission data from BlueTrack™ are further used to inform key risk management practices, including risk monitoring, setting limits, managing concentrations, credit decisions and stress testing exercises.

The Head of Climate Risk is the owner of Climate Principal risk, accountable for the management and oversight of the climate risk management framework and climate risk profile. The oversight and management of climate-related risks occur at number of levels including through various governance committees and forums across business lines and legal entities.

Actions

Actions taken in relation to Climate Change Impacts

We have taken and will continue to take the following key actions, grouped under decarbonisation levers, as Barclays could be connected to potential downstream negative impacts on people and the environment, over the short, medium and long term, in relation to providing financial services to clients in high emitting sectors.

Measuring and monitoring emissions

Enhanced due diligence (EDD) to achieve Climate Change Statement objectives

We conduct EDD on certain clients in-scope of our policy statements as defined in Barclays internal EDD approach, on an annual basis via detailed EDD questionnaires, which are used to evaluate their performance on a range of environmental and social issues in addition to adherence to restrictions detailed in our policy statements and may be supplemented by a review of client policies/procedures, further client engagement and adverse media checks as appropriate. The outcome of this action is the evaluation of a clients performance on a range of environmental and social issues and adherence to restrictions detailed in our policy statements, which in turn determines whether further review and client engagement may be required throughout the year and can be used to inform our financing decisions. Enhanced due diligence for clients in scope of our policy statements is undertaken by Barclays client coverage teams, supported by control teams, as well as the Group Sustainability team who may advise on the application of the statements. Application of enhanced due diligence in relation to other identified impacts, risks and opportunities, is detailed in the relevant pages.

We continue to conduct EDD on certain clients operating in the following sensitive sectors covered by our Climate Change Statement: thermal coal mining, thermal coal-fired power generation, mountain-top coal removal, oil sands, Arctic oil and gas, hydraulic fracturing ('fracking') and have extended enhanced due diligence to cover certain upstream oil and gas and unconventional oil and gas including Amazon oil and gas, ultra-deep water and extra heavy oil and biomass.

Financed emissions tracking and benchmarking

Barclays measures financed emissions and tracks them at a portfolio level against the goals and timelines of the Paris Agreement – this methodology is called BlueTrack™. Currently, Barclays has set emissions reduction targets for Upstream Energy, Power, Steel, Cement, Automotive manufacturing, Aviation, UK Commercial Real Estate, UK Agriculture portfolios and convergence point for UK Housing. The BlueTrack™ methodology was developed to measure and track Barclays progress against targets integrating 1.5°C aligned scenarios. The BlueTrack™ methodology uses an external climate scenario to construct a Paris-aligned portfolio benchmark that defines how a given financing portfolio will need to reduce emissions over time. These scenarios have been selected because they have been developed by reputable external providers, are aligned with the Paris Agreement goals, and are sufficiently granular. The financed emissions for Barclays Bank Group are reported within the metrics section of this disclosure.

The expected and achieved reduction in emission from these above actions have not been calculated for Barclays Bank Group. Measuring the result of our actions on achieved and expected GHG reductions is both non-linear and complex, and therefore we have not isolated the specific impact of our actions. Further, with respect to expected GHG reductions, it is very difficult to accurately quantify the likely specific impact of our actions due to our dependence on our clients' ability to commercially decarbonise their business models, which is influenced by a wide range of external factors, including market developments, technological progress and its financial viability, a stable and supportive policy environment, regulatory alignment, changes to societal behaviour, geopolitical developments and regional variations. Therefore, we do not report our achieved or expected GHG reductions specifically as a result of our actions.

Sustainable and transition financing

We continue to expand the breadth of sustainable and transition finance banking products we offer to support the transition to a low carbon economy includes those aimed at mitigating climate change. For details on this please refer to actions on page 33 of the Sustainable Products and Services section.

Actions taken in relation to Climate Risk

Barclays continues to enhance and sophisticate its risk management capabilities with increased knowledge and ability to identify, quantify and manage climate related risks, including transition risk, in line with its Climate Risk Framework. To facilitate embedding of Climate Risk Framework, the Group has developed and enhanced processes tools, models and data platforms as applicable. The Barclays Group has established a risk appetite for climate risk which is managed through various risk limits, trigger and indicators set across different Principal Risk types. Regular monitoring, reporting, and governance provide oversight of climate risk profile and exposures and ensure they remain within the appetite. Corrective actions are taken to address any breaches or excesses. The Bank regularly performs client-level assessments and scenario analysis exercises to identify and assess portfolios that are more vulnerable to climate risks. These actions are completed on a continuous basis through the year. For further information, on actions, refer to the Climate Risk Management section of the Risk Review on page 62.

Climate Scenario analysis

The climate scenario analysis is primarily used for (1) understanding Barclays' resilience to climate scenarios, (2) as a consideration within its financial planning process, (3) assessing the financial impacts from Barclays meeting its sectoral BlueTrack™ targets consistent with limiting the increase in global temperatures to 1.5°C, and (4) within its assessment of Expected Credit Losses reported under IFRS9. For year-end 2024, the IFRS 9 Downside 2 scenario has been updated and aligned to the 2024 Internal Stress Test scenario which is climate aware. The output of the ECL review did not provide variances in ECL deemed sufficiently certain to warrant raising an additional climate-related charge in 2024

Barclays' 2024 financial planning process included a review of our strategy, its implementation and tracking our contribution to Barclays Group climate related targets, as well as, capturing a view of climate-related risks and opportunities, which aligns with how we manage other risks. Barclays central medium term planning process also considered the impact of current government and regulatory policies into the baseline planning scenario.

The planning process included an assessment of our financed emissions reductions for some of our highest emitting sectors. We also considered impairment over the horizon of the financial plan. At this point in time, there are no associated material amendments required to the financial plan.

Based on the scenario analysis exercises undertaken to date, Barclays' strategy remains resilient to climate risks. This assessment includes the conclusion from the 2024 Internal Stress Test which had climate risk drivers, with further details included below. The 2024 Internal Stress Test was performed at the Barclays Group level and covers portfolios of all the Barclays Group's entities including BB PLC.

A stress scenario integrating climate risk factors was produced for 2024 Internal Stress Test which covered the full balance sheet. This exercise was designed to assess Barclays' financial resiliency to both climate and traditional macroeconomic risk– and the extent to which Barclays would remain within risk appetite. The stress scenario was internally designed with consideration of Barclays' specific portfolio vulnerabilities. The scenario modelling includes sector specific assumptions, such as the extent to which sectors can pass on carbon taxation costs, and the exposure to physical risk hazards.

The impacts of stress remain manageable within the Bank's existing risk profile. Results of the exercise indicate that losses are highest within the Investment Bank, driven by exposure to carbon intensive sectors that are most vulnerable from the fast transition scenario, such as the introduction of carbon pricing schemes and significant declining oil and gas demand.

Scenario details

The climate scenario was designed and developed with our internal specialist scenario expansion team, leveraging the tools and approaches of the existing scenario expansion processes and supplementing these with specific climate analysis.

The stress scenario narrative unfolds over a five-year timeframe, aligned to a less than 2°C pathway and incorporated incremental impacts of both climate physical and transition risk factors on the macroeconomic stressed pathways. The scenario included the implications of policy announcements that trigger immediate asset repricing, while more stringent policy requirements unfold over a longer time horizon – dampening recovery in the latter years. Against this backdrop the scenario also includes considerations for physical risk. The scenario also includes the following key events occurring over the short and medium term horizon, which is a 5 year timeframe.

a. Consumer preferences shift toward greener products and practices along with reduction in consumption to cope with the recessionary environment;

b. Investors reallocating their capital from brown assets or those with poor transition plans to greener firms resulting in shocks across equity markets;

c. Acceleration and tightening of EPC minimum standards for Buy-to-Let, Social Housing, and Commercial Real Estate buildings in the UK;

d. Under continued behavioural pressure from consumers and investors, large-scale plans for transitioning to a more sustainable business model occur where possible. The return of capital on these plans and the associated delay to recovery leads to a slight prolonging of the stress, but the creation of a transition plan leads to confidence in financial markets by investors;

e. New policy announcements in the UK and US alongside increase in the Government investment to support faster transition;

f. Ramping up of emissions trading schemes with carbon price increasing to to $141/tCO2 within 12 months from 2027; and

g. A reduction in exports, supply-side shocks and trading frictions from the introduction of Carbon Border Adjustment Mechanisms.

The scenario assumes following impacts on Barclays:

1. Amplified market shocks: additional to existing macroeconomic shocks, further equity and credit shocks for carbon-intensive industries and financiers, as a result of immediate repricing;

2. Amplified credit deterioration: increase in credit risk within carbon-intensive industries as a result of lower earnings expectations and refinancing risks; and

3. Increase in frequency of physical risk events: increase in the occurrence of physical hazards such as flood, hurricanes and droughts over stress time-horizon.

Based on above, scenario variables are calibrated with varying levels of granularity guided by the scenario narrative and considerations for compounding effects of economic downturn and climate stresses. Material technological development has not been assumed within the economic projections, given the immediate and short time horizon of the scenario.

Results and insights

The results of the exercise showed that, in the Investment Bank and UK Corporate portfolio within Barclays Bank Group, losses were driven mostly by companies operating in heavily emission intensive industries due to rising carbon prices ($349/tCO$_2$e) over the scenario, or those within sectors where demand for products and services is rapidly falling due to consumer behaviour shifts or wider decarbonisation of the economy. For the Oil and Gas sector, whilst many companies were able to withstand the 5-year stress given strong balance sheets post high prices in 2022, over longer time frames, non-linear increases in defaults are likely to be observed as carbon costs severely cut into the industry's profits, alongside increasingly uneconomical assets due to market shifts caused by transition risk and increase frequency of physical risk. Whilst the impact is significant they remain manageable within the Banks existing risk profile.

We acknowledge however that further advances in modelling capability and data availability are needed to fully understand the extent of these losses.

Challenges and Limitations

Barclays is continuing to develop its understanding of the interlinking relationships between climate, particularly transition, and macro variables. A lack of adequate historical data being a key limitation to progress modelling capabilities. There exists inherent challenges in climate modelling due to limitations in data quality and availability, given the short history of climate assessments within the financial services industry.

There exists inherent uncertainties with scenario design largely attributed to limited history of the interactions between climate risks and the economy. There is a significant level of uncertainty with climate stress-testing projections in (i) how the scenario will manifest; (ii) how customers and clients will react; and (iii) the final loss quantification. Over longer time horizons, it becomes increasingly difficult to capture the range of second-order effects as physical and transition risks evolve, assess the rate in which risks manifest or subside, or identify inflection points.

Future Actions planned in relation to Climate Change Impacts and Risks

In terms of additional future key actions, which are relevant to both our material climate IROs (Impact, Risk and Opportunities). Barclays Bank Group will continue to contribute to Barclays efforts to manage portfolios, maintain balance between commercial objectives, prudent risk management practices and other non-financial objectives in support of Barclays ambition to be net zero by 2050. As referred to above, Barclays intends to publish a transition plan later this year. Barclays periodically reviews their policies and the actions being taken to achieve their policy objectives and targets, considering the rapidly changing environment and as informed by engagement with stakeholders, shareholders, clients, subject specialists, and civil society groups. Barclays will also continue to periodically review their risk appetite for climate risk to maintain alignment with their strategic objectives as well as their approach to managing climate risk for alignment with regulatory developments. As such, we will continue to support and contribute to these key Barclays actions, which we expect to contribute to the achievement of policy objectives and Barclays' targets across Barclays on an ongoing basis.

Targets

Considering Climate Change Impacts

Barclays Group views sustainability as a global issue which is best tackled from a top down approach, with targets set at the Barclays Group level. Barclays Bank Group does not have any entity specific targets relating to its financed emissions. Further, given the global footprint of many Barclays clients, who often engage with multiple Barclays entities, setting targets at the Barclays Group level ensures a more cohesive and aligned approach to achieve our sustainability objectives.

Barclays Bank Group as a part of the wider reporting group contributes towards achieving the emissions targets set at Barclays to manage climate change impacts. Therefore we track the effectiveness of polices through the monitoring of the progression against the targets set at Barclays level. Barclays has now set 2030 reduction targets for eight high-emitting sectors: Upstream Energy, Power, Cement, Steel, Automotive Manufacturing (LDV), UK Commercial Real Estate, UK Agriculture and Aviation; and a convergence point for UK Housing. These targets are outlined in the below table.

Financed emissions metrics - Barclays								
Sector				Setting our targets				
Sector	Sector boundaries	Emissions Scope	GHG included	Reference scenario	Target metric	Unit of measurement	Baseline year	Target vs baseline
Energy	Upstream Energy	1,2 & 3	Carbon dioxide and Methane	IEA SDS IEA NZE2050	Absolute emissions	$MtCO_2e$	2020	-15% by end of 2025 -40% by end of 2030
Power	Power generators	1	Carbon dioxide	IEA SDS IEA NZE2050	Physical Intensity	$kgCO_2e/MWh$	2020	-30% by end of 2025 -50% to -69% by end of 2030
Cement	Cement manufacturers	1 & 2	All GHGs	IEA NZE2050	Physical Intensity	tCO_2e/t	2021	-20% to -26% by end of 2030
Steel	Steel manufacturers	1 & 2	All GHGs	IEA NZE2050	Physical Intensity	tCO_2e/t	2021	-20% to -40% by end of 2030
Automotive Manufacturing	Light Duty Vehicles manufacturers	1,2 & 3	All GHG for scope 1 and 2; Carbon dioxide for scope 3	IEA NZE2050	Physical Intensity	gCO_2e/ km	2022	-40% to -64% by end of 2030
Aviation	Commercial Aviation (Air Travel) – Passenger (including belly cargo) and Dedicated cargo	1 & 3	Carbon dioxide for scope 1; All GHGs for scope 3	MPP Prudent	Physical Intensity	gCO_2e/RTK	2023	-11% to -16% by end of 2030
UK Commercial Real Estate	UK Corporate Bank	1 & 2	CO2, methane and nitrous oxide	CRREM II	Physical Intensity	$kgCO_2e/m^2$	2023	-51% by end of 2030
Agriculture	UK Livestock & Dairy Farming	1,2 & 3	Carbon dioxide, methane and nitrous oxide	CCC BNZ	Absolute emissions	$MtCO_2e$	2023	-21% by end of 2030
UK Housing[1]	UK buy-to-let and owner-occupied mortgages, Social Housing and Business Banking	1 & 2	Carbon dioxide, methane and nitrous oxide	CCC BNZ	Physical intensity	$kgCO_2e/m^2$	2023	Portfolio convergence point vs. baseline -40% by end of 2030

Note
1 Barclays has identified a 2030 emission intensity convergence point for UK Housing but has not set a formal target.

Considering Climate Risk

The BlueTrack™ emission reduction targets established at the Barclays level for high-emitting sectors also include legal entities portfolios. These emission reduction targets and CTF scores inform and support management of transition risks within alongside various exposure measures used within the principal risk types. Barclays Bank Group doesn't set specific entity level emission reduction targets. The risk appetite for climate risk is translated into a detailed series of risks limits, triggers and indicators to control and manage transition risks and is regularly reviewed by Board Risk Committee and enhanced to maintain alignment with the Barclays strategic objectives. The approach and practices for managing climate risk are reviewed on a regular basis for alignment with regulatory developments and industry leading practices. A control environment for climate risks has been established in accordance with Barclays' Control Framework, the Bank has also established a governance forum to provide oversight of climate-related risk events, policy and issue management. Additionally, the assurance teams are responsible for performing climate risk specific reviews to ensure effectiveness of the Climate Risk Framework and risk practices.

Metrics

Metrics relating to Climate Change Impacts

Emissions:

We have disclosed Scope 3 Category 15 emissions in line with the results of our assessment and obligations under the ESRS.

We have determined it appropriate to report absolute emissions only from activities where Barclays have set targets due to the below reasons:

1. Within financed emissions, the activities where Barclays has set targets are those that drive the group business strategy and client action. The activities where we have set targets are aligned to the recommendations of the Net Zero Banking Alliance (NZBA) for setting targets on high-emitting sectors.

2. Upstream Energy and Power Generation are also activities which are embedded within our strategic non-financial objectives for executive compensation.

3. Barclays has taken into account stakeholder engagement, including engagement with affected stakeholders in reaching the conclusions set out above as to material impact and related risk and the relevance and materiality of the information proposed to be disclosed.

The Scope 3 Category 15 emissions metrics, in the table below, have been calculated through our BlueTrack™ methodology, outlined in the Financed emissions tracking and benchmarking section above.

For other activities where Barclays have not set targets, the Barclays Bank Group has not disclosed metrics. As disclosed in the Reducing our financed emissions section of the Barclays annual report, the activities where Barclays has set targets represent approximately 43% of Barclays Group's financed emissions.

Scope 3 categories 1-14 have been considered not significant for reporting. No baseline figures have been included because targets have not been set at the Barclays Bank Group's level.

Scope 3 financed emissions where Barclays has set targets			
Activities[1]	Sector boundaries	Unit of measurement	Dec 2024
Upstream Energy	Upstream Energy (producers of coal, oil, gas and NGLs)	$MtCO_2e$	41.1
Power	Power generators	$MtCO_2e$	14.0
Cement	Cement manufacturers	$MtCO_2e$	0.8
Steel	Steel manufacturers	$MtCO_2e$	0.9
Automotive Manufacturing	Light Duty Vehicles manufacturers	$MtCO_2e$	3.8
Aviation	Commercial Aviation (Air Travel) – Passenger (including belly cargo) & Dedicated cargo	$MtCO_2e$	4.9
UK Commercial Real Estate	UK Corporate Bank	$MtCO_2e$	0.1
UK Housing[2]	UK buy-to-let and owner-occupied mortgages, Social Housing and Business Banking	$MtCO_2e$	0.1
Total		**$MtCO_2e$**	**65.7**

Notes
1 Barclays Bank plc does not have UK agriculture activities that contribute to the Barclays plc target
2 Barclays has identified a 2030 emission intensity convergence point for UK Housing but has not set a formal target.

Our methodology and assumptions in calculating financed emissions

Financed emissions are calculated by applying an attribution factor to client emissions. Client emissions are calculated using a range of data quality options, ranging from reported emissions to sector-average emission factors. Based on the PCAF Standard, we use a range of external and internal data feeds to estimate client emissions. We rely on external vendors to source production activity and reported emissions data. In certain cases, the data, fall-back inputs or modelled outputs are overridden using expert judgement. To facilitate this, we run a series of validation tests on both emissions and financial data. Where there is a significant divergence identified with a supporting rationale – for example where a company has divested a material asset not yet reflected in the underlying data – we apply an override to the data.

Within each sector, we have defined an appropriate value chain activity and emissions boundary on which our Group targets are defined. We identify in-scope clients based on the internal Barclays Industry Classification (BIC) codes.

Approach for estimating emissions mapped to PCAF DQ scores		
Activity	Data Quality option employed	PCAF DQ Mapping
Upstream Energy Power generation Automotive manufacturing	Estimated based on production data Estimated based on average portfolio economic intensity if production data is not available	DQ 3 if production data and company value is available. DQ 5 if production data or company value is not available
Aviation	Estimated based on production data	DQ 3
Cement Steel	Reported emissions	DQ 2 if reported emissions and company data is available DQ 5 if production data or company value is not available
UK CRE	Estimated based on data available in EPC certificates Estimated based on average sub-portfolio economic intensity if EPC is not available	DQ 3 if EPC is available. DQ 5 if EPC is not available
UK Housing	Estimated based on data available in EPC certificates Estimated based on average sub-portfolio economic intensity if EPC is not available	DQ 3 if EPC is available. DQ 5 if EPC is not available

Climate data, models and methodologies are evolving and are not yet at the same standard as more traditional financial metrics – nor are they yet subject to the same or equivalent disclosure standards, historical reference points, benchmarks or globally accepted accounting principles. Most of our data is collected from external sources, and the quality and methodologies relating to the underlying data can be hard to assess. External sources then require mapping to Barclays' internal data. While we have set a framework that facilitates a robust matching process, it is likely residual issues will remain for reasons such as mergers and acquisitions within corporate sectors. There are also issues with time lags as most of our data is not available as at the reporting date. Further details on our BlueTrack™ methodology can be found within our Financed Emissions Methodology paper (published in 2025) accessible at: home.barclays/sustainability/esg-resource-hub/reporting-anddisclosures/.

Internal Carbon Pricing

Barclays Bank does not apply an internal carbon pricing scheme, however financed emission and carbon intensity are considered as part of the decision making process in our financing portfolio.

Sustainable Products and Services

Strategy

Barclays Bank Group recognises the opportunities arising from the global transition to a low-carbon economy and the positive impact this can have on economies, our customers and clients. Barclays has developed reporting frameworks for the following types of financing.

- Sustainable Financing consists of financing for dedicated use of proceeds, financing for clients with an eligible business mix in relevant environmental and social categories, and sustainability-linked financing which refers to general purpose funding.
- Transition Financing consists of financing provided to clients for activities that support greenhouse gas emission reduction, directly or indirectly, towards a 1.5°C pathway

Barclays Bank Group uses the Sustainable Financing Framework ("SFF") and Transition Financing Framework ("TFF") to enable us to track our financing which contributes to our positive impacts as we capitalise on identified opportunities. The SFF and TFF were developed by Barclays and outline the approach to the classification of our financing as sustainable financing and transition financing respectively. Both frameworks are published on the Barclays website.

Actions

Sustainable and Transition Products

We continue to expand the breadth of sustainable and transition finance banking products we offer, including bonds/loans (including Project Finance for renewables) and securitised products. Sustainable and Transition Finance products also help us achieve our net zero ambition. In 2025, we will continue to consider and evaluate additional sustainable and transition products.

Strategic Review

Our sustainable finance strategy was also refreshed during 2024 across key businesses. The review built upon both new and previously identified commercial opportunities. The output was considered in the financial planning process, including incremental revenue, cost and capital. Key opportunities continue to reside within Debt Capital Markets, Equity Capital Markets, Transaction Banking and lending, and some smaller new markets.

We have formed key teams and continued to hire to grow our existing talent with a focus on expanding our product capabilities as we continue to drive performance against our selected targets. In particular, the Energy Transition Group within Barclays was established, which will seek to provide holistic and cohesive strategic advice and financing solutions through the energy value chain. with a particular emphasis on decarbonization. These teams will enable further implementation of our climate strategy and increase co-ordination, with a focus on how they can help our customers and clients with their individual transitions to a low-carbon economy.

We will continue to endeavour to further enhance how our sustainability strategy is embedded into the way we think about financial planning over the coming years – reflecting on the progress made during 2024.

Tracking of our Sustainable and Transition Financing:

Barclays Bank Group tracks the amount of sustainable and transition financing we facilitate using the methodology outlined in both the SFF and TFF. Tracking financing enables us to measure progress towards financing the transition. These volumes are reported externally semi-annually, see the Metrics section below for 2024 volume. Both the SFF and TFF were updated in February 2025 to incorporate new sustainable and transition products respectively.

Entity Specific: Sustainable Products and Services

Targets

Barclays Group views sustainability as a global issue, which is best tackled with a top-down approach, with targets set by Barclays covering the whole of Barclays Group considered to be the most appropriate way to meet sustainability ambitions. As we are part of Barclays, and contribute towards Barclays Group targets, we do not have our own specific targets relating our sustainable products and services. Further, given the global footprint of many of our clients, who often engage with multiple Barclays entities, setting targets at the Barclays Group level ensures a more cohesive and aligned approach to achieve sustainability objectives.

Following analysis of the market opportunity for sustainable financing, together with a review of its capabilities, in 2022, Barclays announced a new target to facilitate $1trn of Sustainable and Transition Financing between 2023 and the end of 2030. Barclays Bank Group is expected to be a key contributor towards achieving this target.

Metrics

In 2024, Barclays Bank Group facilitated $92.9bn of Sustainable and Transition Financing[1], which contributed to the overall Barclays $1trn target. This contribution was calculated using the SFF and TFF methodologies outlined above.

For further details please see Barclays' ESG Reporting Framework.

It should be noted that the methodology is reliant on a range of data sources including Dealogic and Bloomberg transaction listings and league tables, as well as other third-party data and verification sources including company disclosures to aid the classification of financing into eligible green and social categories. Barclays Bank Group recognises that the quality, consistency and comparability of the data relied upon is not yet of the same standard as more traditional financial metrics and presents an inherent limitation to the performance reported. We will continue to review available data sources and enhance our methodology and processes to improve the robustness of the performance disclosed.

Information provided in climate and sustainability disclosures

What is important to our investors and stakeholders evolves over time, and we aim to anticipate and respond to these changes. Disclosure expectations in relation to climate change and sustainability matters are particularly fast moving, and differ from more traditional areas of reporting including in relation to the level of detail and forward-looking nature of the information involved and the consideration of impacts on the environment and other persons. We have adapted our approach in relation to the disclosure of such matters. Our climate and sustainability disclosures take into account the wider context relevant to these topics, which may include evolving stakeholder views, the development of our climate strategy, longer timeframes for assessing potential risks and impacts, international long-term climate- and nature-based policy goals, evolving sustainability-related policy frameworks (and the harmonisation or interoperability of relevant regulation) and geopolitical developments and regional variations. Our climate and sustainability disclosures are subject to more uncertainty than disclosures relating to other subjects, given market challenges in relation to data reliability, consistency and timeliness – the use of estimates, judgements and assumptions which are likely to change over time, the application and development of data, models, scenarios and methodologies, the change in regulatory landscape, and variations in reporting standards.

These factors mean disclosures may be amended, updated, and recalculated in future as market practice and data quality and availability develops, and could cause actual achievements, results, performance or other future events or conditions to differ, in some cases materially, from those stated, implied and/or reflected in any forward-looking statements or metrics included in our climate and sustainability disclosures. We give no assurance as to the likelihood of the achievement or reasonableness of any projections, estimates, forecasts, targets, commitments, ambitions, prospects or returns contained in our climate and sustainability disclosures and make no commitment to revise or update any such disclosures to reflect events or circumstances occurring or existing after the date of such statements.

Note:
1 Key assumptions for Sustainable and Transition Financing:

Accounting basis:
- Financing volumes for the FY24 reported on a proportional bookrunner share basis,
- Share of capital markets transactions calculated as deal size divided by total number of bookrunners or league table credit Barclays role in the deal is further confirmed by the desk where unclear from underlying documents.
- Syndicated lending reflects Barclays' share or hold of the overall transaction value,
- Lending is calculated as total value of limits at issuance and any subsequent increases

Reporting Process:
- Financing eligible as sustainable financing, under the SFF, for the purpose of our targets, if Barclays determines that the core business of the recipient falls under the eligible green and social criteria
- Wherein a pro-rated part of the transaction is counted against the target, the pro-rata calculation is based on an equally weighted allocation to each of the use of proceeds categories that Barclays identify within the issuer framework
- When reviewing whether financing will be eligible as transition finance for the purpose of the TFF, Barclays will consider, amongst other factors:
  - the transition plans or decarbonisation strategies the client produces, including any just transition elements; and
  - the management of any identified environmental and social risks associated with the relevant purpose of the financing or, where the client is a pure play client, its activities as a whole

Important Information/ Disclaimers

Disclaimers

In preparing the climate and sustainability content within the Barclays Bank PLC Annual Report on Form 20-F wherever it appears, we have:

- Made certain key judgements, estimations and assumptions. This is, for example, the case in relation to financed emissions, portfolio alignment, classification of environmental and social financing, operational emissions and sustainability metrics, measurement of climate risk and scenario analysis
- Used climate and sustainability data, models, scenarios and methodologies we consider to be appropriate and suitable for these purposes as at the date on which they were deployed. This includes data, models, scenarios and methodologies made available by third parties (over which we have no control) and which may have been prepared using a range of different methodologies, or where the basis of preparation may not be known to us. Methodologies, interpretations or assumptions may not be capable of being independently verified and may therefore be inaccurate. Climate and sustainability data, models, scenarios and methodologies are subject to future risks and uncertainties and may change over time. Climate and sustainability disclosures in this document, including climate and sustainability-related data, models and methodologies, are not of the same standard as those available in the context of other financial information and use a greater number and level of judgements, assumptions and estimates, including with respect to the classification of climate and sustainable financing activities. Climate and sustainability disclosures are also not subject to the same or equivalent disclosure standards, historical reference points, benchmarks or globally accepted accounting principles. Historical data cannot be relied on as a strong indicator of future trajectories in the case of climate change and its evolution. Outputs of models, processed data, scenario analysis and the application of methodologies will also be affected by underlying data quality, which can be hard to assess, or challenges in accessing data on a timely basis
- Continued (and will continue) to review and develop our approach to data, models, scenarios and methodologies in line with market principles and standards as this subject area matures. The data, models, scenarios and methodologies used (including those made available by third parties) and the judgements, estimates and/or assumptions made in them or by us are rapidly evolving, including scientific evidence relating to climate change and scenarios outlining pathways to net zero, and this may directly or indirectly affect the metrics, data points, targets, convergence points and milestones contained in the climate and sustainability content within the Barclays Bank PLC Annual Report on Form 20-F. Further, changes in external factors which are outside of our control such as accounting and/or reporting standards, improvements in data quality, data availability, or updates to methodologies and models and/or updates or restatements of data by third parties, could impact – potentially materially – the performance metrics, data points, targets, convergence points and milestones contained in the climate and sustainability content within the Barclays Bank PLC Annual Report on Form 20-F. In future reports we may present some or all of the information for this reporting period (including information made available by third parties) using updated or more granular data or improved models, scenarios methodologies, market practices or standards. Equally, we may need to re-baseline, restate, revise, recalculate or recalibrate performance against targets, convergence points or milestones on the basis of such updated data. Such updated information may result in different outcomes than those included in the Barclays Bank PLC Annual Report on Form 20-F. It is important for readers and users of the Annual Report on Form 20-F to be aware that direct, like-for-like comparisons of each piece of information disclosed may not always be possible from one reporting period to another.
- Included in the Barclays Bank PLC Annual Report on Form 20-F are a number of graphics, infographics, text boxes and illustrative case studies and credentials which aim to give a high-level overview of certain elements of the climate and sustainability content within the Barclays Bank PLC Annual Report on Form 20-F and improve accessibility for readers. These graphics, infographics, text boxes and illustrative case studies and credentials are designed to be read within the context of the Barclays Bank PLC Annual Report on Form 20-F as a whole.

Important Information/ Disclaimers

List of Key Definitions as captured in the Barclays Climate Change Statement:

Term	Definition
Amazon Biome	Refers to the world's largest rainforest, covering 6.7 million km^2 across nine countries (Brazil, Bolivia, Peru, Ecuador, Colombia, Venezuela, Guyana, French Guiana, Suriname). The boundary of the Amazon Biome is defined by the Amazon Network of Georeferenced Socio-Environmental Information (RAISG) as the area formed by: i. the limits of the Amazon biome in Colombia and Venezuela; ii. the limits of the Amazon basin in Ecuador, Perú and Bolivia; iii. the sum of the limits of the basins (Amazonas and Araguaia/Tocantins) and the limits of the administrative Legal Amazon in Brazil; and iv. the whole continental territories of Guyana, French Guyana and Surinam For further information visit: www3.socioambiental.org/geo/RAISGMapaOnline/
Arctic Circle	Refers to the area within the Arctic Circle, which is subject to sea ice, the Arctic National Wildlife Refuge (ANWR) and Coastal Plains.
Biomass	Refers to energy production from biomass and biogas power plants, which includes the thermal combustion of organic energy sources, including energy crops and woody biomass.
Captives	In relation to Thermal Coal Power, captives refers to *thermal coal* power plants used and managed with the primary purpose of providing power to an industrial or commercial energy user, for their own use. In relation to Thermal Coal Power, captives refers to *thermal coal*-fired power plants used and managed with the primary purpose of providing power to an industrial or commercial energy user, for their own use. In relation to Thermal Coal Mining, captives refers to *thermal coal* mines dedicated to providing *thermal coal* for captive *thermal coal*-fired power plants.
Client Transition Framework (CTF)	Refers to a tool developed by Barclays designed to support our evaluation of our corporate clients' current and expected future progress as they transition to a low-carbon business model.
Client(s)	Means in relation to any proposed transaction the client entity (or entities) entering into the transaction. Any restrictions relating to the % revenue generated by such clients from *thermal coal* activities applies to the consolidated revenues of the entity being financed, whether transacting with a Group parent, subsidiary or joint venture.
Directly finance or direct financing	Refers to *financing* where the use of proceeds is known to be for a particular project.
Energy Group(s)	*Groups* that have over 20% revenue from upstream oil and gas activities (i.e. exploration, development and production) and/or *Groups* that are considered to be supermajor or major integrated oil and gas companies.
Engaged in	In relation to Thermal Coal Power, a client is defined as "engaged in" if it generates more than 5% of its revenue from thermal coal-fired power generation. In relation to Thermal Coal Mining, a client is defined as "engaged in" if it generates more than 5% of its revenue from thermal-coal mining. In relation to Amazon Oil & Gas, a client is defined as "engaged in" if more than 5% of its expenditure (CAPEX and OPEX) are on oil & gas projects in the Amazon Biome.
Expansion	Refers to any upstream oil and gas projects with a final investment decision (or equivalent) after 31 December 2021. This includes, but is not limited to, exploration, development, and production.
Extra Heavy Oil	Refers to Crude Oil with an API gravity of less than 15^{O}.
Finance or financing	Refers to all primary financing activity through lending (including *reserve-based lending agreements*), underwriting, arranging and/or distribution of debt or equity, as well as trade and working capital finance and excludes, without limitation, any debt or securities traded or placed through secondary market activity. Barclays may occasionally continue to be involved in primary financing activity for distressed entities such as (without limitation) debt for equity swaps and other recapitalisation activities. When undertaking such activity, Barclays has a responsibility to minimise losses and will look to deploy possible financing options to manage distressed positions and/or maximise recoveries where it is a liability holder. Such financing arrangements are not typically for the purposes of funding the ongoing operational activity of the distressed entity. Accordingly, any such activity is excluded from the definition of financing.
Group(s)	In relation to any entity, the relevant parent company and its consolidated subsidiaries, as a whole.

Important Information/ Disclaimers

Term	Definition
Hydraulic Fracturing (Fracking)	Refers to an oil and gas well development technique, using a high-pressure injection of liquid into the rock, which creates fracturing and allows natural gas and oil to flow more freely.
Long-lead expansion	Refers to long-lead time upstream oil and gas projects with a final investment decision (or equivalent) after 31 December 2021. The includes, but is not limited to, exploration, development, and production[1].
Material expansion	In relation to Thermal Coal Mining, refers to an increase in annual tonnage of *thermal coal* extracted from existing *thermal coal* mines, including captives, by more than 20%, measured from a baseline of maximum p.a. tonnage for preceding 3 years reported. In relation to Thermal Coal Power, production refers to an investment to (i) extend the unabated operating lifetime of existing *thermal coal* power plants including captives or (ii) increase net operational thermal power capacity, including captives, by more than 10% measure from a baseline of maximum capacity for preceding 3 years reported Material expansion in such cases relates to absolute global increases rather than increases for an entity or Group as a result of mergers or acquisitions.
Materially engaged in – Arctic Circle	For Arctic Circle, Groups are defined as “materially engaged in” if they have over 20% revenue from oil and gas activities in the Arctic Circle or have approved capital investment for new exploration and production or new pipeline transportation of oil and gas within the Arctic Circle.
Materially engaged in – Fracking	For Hydraulic Fracturing, Groups are defined as “materially engaged in” if they have over 20% revenue from Fracking activities in the UK and Europe.
Mountain Top Removal (MTR) coal mining	Refers to surface coal mining (and the associated reclamation operations) that remove entire coal seams running through the upper fraction of a mountain, ridge, or hill, by removing all of the overburden and creating a level plateau or gently rolling contour with no high-walls remaining – as defined by the Surface Mining Control & Reclamation Act (SMCRA 1977), available at www.gpo.gov/fdsys/pkg/CFR-2012-title30-vol3/pdf/ CFR-2012-title30-vol3- sec716-3.pdf
Near-term	2030 or such other near-term target as approved by exception by Barclays Group Sustainability Committee.
New client(s)	Refers to an entity in relation to whom no member of the Group is an existing client of Barclays.
Non-diversified Groups	Refers to non-state-owned Energy Groups that generate almost all of their revenues from upstream oil and gas activities (i.e. exploration, development and production).
Oil Sands	Refers to naturally occurring deposits of water and clay, containing a heavy, viscous oil called bitumen.
Oil Sands exploration and production companies	Refers to Groups that majority own (>50%) or operate oil sands exploration, production and Oil Sands processing assets, excluding those that generate less than 10% of revenue from these activities.
Oil Sands pipelines	Refers to pipelines whose primary use is for the transportation of crude oil extracted from oil sands.
Oil Sands processing	Refers to Canadian oil sands clients that process and upgrade extracted oil sands bitumen in situ only.
Project Finance	Refers to transactions that are a form of loan financing originated by Barclays (either as an agent or as part of a syndicate) where the repayment depends primarily on the project’s cash flow and on the collateral value of the project’s assets. Project Finance excludes corporate level asset financing.
Reserve-based lending agreement	Refers to a type of asset-based lending whereby a loan is secured by collateral. Reserved-based lending is commonly used in the oil and gas sector, where such loans are secured by an oil and gas field or a portfolio of undeveloped or developed and producing oil and gas assets – known as the borrowing base. These facilities are typically multi-banked, and the asset base is approved subject to majority lender consent.
Revenue from thermal coal-fired power generation	Refers to revenues attributable directly to the generation of electricity from thermal coal and excludes any other revenues including revenues attributable to the transmission and distribution of electricity.
Sustainable Finance or Transition Finance Transactions	Refers to transactions that qualify under Barclays’ Sustainable Finance Framework or Transition Finance Framework as amended from time to time.
Thermal Coal	Thermal coal (also known as steam coal) are grades of coal used for power and heat generation. These typically include lignite and sub-bituminous grades of coal.
Ultra-Deep Water	Refers to waters where the water depth is 1,500 metres or more.

Note

1 This definition is informed by the IEA Net Zero Roadmap, 2023 update which highlights that the decline in fossil fuel demand in the IEA NZE Scenario means that no new long-lead time oil and gas projects are approved for development. It also notes that investment in existing fossil fuel supply projects is still needed in the NZE Scenario to ensure that supply does not fall faster than the decline in demand. This includes the use of in-fill drilling and improved management of reservoirs as well as some enhanced oil recovery and tight oil drilling to avoid a sudden near-term drop in supply.

Managing data privacy, security and resilience

We have strict policies to protect privacy and keep data secure.

Data privacy

Most of the jurisdictions in which Barclays operates have privacy and data protection laws in effect. While these may vary in detail, generally they reflect internationally recognised privacy principles found in the UN's Universal Declaration of Human Rights, the European Convention on Human Rights and the European Union's Charter of Fundamental Rights.

We strive to operate in accordance with these standards and recognise that respect for privacy rights is a key element of good corporate governance and social responsibility. We strive to be transparent about our use of personal information when delivering our products and services and acknowledge the responsibility we have for safeguarding privacy.

As Barclays increasingly adopts digital solutions to deliver next-generation consumer financial services, we appreciate our clients, customers and others may wish to understand how this may impact the use of their personal information. A globally applicable Barclays Data Privacy Standard sets out what is expected of all Barclays businesses and functions when collecting, using and sharing personal information.

To promote clear accountability, the Standard includes the requirement for each business to appoint an accountable executive who has ultimate responsibility for the processing of personal data within that business. An agreed assurance programme measures compliance with the Data Privacy Standard. Barclays colleagues must complete annual privacy training which is reviewed and refreshed each year, with additional tailored training provided as necessary. The Group Data Protection Officer (DPO) reports on data privacy issues to the highest level of management.

Through client, customer and employee privacy notices, we endeavour to explain clearly and openly how and why we use personal information and the legal grounds we rely on. When we receive complaints, we seek to address them fairly. Several jurisdictions also provide individuals with specific rights, such as the right to have access to or request deletion of their personal information.

Barclays provides a public mailbox and secure channels via its website to enable individuals to make their privacy requests and receive responses from a dedicated team.

Barclays requires its suppliers to comply with data protection and privacy laws, regulations and standards relevant to the jurisdictions in which they operate and relevant to any transferred personal data. Our requirements are set out and principally managed through our supplier contract templates, which require that suppliers commit to ensuring personal data shared with them is safeguarded and respected throughout the supply chain.

Data security

As detailed below, Barclays' Chief Security Office and Chief Information Security Office operate controls aimed at mitigating cybersecurity-related risks and understanding internal and external threats.

Barclays deploys controls designed to protect its sensitive information and the data that has been entrusted to us by customers and clients, in line with our Standards, taking into account findings from internal and external reviews of our controls.

Barclays seeks to protect the security of data we share with third parties, including by conducting remote and on-site inspections with certain suppliers to review their controls against contractual obligations and industry standards. A Third Party Service Provider Framework is in place which sets out control requirements for business units to manage the operational, reputational, conduct and legal risks to Barclays through its supply chain.

In operating under a hybrid working model, we have continued to educate colleagues on cybersecurity risks in order to help minimise risks related to remote working, such as data exploitation or leakage.

Barclays works with industry bodies and cybersecurity vendors to learn from risk events in other organisations. Our teams use such intelligence to simulate plausible cybersecurity and data compromise scenarios that allow us to exercise, review and improve our response and recovery plans in preparation for evolving threats.

Operational resilience

Customers and clients have increased expectations for us to be 'Always On'. The interconnectivity of the financial sector means the stability and resilience of our systems, workforce and the continued provision of third party services, all have a direct impact on the quality of our service.

Resilience and security is a focus for the Board. Barclays continues to strengthen its resilience posture and is focused on its ability to recover from a range of 'severe but plausible' scenarios which could cause detriment to its customers and clients and the broader financial market. To enable this, we define Groupwide business services and their interdependencies across the Group, including technology, third party services and our workforce. Recovery plans and business response plans have been developed for a range of different disruption events, such as cyber or data integrity disruptions, or technology failures. These recovery plans are reviewed and validated through regular testing which supports our aim to reduce the volume and impact of operational incidents year on year. We also conduct regular assurance on third parties to assess their capability.

Operational resilience is delivered through an established and robust Operational Resilience Framework underpinned by a Policy, Standards, methodologies and procedures. These are integrated with Barclays' Enterprise Risk Management Framework (ERMF) and set the tone from the top. The Standards are embedded within the Barclays Controls Framework and provide a consistent approach across the firm.

The Operational Recovery Planning Policy and Standards drive the identification of the business services that are most important to Barclays, its customers, clients and the markets in which Barclays operates. The Standards also define requirements for setting recovery targets, mapping of dependencies, planning and testing.

Resilience and security is the responsibility of everyone within the Group. All permanent employees are required to complete annual mandatory training on these topics.

Chief Security Office and Chief Information Security Office

Barclays' Chief Security Office and Chief Information Security Office exist to keep the bank, its customers, clients, and colleagues safe and secure, and to support the resilience of our operations. They support Barclays' ability to operate in a protected and secure environment, and actively promote a culture of security as everyone's responsibility.

The Group Chief Security Officer and Group Chief Information Security Officer (CISO) head Barclays' Chief Security Office and Chief Information Security Office, respectively. The Group Chief Security Office is responsible for physical security, threat intelligence, crisis management, and investigations and liaising with law enforcement, among other areas. Barclays' Group Chief Security Officer combines 10 years of law enforcement experience with over 20 years of experience in senior leadership roles managing security at global financial institutions, and is supported by a leadership team with expertise in threat intelligence, investigations, security transformation, and crisis management, as well as other teams of subject matter experts and analysts.

In 2024, Barclays' Group CISO was elevated to report directly to the Group Chief Information Officer (a member of the Group Executive Committee), to leverage the strategic and operational benefits of aligning cybersecurity and technology. The Group Chief Information Officer reports to the Chief Operating Officer, and also sits on the Group Executive Committee. Barclays' Group CISO is responsible for assessing and managing Barclays' material risks from cybersecurity threats. The Group CISO is responsible for areas that, among others, include cybersecurity operations; internal penetration testing; third party security management; cryptography; vulnerability management; governance, risk, and compliance; cyber threat intelligence; and identity access management. The Group CISO has more than 20 years of experience managing cybersecurity for global financial institutions, including responsibility for cybersecurity fusion centres, cyber intelligence, security engineering and architecture, security operations, and network services. The Group CISO is supported by a team of CISOs for individual business units and jurisdictions. Chief Information Security Office leaders manage Barclays' cybersecurity activities and are accountable for the day-to-day monitoring of residual risk, identification of gaps, oversight of remedial actions and implementation of strategy. The Group CISO and supporting leadership team collectively have advanced degrees and senior level experience managing cybersecurity risks in a variety of sectors, including those that represent critical national infrastructure, such as telecommunications and financial institutions. They are supported by teams of subject matter experts and analysts in a variety of specialisations, such as penetration testing, cyber-forensic investigations, security engineering, and vulnerability management.

Supporting the delivery of Barclays' cyber and information security strategy are multiple management committees, forums, and councils, including Cyber Control Councils for each of the eleven Standards supporting the Group Information and Cybersecurity Policy. These Cyber Control Standards Councils feed into the Cybersecurity Horizontal Controls Forum, the Group Controls Committee, the Group Risk Committee, and ultimately the Board Risk Committee. In addition, the Group COO holds standalone business reviews that include management updates on the status of cybersecurity across the Group, and a standalone COO Controls Forum that also escalates to the Group Controls Committee. Barclays' Operational Risk and Internal Audit functions provide independent views of cyber risk management from second and third line of defence perspectives.

Barclays assesses its cybersecurity activities against the industry-recognised National Institute of Standards and Technology (NIST) Cybersecurity Framework. Under Barclays' Enterprise Risk Management Framework, there is an Information and Cyber Security Policy supported by eleven Standards which define the minimum requirements for cybersecurity matters across the Barclays Group. The Policy leverages key risk indicators defined in the Standards to integrate cybersecurity risk management into the Group's Enterprise Risk Management Framework. The Standards cover the following topics: Cryptography, Network Security, Security Configuration, Data Loss Prevention, Vulnerability Management, Data Security, Incident Response & Threat Intelligence, Threat Management, Governance, Identity & Access Management, and Application Security. The Group CISO approves and is accountable for the Information and Cyber Security Policy and associated Standards. As part of our programme, we periodically assess our performance against these Standards and identify areas for improvement and remediation.

The Board Risk Committee, within its oversight of Operational Risk as a Principal Risk, is responsible for overseeing risks arising from cybersecurity threats. In 2024, the Group Chief Security Officer and Group CISO provided updates to the Board Risk Committee about cybersecurity risks facing the Group. Such updates addressed topics that included the cybersecurity threat environment and ransomware attack preparedness, measurement of Barclays' risk and control posture, cybersecurity incident trends and Barclays' response, plans to improve Barclays' ability to recover from a material cyberattack scenario, Barclays' vulnerability management, privileged access to Barclays' systems, regulatory developments, and risks and opportunities related to emerging technology and artificial intelligence.

Engaging external security consultants to conduct penetration tests, attack simulations and other reviews to independently benchmark Barclays' cybersecurity capabilities is an important part of our cybersecurity programme that allows us to identify and remediate cybersecurity weaknesses. In 2024, Barclays' Group CISO and Group Chief Information Officer briefed the Board Risk Committee on plans to address the findings of penetration testing and cybersecurity assessments and remediate identified weaknesses.

Barclays also partners with third party security providers on certain activities such as cyber recovery, software vulnerability scanning, penetration testing, distributed denial of service (DDoS) attack prevention, phishing simulations, third party risk management, incident response, intelligence, fraud prevention, and industry benchmarking.

An important part of Barclays' cybersecurity environment is its Joint Operations Centres (JOCs), which operate 24x7x365 from three globally strategic locations, linking Barclays' security professionals and incident response managers with control functions and business unit representatives. The JOCs deliver security responsiveness by uniting core security functions and providing a central information and coordination point for security incident management and escalation, based on defined severity levels. During live incidents, the Barclays Crisis Management Team monitors the response by Incident Management Teams, Resilience Leads, and others, and has discretion to invoke one or more Barclays Crisis Leadership Teams (CLTs). CLTs are business-led teams at entity, business unit, and regional levels that provide strategic leadership in a crisis, maintain incident management oversight, and coordinate key decision making.

To manage security risk from Barclays’ third party suppliers, many of which perform critical services for Barclays businesses and handle sensitive Barclays data, we have a set of contractual Information and Cyber Security Supplier Control Obligations that are based on requirements in our internal Standards. Using our dedicated Third Party Security Management team’s capabilities, as well as third party tooling, we conduct assurance over our third and fourth parties against those obligations. Activity is structured on a risk-based approach that prioritises suppliers that underpin our most important business services. Identified issues are managed formally, but we also engage proactively with third party suppliers to help them strengthen their security and resilience posture. To recognise the risk presented by third party suppliers, which are increasingly targeted by threat actors, we regularly alert third party suppliers where we anticipate that they may be more vulnerable and should take preventative action.

Notwithstanding such third party risk management efforts, Barclays does not have direct control over the cybersecurity of the systems of its third and fourth parties, limiting the Group’s ability to effectively protect and defend against certain threats.

Certifications

Barclays holds three ISO27001 certifications (i.e. the international standard on how to manage information security), Cyber Essentials / Cyber Essentials Plus Certification, and a UK certification for Digital Banking.

Training

Barclays requires colleagues to complete mandatory information security training at least annually. Topics covered include incident reporting procedures, protecting sensitive data, device security, data leakage prevention, social engineering awareness, and password management. Consequences of noncompletion may include disciplinary action and impact to compensation.

Barclays performs a number of key activities related to identifying, investigating, responding to and containing phishing, including an operational process that provides education and awareness through phishing simulation exercises, and management interventions for employees who demonstrate susceptibility to phishing lures. To report suspected phishing to Barclays' JOCs for further investigation, colleagues have a reporting tool integrated into their email account and receive feedback on whether the reported email was suspect or genuine. Barclays uses metrics to continually refine its phishing education and training.

Colleagues

The following sub-sections include a summary of the Barclays Bank PLC specific items from the Barclays PLC Annual Report 2024, references to 'our' and 'we' refer to Barclays Bank PLC as part of the wider Barclays Group. For full details, refer to the Colleagues section of the Barclays PLC Annual Report 2024. Figures mentioned are for the Barclays Group, other than where specifically mentioned.

At the heart of achieving our plan to make Barclays Simpler, Better and More balanced are our colleagues. We are united by a shared Purpose, Values and Mindset, delivering to a consistently excellent standard in all we do - and we are making Barclays Bank PLC a great place to work, where every colleague can reach their potential.

Engaging with colleagues

Sharing our strategy and how colleagues can contribute towards delivery has been a key part of our 2024 engagement. Regular, two-way dialogue helps us to understand what is working well across the organisation and where we can improve.

Engagement with colleagues is delivered through townhalls, skip-level meetings, site visits, leader-led sessions, focus groups and surveys. Through our bi-annual all-colleague Your View surveys, our people have the opportunity to share their feedback on working at Barclays – and in 2024, we saw the highest participation to date. We strive to create a respectful and inclusive environment where colleagues feel safe to speak up. Additionally, our raising concerns and whistleblowing processes provide anonymous channels for colleagues when needed.

Our longstanding partnership with Unite in the UK also offers further insight into the views of our people. We continue to consult with colleague representatives on major change programmes impacting our people, to minimise compulsory job losses and focus on reskilling and redeployment.

Continuing to deliver to a consistently excellent standard

A consistently excellent standard is an integral part of our culture and a key enabler of our three-year plan. It continues to be embedded through the group-wide multi-year Consistently Excellent culture change programme. In 2024, our focus has been supporting colleagues from understanding what it means to deliver to a higher standard to putting it into practice every day, with a focus on strengthening risk management and controls.

This standard is now central to our hiring, promotion and colleague performance management processes. We continued to recognise colleagues for high standards through our recognition portal, our CEO Awards and our Exceptional Achievement Awards. Our leaders are critical here and, for the second year running, members of the Group Executive Committee visited sites across the world to talk about being consistently excellent – with a focus on how this enables delivery of the strategic plan.

Investing in our talent

Our talent ambition continues to underpin Barclays' approach to talent attraction, retention and development. In 2024, we refreshed, simplified and enhanced our selection experience and introduced a new single Global Talent Framework. We also introduced a new HR platform to deliver these changes at scale to our people. Our leadership framework continues to set the benchmark for what it means to lead at Barclays. It is the foundation for our leaders to improve how they lead and create an environment where colleagues can learn, grow and succeed.

Our ambitions

Barclays is committed to abiding by the laws in all jurisdictions in which it operates, including anti-discrimination laws.

Building an inclusive and equitable culture, reflecting a diversity of views and backgrounds, where all colleagues can thrive is a business priority. We are focused on actions and outcomes that support a culture of belonging and diversity of thought. Our initiatives help to develop a leadership pipeline through which qualified candidates are considered for leadership roles regardless of their gender, race, or any other protected characteristic.

Supporting our workforce

Helping our people be at their best remains a priority. Our structured hybrid working model enables colleagues to connect in-person and plan their work to make the most of their time in the office and at home, where appropriate to their role. We continue to test and learn from our approach.

We are also focused on supporting colleague wellbeing. We use data-driven insights and engagement through campaigns to help our people build healthy habits and promote a supportive culture.

Our people policies

Our people policies help us recruit the best people, provide equal opportunities and create an inclusive culture, in line with our Purpose, Values and Mindset, and in support of our long-term success. They are regularly reviewed and updated to ensure they are aligned with our broader people strategy.

In 2024, we continued to review our policies to optimise colleague experience, standardising policies globally where possible, and supporting colleagues and people leaders to navigate them.

Risk review
Contents

The management of risk is a critical underpinning to the execution of the Barclays Bank Group's strategy. The material risks and uncertainties the Barclays Bank Group faces across its business and portfolios are key areas of management focus.

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Risk management

Barclays' risk management strategy

The Barclays Bank Group's risk management strategy

This section introduces the Barclays Bank Group's approach to managing and identifying risks, and for fostering a sound risk culture.

Enterprise Risk Management Framework (ERMF)

The ERMF governs the way in which the Barclays Bank Group identifies and manages its risks. It outlines the highest level arrangements for risk management by setting out standards, objectives and key responsibilities of different groups of employees of the Barclays Bank Group. It is approved by the Barclays PLC Board on recommendation of the Barclays Group Board Risk Committee and the Barclays Bank Group Chief Risk Officer (CRO); it is then adopted by the Barclays Bank Group.

The ERMF sets out:

- risk management and segregation of duties: the ERMF defines a Three Lines of Defence model
- principal risks faced by the Barclays Bank Group which guide the organisation of risk management processes
- risk appetite requirements: this helps define the level of risk we are willing to undertake in our business
- roles and responsibilities for key risk management and governance.

The ERMF is complemented by frameworks, policies and standards which are mainly aligned to individual principal risks:

- frameworks cover high level principles guiding the management of principal risks, and set out details of which policies are needed, and high level governance arrangements
- policies set out the control objectives and high level requirements to address the key principles articulated in their associated frameworks. Policies state 'what' those within scope are required to do
- standards set out detail of the control requirements to ensure the control objectives set by the policies are met.

Segregation of duties - the "Three Lines of Defence" model

The ERMF sets out a clear lines of defence model. All colleagues are responsible for understanding and managing risks within the context of their individual roles and responsibilities, as set out below.

- The first line consists of all employees engaged in the revenue generating and client facing areas of the Barclays Bank Group and all associated support functions, including Finance, Operations, Treasury and Human Resources. The first line is responsible for identifying and managing the risks in which they are engaged, operating within applicable limits and developing a control framework, and escalating risk events or issues as appropriate. Employees in the first line have primary responsibility for their risks and their activities are subject to oversight from the relevant parts of the second and third lines.
- The second line comprises of the Risk and Compliance functions. The role of the second line is to establish the limits, rules and constraints, and the frameworks, policies and standards under which all activities shall be performed, consistent with the risk appetite of the Barclays Bank Group, and to oversee the performance of the Barclays Bank Group against these limits, rules and constraints. Controls for first line activities will ordinarily be established by the control officers operating within the control framework of the Barclays Bank Group. These controls will remain subject to oversight by the second line.
- The third line of defence is Internal Audit, and is responsible for providing independent assurance over the effectiveness of governance, risk management and controls over current, systemic and evolving risks.
- The legal function provides support to all areas of the Barclays Bank Group and is not formally part of any of the three lines of defence. The Legal function is responsible for proactively identifying, communicating and providing legal advice on applicable laws, rules and regulations. Except in relation to the legal advice it provides or procures, it is subject to second line oversight with respect to its own operational and compliance risks, as well as with respect to the legal risk to which the Barclays Bank Group is exposed.

Principal risks

The ERMF identifies ten principal risks namely: credit risk, market risk, treasury and capital risk, climate risk, operational risk, model risk, compliance risk, financial crime risk, reputation risk and legal risk. In 2024, financial crime risk was elevated to a principal risk, effective from 1 January 2025. Previously, financial crime risk was managed as part of compliance risk. Recognising the increased external threat of financial crime, this change will enhance transparency and visibility of financial crime risk within the Barclays Bank Group and reinforce independent assessment, management and oversight of financial crime risk.

Each of the principal risks is overseen by an accountable executive at the Barclays Group level who is responsible for overseeing and/or assigning responsibilities for the framework, policies and standards that set out associated responsibilities and expectations, and detail the related requirements around risk management. In addition, certain risks span across more than one principal risk.

Risk Appetite

Risk Appetite is defined as the level of risk which the Barclays Bank Group is prepared to accept in carrying out its activities. It provides a basis for ongoing dialogue between management and Board with respect to the Barclays Bank Group's current and evolving risk profile, allowing strategic and financial decisions to be made on an informed basis.

Risk appetite is approved by the Barclays PLC Board in aggregate and disseminated across legal entities and businesses, including the Barclays Bank Group. The Barclays Bank PLC Board cannot approve a higher risk appetite than that determined by the Barclays PLC Board without the approval of the Barclays PLC Board but may choose to operate at a lower level of risk appetite than that approved by the Barclays PLC Board.

The Barclays Group total risk appetite and its allocation to the Barclays Bank Group are supported by limits to enable and control specific exposures and activities that have material concentration risk implications.

Risk review

Risk management

Barclays' risk management strategy

Risk Committees

The Barclays Bank Group's various risk committees consider risk matters relevant to their business, and escalate as required to the Barclays Group Risk Committee, whose Chair, in turn, escalates to the Barclays Bank PLC Board Risk Committees and the Barclays Bank PLC Board.

The Barclays Bank PLC Board receives regular information on the risk profile of the Barclays Bank Group, and has ultimate responsibility for approval of risk appetite and capital plans, within the parameters set by the Barclays PLC Board. The Barclays Bank PLC Board is also responsible for the adoption of the ERMF.

Further, there are two Board-level committees which oversee the application of the ERMF and review and monitor risk across the Barclays Bank Group. These are: the Barclays Bank PLC Board Risk Committee and the Barclays Bank PLC Board Audit Committee. Additionally, the Barclays Bank PLC Board Remuneration Committee oversees pay practices focusing on aligning pay to sustainable performance:

- **The Barclays Bank PLC Board Risk Committee (BRC):** The BRC monitors Barclays Bank Group's risk profile against the agreed appetite. Where actual performance differs from expectations, the actions taken by management are reviewed to ascertain that the BRC is comfortable with them. The Barclays Bank Group CRO regularly presents a report to the BRC summarising developments in the risk environment and performance trends in the key portfolios. The BRC also reviews certain key risk methodologies, the effectiveness of risk management, and the Barclays Bank Group risk profile, including the material issues affecting each business portfolio and forward risk trends. The committee also commissions in-depth analyses of significant risk topics, which are presented by the Barclays Bank Group CRO or senior risk managers in the businesses.

- **The Barclays Bank PLC Board Audit Committee (BAC):** The BAC receives regular reports on the effectiveness of internal control systems, on material control issues of significance, and on accounting judgements, including a review of the adequacy of impairment allowances.

- **The Barclays Bank PLC Board Remuneration Committee (RemCo):** The RemCo receives proposals on ex-ante and ex-post risk adjustments to variable remuneration based on risk management performance including events, issues and the wider risk profile. These inputs are considered in the setting of performance incentives.

Risk themes and horizon scanning reports, highlighting emerging and forward looking risks, are regularly presented to the BRC for discussion and analysis. The themes are derived and quantified from principal risk horizon scanning and risk registers, complemented by senior management and BRC input. Watching brief items are collated and informed along the risk themes as a list of risks which may have a more limited impact and likelihood in the near-term but have the potential to develop and meet the risk theme definition in the future. The inventory of risk themes is updated regularly with key changes presented to the BRC. Key risk themes are a subset of the risk themes considered most topical at that moment and material to the Barclays Group considering the external environment. The BRC semi-annually reviews and discusses a report entitled 'Key Risk Themes and Management Actions'.

Barclays' risk culture

Risk culture can be defined as the norms, attitudes and behaviours related to risk awareness, risk taking and risk management. This is reflected in how the Barclays Bank Group identifies, escalates and manages risk matters.

The Barclays Bank Group is committed to maintaining a robust risk culture in which:

- management expect, model and reward the right behaviours from a risk and control perspective; and
- colleagues identify, manage and escalate risk and control matters, and meet their responsibilities around risk management.

The Barclays Group CEO works with the Executive Management to embed a strong risk culture within the Barclays Group, with particular regard to the identification, escalation and management of risk matters, in accordance with the ERMF. This is supported by our Purpose, Values and Mindset, as well by as by setting a standard of consistent excellence. Specifically, all employees regardless of their positions, functions or locations must play their part in the Barclays Bank Group's risk management. Employees are required to be familiar with risk management policies which are relevant to their responsibilities, know how to escalate actual or potential risk issues, and have a role-appropriate level of awareness of the risk management process as defined by the ERMF.

Our Code of Conduct – the Barclays Way

Globally, all colleagues must attest to the "Barclays Way", our Code of Conduct, and comply with all frameworks, policies and standards applicable to their roles. The Code of Conduct outlines the Purpose, Values and Mindset which govern our 'Barclays Way' of working across our business globally. It constitutes a reference point covering all aspects of colleagues' working relationships, and provides guidance on working with other Barclays employees, customers and clients, governments and regulators, business partners, suppliers, competitors and the broader community. See home.barclays/sustainability/esg-resource-hub/statements-and-policy-positions/ for more details.

Material existing and emerging risks to the Barclays Bank Group's future performance

The Barclays Bank Group has identified a broad range of risks to which its businesses are exposed. Material risks are those to which senior management pay particular attention and which could cause the delivery of the Barclays Bank Group's strategy, results of operations, financial condition and/or prospects to differ materially from expectations. Emerging risks are those which have unknown components, the impact of which could crystallise over a longer time period. The factors set out below should not be regarded as a complete and comprehensive statement of all the potential risks and uncertainties which the Barclays Bank Group faces. For example, certain other factors beyond the Barclays Bank Group's control, including escalation of global conflicts, acts of terrorism, natural disasters, pandemics and similar events, although not detailed below, could have a similar impact on the Barclays Bank Group.

Material existing and emerging risks potentially impacting more than one principal risk

i) Business conditions, general economy and geopolitical issues

The Barclays Bank Group's operations are subject to changes in global and local economic and market conditions, as well as geopolitical developments, which may have a material impact on the Barclays Bank Group's business, results of operations, financial condition and prospects.

A deterioration in global or local economic and market conditions may result in (among other things): (i) deteriorating business, consumer or investor confidence and lower levels of investment and productivity, which in turn may lead to lower customer and client activity, including lower demand for borrowing; (ii) higher default rates, delinquencies, write-offs and impairment charges as borrowers struggle with their debt commitments; (iii) subdued asset prices, which may impact the value of collateral held by the Group and require the Group and its clients to post additional collateral in order to satisfy margin calls; (iv) mark-to-market losses in trading portfolios resulting from changes in factors such as creditworthiness, securities prices and solvency of counterparties; and (v) revisions to calculated expected credit losses (ECLs) leading to increases in impairment allowances. In addition, the Group's ability to borrow from other financial institutions or raise funding from external investors may be affected by deteriorating economic conditions and market disruption. Geopolitical events can also cause financial instability and affect economic growth.

During 2024, global economic growth has remained muted, mainly driven by a more uncertain geopolitical environment, a high interest rate environment, an economic slowdown in China and continued structural economic issues in the UK and EU. Without limitation, the Barclays Bank Group has observed the following macroeconomic risk themes / trends:

- Limitations on economic output growth, mostly driven by: (i) tight labour markets and low productivity growth in the main western economies; (ii) large fiscal deficits; and (iii) high energy prices and strained global supply chains driven by geopolitical events such as the Ukraine war and the conflict in the Middle East have made central banks pursue a slower than expected reduction path for interest rates. In 2024, these 'higher-for-longer' rates have dampened economic activity, increasing fears of a hard-landing scenario across the US, Europe and the UK which could have a material adverse effect on the Barclays Bank Group's results of operations and profitability.

- A significant proportion of the Barclays Bank Group's portfolio is located in the US, including a major credit card portfolio and a range of corporate and investment banking exposures. The results of the 2024 US elections suggest a reduced risk of a debt-ceiling crisis in the near term but increased potential for significant changes in US policy by the new administration in certain sectors which could negatively impact certain portfolios or clients. The long-term impacts of the new policies announced since the new US administration took office remain uncertain although they may, depending on their implementation and the reactions they generate, create inflationary pressures, lead to diverging regulatory agendas compared to other regions where the Barclays Bank Group operates, usher in an era of deregulation in the US banking sector (which, in turn, could result in increased competitive pressures on non-US banks), fuel government indebtedness and/or provoke disorderly market corrections. The potential adverse impact of such events on business performance, unemployment, competitiveness and economic output could lead to higher levels of impairment or lower revenues, which could have a material adverse effect on the Barclays Bank Group's results of operations and profitability.

- The adoption of tariffs and other protectionist measures or countermeasures, particularly by the US, would further complicate the economic outlook for the EU, China and other export-driven emerging markets given their trade surpluses. This could have a material adverse effect on the Barclays Bank Group's business in the affected regions.

- The EU faces a number of structural challenges and is vulnerable to adverse geopolitical developments. Key difficulties for the EU include heavily indebted governments, a lack of productivity growth, tight labour markets and deteriorating demographics. In addition, some of the EU's key economic sectors, including automobiles and renewables, are under pressure from competitive imports and potential tariffs on exports to the US. Uncertainty surrounding NATO's future and pressure to increase spending add to the vulnerability. A deterioration in these difficulties could adversely impact the Group's business in the EU.

- In China, a property market slump, shrinking exports, and weakened currency (and resulting capital outflows) have caused an economic slowdown, with deflation a real risk. The high levels of debt, particularly in the property sector, remain a concern given the high leverage multiples. It remains uncertain whether recently announced government action will be sufficient to redress the situation. A further shift away from market-based reforms could further damage private-sector confidence and impact economic growth. Any property shock risks contaminating the financial sector and precipitating a wider banking crisis could affect the exposures of the Barclays Bank Group across global markets which are subject to contagion effects.

- The UK faces a number of structural challenges. The Labour government has identified economic growth as a priority. However, the long-term impacts of the latest budget and tax increases remain uncertain with risks to the Group's retail and corporate businesses in case of economic underperformance. This could have a material adverse effect on the Barclays Bank Group's results of operations and profitability.

- The loss of 'the presumption of conformity' is widely reported to have raised costs for UK customers exporting to the EU as it results in their products no longer presumed to be in line with corresponding EU rules, which, together with the risk of regulatory divergence between the UK and the EU, could adversely impact both the Barclays Bank Group's EU and UK operations.

A deterioration in the aforementioned economic and business environment could result in (among other things):

- A prolonged slowdown in the markets where the Barclays Bank Group operates, with lower economic output, higher unemployment, and depressed property prices, which could lead to increased impairments in relation to a number of Barclays Bank Group's portfolios including the unsecured lending portfolio (credit cards) and commercial real estate exposures.

- Increased market volatility (in particular in currencies and interest rates), which could impact the trading book positions and affect the underlying value of assets held in the banking book, including securities held by the Barclays Bank Group for liquidity purposes. In addition, market confidence and depositor perceptions of banking fragility as seen in certain institutions in 2023 could increase the severity and velocity of deposit outflows, impacting the Barclays Bank Group's liquidity position;

- A credit rating downgrade for one or more members of Barclays Bank Group's parent entity, B plc (either directly or indirectly as a result of a downgrade in the UK sovereign credit ratings), which could significantly increase Barclays Bank Group's cost of funding and/or reduce its access to funding, widen credit spreads and have a material adverse impact on Barclays Bank Group's interest margins and liquidity position; and/or

- A market-wide widening of credit spreads or reduced investor appetite could negatively impact Barclays Bank Group's cost of and/or access to funding.

In addition to subdued economic growth, other risk factors could adversely affect the business environment in which Barclays Bank Group operates:

- Economic activity is becoming increasingly dependent on data, technology, networks, infrastructure and cybersecurity, heightening the risk and potential impact of service disruptions, either accidental or driven by bad actors such as cybercriminals or states using asymmetric tactics.

- Financial institutions are often perceived to have a role in global developments or events like climate change, digitalisation, conflict in the Middle East, fraud, anti-money laundering and sanctions, which give rise to reputational risks which are complicated to navigate.

- Recent disruptions to global supply chains, including as a result of the Covid-19 pandemic, semi-conductor shortages, the Russia-Ukraine conflict, the Red Sea freight disruptions and the Panama Canal drought have all had an impact and underlined the potential for further adverse impacts on the markets in which the Barclays Bank Group operates. Further geopolitical deterioration, in particular in the Middle East and/or South China Sea and trade war related de-coupling of production chains could also have a negative impact on the markets in which the Barclays Bank Group operates.

- Diverging financial, conduct and prudential regulations between the jurisdictions where the Barclays Bank Group operates increase the complexity and costs of compliance. In particular, increasing uncertainty and regulatory divergence between different jurisdictions relating to climate risk will add complexity and increase costs for compliance against varying regulatory expectations whilst also making it difficult for the Barclays Bank Group to effectively and consistently manage stakeholder expectations and climate risks across its portfolios.

The circumstances mentioned above could have a material adverse effect on Barclays Bank Group's business, results of operations, financial condition, prospects, liquidity, capital position and credit ratings (including potential credit rating agency changes of outlooks or ratings), as well as on Barclays Bank Group's customers, clients, employees and suppliers.

ii) The impact of interest rate changes on the Barclays Bank Group's profitability

The impact from changes to interest rates are potentially significant for the Barclays Bank Group, especially given the uncertainty as to the size and frequency of such changes, particularly in the Barclays Bank Group's main markets of the UK, the US and the EU.

Lower interest rates could put pressure on the Barclays Bank Group's net interest margins (the difference between lending income and borrowing costs) due to either a delay in passthrough or a smaller passthrough of the interest rate cuts to client deposits. This could adversely affect the profitability and prospects of the Barclays Bank Group.

Higher interest rates could result in higher funding costs either due to higher refinancing costs or due to deposit balance mix changes as counterparties prefer switching into deposits that pay a higher rate. In addition, interest rates remaining higher for longer (due to either smaller or less frequent than expected interest rate cuts, or larger or more frequent than expected interest rate increases), could lead to generally weaker than expected growth, reduced business confidence and higher unemployment. This, combined with the impact that higher interest rates may have on the affordability of loan arrangements for borrowers (especially when combined with inflationary pressures), could cause stress in the lending portfolio and underwriting activity of the Barclays Bank Group. This could result in higher credit losses, driving increased impairment charges which would most notably impact retail unsecured portfolios and wholesale non-investment grade lending. This could have a material effect on the Barclays Bank Group's business, results of operations, financial condition and prospects.

In addition, changes in interest rates could have an adverse impact on the value of the securities held in the Barclays Bank Group's liquid asset portfolio. Consequently, this could create more volatility than expected through the Barclays Bank Group's fair value through other comprehensive income (FVOCI) reserve and could adversely affect the profitability and prospects of the Barclays Bank Group.

iii) Competition in the banking and financial services industry

The Barclays Bank Group operates in a highly competitive environment in which it must evolve and adapt to significant changes as a result of regulatory reform, technological advances, increased public scrutiny and changes to market and economic conditions. The Barclays Bank Group expects that competition in the financial services industry will remain intense and may have a material adverse effect on the Barclays Bank Group's future business, results of operations, financial condition and prospects.

New competitors in the financial services industry continue to emerge. For example, technological advances and the growth of e-commerce have made it possible for non-banks to offer products and services that traditionally were banking products such as electronic securities trading, payments processing and online automated algorithmic-based investment advice. Furthermore, payments processing and other services could be significantly disrupted by technologies, such as blockchain (used in cryptocurrency systems) and 'buy now pay later' lending, both of which are currently subject to lower levels of regulatory oversight compared to many activities undertaken by banks. Furthermore, the introduction of central bank digital currencies could have a significant impact on the banking system and the role of commercial banks by disrupting the current provision of banking products and services. This disruption could allow new competitors, some previously hindered by banking regulation (such as certain FinTechs), to provide customers with access to banking facilities and increase the disintermediation of banking services.

New technologies and changing consumer behaviour have previously required, and could continue to require, the Barclays Bank Group to incur additional costs to modify or adapt its products or make additional capital investments in its businesses to attract and retain clients and customers or to match products and services offered by its competitors, including technology companies. For example, the Barclays Bank Group has begun to take steps to expand its investment in and to integrate AI technologies, including generative AI. Such AI technologies and services are rapidly evolving, and require significant investment, including development and operational costs, to meet the changing needs and expectations of the Barclays Bank Group's customers and clients. Failure to efficiently develop or integrate such AI technologies may impact the Barclays Bank Group's competitive position and its ability to increase the efficiency of and reduce costs associated with its operations and to offer innovative products and services to customers.

Ongoing or increased competition and/or disintermediation of banking services may put pressure on the pricing of the Barclays Bank Group's products and services, which could reduce the Barclays Bank Group's revenues and profitability, or may cause the Barclays Bank Group to lose market share, particularly with respect to traditional banking products such as deposits, bank accounts and mortgage lending. This competition may be on the basis of the quality and variety of products and services offered, transaction execution, innovation, reputation and/or price. These factors may be exacerbated by further regulatory change. The failure of any of the Barclays Bank Group's businesses to meet the expectations of clients and customers, whether due to general market conditions, underperformance, a decision not to offer a particular product or service, branch closures, changes in client and customer expectations or other factors, could affect the Barclays Bank Group's ability to attract or retain clients and customers. Any such impact could, in turn, reduce the Barclays Bank Group's revenues.

iv) Regulatory change agenda and impact on business model

The Barclays Bank Group's businesses are subject to ongoing regulation and associated regulatory risks, including the effects of changes in the laws, regulations, policies, voluntary codes of practice and interpretations of the foregoing in the UK, the US, the EU, and the other markets in which it operates. Many legislative and regulatory changes that are relevant to the Barclays Bank Group's business may have an effect beyond the country in which they are enacted, either because sectoral regulators within the banking and finance industries and legislators in national and supranational governments deliberately enact laws and/or regulations with extra-territorial effect or its global operations mean that the Barclays Bank Group gives effect to local laws and regulations on a wider basis.

In recent years, regulators and governments have focused on reforming both the prudential regulation of the financial services industry and the ways in which the business of financial services is conducted. Measures taken include enhanced capital, liquidity and funding requirements, the structural separation or prohibition of certain activities by banks, changes in the operation of capital markets activities, the introduction of tax levies and transaction taxes, changes in compensation practices, and more detailed requirements on how business is conducted and clients and customers are treated. Governments and regulators in the UK, the US, the EU or elsewhere may intervene further in relation to areas of industry risk and/or regulatory risk already identified, or in new areas, which could adversely affect the Barclays Bank Group.

Current and anticipated areas of particular focus for the Barclays Bank Group's regulators, where regulatory changes could have a material effect on the Barclays Bank Group's business, financial condition, results of operations, prospects, capital, liquidity or funding position, and reputation include, but are not limited to:

- the continued focus by regulators, international bodies, organisations and unions on how institutions conduct business, particularly with regard to the delivery of fair outcomes for customers, promoting effective competition in the interests of consumers and ensuring the orderly and transparent operation of global financial markets, including the Consumer Duty in the UK and review of the provision of financial advice to consumers;
- the implementation of any conduct measures as a result of regulators' focus on and review of organisational culture, employee behaviour and whistleblowing, as well as proposals for a new regulatory framework on diversity and inclusion in the UK, with a particular focus on firms' management of non-financial misconduct matters;
- the UK regulators' strategy for and promotion of competitive markets and growth, both domestically and internationally;
- the reforms to the regulatory frameworks supporting the wholesale financial markets, including recent (and expected) changes to conduct of business, listing, securities offering regimes, securitisation and derivatives related requirements, and proposed reforms to transaction reporting regimes;
- the increasing regulatory expectations and requirements relating to various aspects of operational resilience, including an increasing focus on minimising the impact of operational disruptions (including digital operational disruptions) on the UK financial sector, the role of critical third-party service providers to financial institutions, and operational incident and third party reporting requirements;

- the focus globally on technology adoption and digital delivery, including the use of artificial intelligence (AI), digital assets and digital money (including central bank digital currencies), payments and related infrastructure, and cybersecurity. This also includes the introduction of new and/or enhanced laws and / or regulatory standards in these areas, underpinned by customer protection principles, and actions by regulators that are designed to support the use of AI in the financial sector;
- the continued evolution of the UK's regulatory framework following the UK's withdrawal from the EU, particularly following the implementation of the Financial Services and Markets Act 2023 (FSMA 2023) which provides for the ongoing revocation and repeal of assimilated law relating to financial services and, where relevant, its replacement with rules made (or to be made) by UK regulators, as well as any areas of divergence between the UK and EU regulatory regimes;
- the implementation of the reforms to the finalisation of the Basel III package, which includes changes to the RWA approaches to credit risk, market risk, counterparty risk, operational risk and credit valuation adjustments risk, the application of input and output floors and the leverage ratio, as well as potential reforms to other aspects of prudential regulation, including the large exposures framework, the UK policy framework for capital buffers, and amendments to the Bank of England's approach to setting a minimum requirement for own funds and eligible liabilities (MREL);
- greater monitoring of, and implementation of policies to address capital requirements, liquidity risk, and credit risk management; and continuing focus on review of and assurance activities in relation to reporting methodology and data quality;
- increasing regulatory expectations of firms around governance and risk management frameworks, particularly for the management of climate change and other ESG risks, enhanced ESG disclosure and reporting obligations corporate sustainability due diligence obligations, anti-greenwashing rules and requirements to develop and disclose a climate transition plan, as well as reactions to such initiatives, including anti-ESG legislation and rules;
- the incorporation of climate change considerations, including transition risks in particular, within the global prudential framework;
- the operation of, and recent reforms to, the UK ring-fencing regime. The ring-fencing regime requires, among other things, the separation of the retail and SME deposit taking activities of UK banks from wholesale and investment banking operations into a legally distinct, operationally separate and economically independent entity (i.e. a 'ring-fenced' bank), which is not permitted to undertake a range of activities;
- regulatory expectations in the UK relating to access to payment accounts;
- changes in national or supra-national requirements regarding the ability to offshore or outsource the provision of services and resources or transfer material risk or data to companies located in other countries, which could impact the Barclays Bank Group's ability to implement globally consistent and efficient operating models;
- the continued focus by regulators worldwide and industry bodies on benchmark reform and market transition to new risk-free reference rates. Given the unpredictable consequences of benchmark reform, there could be an adverse impact on market participants, including the Barclays Bank Group, in respect of financial instruments linked to, or referencing any ceasing benchmarks or their replacement rates;
- financial crime, fraud and market abuse standards and increasing expectations for related control frameworks, to ensure firms are adapting to new threats and are protecting customers from cyber-enabled crime, and in the UK, reforms relating to authorised push payment fraud reimbursements and the ability of payment service providers to delay the processing of transactions in certain circumstances;
- the reform of corporate criminal liability in the Economic Crime and Corporate Transparency Act 2023 in the UK, which includes a failure to prevent fraud offence;
- the application and enforcement of economic sanctions, including those with extra-territorial effect and those arising from geopolitical tensions;
- requirements flowing from arrangements for the resolution strategy of the Barclays Group and its individual operating entities (including the Barclays Bank Group) that may have different effects in different countries;
- continuing regulatory focus on data privacy, including the collection and use of personal data, and protection against loss and unauthorised or improper access to, or disclosure of, such data;
- ongoing requirements to allocate and monitor management accountability within the Barclays Bank Group (for example, the requirements of the Senior Managers and Certification Regime in the UK and similar regimes elsewhere that are either in effect, are due to come into effect in the future or are under consideration, including new rules in the EU applicable to appointing senior managers), as well as requirements relating to executive remuneration and, separately, potential reforms to the UK's Certification Regime;
- continuing regulatory focus on the effectiveness of internal controls and risk management frameworks, as evidenced in regulatory fines and other measures imposed on the Barclays Bank Group and other financial institutions; and
- recent proposals in the US card market impacting consumer late fee assessments.

For further details on the regulatory supervision of, and regulations applicable to, the Barclays Bank Group, refer to the Supervision and regulation section.

v) Change delivery and execution risks

The Barclays Bank Group constantly adapts and transforms the way it conducts business in response to changing customer behaviour and needs, technological developments, regulatory expectations, increased competition and cost management initiatives. The Barclays Group announced, as part of the Investor Update in February 2024, a plan to become simpler, better and more balanced. This strategic plan is intended to enable the Barclays Group to improve its customer service, provide more support to consumers and businesses, deliver higher quality income growth and build returns. Accordingly, effective management of transformation projects is required to successfully deliver the Barclays Bank Group's strategic priorities, involving delivering both on externally driven programmes, as well as key business initiatives to deliver revenue growth, product enhancement and operational efficiency outcomes. The magnitude, complexity and, at times, concurrent demands of the projects required to meet these priorities can result in heightened execution risk.

The ability to execute the Barclays Bank Group's strategy may be limited by operational capacity and the increasing complexity of the regulatory environment in which the Barclays Bank Group operates. In addition, whilst the Barclays Bank Group continues to pursue cost management initiatives, they may not be as effective as expected and cost saving targets may not be met.

The failure to successfully deliver or achieve any of the expected benefits of these strategic initiatives and/or the failure to meet customer and stakeholder expectations could have a material adverse effect on the Barclays Bank Group's business, results of operations, financial condition, customer outcomes, prospects and reputation.

vi) Card Partnerships

The Barclays Bank Group maintains several co-branded credit cards and credit card partnership agreements in the US. Such arrangements are a means of reaching new customers and expanding brand reach, but there is significant competition among card issuers for these relationships. A deterioration in or failure to maintain these credit card relationships with co-brand partners, including non-renewal of contracts with existing partners, early termination of partnership arrangements due to a contractual breach and changes in consumer behaviour regarding spending patterns, could have a negative impact on the Barclays Bank Group's business, results of operations, financial condition and prospects.

Material existing and emerging risks impacting individual principal risks

i) Climate risk

Climate risk is the risk of financial losses arising from climate change, through physical risks and risks associated with transitioning to a lower carbon economy.

The effects of climate change may be highly significant in their breadth and magnitude and could affect a large number of firms operating in different sectors and geographies, leading to potential downstream effects to the financial system.

There is a potential direct impact on banks and other financial institutions through their operations, as well as indirectly through customers and clients. Given this context and to support the Group's ambition to be a net zero bank by 2050, Climate Risk is a Principal Risk under Barclays' ERMF. It manages the financial and operational risks of climate change.

Physical risks, such as acute weather events (e.g. cyclones, hurricanes and floods) and long-term climate pattern shifts (e.g. droughts, temperature and precipitation levels) can lead to damage to fixed assets, operational disruptions, changes in production outputs and increased costs. The potential impacts of physical risk events on the economy may include lower GDP growth, higher unemployment, shortage of raw materials and products, supply chain disruptions, significant fluctuations in prices of assets (such as in the real estate sector) and shifting demands for goods and service. These factors could subsequently impact the business model and profitability of Barclays Bank Group and its clients by negatively impacting, among other things: (1) the creditworthiness of clients which may result in higher defaults, delinquencies, write-offs and impairment charges in Barclays Bank Group's portfolios; (ii) the creditworthiness of the sovereigns of countries in which they occur. The deterioration in the credit ratings of sovereign bonds could affect their access to capital and their eligibility for inclusion in banks' liquidity buffers; and (iii) the value of investments which Barclays Bank Group holds.

A transition to a low-carbon economy requires policy and regulatory changes, new national and regional commitments, new technological innovations and changes to supply and demand systems within industries. The transition to a low-carbon economy may also trigger changes in consumer behaviour and market sentiment. This gives rise to transition risks from increased costs and reduced demand for the products and services of a company including early retirement and impairment of assets, or decreased revenue and profitability.

Barclays Bank Group's clients that are more susceptible and exposed to these changes may face operational and financial difficulties which in turn may impact their creditworthiness. In addition, climate-related legal actions or investigations, may have material financial impacts on the Barclays Bank Group's clients, customers and counterparties (particularly in high carbon sectors). This in turn can increase credit risk within Barclays Bank Group's portfolios (for further details on credit risk, refer to ii) Credit Risk on page 53).

Both physical risk and transition risk factors have the potential to trigger large, sudden and negative price adjustments where climate risk has not yet been incorporated into prices, which could increase market risk in the Barclays Bank Group's portfolios. Fluctuations in markets and prices of assets in susceptible sectors or countries could drive losses to the value of the Barclays Bank Group's assets and liabilities.

Physical risk and transition risk factors can lead to impacts on the Barclays Bank Group's own operations including damage or unsuitability of premises, disruption to business operations and supply chains and Barclays Bank Group's ability to recover from outages (e.g. caused by workforce, technology and third-party service providers). For example, extreme weather events can impact the operation of bank offices, branches, and support facilities such as data centres. Additionally, Barclays Bank Group has experienced and may continue to experience in the future, disruptions in its operations as a result of branch closures and security breaches due to climate-related protests against the Bank in respect of its lending activities. Transition risk can also lead to secondary impacts on operational risks, such as the risk of misreporting as a result of enhanced regulatory disclosures requirements.

There is significant uncertainty surrounding the timeframes in which both physical and transition risks may manifest, driven by the interplay of environmental, political and societal factors. Physical risks, such as acute weather events and long-term climate pattern shifts, are difficult to predict due to complex interactions between climate system dynamics and human activities. Similarly, the timing of transition risks arising from factors like policy changes, technological innovations or shifts in market sentiment are equally unpredictable. This poses significant challenges to the Barclays Bank Group in assessment, quantification, and management of climate risk.

Barclays Bank Group also needs to ensure that its strategy and business model adapt to changing national and international standards, industry and scientific practices, regulatory requirements and market expectations regarding climate change, which remain under continuous development. The Barclays Bank Group may face challenges from changing circumstances and external factors which are beyond the Barclays Bank Group's control, including geopolitical issues, energy security, energy poverty and other considerations such as a just transition to a low-carbon economy. Achieving the Group's climate-related ambitions and targets (which includes Barclays Bank Group's portfolios) will also depend on a number of factors outside the Group's control, including reliable forecasts of hazards from physical climate models and availability of data / models to measure / assess climate impact on clients. The pathway to net zero is uncertain, complex and dependent on progress in various areas such as advances in low-carbon technologies, collective action by clients to meet their own net zero goals, and supportive public policies in markets where Barclays operates. If there is a lack of progress in the aforementioned areas, Barclays may fail to achieve its climate-related ambitions and targets, and this could have a material adverse effect on Barclays' business, operations, financial condition, prospects and reputation.

Barclays Bank Group is exposed to risks resulting from inconsistencies and conflicts in the manner in which climate policy is perceived in the regions where the Group operates. In particular, the divergence on climate risks standards and regulatory expectations across jurisdictions like the EU, UK and the US may lead to inconsistencies in reporting, risk assessment methodologies and compliance requirements, making it challenging for Barclays Group (including Barclays Bank Group) to adopt a unified approach to managing climate risk and meeting regulatory reporting obligations. This fragmentation increases operational complexity, and the cost of compliance and undermines the Group's ability to effectively manage climate risks, including transition risks associated with high-emitting clients. The Group's business and operations have been and may continue to be, adversely impacted by the perception that the Group's response to climate change is ineffective, insufficient or otherwise inappropriate,

For further details on the Barclays Bank Group's approach to climate change, refer to the climate risk management section.

ii) Credit risk

Credit risk is the risk of loss to the Barclays Bank Group from the failure of clients, customers or counterparties, including sovereigns, to fully honour their obligations to members of the Group, including the whole and timely payment of principal, interest, collateral, and other receivables. Credit risk is impacted by a number of factors outside the Group's control, including wider economic conditions.

a) Impairment

Impairment is calculated in line with the requirements of IFRS9. Loss allowances, based on ECLs, are measured on a forward-looking basis using a broad range of financial metrics and application of complex judgements. Accordingly, impairment charges are potentially volatile and may not successfully predict actual credit losses, particularly under stressed conditions. Failure by the Barclays Bank Group to accurately estimate credit losses through ECLs could have a material adverse effect on the Barclays Bank Group's business, results of operations, financial condition, and prospects.

For further details, refer to Note 8 of the financial statements on page 173.

b) Specific portfolios, sectors and concentrations

The Barclays Bank Group is subject to risks arising from changes in credit quality and recovery rates for loans and advances due from borrowers and counterparties. Additionally, the Barclays Bank Group is subject to a concentration of those risks where it has significant exposures to borrowers and counterparties in specific sectors, or to particular types of borrowers and counterparties. Any deterioration in the credit quality of such borrowers and counterparties could lead to lower recoverability from loans and advances, and higher impairment charges. Accordingly, any of the following areas of uncertainty could have a material adverse impact on the Barclays Bank Group's business, results of operations, financial condition, and prospects:

- **Consumer affordability:** whilst the pressures from increased cost of living eased in the latter half of 2024 as interest rates and inflation fell, this remains an area of focus. Macroeconomic factors, such as unemployment, high interest rates or broader inflationary pressures, which impact a customer's ability to service debt payments, could lead to increased arrears in unsecured products. Additionally, there is potential US consumer credit weakness from all time high consumer debt and student loan debt which could strain consumer affordability, leading to higher arrears and ECLs.

- **UK Retail, Hospitality and Leisure:** despite holding up reasonably well during most of 2024, continuing cost of living pressures, falling consumer confidence, or other macroeconomic factors adversely affecting consumers could trigger a contraction in demand which, together with rising business costs and, for UK retail, a structural shift to online shopping, would add pressure to sectors heavily reliant on consumer discretionary spending. This represents a potential risk in the Barclays Bank Group's UK corporate portfolio as a higher probability of default exists for retailers, hospitality providers and their landlords while these pressures remain.

- **Leveraged Finance Underwriting:** the Barclays Bank Group takes on non-investment grade underwriting exposures, including single name risk, particularly in the US and the UK. A more constructive market tone has been seen in 2024 with continued resilience on the demand side providing opportunity to distribute positions. This environment exists, however, against a backdrop of increased geopolitical risks that, were they to materialise, could adversely impact the Barclays Bank Group's ability to distribute its committed exposures without incurring losses.

- **Oil & Gas sector**: high energy market prices during 2024 have helped restore balance sheet strength to companies operating in this sector. In the short term, the sector is vulnerable to geopolitical shifts impacting supply and demand. In the longer term, costs associated with the transition towards renewable sources of energy may place greater financial demands on oil and gas companies.

- **Air Travel**: the sector has benefited from strong travel demand as it recovered from the COVID-19 pandemic. However, there remains a heightened risk to the revenue streams of the Barclays Bank Group's clients and, consequentially, their ability to service debt obligation. These risks stem from the structural decline in higher margin business travel, consolidation within the European airline market, volatile oil prices, delays in the supply of aircraft, increasingly extreme weather patterns and concerns about the impact of air travel on climate change.

- **Information Technology sector**: companies may struggle to monetise their product offerings and face increasing reputational risk particularly as regulatory scrutiny increases. Given the nature of their activities, the Barclays Bank Group's clients in this sector face heightened risk from data security breaches and ransomware and/or cyberattacks as well as from the malicious use of AI, all of which could negatively impact their ability to service debt obligations.

- **Resilient US economy with tight labour market**: whilst the US labour market performed better than expected in 2024, there have been signs of weakness. The Barclays Bank Group continues to monitor closely consumer trends as it relates to personal saving rate, category spend - discretionary versus essential, high consumer debt levels, and the overall household net worth.

The Barclays Bank Group also has large individual exposures to single name counterparties (such as brokers, central clearing houses, dealers, banks, mutual and hedge funds, and other institutional clients) in both its lending and trading activities, including derivative trades. The default of one such counterparty could cause contagion across clients involved in similar activities and/or adversely impact asset values should margin calls necessitate rapid asset disposals by that counterparty to raise liquidity. In addition, where such counterparty risk has been mitigated by taking collateral, credit risk may remain high if the collateral held cannot be monetised or has to be liquidated at prices which are insufficient to recover the full amount of the loan or derivative exposure. Any such defaults could have a material adverse effect on the Barclays Bank Group's results due to, for example, increased credit losses and higher impairment charges.

Impact to the creditworthiness of the Barclays Bank Group's clients, customers and counterparties (particularly in high carbon sectors), can also arise out of climate-related legal actions or investigations commenced against the Barclays Bank Group's clients, customers and counterparties (particularly in high carbon sectors), where outcomes of such actions have material financial impacts, which can in turn increase credit risk within Barclays Bank Group portfolios.

For further details on the Barclays Bank Group's approach to credit risk, refer to the credit risk management and credit risk performance sections.

iii) Market risk

Market risk is the risk of loss arising from potential adverse changes in the value of the Barclays Bank Group's assets and liabilities from fluctuation in market variables including, but not limited to, interest rates, foreign exchange rates, equity prices, commodity prices, credit spreads, implied volatilities and asset correlations.

Economic and financial market uncertainties remain elevated, driven by geopolitical conflicts, uncertainties in future political policies and idiosyncratic market events, despite cooling inflation and easing monetary policy. A disruptive adjustment to lower interest rate levels and deteriorating trade and geopolitical tensions could heighten market risks for the Barclays Bank Group's portfolios.

In addition, the Barclays Bank Group's trading business could be vulnerable were there to be a prolonged period of elevated asset price volatility, particularly if it adversely affects market liquidity. Such a scenario could impact the Barclays Bank Group's ability to execute client trades and may also result in lower client flow-driven income and/or market-based losses on its existing portfolio of assets. These can include higher hedging costs from rebalancing risks that need to be managed dynamically as market levels and their associated volatilities change.

Changes in market conditions could have a material adverse effect on the Barclays Bank Group's business, results of operations, financial condition and prospects.

For further details on the Barclays Bank Group's approach to market risk, refer to the market risk management and market risk performance sections.

iv) Treasury and capital risk

There are three primary types of treasury and capital risk faced by the Barclays Bank Group:

a. Liquidity risk

Liquidity risk is the risk that the Barclays Bank Group is unable to meet its contractual or contingent obligations or that it does not have the appropriate amount, tenor and composition of funding and liquidity to support its assets. This could cause the Barclays Bank Group to fail to meet regulatory and/or internal liquidity requirements, make repayments of principal or interest as they fall due or to support day-to-day business activities. Key liquidity risks that the Barclays Bank Group faces include:

- **Stability of the Barclays Bank Group's deposit funding profile:** deposits which are payable on demand or at short notice could be adversely affected by the Barclays Bank Group failing to preserve the current level of customer and investor confidence or as a result of competition in the banking industry.

- **Ongoing access to wholesale funding**: the Barclays Bank Group regularly accesses the money and capital markets to provide short-term and long-term unsecured and secured funding to support its operations. A loss of counterparty confidence, or adverse market conditions, could lead to a reduction in the tenor, or an increase in the costs, of the Barclays Bank Group's unsecured and secured wholesale funding or affect the Barclays Bank Group's access to such funding.

- **Impacts of market volatility**: adverse market conditions, with increased volatility in asset prices, could: (i) negatively impact the Barclays Bank Group's liquidity position through increased derivative margin requirements and/or wider haircuts when monetising liquidity pool securities; (ii) make it more difficult for the Barclays Bank Group to execute secured financing transactions; and (iii) expose the Barclays Bank Group to currency risk leading to increased cash flow currency mismatch.

- **Intraday liquidity usage:** increased cash and collateral requirements for payments and securities settlement systems could negatively impact the Barclays Bank Group's liquidity position, as cash and liquid assets required for intraday purposes are unavailable to meet other outflows.

- **Off-balance sheet commitments:** deterioration in economic and market conditions could cause customers to draw on off-balance sheet commitments provided to them, for example, revolving credit facilities, negatively affecting the Barclays Bank Group's liquidity position.

- **Credit rating changes and impact on funding costs:** any reductions in a credit rating (in particular, any downgrade below investment grade) may affect the Barclays Bank Group's access to money or capital markets and/or the terms on which the Barclays Bank Group is able to obtain market funding. For example, this could lead to increased costs of funding and wider credit spreads, the triggering of additional collateral or other requirements in derivative contracts and other secured funding arrangements, or limits on the range of counterparties who are willing to enter into transactions with the Barclays Bank Group.

b. Capital risk

Capital risk is the risk that the Barclays Bank Group has an insufficient level or composition of capital to support its normal business activities and to meet its regulatory capital requirements under normal operating environments and stressed conditions (both actual and as defined for internal planning or regulatory stress testing purposes). This also includes the risk from the Barclays Bank Group's pension plans. Key capital risks that the Barclays Bank Group faces include:

- **Failure to meet prudential capital requirements:** this could lead to the Barclays Bank Group being unable to support some or all of its business activities, a failure to pass regulatory stress tests, increased cost of funding due to deterioration in investor appetite or credit ratings, restrictions on distributions and/or the need to take additional measures to strengthen the Barclays Bank Group's capital or leverage position.

- **Adverse changes in FX rates impacting capital ratios:** the Barclays Bank Group has capital resources, risk weighted assets and leverage exposures denominated in foreign currencies. Changes in foreign currency exchange rates may adversely impact the sterling equivalent value of these items. As a result, the Barclays Bank Group's regulatory capital ratios are sensitive to foreign currency movements. Failure to appropriately manage the Barclays Bank Group's balance sheet to take account of foreign currency movements could result in an adverse impact on the Barclays Bank Group's regulatory capital and leverage ratios.

- **Adverse movements in the pension fund:** adverse movements in pension assets and liabilities for defined benefit pension schemes could result in deficits on a technical provision and/or IAS 19 accounting basis. This could lead to the Barclays Bank Group making substantial additional contributions to its pension plans and/or a deterioration in its capital position. The market value of pension fund assets might decline; or investment returns might reduce. Under IAS 19, the liabilities discount rate is derived from the yields of high quality corporate bonds. Therefore, the valuation of the Barclays Bank Group's defined benefits schemes would be adversely affected by a prolonged fall in the discount rate due to a persistent low interest rate and/or credit spread environment. Inflation is another significant risk driver to the pension fund as the liabilities are adversely impacted by an increase in long-term inflation expectations.

c. Interest rate risk in the banking book

Interest rate risk in the banking book is the risk that the Barclays Bank Group is exposed to capital or income volatility because of a mismatch between the interest rate exposures of its (non-traded) assets and liabilities. This also includes credit spread risk in the banking book, the risk that the Barclays Bank Group is exposed to capital or income volatility because of changes in credit spreads on its (non-traded) assets and liabilities. The Barclays Bank Group's hedging programmes for interest rate risk in the banking book rely on behavioural assumptions and, as a result, the effectiveness of the hedging strategy cannot be guaranteed. A potential mismatch in the balance or duration of the hedging assumptions could lead to earnings deterioration if there are interest rate movements which are not adequately hedged. A decline in interest rates may also compress net interest margins on retail and corporate portfolios. In addition, the Barclays Bank Group's liquid asset portfolio is exposed to potential capital and/or income volatility due to movements in market rates and prices which may have a material adverse effect on the capital position of the Barclays Bank Group.

For further details on the Barclays Bank Group's approach to treasury and capital risk, refer to the treasury and capital risk management and treasury and capital risk performance sections.

v) Operational risk

Operational risk is the risk of loss to the Group from inadequate or failed processes or systems, human factors or due to external events where the root cause is not due to credit or market risks. Examples include:

a) Operational resilience

The Barclays Bank Group functions in a highly competitive market, with customers and clients that expect consistent and smooth business processes. The loss of or disruption to business processing is a material inherent risk within the Barclays Bank Group and across the financial services industry, which has impacted the Barclays Bank Group in the past and may continue to impact the Barclays Bank Group in the future, whether arising through failures in the Barclays Bank Group's technology systems, cyber and/or data integrity disruptions, unavailability of a Barclays Bank Group site, or unavailability of personnel or services supplied by third parties. A challenge for the Barclays Bank Group, as for virtually all companies, is the ability to recover from and remain within impact tolerance for a pervasive cyberattack which impacts a number of applications, data and infrastructure services. Failure to build resilience and recovery capabilities into business processes, or into the services on which the Barclays Bank Group's business processes depend, may result in significant customer harm, costs to reimburse losses incurred by the Barclays Bank Group's customers and clients, and reputational damage. There are also risks associated with increasing regulatory focus and new developments on operational resilience, which are considered in risk factor (iv) 'Regulatory change agenda and impact on business model' above.

b) Cyberattacks

Cyberattacks continue to be a global threat inherent across all industries, with the number and severity of attacks continuing to rise. The financial sector remains a primary target for cybercriminals, hostile nation states (including nation-state-sponsored groups), opportunists and hacktivists. The Barclays Bank Group experiences numerous attempts to compromise its cybersecurity protections. In 2024, cybersecurity incidents experienced by the Barclays Bank Group included distributed denial of service (DDoS), phishing, and credential stuffing.

The Barclays Bank Group cannot provide absolute security against cyberattacks. Malicious actors, who are increasingly sophisticated in their methods, tactics, techniques and procedures, seek to steal money, gain unauthorised access to, destroy or manipulate data, and disrupt operations. Further, some attacks may not be recognised or discovered until launched or after initial entry into the environment, such as novel or zero-day attacks that are launched before patches are available and defences can be readied. Other attacks may take advantage of the window during which patching or the deployment of other defences is underway, but not yet complete. Malicious actors are also increasingly developing methods to avoid detection and alerting capabilities, including by employing counter-forensic tactics making response activities more difficult.

Cyberattacks can originate from a wide variety of sources and target the Barclays Bank Group in numerous ways, including via the Barclays Bank Group's networks, systems, applications, devices, or parties such as service providers and other suppliers, counterparties, employees, contractors, customers or clients, presenting the Barclays Bank Group with a vast and complex defence perimeter. Moreover, the Barclays Bank Group does not have direct control over the cybersecurity of the systems of its clients, customers, counterparties and third party service providers and suppliers, limiting the Barclays Bank Group's ability to effectively protect and defend against certain threats. Some of the Barclays Bank Group's third party service providers and suppliers have experienced successful attempts to compromise their cybersecurity. These have included incidents resulting in the compromise of the Barclays Bank Group's data and ransomware attacks that disrupted service providers' or suppliers' operations and, in some cases, have had impacts on the Barclays Bank Group's operations. Such cyberattacks are likely to continue. Many of the Barclays Bank Group's agreements with third parties include liability or indemnification provisions, but the Barclays Bank Group may not be able to recover sufficiently, or at all, under these provisions to adequately offset any losses or other adverse impacts the Barclays Bank Group may incur from third party incidents.

Inadequacies in, or failures in the adherence to, the Barclays Bank Group's cybersecurity policies, procedures or controls; failure to keep pace with evolving technology; instances of employee negligence, recklessness, malfeasance, poor password management, or susceptibility to social engineering; misconfigurations in technology and security infrastructure; authentication and access management lapses; imperfect control frameworks or operational effectiveness; and human, governance or technological error could also compromise the Barclays Bank Group's ability to successfully prevent and defend against cyberattacks. Furthermore, certain legacy technologies that are at or approaching end-of-life may not be able to maintain acceptable levels of security. The Barclays Bank Group's assessment of its cybersecurity risk in 2024 highlighted an elevated cybersecurity risk profile, due to factors such as the onset of AI, which may be used to facilitate increasingly sophisticated attacks, including AI-enabled social engineering; ongoing work to address areas in need of enhancement identified through cybersecurity testing; bad actors' increasing ability to elude our defences and take advantage of customer and employee behaviours in novel ways; geopolitical turmoil that could impact the Barclays Bank Group directly, or indirectly through its critical suppliers or national infrastructure, including escalating conflicts in Eastern Europe and the Middle East.

Certain cybersecurity risks to the Barclays Bank Group may be unknown to management and therefore not fully accounted for in the Barclays Bank Group's cybersecurity assessments, strategy and programme priorities. For example, we continue to implement enhancements identified through cybersecurity testing and reviews in 2024.

Common types of cyberattacks include deployment of malware to obtain covert access to systems and data; ransomware attacks that render systems and data unavailable through encryption and attempts to leverage business interruption or stolen data for extortion; novel or zero-day exploits; denial of service and distributed denial of service attacks; infiltration via business email compromise; social engineering, including phishing, vishing and smishing; automated attacks using botnets; third party customer, vendor, service provider and supplier account takeover; malicious activity facilitated by an insider; and credential validation or stuffing attacks using login and password pairs from unrelated breaches. A successful cyberattack of any type has the potential to cause serious harm to the Barclays Bank Group or its clients and customers, including exposure to potential contractual liability, claims, litigation, regulatory or other government action, loss of existing or potential customers, damage to the Barclays Bank Group's brand and reputation, and other financial loss. The impact of a successful cyberattack is also likely to include operational consequences (such as unavailability of services, networks, systems, devices or data), remediation of which could come at significant cost. While the Barclays Bank Group maintains insurance coverage that may, subject to relevant retentions, cover certain types of losses related to cybersecurity incidents, such insurance coverage may be insufficient to cover all losses and may not take into account potential loss of business or other financial harm.

Regulators worldwide continue to recognise cybersecurity as a systemic risk to financial markets and have highlighted the need for financial institutions to improve their monitoring and control of, and resilience to, cyberattacks. A successful cyberattack may, therefore, result in significant fines and penalties to the Barclays Bank Group. In addition, any new regulatory measures introduced to mitigate these risks are likely to result in increased technology and compliance costs for the Barclays Bank Group.

c) New and emergent technology

Technology is fundamental to the Barclays Bank Group's business and the financial services industry. Technological advancements present opportunities to develop new and innovative ways of doing business across the Barclays Bank Group, with new solutions being developed both in-house and in association with third party companies. For example, the digitalisation of payment services and securities as well as futures and options trading, increasingly occurring electronically, both on the Barclays Bank Group's own systems and through other alternative systems, and becoming automated.

The rapid development in AI is another area the Barclays Bank Group is monitoring closely. This includes the identification of potential use cases for responsible adoption of AI in the Barclays Bank Group's own operations as well as managing the salient risks and other threats third party usage of AI may pose, including with respect to intellectual property ownership and infringement, cybersecurity, antitrust and fraud. For example, while the Barclays Bank Group may use AI technologies in connection with the creation or development of various materials, including software code, the Barclays Bank Group may be unable to protect such materials with copyrights or patents given the position of courts and intellectual property offices in the United States and in some other jurisdictions that human inventorship is required for patent protection of an AI-generated invention and human authorship is required for copyright protection of an AI-generated work of authorship. This is still an evolving area of the law, which creates uncertainty that could impact the Barclays Bank Group's ability to obtain intellectual property protection in AI-generated inventions and works of authorship.

Introducing new forms of technology has the potential to increase inherent risk. Failure to evaluate, actively manage and closely monitor risk during all phases of business development and implementation could introduce new vulnerabilities and security flaws and have a material adverse effect on the Barclays Bank Group's business, results of operations, financial condition and prospects.

d) Fraud

The nature of fraud is wide-ranging and continues to evolve, as criminals seek opportunities to target the Barclays Bank Group's business activities and exploit changes in customer behaviour and product and channel use (such as the increased use of digital products and enhanced online services). Fraud attacks vary, can be highly sophisticated, and can be orchestrated by organised crime groups or individuals. Fraudsters use various techniques to target customers and colleagues directly (i.e. third party fraud) or Barclays Bank Group directly (i.e. first party fraud). In the UK, APP (Authorised Push Payment) scams are a growing fraud type where customers are deceived to transfer funds from their accounts to bad actors. Fraud can also be committed by one or more employees and workers of an entity (i.e. internal fraud) or may manifest as unauthorised trading fraud. The impact from fraud can lead to customer harm, financial losses to both the Barclays Bank Group and its customers, loss of business, missed business opportunities and reputational damage, all of which could have a material adverse impact on the Barclays Bank Group's business, results of operations, financial condition and prospects.

e) Data management, information protection and AI

The Barclays Bank Group holds and processes large volumes of data, including personal information, financial data and other confidential information, and the Barclays Bank Group's businesses are subject to complex and evolving laws and regulations governing the privacy and protection of data, including Regulation (EU) 2016/679 (the General Data Protection Regulation as it applies in the EU and the UK). This data could relate to: (i) the Barclays Bank Group's clients, customers, prospective clients and customers, and their employees; (ii) clients and customers of the Barclays Bank Group's clients and customers, and their employees; (iii) the Barclays Bank Group's suppliers, counterparties and other external parties, and their employees; and (iv) the Barclays Bank Group's employees and prospective employees. This data may also be held and processed for the Barclays Bank Group by third-party vendors, partners, or suppliers which therefore exposes the Barclays Bank Group to risks from vulnerabilities and non-compliance in its supply chain.

The international nature of both the Barclays Bank Group's business and its IT infrastructure also means that data and personal information may be available in countries other than those from where the information originated. Accordingly, the Barclays Bank Group must ensure that its collection, use, transfer and storage of data, including personal information complies with all applicable laws and regulations in all relevant jurisdictions, which could: (i) increase the Barclays Bank Group's compliance and operating costs; (ii) impact the development of new products or services, or the offering of existing products or services; (iii) affect how products and services are offered to clients and customers; (iv) demand significant oversight by the Barclays Bank Group's management; and (v) require the Barclays Bank Group to review some elements of the structure of its businesses, operations and systems in less efficient ways.

Data, including personal information, is subject to external as well as internal (whether intentional or accidental) security risks. Concerns regarding the effectiveness of the Barclays Bank Group's measures to safeguard data, including personal information, or even the perception that those measures are inadequate, could expose the Barclays Bank Group to the risk of loss or unavailability of data or data integrity issues and/or cause the Barclays Bank Group to lose existing or potential clients and customers, and thereby reduce the Barclays Bank Group's revenues. Furthermore, any failure or perceived failure by the Barclays Bank Group to comply with applicable privacy or data protection laws and regulations may subject it to potential contractual liability, claims, litigation, regulatory or other government action (including significant regulatory fines) and require changes to certain operations or practices which could also inhibit the Barclays Bank Group's development or marketing of certain products or services, or increase the costs of offering them to customers. Any of these events could damage the Barclays Bank Group's reputation, subject the Barclays Bank Group to material fines or other monetary penalties, make the Barclays Bank Group liable for the payment of compensatory damages, divert management's time and attention, lead to enhanced regulatory oversight and otherwise materially adversely affect its business, results of operations, financial condition and prospects.

In addition, increased adoption of AI technologies, which rely on the collection of large amounts of data, including personal information, and use of such data for training purposes, has led legislators in numerous jurisdictions to propose and adopt new laws addressing AI-related usage of personal information and data protection authorities around the world to adopt new and evolving interpretations of existing data protection laws in light of such technology, in both cases, imposing specific obligations with respect to the processing of personal information, including required notices, consents and opt-outs. These obligations may be burdensome and costly to comply with and may affect the ways in which the Barclays Bank Group can collect, process, or use personal information for AI technologies, thus negatively impacting the Barclays Bank Group's business. Further, there is increased risk of inadvertent disclosure of confidential information or personal information in connection with the utilisation of AI technologies, whether through AI model errors, data breaches, or other vulnerabilities, which may also result in stronger regulatory scrutiny, leading to legal and regulatory investigations and enforcement actions that could negatively impact the Barclays Bank Group's business, even if unfounded.

For further details on data protection regulation applicable to the Barclays Bank Group, refer to the supervision and regulation section.

f) Algorithmic trading

In some areas of the investment banking business, trading algorithms are used to price and risk manage client and principal transactions. An algorithmic error or hallucination could result in erroneous or duplicated transactions, a system outage, or impact the Barclays Bank Group's pricing abilities, which could have a material adverse effect on the Barclays Bank Group's business, results of operations, financial condition, prospects and reputation.

g) Processing errors

The Barclays Bank Group's businesses are highly dependent on its ability to process and monitor, on a daily basis, a very large number of transactions, many of which are highly complex and occur at high volumes and frequencies, across numerous and diverse markets in many currencies. Given Barclays Bank Group's diverse customer base and geographical reach and the increase in volume, speed, frequency and complexity of transactions, especially electronic transactions (as well as the requirements to report such transactions on a real-time basis to clients, regulators and exchanges), developing, maintaining and upgrading operational systems and infrastructure becomes more challenging. The risk of systems or human error, including errors produced through the integration of AI technologies, in connection with such transactions increases with these developments, as well as the potential consequences of such errors due to the speed and volume of transactions involved and the potential difficulty associated with discovering errors quickly enough to limit the resulting consequences. As the Barclays Bank Group works to implement AI technologies into the Barclays Bank Group's product and service offerings, these challenges may become more significant, as AI technologies give rise to risk of bias, errors and hallucinations which may impact the Barclays Bank Group's ability to accurately execute, track or report transactions. There can be no assurances that AI usage will enhance the Barclays Bank Group's product or services offerings, and any such errors or inaccuracies resulting from AI usage could result in competitive or reputational harm or increased legal liability. Furthermore, events that are wholly or partially beyond the Barclays Bank Group's control, such as a spike in transaction volume, could adversely affect the Barclays Bank Group's ability to process transactions or provide banking and payment services.

Processing errors could result in the Barclays Bank Group, among other things: (i) failing to provide information, services and liquidity to clients and counterparties in a timely manner; (ii) failing to settle and/or confirm transactions; (iii) causing funds transfers, capital markets trades and/or other transactions to be executed erroneously, illegally or with unintended consequences; and (iv) adversely affecting financial, trading or currency markets. Any of these events could materially disadvantage the Barclays Bank Group's customers, clients and counterparties (including them suffering financial loss) and/or result in a loss of confidence in the Barclays Bank Group which, in turn, could have a material adverse effect on the Barclays Bank Group's business, results of operations, financial condition and prospects. Any of these events could also lead to breaches of laws, rules or regulations and, hence, regulatory enforcement actions, which could result in significant financial loss, imposition of additional capital requirements, enhanced regulatory supervision and reputational damage.

h) Supplier exposure

The Barclays Bank Group depends on suppliers for the provision of many of its services and the development of technology, including AI technology. Whilst the Barclays Bank Group depends on suppliers, it remains fully accountable to its customers and clients for risks arising from the actions of suppliers and may not be able to recover from its suppliers any amounts paid to customers and clients for losses suffered by them. The dependency on suppliers and sub-contracting of outsourced services introduces concentration risk where the failure of specific suppliers could have an impact on the Barclays Bank Group's ability to continue to provide material services to its customers. In addition, the use of third party AI technologies may also expose the Barclays Bank Group to third party infringement or misappropriation claims, as well as privacy and data protection related claims, as it can be very difficult, if not impossible, to validate the processes used by third-party AI technology providers in their collection and use of data in developing and training AI technologies or the conversion of inputs to outputs. Failure to adequately manage supplier risk could have a material adverse effect on the Barclays Bank Group's business, results of operations, financial condition and prospects.

i) Estimates and judgements relating to critical accounting policies and regulatory disclosures

The preparation of financial statements requires the application of accounting policies and judgements to be made in accordance with IFRS. Regulatory returns and capital disclosures are prepared in accordance with the relevant capital reporting and liquidity requirements and also require assumptions and estimates to be made. The key areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the consolidated and individual financial statements and regulatory returns and disclosures, include credit impairment provisions, taxes, fair value of financial instruments, pensions and post-retirement benefits, the calculation of RWAs, capital and liquidity metrics, and provisions including conduct and legal, competition and regulatory matters (please refer to the notes to the audited financial statements for further details). There is a risk that if the judgement exercised, or the estimates or assumptions used, subsequently turn out to be incorrect or are altered as a result of assurance work or subsequent feedback from the Barclays Bank Group's regulators, this could result in material losses to the Barclays Bank Group, beyond what was anticipated or provided for, including as a result of changes to treatments or stated capital or liquidity in regulatory returns and capital and liquidity disclosures. If capital and liquidity requirements are not met as a result of changes in interpretation, compliance with the Barclays Bank Group's distribution policy could be impacted and/or additional measures may be required to strengthen the Barclays Bank Group's capital or leverage position, which may also lead to the Barclays Bank Group's inability to achieve stated targets. Further development of accounting standards and regulatory interpretations could also materially impact the Barclays Bank Group's results of operations, financial condition and prospects.

j) Tax risk

The Barclays Bank Group is required to comply with the domestic and international tax laws and practice of all countries in which it has business operations. There is a risk that the Barclays Bank Group could suffer losses due to additional tax charges, other financial costs or reputational damage as a result of failing to comply with such laws and practice (including where the Barclays Bank Group's interpretation of such laws differs from the interpretation of tax authorities), or by failing to manage its tax affairs in an appropriate manner, with much of this risk attributable to the international structure of the Barclays Bank Group. In addition, the introduction of new international tax regimes, increasing tax authority focus on reporting and disclosure requirements around the world as well as the digitalisation of the administration of tax have the potential to increase the Barclays Bank Group's tax compliance obligations further. In 2023, the UK Government enacted legislation on the OECD Inclusive Framework on Base Erosion and Profit Shifting Pillar Two Framework introducing a global minimum tax rate of 15%. The UK's Pillar Two rules applied from 1 January 2024 and increased the Barclays Bank Group's tax compliance obligations. In the US, the corporate alternative minimum tax on adjusted financial statements income introduced by the Inflation Reduction Act became effective on 1 January 2023. These tax regimes require systems and process changes that introduce potential additional operational risks.

k) Ability to hire and retain appropriately qualified employees

As a regulated financial institution, the Barclays Bank Group requires diversified and specialist skilled colleagues. The Barclays Bank Group's ability to attract, develop and retain a diverse mix of talent is key to the delivery of its core business activity and strategy. This is impacted by a range of external and internal factors, such as macroeconomic factors, labour, immigration and related policies in the jurisdictions in which the Barclays Bank Group operates, and regulatory limits on compensation for senior executives. Failure to attract or prevent the departure of appropriately qualified and skilled employees could have a material adverse effect on the Barclays Bank Group's business, results of operations, financial condition and prospects. Additionally, this may result in disruption to service which could in turn lead to customer harm and reputational damage.

For further details on the Barclays Bank Group's approach to operational risk, refer to the operational risk management and operational risk performance sections.

vi) Model risk

Model risk is the potential for adverse consequences from decisions based on incorrect or misused model outputs and reports. The Barclays Bank Group relies on models to support a broad range of business and risk management activities, including informing business decisions and strategies, measuring and limiting risk, valuing exposures (including the calculation of impairment), conducting stress testing, calculating RWAs and assessing capital adequacy, supporting new business acceptance, risk and reward evaluation, managing client assets, and meeting reporting requirements.

Models are imperfect representations of reality as they rely on simplifying assumptions; as such they are subject to intrinsic uncertainty as well as errors and inappropriate use. This may be exacerbated when dealing with unprecedented scenarios, as was the case during the COVID-19 pandemic, when simplifying assumptions were required due to the lack of reliable historical reference points and data. Model uncertainty, errors and inappropriate use may result in (among other things) the Barclays Bank Group making inappropriate business decisions and/or inaccuracies or errors in the Barclays Bank Group's risk management and regulatory reporting processes. This could result in a significant financial loss, imposition of additional capital requirements, enhanced regulatory supervision and reputational damage, all of which could have a material adverse effect on the Barclays Bank Group's business, results of operations, financial condition and prospects.

For further details on the Barclays Bank Group's approach to model risk, refer to the model risk management and model risk performance sections.

vii) Compliance risk

Compliance Risk is the risk of poor outcomes for, or harm to, customers, clients and markets, arising from the delivery of the Barclays Bank Group's products and services (Compliance Risk) and the risk to the Barclays Bank Group, its clients, customers or markets from a failure to comply with the laws, rules and regulations (LRR) applicable to the firm (LRR risk). This risk could manifest itself in a variety of ways, including:

a) Market conduct

The Barclays Bank Group's businesses are exposed to risk from potential non-compliance with its policies and standards (which incorporates regulatory requirements set by law and the Barclays Bank Group's regulators) and instances of wilful and negligent misconduct by employees, all of which could result in potential customer and client harm, enforcement action (including regulatory fines and/or sanctions), increased operation and compliance costs, redress or remediation or reputational damage which in turn could have a material adverse effect on the Barclays Bank Group's business, financial condition and prospects. Examples of employee misconduct which could have a material adverse effect on the Barclays Bank Group's business include: (i) improperly selling or marketing the Barclays Bank Group's products and services; (ii) engaging in insider trading, market manipulation or unauthorised trading; or (iii) misappropriating confidential or proprietary information belonging to the Barclays Bank Group, its customers or third parties. These risks may be exacerbated in circumstances where the Barclays Bank Group is unable to rely on physical oversight and supervision of employees, noting the move to a hybrid working model for many colleagues.

b) Customer protection

The Barclays Bank Group must ensure that its customers, particularly those that are vulnerable, are able to make well-informed decisions on how best to use the Barclays Bank Group's financial services and understand the protection available to them if something goes wrong. Poor customer outcomes can result from the failure to: (i) communicate fairly and clearly with customers; (ii) provide services in a timely and fair manner; (iii) handle and protect customer data appropriately; and (iv) undertake appropriate activity to address customer harm, including the adherence to regulatory and legal requirements on complaint handling. The Barclays Bank Group is at risk of financial loss and reputational damage as a result, as well as the risk of regulatory censure or enforcement action.

c) Product design and review risk

Products and services must meet the needs of clients, customers, markets and the Barclays Bank Group throughout their life cycle. However, there is a risk that the design and review of the Barclays Bank Group products and services fail to reasonably consider and address potential or actual negative outcomes for customers, which may result in customer harm, enforcement action (including regulatory fines and/or sanctions), redress and remediation and reputational damage. Both the design and review of products and services are a key area of focus for regulators and the Barclays Bank Group.

d) Conflicts of interest

Identifying and managing conflicts of interest is fundamental to the conduct of the Barclays Bank Group's business, relationships with customers and clients, and the markets in which the Barclays Bank Group operates. Understanding the conflicts of interest that impact or potentially impact the Barclays Bank Group enables them to be handled appropriately. Even if there is no evidence of improper actions, a conflict of interest can create an appearance of impropriety that undermines confidence in the Barclays Bank Group and its Employees. If the Barclays Bank Group does not identify and manage conflicts of interest (business or personal) appropriately, it could have an adverse effect on the Barclays Bank Group's business, customers and the markets within which it operates.

e) Regulatory focus on culture and accountability

Regulators around the world continue to emphasise the importance of culture and personal accountability and enforce the adoption of adequate internal reporting and whistleblowing procedures to help to promote appropriate conduct and drive positive outcomes for customers, colleagues, clients and markets. The requirements and expectations of the UK Senior Managers Regime, Certification Regime and Conduct Rules reinforce additional accountabilities for individuals across the Barclays Bank Group with an increased focus on governance and rigour, with similar requirements also introduced in other jurisdictions globally. Failure to meet these requirements and expectations may lead to regulatory sanctions, both for the individuals and the Barclays Bank Group.

f) Laws, rules and regulations

Barclays is subject to a range of laws, rules and regulations across the world. A failure to comply with these may have an adverse effect on the Barclays Bank Group's business, customers and the markets within which it operates and could result in reputational damage, penalties, damages or fines.

For further details on the Barclays Bank Group's approach to Compliance Risk, refer to the Compliance risk management and Compliance risk performance sections.

viii) Reputation risk

Reputation risk is the risk that an action, transaction, investment, event, decision, or business relationship will reduce trust in the Barclays Bank Group's integrity and/or competence.

Any material lapse in standards of integrity, compliance, customer service or operating efficiency may represent a potential reputation risk. Stakeholder expectations constantly evolve, and so reputation risk is dynamic and varies between geographical regions, groups and individuals. A risk arising in one business area can have an adverse effect upon the Barclays Bank Group's overall reputation and any one transaction, investment or event (in the perception of key stakeholders) can reduce trust in the Barclays Bank Group's integrity and competence. The Barclays Bank Group's association with sensitive topics and sectors has been, and in some instances continues to be, an area of concern for stakeholders, including: (i) the financing of, and investments in, businesses which operate in sectors that are sensitive because of their relative carbon intensity or local environmental impact; (ii) potential association with human rights violations (including combating modern slavery) in the Barclays Bank Group's operations or supply chain and by clients and customers; and (iii) the financing of businesses which manufacture and export military and riot control goods and services.

Reputation risk could also arise from negative public opinion about the actual, or perceived, manner in which the Barclays Bank Group (including its employees, clients and other associations) conducts its business activities, or the Barclays Bank Group's financial performance, as well as actual or perceived practices in banking and the financial services industry generally. Modern technologies, in particular online social media channels and other broadcast tools that facilitate communication with large audiences in short time frames and with minimal costs, may significantly enhance and accelerate the distribution and effect of damaging information and allegations. Negative public opinion may adversely affect the Barclays Bank Group's ability to retain and attract customers, in particular, corporate and retail depositors, and to retain and motivate staff. It could also have a material adverse effect on the Barclays Bank Group's business, results of operations, financial condition and prospects. Claims of potential greenwashing arising from sustainability-related statements made by the Barclays Group may also give rise to reputation risk.

In addition to the above, reputation risk has the potential to arise from operational issues or conduct matters which cause harm to customers, clients, market integrity, effective competition or the Barclays Bank Group (refer to 'v) Operational risk' above).

For further details on the Barclays Bank Group's approach to reputation risk, refer to the reputation risk management and reputation risk performance sections.

ix) Legal risk and legal, competition and regulatory matters

The Barclays Bank Group conducts diverse activities in a highly regulated global market which exposes it and its employees to legal risk arising from: (i) the multitude of laws, rules and regulations that apply to the activities it undertakes, which are highly dynamic, may vary between jurisdictions and/or conflict, and may be unclear in their application to particular circumstances especially in new and emerging areas; and (ii) the diversified and evolving nature of the Barclays Bank Group's businesses and business practices. In each case, this exposes the Barclays Bank Group and its employees to the risk of loss or the imposition of penalties, damages or fines from the failure of members of the Barclays Bank Group to meet applicable laws, rules, regulations or contractual requirements or to assert or defend their intellectual property rights. Legal risk may arise in relation to any number of the material existing and emerging risks identified above.

A breach of applicable laws, rules and/or regulations by the Barclays Bank Group or its employees could result in criminal prosecution, regulatory censure, potentially significant fines, remedial orders and other sanctions in the jurisdictions in which the Barclays Bank Group operates. Where clients, customers or other third parties are harmed by the Barclays Bank Group's conduct, this may also give rise to civil legal proceedings, including class actions. Other legal disputes may also arise between the Barclays Bank Group and third parties relating to matters such as breaches or enforcement of legal rights or obligations arising under contracts, statutes or common law. Adverse findings in any such matters may result in the Barclays Bank Group being liable to third parties or may result in the Barclays Bank Group's rights not being enforced or not being enforced in the manner intended or desired by the Barclays Bank Group.

In the UK, the wider financial industry may be impacted by the October 2024 Court of Appeal judgments on commission arrangements in the motor finance industry, subject to the result of the appeals of those judgments to the Supreme Court, and to the FCA's ongoing review of the motor finance market. In December 2024, the FCA announced an extension to the time motor finance firms have to handle complaints on lender commissions until after 4 December 2025, following on from the Court of Appeal's judgments in *Johnson v FirstRand Bank, Wrench v FirstRand Bank and Hopcroft v Close Brothers Ltd [2024] EWCA Civ 1282*. The decisions in these cases could, subject to these appeals, impact the availability and terms of financing, risk of future claims, and likelihood of a FCA consumer redress scheme. There could also be wider market and industry implications of the judgments and/or the appeals, which could adversely affect the Barclays Bank Group's business, results of operations, financial condition and prospects.

Further details of legal, competition and regulatory matters to which the Barclays Bank Group is currently exposed are set out in Note 24. In addition to matters specifically described in Note 24, the Barclays Bank Group is engaged in various other legal proceedings which arise in the ordinary course of business. The Barclays Bank Group is also subject to requests for information, investigations and other reviews (including skilled person reviews) by regulators, governmental and other public bodies. These may be in connection with business activities in which the Barclays Bank Group is, or has been, engaged, or areas of particular regulatory focus, such as financial crime, money laundering or terrorist financing. The Barclays Bank Group may also (from time to time) be subject to claims and/or legal proceedings and other investigations relating to financial and non-financial disclosures made by members of the Barclays Bank Group (including, but not limited to, regulatory capital and liquidity reporting and ESG disclosures). Additionally, due to the increasing number of new climate and sustainability-related laws and regulations, growing demand from investors and customers for sustainable products and services, and regulatory and NGO scrutiny, financial institutions, including the Barclays Bank Group, may through their business activities face increasing litigation, conduct, enforcement and contract liability risks related to climate change, environmental degradation and other social, governance and sustainability-related issues. In particular, there has been an increasing focus on greenwashing risk this year. Certain stakeholders have taken legal action (including under "soft law" mechanisms) against the Barclays Bank Group, and others (including regulators, campaign groups and customers) may decide to do so in the future for allegedly financing or contributing to climate change and environmental degradation and other social, governance and sustainability-related issues, or because the Barclays Bank Group's response to climate change or other ESG factors is perceived to be ineffective, insufficient or inappropriate, including relative to the Barclays Bank Group's stated ambitions. Furthermore, there are laws and regulatory processes and policies seeking to restrict or prohibit doing certain business with entities identified as "boycotting" or "discriminating" against particular industries or considering ESG factors in their investment processes, including to protect the energy and other high carbon sectors from any risks of divestment or challenges in accessing finance.

The outcome of legal, competition and regulatory matters, both those to which the Barclays Bank Group is currently exposed and any others which may arise in the future, is difficult to predict (and any provision made in the Group's financial statements relating to those matters may not be sufficient to cover actual losses). In connection with such matters, the Barclays Bank Group may incur significant expense, regardless of the ultimate outcome, and any such matters could expose the Barclays Bank Group to any of the following outcomes: substantial monetary damages, settlements and/or fines; remediation of affected customers and clients; other penalties and injunctive relief; additional litigation; criminal prosecution; the loss of any existing agreed protection from prosecution; regulatory restrictions on the Barclays Bank Group's business operations including the withdrawal of authorisations; increased regulatory compliance requirements or changes to laws or regulations; suspension of operations; public reprimands or censure; loss of significant assets or business; a negative effect on the Barclays Bank Group's reputation; loss of confidence by investors, counterparties, clients and/or customers; risk of credit rating agency downgrades; potential negative impact on the availability and/or cost of funding and liquidity; and/or dismissal or resignation of key individuals. In light of the uncertainties involved in legal, competition and regulatory matters, there can be no assurance that the outcome of a particular matter or matters (including formerly active matters or those arising after the date of this Annual Report) will not have a material adverse effect on the Barclays Bank Group's business, results of operations, financial condition and prospects.

x) Financial crime risk

Financial crime risk is the risk that the Barclays Bank Group and its associated persons (employees or third parties) commit or facilitate financial crime, and/or the Barclays Bank Group's products and services are used to facilitate financial crime.

Financial crime is categorised into four areas of risk, relating to, bribery & corruption, money laundering & terrorist financing, tax evasion facilitation and sanctions, including proliferation financing. The Barclays Bank Group is subject to numerous laws and regulations governing these areas, including certain “failure to prevent” offences whereby the the Barclays Bank Group may be liable for failure to prevent crimes carried out by persons associated with it.

Bribery and corruption occur where a person improperly obtains or retains business, improperly secures a business or personal advantage and induces another person to perform their role in breach of an expectation of good faith, impartiality, or trust. Risks related to bribery and corruption may arise for the Barclays Bank Group in connection with (i) employees/prospective employees who have connections to external stakeholders, Politically Exposed Persons, or public officials; (ii) different types of payments and expenses such as facilitation payment requests, gifts and entertainment, charitable donations, commercial sponsorships and political donations; (iii) certain types of funding provided to customers with increased exposure to public officials; (iv) third parties who are engaged by the Barclays Bank Group to win or retain business; (v) the Barclays Bank Group's proprietary investments, joint ventures and mergers and acquisition or (vi) suppliers who act for and on behalf of the Barclays Bank Group.

Money laundering and terrorist financing have been identified as major threats to the international financial services community and therefore to the Barclays Bank Group. The Barclays Bank Group must comply globally with UK legislation designed to prevent, detect and disrupt money laundering and to combat terrorism. As a transatlantic bank, the Barclays Bank Group also takes into account European Union (EU) and United States (US) Anti-Money Laundering and Counter Terrorist Financing requirements, as well as guidance issued by bodies such as the Wolfsberg Group and the European Banking Authority.

Similarly, as a global financial institution, the Barclays Bank Group must comply with applicable sanctions laws and regulations in every jurisdiction in which it operates, or which apply to it because of its place of incorporation. Sanctions restrict activities with targeted countries, governments, entities, individuals, and industries.

Tax evasion is a financial crime and a predicate offence to money laundering in the UK and in many other countries in which we operate. The Barclays Bank Group may be exposed to risks associated with tax evasion by virtue of its interactions with customers and clients or in connection with employees or third parties acting on our behalf.

The laws and regulations associated with financial crime risks can have broad application and, in certain circumstances, may have extraterritorial application. Failure to appropriately manage the risks associated with these four areas undermines market integrity and may result in harm to the Barclays Bank Group’s clients, customers, counterparties or employees, diminished confidence in financial products and services, damage to the Barclays Bank Group's reputation, regulatory breaches and/or financial penalties.

Climate risk management

In Barclays' Climate Risk Framework (which applies to the Bank), Climate Risk is defined as the risk of financial losses arising from climate change, through physical risks and risks associated with transitioning to a lower carbon economy. Physical risk is defined as the risk of financial losses related to physical impacts of a changing climate. Physical risks can be event driven (acute risks), including increased frequency and/or severity of extreme weather events such as cyclones, hurricanes and flood. Longer term shifts in climate patterns (chronic risks) arise from sustained higher temperatures that may cause rises in sea levels, rising mean temperatures and more severe weather events such as increased occurrence of floods or fires. Transition risk is defined as the risk of financial losses caused by extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change.

Overview

The Barclays Group has developed a Climate Risk Framework (CRF) for financial and operational risks stemming from climate change. This enables Barclays to foster a consistent approach for managing climate risk across the firm. The key principle underpinning this framework is that climate risk is recognised as a driver of other existing financial (Credit, Market, Treasury and Capital) and non-financial (including Operational) risks, and not treated as a standalone risk type. The CRF is supported by policies, standards and other relevant guidelines which contain control objectives that must be met.

The Climate Risk Framework:

- Includes definitions and descriptions for climate risk
- Includes key principles for the identification, measurement, monitoring and reporting of climate risk
- Outlines the approach to setting risk appetite for climate risk
- Outlines roles and responsibilities applicable to the Climate Risk Framework

The Climate Risk Policy sets out high level requirements and control objectives to address key principles articulated in the CRF. The Climate Risk Standard sets out control requirements for implementing control objectives defined within the Climate Risk Policy. Climate risk considerations have also been incorporated as applicable to the frameworks of other principal risks.

The Climate Risk Framework, Climate Risk Policy and Climate Risk Standard are applicable for Barclays Bank Group's business activities, with a focus on lending, capital markets and investments. Barclays Bank Group's approach to managing climate risk focuses on the effective, identification, prioritisation and mitigation of the material climate risks within it's portfolios. The approach is further customised to reflect portfolio characteristics, size and exposure to specific climate risk drivers within various portfolios.

Climate risk may also drive non-financial risks such as reputational risk, which continue to be managed under their respective risk frameworks.

To implement its Climate Risk Framework, Barclays Bank Group continually implements new processes, tools, models and data repository as applicable whilst also enhancing its existing tools and processes. The Barclays Bank Group regularly reviews its approach and practices for alignment with regulatory developments and leading practices for climate risk.

Organisation, roles and responsibilities

The Group Head of Climate Risk is the Principal Risk owner accountable for the management and oversight of the climate risk profile. The Group Head of Climate Risk reports directly to Group CRO.

On behalf of the Board, the Group Board Risk Committee reviews and approves the Group's approach to managing climate risk. The Group Risk Committee (GRC) is the most senior executive body responsible for reviewing and challenging risk practices for climate.

To support the oversight of climate risk profile, a Group Climate Risk Committee (CRC) has been established as a sub-committee of the GRC. The Group Head of Climate Risk is the Chair of the Group CRC. Any material issues are escalated by the Group CRC to the Group GRC, and the Group GRC subsequently escalates to the Group BRC as appropriate.

A control environment for Climate Risk has been established in alignment with Barclays' Control Framework. The Climate Risk Control Forum (CRCF) oversees the implementation and operation of the Barclays Control Framework, including reviewing risk events, policy and issues management. Additionally, Climate Risk assurance groups are responsible for performing climate risk specific reviews to support the embedding of the Climate Risk Framework.

Reputation risk driven by climate change is managed by the reputation risk principal risk.

Governance	Board Risk Committee (BRC)	Board Sustainability Committee (BSC)
	Group Risk Committee (GRC)	Group Sustainability Committee (GSC)
Risk	Credit, market, treasury & capital and operational risks	Sustainability matters and reputation risk associated with climate change

Risk appetite

The Groups (including the Bank) approach to setting risk appetite for climate risk is aligned with its ambition to be a net zero bank by 2050 and reducing financed emissions in line with 2030 financed emissions targets. The climate risk considerations have been included in the qualitative statements and quantitative constraints. This is reviewed and revised (where applicable) annually and formally approved by the Group Board.

Climate risk appetite established at a Group level is cascaded to the legal entities and managed through risk limits, triggers and indicators set across different Principal Risks (including, Credit Risk, Market Risk and Treasury & Capital Risk), portfolios, sectors, assets classes and products. The Group has progressively enhanced its approach for the quantification of climate risk appetite by implementing additional risk limits and triggers. Regular monitoring, reporting and governance provide oversight so that exposures remain within the appetite and corrective actions are taken to address any breaches or excesses. The Group (including the bank) continues to regularly review its risk appetite and makes enhancements to maintain alignment with the Group's strategic objectives as part of its business planning process.

Risk identification

Physical and transition risk drivers can lead to adverse financial impacts through various transmission channels. Transmission channels are causal chains that explain how climate risk drivers impact firms such as the Barclays Bank Group either directly through their own operations and infrastructure or indirectly through their financing and investment activities. Through these transmission channels, risks for Barclays Bank Group may materialise in its traditional risk categories such as credit risk, market risk, treasury and capital risk, and operational risk. The impact of climate risk drivers may be significant and widespread, affecting companies, households and the general economy leading to potential financial system contagion.

Barclays Bank Group's work on assessing climate-related risks has been focused on the short (0-1 year) and medium term (1-5 years) horizons, in line with our financial planning cycle. However, longer-term climate (>5 years) risks have been considered using both quantitative approaches, such as reverse stress testing, and qualitative analysis. The effects of climate risk drivers through macro and micro transmissions channels are observed in Barclays Bank Group's portfolio through traditional risk categories such as credit risk, market risk, treasury and capital risk, and operational risk (including legal risk). The below table provides examples of how Barclays' Climate Risk framework considers potential key effects of climate risk drivers on Barclays' Principal Risk types.

Principal Risk	Example effects of climate risk drivers
Credit risk	A changing climate (i.e. more frequent and more intense physical hazards) and society's response (i.e. increased transition factors such as new policies or technologies to reduce carbon emissions) impacts Credit Risk. The impact on Credit Risk relates to the failure of clients, customers or counterparties to meet their obligations as a result of physical and transition risks, which may lead to potential losses and/or exposures outside the bank risk appetite in retail and wholesale credit portfolios. Climate change can drive direct impacts such as damage to fixed assets from physical hazards, leading to changes in output and increased costs. Indirect impacts may include material disruptions to supply chains and shifting demand for goods and services. Transition risk factors such as low-carbon policies or technologies could also change the value and creditworthiness of counterparties clients and customers.
Market risk	The impact on Market Risk relates to potential adverse changes in the value of the firm's assets and liabilities from fluctuations in market variables as a result of physical and transition risks, which may lead to potential losses due to changes in equity and commodity prices and credit spreads. Either physical hazards or transition risk factors have the potential to trigger large, sudden and negative price adjustments where climate risk has not yet been incorporated into prices, driving additional Market Risk. Fluctuations in markets and prices in susceptible sectors or countries could drive losses to the value of the Bank's assets and liabilities.
Treasury & capital risk	The impact on Treasury & Capital Risk relates to the impact on the capital requirements and liquidity funding requirements as a result of physical and transition risks, which may lead to changes in capital plans, funding plan requirements, asset and liabilities management (ALM) and exposures to changes in interest rates. Climate events can drive Treasury & Capital Risk as counterparties draw down deposits and credit lines. Physical hazards, or transition factors could lead to increased volatility, which could in turn change the value of investments and drive changes to funding requirements and accessibility, capital planning, capital requirements, or hedging methodologies.
Operational risk	Physical hazards and transition risk factors can lead to impacts on the firm's own operations including damage or unsuitability of premises, disruption to business operations and supply chain and ability to recover from outages (e.g. caused by workforce, technology and third-party service providers). For example, extreme weather events can impact the operation of bank offices, branches, and support facilities such as data centres. The transition to a low-carbon economy can lead to changes in operational processes, for example to mitigate climate impacts we need to decarbonise our buildings or requirements to achieve more carbon efficient buildings. Transition risks can also drive secondary impacts on operational risks such as the risk of misreporting as a result of enhanced regulatory disclosures requirements, or physical security breaches and branch closures as a result of protests related to Barclays' lending activities.

Barclays Bank Groups' climate risk identification includes monitoring of the external environment including regulatory developments, climate-related litigations and market developments for identifying climate risk drivers that could affect Barclays Bank Group's portfolios. In addition to horizon scanning, Barclays Bank Group has also developed processes to identify sectors, sovereigns and US States which other Principal Risks must prioritise for further analysis and risk management activities. Following this assessment, the industry sectors and geographies that are highly exposed to climate risks are deemed to be of elevated risk. These assessments are regularly reviewed and benchmarked against external studies and research and incorporate inputs from the subject matter experts.

Horizon scanning and elevated climate risk sector and geography assessments form the basis of the Barclays Bank Groups' approach and priorities for further granular assessment. Details on exposures to elevated sectors are on pages 75 to 78.

Additionally, through individual client assessments and scenario analysis exercises, Barclays Bank Group identifies portfolios that are more vulnerable to climate risks. The risk identification processes have been broadened to encompass nature-related risks for Barclays Europe portfolios.

Risk assessment

The Bank uses its Risk Register process to assess the potential effects of climate risk drivers on its portfolios. The Risk Register contains key risks and vulnerabilities that may impact forward-looking business plans of the Barclays Bank Group and its business units. The materiality of climate risks is derived either quantitatively (typically based on stress testing) or through qualitative estimations. The potential impact is evaluated based on adverse but plausible scenario. The Risk Register is refreshed on at least an annual basis and is subsequently used to support strategic planning, risk management, scenario design, sensitivity analysis and capital adequacy assessments.

For Credit Risk, Barclays Bank Group has integrated climate risk considerations into key processes of credit lifecycle including credit assessment, annual review and transaction approval processes. A questionnaire called the Climate & Environmental Lens has been developed for assessing corporate clients' vulnerability to climate and environmental risks in a structured way. The Climate and Environmental Lens questionnaire is used to evaluate climate physical risks, climate transition risks and environmental risks (as relevant) for corporate clients operating in elevated risk sectors. During 2024, the Lens was redeveloped to support decision-making by including a range of data points across both transition and physical risks and to improve its integration into credit processes.

For Market Risk, the impact of climate change is measured by applying stress scenarios designed to examine the sensitivity of core risk factors to climate risk. This process is conducted every quarter. The pattern of stress losses arising from the stress scenario is used to estimate and set ongoing limits.

For Treasury and Capital Risk (TCR), climate risk considerations have also been incorporated into the Internal Capital Adequacy Assessment Process (ICAAP) and Liquidity Adequacy assessment Process (ILAAP). Barclays Bank Group has integrated climate risk variables and climate stress scenarios in the Group-wide internal stress testing framework to understand and quantify potential impact on Barclays Bank Group's capital position. For liquidity risk, the assessment is informed by the application of industry and country classifications and evaluated using internal stress testing and portfolio specific analysis to determine material areas of risk (e.g. by asset class or product type) that could impact funding and liquidity ratios. For Pension Risk, key risk indicators based on the impact of physical and transition risk drivers on the pension fund have been defined. These are reviewed and monitored on a quarterly basis.

For operational risk, climate risks continue to be assessed as part of existing business-as-usual operational risk processes. This includes working with Premises and Operational Recovery Planning teams to evaluate and respond to climate-related impacts and regulatory requirements. Climate risk factors have been integrated into Structured Scenario Assessments, which capture extreme but plausible operational tail risks.

For reputational risk, the primary responsibility for identifying and managing reputation risk and adherence sits with the front line business and support functions where the risk arises. The Enhanced Due Diligence process and other relevant processes in these business units facilitate the assessment of climate-related reputational risk.

The emissions resulting from the activities of customers and clients to whom financing is provided is measured using Barclays Bank Groups' bespoke tool BlueTrack™. Currently, BlueTrack™ covers nine segments comprising of Upstream Energy, Power, Cement, Steel, Automotive Manufacturing, UK Housing, UK Commercial Real Estate, UK Agriculture and Aviation.

Furthermore, Barclays Bank Group has developed the Client Transition Framework (CTF) to evaluate certain corporate clients' progress toward business models aligned with a transition to a low-carbon economy. Using BlueTrack™ data and public disclosures, the framework evaluates both qualitative and quantitative components to assess transition trajectories against the Group’s targets and benchmarks. This allows the Barclays Bank Group to prioritise engagement with clients based on their CTF scores. The client CTF scores and emissions data from BlueTrack™ are further used to inform key risk management practices, including risk monitoring, setting limits, managing concentrations, credit decisions and stress testing exercises.

Across Barclays Bank Group's portfolios, scenario analysis continues to form a key part of the Barclays Bank Group’s approach to assessing and quantifying the impact of climate change. Barclays Bank Group's risk assessment tools have also been extended to cover environmental / nature risks for Barclays Europe portfolios. The nature risk considerations have also been incorporated into Stress testing exercises including Nature Exploratory Stress Test exercise.

Risk monitoring and reporting

The monitoring approach for climate risk is designed to track climate-related exposures across portfolios, leveraging risk metrics, latest insights and periodic assessments for alignment with risk appetite and climate goals.

Risk appetite is translated into a detailed series of risk limits, triggers and indicators to control risk-taking. Barclays Bank Group has implemented climate-aware limits and triggers as applicable for priority sectors and portfolios with elevated climate risk. The performance against these metrics is tracked and reported to various committees and governance processes.

Barclays Bank Group has integrated climate risk considerations into policies, standards and lending guidelines. Enhanced oversight and additional scrutiny have been introduced for new deals in elevated climate risk sectors particularly those with sector targets and policy restrictions. These policies are reviewed regularly and updated with respect to external developments.

Climate risk related management information packs, including climate risk dashboards, are produced and reported to various committees and governance forums, including the Group CRC. They primarily consist of insights on climate-related exposures, key performance indicators, concentration metrics, climate risk trends, external developments and progress against climate targets. The Group BRC also receives regular updates, including climate risk dashboards.

Legal entity specific climate risk dashboards for monitoring and reviewing climate-sensitive exposures are presented to appropriate committees. Where climate risk limits are subject to ongoing monitoring, they will be reported at the appropriate Principal Risk Committees, including the Group CRC.

Barclays Bank Group continually monitors regulatory developments, including emerging disclosure standards on climate and wider sustainability areas, and builds internal capabilities to meet these new requirements.

Barclays Bank Group continues to focus on integration of climate risk into its business operations and risk management practices. In 2024, notable enhancements and improvements were made in the following key areas:

-The Framework, Policy and Standard for Climate Risk (as a Principal Risk) were enhanced to facilitate further integration and provide clearer guidance on control objectives and requirements, including specific roles and responsibilities of different teams across the first and second lines of defence.

- The risk appetite framework for climate risk was strengthened by introduction of additional quantitative metrics such as stress loss triggers, to actively monitor the impact of climate risk on the Barclays Bank Group's capital position. The risk limits and triggers on notional exposures have been expanded to manage concentration and high risk exposures to climate risk across other Principal Risk types.

-The internal stress testing framework has been enhanced to integrate stress scenarios and risk variables for climate risk. The climate risk models used within stress testing framework have also been enhanced to generate more accurate outputs. Additionally, the methodology for assessing climate risk in different economic sectors has been enhanced.

-The Climate and Environmental Lens was redeveloped to support decision-making by including a range of data points across both transition and physical risks. Additionally, process improvements have been made for improving integration into credit processes.

-Barclays Bank Group continues to develop its environmental / nature-related risk capabilities. In 2024, we piloted nature-related questions within our Client Transition Framework (CTF) assessment for Power portfolio clients. We plan to expand nature-related questions across CTF evaluations in 2025. This area is also a key priority and focus for Barclays Europe. Notable progress by Barclays Europe in 2024 includes an upgrade of the "LEAP" assessment, execution of a nature exploratory stress test and integration of environmental risk factors in its industry sector and geography assessments.

Credit risk management (audited)

The risk of loss to the Barclays Bank Group from the failure of clients, customers or counterparties, including sovereigns, to fully honour their obligations to the Barclays Bank Group, including the whole and timely payment of principal, interest, collateral and other receivables.

Overview

The credit risk that the Barclays Bank Group faces arises from wholesale and retail loans and advances together with the counterparty credit risk arising from derivative contracts with clients' trading activities, including: debt securities, settlement balances with market counterparties, FVOCI (fair value through other comprehensive income) assets and reverse repurchase loans.

Credit risk management objectives are to:
- maintain a framework of controls to oversee credit risk
- identify, assess and measure credit risk clearly and accurately across the Barclays Bank Group and within each separate business, from the level of individual facilities up to the total portfolio
- control and plan credit risk taking in line with external stakeholder expectations, including risk return objectives, and avoiding undesirable concentrations
- monitor credit risk and adherence to agreed controls.

Organisation, roles and responsibilities

The first line of defence has primary responsibility for managing credit risk within the risk appetite and limits set by the Risk function, supported by a defined set of policies, standards and controls. In the Barclays Bank Group, business risk committees (attended by the first line) monitor and review the credit risk profile of each business unit where the most material issues are escalated to the Retail Credit Risk Management Committee, Wholesale Credit Risk Management Committee and the Barclays Group Risk Committee.

Wholesale and retail portfolios are managed separately to reflect the differing nature of the assets; wholesale balances tend to be larger and are managed on an individual basis, while retail balances are greater in number but lesser in value and are, therefore, managed in aggregated segments.

The responsibilities of the credit risk management teams in the businesses, the sanctioning team and other shared services include: sanctioning new credit agreements (principally wholesale); setting strategies for approval of transactions (principally retail); setting risk appetite; monitoring risk against limits and other parameters; setting recession readiness frameworks to protect portfolios in the event of economic stress, maintaining robust processes, data gathering, quality, storage and reporting methods for effective credit risk management; performing effective turnaround and workout scenarios for wholesale portfolios via dedicated restructuring and recoveries teams; maintaining robust collections and recovery processes/units for retail portfolios. The credit risk management teams in the Barclays Bank Group are accountable to the Barclays Bank PLC CRO, who reports to the Barclays Group CRO.

For wholesale portfolios, credit risk managers are organised in sanctioning teams by geography, industry and/or product. In wholesale portfolios, credit risk approval is undertaken by experienced credit risk professionals operating within a clearly defined delegated authority framework, with only the most senior credit officers assigned the higher levels of delegated authority. The largest credit exposures, which are outside the Risk Sanctioning Unit or Risk Distribution Committee authority, require the support of the Barclays Bank PLC Senior Credit Officers. For exposures in excess of the Barclays Bank PLC Senior Credit Officers' authority, approval by the Barclays Group Senior Credit Officer/Barclays PLC Board Risk Committee is also required. The Barclays Group Credit Risk Committee, attended by the Barclays Bank PLC Senior Credit Officers, provides a formal mechanism for the Barclays Group Senior Credit Officer to exercise the highest level of credit authority over the most material Barclays Group single name exposures.

Credit risk mitigation

The Barclays Bank Group employs a range of techniques and strategies to actively mitigate credit risks. These can broadly be divided into three types:
- netting and set-off
- collateral
- risk transfer.

Netting and set-off

Credit risk exposures can be reduced by applying netting and set-off. For derivative transactions, the Barclays Bank Group's normal practice is to enter into standard master agreements with counterparties (e.g. ISDAs). These master agreements typically allow for netting of credit risk exposure to a counterparty resulting from derivative transactions against the obligations to the counterparty in the event of default, and so produce a lower net credit exposure. These agreements may also reduce settlement exposure (e.g. for foreign exchange transactions) by allowing payments on the same day in the same currency to be set-off against one another.

Collateral

The Barclays Bank Group has the ability to call on collateral in the event of default of the counterparty, comprising:

- **home loans:** a fixed charge over residential property in the form of houses, flats and other dwellings.
- **wholesale lending:** a fixed charge over commercial property and other physical assets, in various forms.
- **other retail lending:** includes charges over other physical assets; second lien charges over residential property and finance lease receivables.
- **derivatives:** the Barclays Bank Group also often seeks to enter into a margin agreement (e.g. Credit Support Annex) with counterparties with which the Barclays Bank Group has master netting agreements in place. These annexes to master agreements provide a mechanism for further reducing credit risk, whereby collateral (margin) is posted on a regular basis (typically daily) to collateralise the mark to market exposure of a derivative portfolio measured on a net basis.

- **reverse repurchase agreements:** collateral typically comprises highly liquid securities which have been legally transferred to the Barclays Bank Group subject to an agreement to return them for a fixed price.
- **financial guarantees and similar off-balance sheet commitments:** cash collateral may be held against these arrangements.

Risk transfer

A range of instruments including guarantees, credit insurance, credit derivatives and securitisation can be used to transfer credit risk from one counterparty to another. These mitigate credit risk in three main ways:

- if the risk is transferred to a counterparty which is more creditworthy than the original counterparty, then overall credit risk is reduced.
- where recourse to the first counterparty remains, both counterparties must default before a loss materialises. This is less likely than the default of either counterparty individually, so credit risk is reduced.
- first loss exposures across pools of credit risk can be hedged via synthetic securitisation structures, typically via CLN issuance. As these are fully funded upfront, they provide for a direct reduction in credit risk exposure on referenced pools.

Market risk management (audited)

The risk of loss arising from potential adverse changes in the value of the Barclays Bank Group's assets and liabilities from fluctuation in market variables including, but not limited to, interest rates, foreign exchange, equity prices, commodity prices, credit spreads, implied volatilities and asset correlations.

Overview

Market risk arises primarily as a result of client facilitation in wholesale markets, involving market making activities, risk management solutions and execution of syndications. Upon execution of a trade with a client, the Barclays Bank Group will look to hedge against the risk of the trade moving in an adverse direction. Mismatches between client transactions and hedges result in market risk due to changes in asset prices, volatility or correlations.

Organisation, roles and responsibilities

Market risk in the businesses resides primarily in IB and Treasury. These businesses have the mandate to assume market risk. The front office and Treasury trading desks are responsible for managing market risk on a day-to-day basis, where they are required to understand and adhere to all limits applicable to their businesses. The Market Risk team supports the trading desks with the day-to-day limit management of market risk exposures through governance processes which are outlined in supporting market risk policies and standards.

Market risk oversight and challenge is provided by business committees and Barclays Group committees, including the Market Risk Committee (MRC).

The objectives of market risk management are to:

- identify, understand and control market risk by robust measurement, limit setting, reporting and oversight
- facilitate business growth within a controlled and transparent risk management framework
- control market risk in the businesses according to the allocated appetite.

To meet the above objectives, a governance structure is in place to manage these risks consistent with the ERMF.

The Barclays Bank PLC Board Risk Committee recommends market risk appetite to the Barclays Bank PLC Board for their approval, within the parameters set by the Barclays PLC Board.

The Market Risk Committee (MRC) reviews and makes recommendations concerning the Barclays Group-wide market risk profile. This includes overseeing the operation of the Market Risk Framework and associated policies and standards, monitoring market and regulatory changes, and reviewing limit utilisation levels. The committee is chaired by the Market Risk Principal Risk Lead and attendees include the business heads of market risk and business aligned market risk managers.

In addition to MRC, the Investment Bank Risk Committee (IBRC) is the main forum in which market risk exposures are discussed and reviewed with senior business heads. The Committee is chaired by the CRO of the Investment Bank and meets weekly, covering current market events, notable market risk exposures, and key risk topics. New business initiatives are generally socialised at IBRC before any changes to risk appetite or associated limits are considered in other governance committees.

Management value at risk (VaR)

VaR is an estimate of the potential loss arising from unfavourable market movements if the current positions were to be held unchanged for one business day. For internal market risk management purposes, a historical simulation methodology with a one-year equally weighted historical period, at the 95% confidence level is used for all trading books and some banking books.

Limits are applied at the total level as well as by risk factor type, which are then cascaded down to particular trading desks and businesses by the market risk management function.

See pages 117 to 118 for a review of management VaR.

Treasury and capital risk management

This comprises:

Liquidity risk: The risk that the Barclays Bank Group is unable to meet its contractual or contingent obligations or that it does not have the appropriate amount, tenor and composition of funding and liquidity to support its assets.

Capital risk: The risk that the Barclays Bank Group has an insufficient level or composition of capital to support its normal business activities and to meet its regulatory capital requirements under normal operating environments and stressed conditions (both actual and as defined for internal planning or regulatory testing purposes). This also includes the risk from the Barclays Bank Group's pension plans.

Interest rate risk in the banking book: The risk that the Barclays Bank Group is exposed to capital or income volatility because of a mismatch between the interest rate exposures of its (non-traded) assets and liabilities. This also includes credit spread risk in the banking book, the risk that the Barclays Bank Group is exposed to capital or income volatility because of changes in credit spreads on its (non-traded) assets and liabilities

The Barclays Bank PLC Treasury function manages treasury and capital risk exposure on a day-to-day basis, with the Barclays Bank PLC Treasury Committee together with the Barclays Group Treasury Committee acting as the principal management bodies for the Barclays Bank Group. The Treasury and Capital Risk function is responsible for oversight and provides insight into key capital, liquidity, interest rate risk in the banking book (IRRBB) and pension risk management activities. The assessment and management of the Barclays Bank Group's capital and liquidity position and IRRBB and pension risk requires the use of judgement, assumptions and estimates. Please see the description of material existing and emerging risks beginning on page 47 of this Annual Report for further details on such judgements, assumptions and estimates, including the potential risks involved.

Liquidity risk management (audited)

Overview

The efficient management of liquidity is essential to Barclays Bank PLC in order to retain the confidence of the financial markets and maintain the sustainability of the business. Treasury and Capital Risk have created a framework to manage all liquidity risk exposures under both normal and stressed conditions. The framework is designed to maintain liquidity resources that are sufficient in amount, quality and funding tenor profile to remain within the liquidity limits set by the Barclays Bank PLC Board. The Board sets liquidity limits on both internal and regulatory liquidity metrics.

Organisation, roles and responsibilities

Treasury has the primary responsibility for managing liquidity risk within the set risk appetite. Both Risk and Treasury contribute to the production of the Internal Liquidity Adequacy Assessment Process (ILAAP). The Treasury and Capital Risk function is responsible for the management and governance of the liquidity risk mandate, as defined by the Barclays Bank PLC Board.

The framework established by Treasury and Capital Risk is designed to deliver the appropriate term and structure of funding, consistent with the risk appetite set by the Barclays Bank PLC Board. The control framework incorporates a range of ongoing business management tools to monitor and stress test Barclays Bank PLC's balance sheet and recovery plan, including limit setting. Limit setting and transfer pricing are tools that are designed to control the level of liquidity risk taken and drive the appropriate mix of funds. Adherence to limits reduces the likelihood that a liquidity stress event could lead to an inability to meet the Barclays Bank Group's obligations as they fall due.

The Barclays Bank PLC Board approves the Barclays Bank PLC funding plan, internal stress tests, regulatory stress tests, recovery plan and liquidity risk qualitative statement that supports risk appetite. Barclays Bank PLC's Treasury Committee is responsible for monitoring and managing liquidity risk in line with Barclays Bank PLC's funding management objectives, funding plan and risk appetite. The Barclays Group Treasury and Capital Risk Committee monitors and reviews the liquidity risk profile and control environment, providing second line oversight of the management of liquidity risk. The Barclays Bank PLC Board Risk Committee reviews the risk profile, liquidity risk qualitative statement, and Board-approved liquidity limits at least annually and the impact of stress scenarios on Barclays Bank PLC's funding plan/forecast in order to agree risk appetite in line with Barclays Bank PLC's projected funding abilities.

Capital risk management (audited)

Overview

Capital risk is managed through ongoing monitoring and management of the capital and leverage position, regular stress testing and a robust capital governance framework. The objectives of the framework are to maintain adequate capital for the Barclays Bank Group and its legal entities to withstand the impact of the risks that may arise under normal and stressed conditions, and maintain adequate capital to cover current and forecast business needs and associated risks to provide a viable and sustainable business offering. The Barclays Bank Group aims to prudently manage its overall leverage position (including risk of excessive leverage) by utilising plausible stress scenarios, reviewing and deploying management actions in response to deteriorating economic and commercial positions. In order to manage contingent leverage risk, the Barclays Bank Group considers the context from which the business consumption arises, the impact of client utilisation on leverage and the available actions to manage.

Organisation, roles and responsibilities

Treasury has the primary responsibility for managing and monitoring capital adequacy. The Barclays Bank Group Treasury and Capital Risk function provides oversight of capital risk. Production of the Barclays Bank PLC Internal Capital Adequacy Assessment Process (ICAAP) is the responsibility of Treasury.

Capital risk management is underpinned by a control framework and policy. The capital management strategy, outlined in the relevant legal entity capital plans, is developed in alignment with the control framework and policy for capital risk, and is implemented consistently in order to deliver on the Barclays Bank Group's objectives, which are aligned to those of the Barclays Group.

The Barclays Bank PLC Board approves the Barclays Bank PLC capital plan, internal stress tests and results of regulatory stress tests and those of the relevant Barclays Bank Group entities. The Barclays PLC Board also approves the Barclays Group recovery plan which takes into account management actions identified at the Barclays Bank Group level. The Barclays Bank PLC Treasury Committee and the Barclays Group Treasury Committee are responsible for monitoring and managing capital risk in line with Barclays Bank Group's capital management objectives, capital plan and risk frameworks. The Treasury and Capital Risk Committee (TCRC) monitors and reviews the capital risk profile and control environment, providing second line oversight of the management of capital risk.

For the relevant Barclays Bank Group subsidiaries, local management assures compliance with an entity's minimum regulatory capital requirements by reporting to local Asset and Liability Committees (or equivalents) with oversight by the Barclays Bank PLC Treasury Committee and the Barclays Group Treasury Committee, as required. In 2024, Barclays complied with all regulatory minimum capital requirements. Contingent leverage risk is managed by; i) setting comprehensive leverage (and RWA) targets for each business as part of the Treasury capital management process, taking into account adherence to early warning indicators and maintain a healthy leverage ratio, and; ii) Monitoring execution of actions taken to course-correct as necessary.

The Barclays Bank Group maintains a number of defined benefit pension schemes for past and current employees. The ability of schemes to meet pension payments is achieved with investments and contributions.

Pension risk arises because the market value of pension fund assets might decline; investment returns might reduce; or the estimated value of pension liabilities might increase. The Barclays Bank Group monitors the pension risks arising from its defined benefit pension schemes and works with the relevant pension fund's trustees to address shortfalls. In these circumstances the Barclays Bank Group could be required or might choose to make extra contributions to the pension fund. The Barclays Bank Group's main defined benefit scheme was closed to new entrants in 2012.

Interest rate risk in the banking book management (IRRBB)

Overview

Interest rate risk in the banking book is driven by counterparties deposit taking and lending activities, investments in the liquid asset portfolio and funding activities. As per the Barclays Bank Group's policy to remain within the defined risk appetite, hedging strategies are executed to mitigate the various IRRBB risks that result from these activities. However, the Barclays Bank Group remains susceptible to interest rate risk and other non-traded market risks from the following key sources:

- **Interest rate and repricing risk:** the risk that net interest income could be adversely impacted by a change in interest rates, differences in the timing of interest rate changes between assets and liabilities, and other constraints on interest rate changes as per product terms and conditions.
- **Counterparty behavioural risk:** the risk that net interest income could be adversely impacted by the discretion that counterparties may have in respect of being able to vary from their contractual obligations with the Barclays Bank Group. This risk is often referred to by industry regulators as 'embedded option risk'.
- **Investment risks in the liquid asset portfolio:** the risk that the fair value of assets held in the liquid asset portfolio and associated risk management portfolios could be adversely impacted by market volatility, creating volatility in capital directly.

Organisation, roles and responsibilities

The Barclays Bank PLC Treasury Committee and the Barclays Group Treasury Committee are responsible for monitoring and managing IRRBB risk in line with the Barclays Bank Group's management objectives and risk frameworks. The BRC and Treasury and Capital Risk Committee monitors and reviews the IRRBB risk profile and control environment, providing second line oversight of the management of IRRBB. The BRC reviews the interest rate risk profile, including review of the risk appetite at least annually and the impact of stress scenarios on the interest rate risk of the Barclays Bank PLC's banking books.

In addition, the Barclays Bank Group's IRRBB policy sets out the processes and key controls required to identify all IRRBB risks arising from banking book operations, to monitor the risk exposures via a set of metrics with a frequency in line with the risk management horizon, and to manage these risks within agreed risk appetite and limits.

Operational risk management

The risk of loss to the Barclays Bank Group from inadequate or failed processes or systems, human factors or due to external events (for example fraud) where the root cause is not due to credit or market risks.

Overview

The management of operational risk has three key objectives:

- deliver and oversee an operational risk capability owned and used by business leaders to enable sound risk decisions over the long term.
- provide the frameworks, policies and standards to enable management to meet their risk management responsibilities while the second line of defence provides robust, independent, and effective oversight and challenge.
- deliver a consistent and aggregated measurement of operational risk that will provide clear and relevant insights, so that the right management actions can be taken to keep the operational risk profile consistent with the Barclays Bank Group's strategy, the stated risk appetite and stakeholder needs.

The Barclays Bank Group operates within a system of internal controls that enables business to be transacted and risk taken without exposing it to unacceptable potential losses or reputational damages.

Organisation, roles and responsibilities

The prime responsibility for the management of operational risk and the compliance with control requirements rests within the business and functional units where the risk arises. The operational risk profile and control environment is reviewed by management through business risk committees and control committees. Operational risk issues escalated from these meetings are considered through the second line of defence review meetings. Depending on their nature, the outputs of these meetings are presented to the Operational Risk Profile Forum, the Operational Risk Committee, the Barclays Bank Risk Forum, the Barclays Bank PLC Board Risk Committee or the Barclays Bank PLC Board Audit Committee. In addition, specific reports are prepared by Operational Risk on a regular basis for the Barclays Bank Risk Forum, GRC and the BRC.

Businesses and functions are required to report their operational risks on both a regular and an event-driven basis. The reports include a profile of the material risks that may threaten the achievement of their objectives and the effectiveness of key controls, operational risk events and a review of scenarios.

The Barclays Group Head of Operational Risk is responsible for establishing, owning and maintaining an appropriate Barclays Group-wide Operational Risk Management Framework, meanwhile the Barclays Bank PLC Head of Operational Risk is responsible for overseeing the portfolio of operational risk across all Barclays Bank Group businesses.

The Operational Risk function acts in a second line of defence capacity and is responsible for defining and overseeing the implementation of the framework and monitoring Barclays Bank Group's operational risk profile, including risk-based review and challenge. The Operational Risk function alerts management when risk levels exceed acceptable tolerance in order to drive timely decision-making and actions by the first line of defence.

Operational risk categories

Operational risks are grouped into risk categories to support effective risk management, measurement and reporting. These comprise: Change Delivery Management Risk; Data & Records Management Risk; Financial Reporting Risk; Fraud Risk; Information Security Risk; Operational Recovery Planning Risk; Payments Process Risk; People Risk; Premises Risk; Physical Security Risk; Risk Reporting; Supplier Risk; Tax Risk; Technology Risk; and Transaction Operations Risk.

In addition to the above, operational risk encompasses the risk associated with compliance with Group Resolution Planning Prudential regulatory requirements.

For definitions of the Barclays Bank Group's Operational Risk Categories and Connected Risks, refer to the Barclays PLC Pillar 3 Report 2024.

Model risk management

The potential for adverse consequences from decisions based on incorrect or misused model outputs and reports.

Overview

The Barclays Bank Group uses models to support a broad range of activities, including informing business decisions and strategies, measuring and limiting risk, valuing exposures, conducting stress testing, assessing capital adequacy, managing client assets, and meeting reporting requirements.

Since models are imperfect and incomplete representations of reality, they may be subject to uncertainty, errors and inappropriate use affecting the accuracy of their output. This can result in inappropriate business decisions being made, financial loss, regulatory risk, reputational risk and/or inadequate capital reporting. Models may also be misused, for instance applied to products that they were not intended for, or not adjusted, where fundamental changes to their environment would justify re-evaluating their core assumptions.

Robust model risk management is crucial in assessing and managing model risk. Strong model risk culture, appropriate technological environment, and adequate focus on understanding and resolving model limitations are crucial components.

Organisation, roles and responsibilities

Model Risk is a principal risk within the ERMF and is centrally governed by the Model Risk Management ("MRM") function. MRM is an independent function responsible for establishing and maintaining the framework and the model inventory needed to assess, manage, and report model risk. The Global Head of MRM reports directly to the Group Chief Risk Officer.

MRM establishes model risk policy and standards, sets out and monitors model risk appetite, validates and approves models, reports on model risk, operates the controls that govern models and maintains the inventory of all models used by the Group globally.

MRM operates the Group Model Risk Committee (GMRC), the purpose of which is to review and monitor the Model Risk profile and control environment across the Model Risk portfolio and assess the exposure against the approved appetite and associated tolerances. The GMRC escalates to the Group Risk Committee (GRC).

MRM also operates the Model Risk Horizontal Control Forum (MR HCF) that oversees the consistent and effective implementation of the Barclays control framework within Model Risk. The MR HCF escalates to the Group Controls Committee.

MRM reports on the model risk profile to the Group Board Risk Committee, the Group Risk Committee, key Barclays Legal Entity risk and control committees and forums and Model Ownership Area (MOA) committees; the latter may be established by the business or functions. These committees consider Model Risk matters relevant to them and escalate as required in compliance with internal applicable governance policies.

In addition, an independent Model Strategy and Oversight (MSO) Team provides oversight of strategic modelling decisions of material models, in particular ensuring compliance with regulations and relevant technical standards, following a risk-based approach focusing on material modelling issues, including:

- Ensures a comprehensive / consistent approach taken across the bank to deliver material models requirements.

- Provides challenge to modelling decisions taken by Model Owners and Developers.
- Establishes, maintains, and runs the requisite forum (i.e. Group Model Management Steering Committee) to facilitate Senior Management oversight of the strategic approach taken for the development/re-development of material models and of key model aspects of associated rating systems within Barclays.

As per the ERMF, the first line of defence (1LOD) is comprised of all employees engaged in the revenue generating and client facing areas of the firm as well as all associated support functions, including Finance, Treasury, Technology and Operations, Human Resources, and Administration. Employees of risk and compliance are the second line of defence (2LOD).

The 1LOD for Model Risk is represented by 1LOD areas developing, using and owning models. 2LOD areas develop, use or employ models as well. In such cases, these 2LOD areas will be subject to independent oversight from MRM and within the MRM framework are considered as 1LOD. MRM is the 2LOD for Model Risk.

Compliance risk management

The risk of poor outcomes for, or harm to, customers, clients and markets, arising from the delivery of the Barclays Bank Group's products and services, (Compliance Risk), and the risk to Barclays, its clients, customers or markets from a failure to comply with the Laws, Rules and Regulations (LRR) applicable to the firm.

Overview

Compliance Risk incorporates market integrity, customer protection, financial crime, product design and review and the newly created LRR risk. Barclays acts at all times to operate its business in full accordance with all applicable laws, rules and regulations, and to deliver good outcomes for/avoid harm to customers, clients and markets. Barclays will act in good faith; avoid causing foreseeable harm and enable and support customers to pursue their financial objectives.

Organisation, roles and responsibilities

The Compliance Risk Management Framework (CRMF) outlines how the Barclays Bank Group manages and measures its Compliance Risk profile. The Barclays Group Chief Compliance Officer is accountable for developing, maintaining and overseeing the CRMF. The Barclays Bank Group Chief Compliance Officer is responsible for providing effective oversight, management and escalation of Compliance Risk in line with the CRMF. This includes overseeing the development and maintenance of the relevant Compliance Risk policies and standards and monitoring and reporting on the consistent application and effectiveness of the implementation of controls to manage Compliance Risk. It is the responsibility of the first line of defence to establish Compliance controls to manage its performance and assess conformance to these policies and controls. The responsibility for LRR Risk Management sits across various functions and business units, including Legal, Chief Controls Office, Risk and Compliance.

Senior managers are accountable within their areas of responsibility for owning and managing Compliance Risk in accordance with the CRMF, as defined within their regulatory Statement of Responsibilities, and a dedicated team has been established in Compliance to oversee LRR Risk Management.

Compliance as an independent second line function oversees that Compliance Risks are effectively identified, managed, monitored and escalated, and has a key role in helping Barclays Bank Group achieve the right conduct outcomes and evolve a compliance-focused culture. The governance of Compliance risk within the Barclays Bank Group is fulfilled through management committees and forums operated by the first and second lines of defence with clear escalation and reporting lines to the Board. The Barclays Group and Barclays Bank Group Risk Committees are the primary second line governance committees for the oversight of the Compliance Risk Profile. The risk committees' responsibilities include the identification and discussion of any emerging Compliance risks exposures in the Barclays Group and Barclays Bank Group. A new sub-committee of the BPLC Group Risk Committee was established in August 2023 to provide oversight on LRR Risk. This committee is chaired by the BPLC Group Chief Compliance Officer.

Reputation risk management

The risk that an action, transaction, investment, event, decision, or business relationship will reduce trust in the Barclays Bank Group's integrity and/or competence.

Overview

A reduction of trust in the Barclays Bank Group's integrity and competence may reduce the attractiveness of Barclays Bank Group to stakeholders and could lead to negative publicity, loss of revenue, regulatory or legislative action, loss of existing and potential client business, reduced workforce morale and difficulties in recruiting talent. Ultimately it may destroy shareholder value.

Organisation, roles and responsibilities

The governance of reputation risk within the Barclays Bank Group is fulfilled through management committees and forums operated by the First and Second Lines of Defence, with clear escalation and reporting lines to the relevant Barclays Bank Group Board committees.

The Barclays PLC Board is responsible for reviewing and monitoring the effectiveness of the Barclays Bank Group's management of reputation risk.

The Reputation Risk Management Framework (RRMF) comprises a number of elements that allow the Barclays Bank Group to manage and measure its reputation risk profile. The RRMF sets out what is required to manage reputation risk across the Barclays Bank Group, including escalations to the Group Reputation Risk Committee, as required.

The Barclays Bank PLC Chief Compliance Officer is responsible for providing independent second line oversight of Businesses' adherence to the RRMF.

Legal risk management

The risk of loss or imposition of penalties, damages or fines from the failure of the Barclays Bank Group to meet applicable laws, rules, regulations or contractual requirements or to assert or defend its intellectual property rights.

Overview

In conjunction with the Barclays Control Framework, the Group wide Legal Risk Management Framework (LRMF), which applies to Barclays Bank PLC, comprises a number of integrated components that details how the Group identifies, manages and measures its legal risk profile.

The multitude of laws and regulations across the globe are highly dynamic and their application to particular circumstances is often unclear resulting in a high level of inherent legal risk. The LRMF seeks to mitigate legal risk through the implementation of Group wide legal risk policies requiring the engagement of legal professionals to provide legal advice in situations that have the potential for legal risk, identification and management of legal risks by those legal professionals, and escalation of legal risk as necessary. Legal risk is also mitigated by the requirements of the Compliance Risk Management Framework, including the responsibility of legal professionals to proactively identify, communicate and provide legal advice on applicable laws, rules and regulations. Notwithstanding these mitigating actions, Barclays Bank Group operates with a level of residual legal risk, for which the Barclays Bank Group has limited tolerance.

Organisation, roles and responsibilities

The Barclays Bank Group's businesses and functions have responsibility for identifying and escalating legal risk to the Legal Function, as well as responsibility for adherence to control requirements.

The Legal Function organisation and coverage model aligns legal expertise to businesses, functions, products, activities and geographic locations so that the Barclays Bank Group receives legal advice and support from appropriate legal professionals, working in partnership proactively to identify, manage and escalate legal risks as necessary.

The senior management of the Legal Function oversees, challenges and monitors the legal risk profile and effectiveness of the legal risk control environment across the Barclays Group. The Legal Function provides support to all areas of the bank and is not formally part of any of the three lines of defence. Except in relation to the legal advice it provides or procures, the Legal Function is subject to oversight from the second line of defence with respect to its own operational and compliance risks, as well as with respect to the legal risk to which the bank is exposed.

The Barclays Group General Counsel is responsible for developing and maintaining the Barclays Group wide LRMF. This includes defining the relevant legal risk policies, and producing the Barclays Group wide qualitative statement for legal risk as part of the Barclays' risk appetite statement. The legal entity General Counsels are responsible for the adoption and implementation of the legal risk policies in the respective legal entity.

The legal risk profile and control environment is reviewed by management through business risk committees and control committees. The Barclays Bank Group Risk Committee is incorporated in the Barclays Group Risk Committee and is the most senior executive body responsible for reviewing and monitoring the effectiveness of risk management across the Barclays Bank Group. Escalation paths from this committee exist to the Barclays Bank PLC Board Risk Committee.

Financial crime risk management

The risk that the Barclays Bank Group and its associated persons (employees or third parties) commit or facilitate financial crime, and/or Barclays products and services are used to facilitate financial crime. Financial Crime undermines market integrity and may result in: Harm to clients, customers, counterparties or employees; diminished confidence in financial products and services; damage to Barclays reputation; regulatory breaches; and/or financial penalties.

Overview

Financial Crime risk incorporates anti-bribery and corruption, anti-money laundering, anti-tax evasion facilitation and sanctions risks.

The Barclays Bank Group has no appetite to operate its business other than in full accordance with all applicable laws, rules and regulations, in order to deliver good outcomes for / avoid harm to customers, clients and markets. The Barclays Bank Group will enable and support clients and customers to safely pursue their financial objectives and avoid causing negative impacts to the same through regulatory or legislative breaches, including potential or foreseeable harm, caused by financial crime.

The Barclays Bank Group strives to prevent exposure to, detect and/or disrupt financial crime through the execution of its end to end control framework.

Organisation, roles and responsibilities

The Financial Crime Risk Management Framework (FCRMF) outlines how the Barclays Bank Group manages and measures its Financial Crime risk profile. The Group Chief Compliance Officer is accountable for developing, maintaining and overseeing the FCRMF. The Legal Entity Money Laundering Reporting Officers are responsible for providing effective oversight, management and escalation of financial crime risk in line with the FCRMF at the Entity and Subsidiary level. This includes defining and owning the relevant financial crime risk policies which detail the control objectives, principles and other core requirements for the activities of the Group. It is the responsibility of the first line of defence to establish financial crime related controls to manage its performance and assess conformance to these policies and controls. The responsibility for LRR risk management sits across various functions and business units, including Legal, Chief Controls Office, Risk and Compliance.

Senior managers are accountable within their areas of responsibility for owning and managing financial crime risk in accordance with the FCRMF, as defined within their regulatory Statement of Responsibilities.

Financial Crime Compliance as an independent second line function oversees that financial crime risks are effectively identified, managed, monitored and escalated, and has a key role in helping Barclays achieve the right conduct outcomes and evolve a compliance-focused culture.

The governance of financial crime risk within the Barclays Bank Group is fulfilled through management committees and forums operated by the first and second lines of defence with clear escalation and reporting lines to the Board. The Barclays Group and Barclays Bank PLC Risk Committee provides oversight of the Financial Crime Risk Profile. The risk committees' responsibilities include the identification and discussion of any emerging financial crime risk exposures in the Barclays Group and Barclays Bank Group.

Risk performance

Carbon-related assets

According to TCFD, certain industry segments are more likely to be financially impacted than others due to their exposure to certain transition and physical risk factors for example, greenhouse gas (GHG) emissions, weather events like storms and hurricanes and dependencies on stable weather conditions for their operations and products. These non-financial industries are grouped into four key areas: Energy; Transportation; Materials and Buildings; and Agriculture, Food, and Forest Products. Barclays' exposures to the industries within these groups are reported as carbon-related assets and can be found in the table on the following page.

Elevated risk sectors

Barclays has assessed the physical and transition risks associated with Corporate and Financials sectors to identify and categorise industry segments/activities with heightened climate risks as elevated sectors. In each sector there are a range of vulnerabilities; whilst Barclays distinguish elevated activities within high-level sectors, not all our clients in sectors classified as elevated will have high carbon intensity or physical risk vulnerability.

Residential Real Estate exposures are also included in this table. Barclays recognizes the BUK Mortgages book as an elevated climate risk portfolio, although it is not an economic sector. On that basis they have been included in the table.

Carbon-related assets (Incl. sub-sector breakdown)[1,2]

	2024 £m					
	Physical risk[3]	Transition risk[3]	Loans & advances[4]	Loan commitments[5]	Total	of which: Elevated
Agriculture, Food and Forest Products (including logging)			112	113	225	191
Agriculture	✓	✓	112	113	225	191
Energy & Waters			2,821	17,006	19,827	19,661
Power Utilities	✓	✓	2,264	15,399	17,663	17,663
Metals (waste & recycling)			62	104	166	—
Water Utilities	✓		495	1,503	1,998	1,998
Manufacturing			5,119	30,398	35,517	12,198
Automotive		✓	660	4,456	5,116	4,772
Cements		✓	29	302	331	332
Chemicals		✓	364	3,724	4,088	3,730
Food, Bev and Tobacco		✓	881	5,897	6,778	800
Manufacturing - Others		✓	2,488	13,284	15,772	637
Metals		✓	266	381	647	262
Oil and Gas (refining)	✓	✓	79	1,447	1,526	1,525
Packaging Manufacturers: Metal, Glass and Plastics			133	242	375	—
Paper and Forest Products (excluding logging)			205	539	744	—
Steel		✓	14	126	140	140
Materials and Building			15,733	12,117	27,850	937
Construction and Materials	✓		1,313	1,130	2,443	937
Real Estate Management and Development			14,420	10,987	25,407	—
Mining and Quarrying			1,436	7,543	8,979	8,918
Mining (incl diversified miners)[6]	✓	✓	259	1,610	1,869	1,809
Oil and Gas (extraction)	✓	✓	1,138	5,926	7,064	7,064
Transport & storage			1,493	7,451	8,944	6,584
Aviation	✓	✓	230	2,345	2,575	2,472
Oil and Gas (midstream)	✓	✓	163	2,566	2,729	2,729
Other Transport Services			575	1,301	1,876	—
Ports	✓		87	87	174	174
Road Haulage		✓	312	451	763	382
Shipping		✓	126	701	827	827
Wholesale and retail distribution and leisure			2,134	5,473	7,607	4,123
Oil and Gas (wholesale)		✓	882	1,337	2,219	1,880
Others		✓	1,252	4,136	5,388	2,243
Other Financial Institutions			380	469	849	—
Real Estate Management and Development (REITs)			380	469	849	—
Home Loans			4,956	18	4,974	—
Residential Real Estate			4,956	18	4,974	—
Carbon-related Assets/ Elevated Risk Sector Grand Total			34,184	80,588	114,772	52,612
Total Loans & advances and Loan commitments			195,054	338,427	533,481	533,481
Carbon-related assets / Total Loans & advances and Loan commitments (%)			18	24	22	10
Sub-total of sectors spanning in multiple industries						
Oil & Gas			2,262	11,276	13,538	13,198

Risk performance

Climate risk performance

	2023 £m						
	Physical risk[3]	Transition risk[3]	Loans & advances[4]	Loan commitments[5]	Total	Of which: Elevated	% Change
Agriculture, Food and Forest Products (including logging)			79	114	193	169	17
Agriculture	✓	✓	79	114	193	169	
Energy & Waters			3,475	16,297	19,772	19,618	—
Power Utilities	✓	✓	2,767	14,722	17,489	17,489	
Metals (waste & recycling)			65	89	154	—	
Water Utilities	✓		643	1,486	2,129	2,129	
Manufacturing			5,583	31,401	36,984	13,860	(4)
Automotive		✓	848	5,688	6,536	6,106	
Cements		✓	154	380	534	534	
Chemicals		✓	352	3,941	4,293	3,914	
Food, Bev and Tobacco		✓	906	5,694	6,600	782	
Manufacturing - Others		✓	2,800	12,696	15,496	711	
Metals		✓	142	403	545	158	
Oil and Gas (refining)	✓	✓	59	1,411	1,470	1,470	
Packaging Manufacturers: Metal, Glass and Plastics			110	302	412	—	
Paper and Forest Products (excluding logging)			171	742	913	—	
Steel		✓	41	144	185	185	
Materials and Building			15,367	10,345	25,712	1,067	8
Construction and Materials	✓		1,569	1,128	2,697	1,067	
Real Estate Management and Development			13,798	9,217	23,015	—	
Mining and Quarrying			1,708	8,369	10,077	10,075	(11)
Mining (incl diversified miners)[6]	✓	✓	217	1,704	1,921	1,919	
Oil and Gas (extraction)	✓	✓	1,491	6,665	8,156	8,156	
Transport & storage			1,524	7,080	8,604	6,382	4
Aviation	✓	✓	259	2,348	2,607	2,499	
Oil and Gas (midstream)	✓	✓	328	2,187	2,515	2,515	
Other Transport Services			533	1,246	1,779	—	
Ports	✓		75	123	198	198	
Road Haulage		✓	228	382	610	274	
Shipping		✓	101	794	895	896	
Wholesale and retail distribution and leisure			1,735	7,004	8,739	4,360	(13)
Oil and Gas (wholesale)		✓	365	2,137	2,502	2,097	
Others		✓	1,370	4,867	6,237	2,263	
Other Financial Institutions			515	1,726	2,241	—	
Real Estate Management and Development (REITs)			515	1,726	2,241	—	
Home Loans			8,002	42	8,044	—	(38)
Residential Real Estate			8,002	42	8,044	—	
Carbon-related Assets/ Elevated Risk Sector Grand Total			37,988	82,378	120,366	55,531	(5)
Total Loans & advances and Loan commitments			185,247	322,732	507,979	507,979	5
Carbon-related assets / Total Loans & advances and Loan commitments (%)			21	26	24	11	
Sub-total of sectors spanning in multiple industries							
Oil & Gas			2,243	12,400	14,643	14,238	(8)

Notes
1. The scope of elevated risk sector mapping has been revised based on our periodic assessment of climate risk sectors, resulting in activities such as renewable energy within Power Utilities, Water Utilities, Construction and Material, Food and fashion related activities (Others) now classified as elevated risk sectors/carbon related assets. The prior year comparatives have been re-presented to align with the updated sector mapping.
2. As industries decarbonise, sectors will increasingly include both carbon and non-carbon related activities e.g. Power Utilities will also include, in part, their generation capacity from renewable energy sources.
3. Physical risk and Transition risk indicators are added for elevated risk sectors to indicate the drivers of risk. See page 52 for further details.
4. Loans and advances includes debt securities at amortised cost amounting to £50,227m (2023: £39,046m) of which carbon related assets are £1,929m (2023: £2,950m). These carbon related assets comprises £1,388m (2023: £2,643m) in Material & Buildings, £241m (2023: £nil) in Other Financial Corporations, £228m (2023: £238m) in Transport and storage, £63m (2023: £69m) in Energy and water and £9m (2023: £nil) in Wholesale and retail distribution and leisure.
5. Loan commitments excludes the fair value exposures of £15,350m (£15,203m) in 2023.
6. Diversified miners with minority interests in thermal coal mining are included in this category.

Financing

To facilitate greater understanding and transparency of our capital markets financing, we disclose the total capital raised for clients across all sectors using data sourced from Dealogic. We have provided the breakdown of our 2024 and 2023 financing below. We have constructed this table based on the mapping of issuers' industry assignment in Dealogic data and Barclays' internal industry taxonomy called Barclays Industry Classification (BIC). Financing volumes are reported on a manager-proceeds basis including bonds, equities, loans and securitised bonds and no modifications have been made by Barclays. This data represents a third party view of our financing and is subject to Dealogic's league table methodology, which pro-rates volume across lead-managers. We are presenting the data in this format to support transparency and comparability but it should be noted that this data is subject to further analysis and methodological enhancements, before it is included in BlueTrack™.

Carbon-related sectors in wholesale credit (Dealogic Industry Classification) [1,2,3]

	2024 £m	Of which: Elevated	2023 £m	Of which: Elevated	% Change
Agriculture, Food and Forest Products	**95**	**95**	—	—	— %
Agriculture	**95**	**95**	—	—	
Energy & Waters	**28,979**	**28,979**	22,920	22,920	26 %
Power Utilities	**27,868**	**27,868**	21,967	21,967	
Water Utilities	**1,111**	**1,111**	953	953	
Manufacturing	**31,901**	**10,973**	29,702	12,398	7 %
Automotive	**5,347**	**5,347**	6,948	6,861	
Cements	**344**	**344**	278	278	
Chemicals	**4,146**	**3,894**	2,903	2,685	
Food, Bev and Tobacco	**7,591**	**115**	6,845	460	
Manufacturing - Others	**10,618**	**49**	10,277	198	
Metals	**1,280**	**623**	298	55	
Oil and Gas (refining)	**601**	**601**	1,225	1,225	
Packaging Manufacturers: Metal, Glass and Plastics	**1,056**	**—**	223	—	
Paper and Forest Products (excluding logging)	**918**	**—**	69	—	
Steel	**—**	**—**	636	636	
Materials and Building	**6,190**	**731**	3,853	686	61 %
Construction and Materials	**810**	**731**	770	686	
Real Estate Management and Development	**5,380**	**—**	3,083	—	
Mining and Quarrying	**6,290**	**6,244**	3,080	3,080	
Mining (Incl. diversified miners)[3]	**585**	**539**	783	783	
Oil and Gas (extraction)	**5,705**	**5,705**	2,297	2,297	
Transport & storage	**17,190**	**15,182**	8,082	6,774	
Aviation	**4,292**	**4,292**	1,821	1,653	
Oil and Gas (midstream)	**10,076**	**10,076**	4,255	4,255	
Other Transport Services	**1,620**	**—**	957	—	
Ports	**64**	**64**	—	—	
Road Haulage	**633**	**245**	207	24	
Shipping	**505**	**505**	842	842	
Wholesale and retail distribution and leisure	**4,160**	**1,066**	3,605	1,063	15 %
Oil and Gas (wholesale)	**235**	**100**	539	466	
Others	**3,925**	**966**	3,066	597	
Other Financial Institutions	**1,774**	**—**	760	—	
Real Estate Management and Development (REITs)	**1,774**	**—**	760	—	
Carbon-related Assets Grand Total	**96,579**	**63,270**	72,002	46,921	34 %
Capital Market Financing Total	**415,433**		308,034		35 %
Financing to Carbon-related Sector over Total Capital Market Financing (%)	**23 %**		23 %		
Sub-total of sectors spanning in multiple industries					
Oil and Gas	**16,617**	**16,482**	8,316	8,243	

Notes
1 The scope of elevated risk sector mapping has been revised based on our periodic assessment of climate risk sectors, resulting in activities such as renewable energy within Power Utilities, Water Utilities, Construction and Material, Food and fashion related activities (Others) now classified as elevated risk sectors/carbon related assets. The prior year comparatives have been re-presented to align with the updated sector mapping.
2 As industries decarbonise, sectors will increasingly include both carbon and non-carbon related activities e.g. the clients present within the sector exposure reported under Power Utilities will also have part of their generation capacity from renewable energy sources, which represents a non-carbon related activity.
3 Diversified miners with minority interests in thermal coal mining are included in this category.

Risk performance

Credit risk performance

All disclosures in this section pages 79 to 115, are unaudited unless otherwise stated.

Overview

Credit risk represents a significant risk to the Barclays Bank Group and mainly arises from exposure to loans and advances together with the counterparty credit risk arising from derivative contracts entered with clients.

Credit risk disclosures exclude other financial assets not subject to credit risk, mainly equity securities. For off-balance sheet exposures certain contingent liabilities not subject to credit risk such as performance guarantees are excluded.

Credit risk disclosures are materially aligned to the recommendations of the Taskforce on Disclosures about Expected Credit Losses (DECL).

Assets held for sale: A separate section has been included within credit risk disclosures to reflect portfolios which were classified as assets held for sale. These include a co-branded card portfolio and the German consumer finance business.

Summary of performance in the year

Gross exposure: Gross loans and advances at amortised cost to customers and banks have increased to £198bn (2023: £189bn), driven by £11bn increase in debt securities on account of Treasury investments and £5.8bn net increased lending in corporate loans, partially offset by £(6.3)bn reclassification of a co-branded card portfolio to assets held for sale and £(3.2)bn sale of Italian mortgages business.

Maximum exposure: The Barclays Bank Group's net exposure to credit risk has increased to £909bn (2023: £894bn), primarily driven by £11bn increase in debt securities issued by governments, £10bn cash collateral and settlement balances, £2bn derivative financial instruments partially offset by decrease of £(9)bn in cash held at central banks. Overall, the extent to which the mitigation is held against total exposure has increased to 40% (2023: 38%).

Credit quality: Delinquencies have remained broadly stable with an anticipated increase in US cards. A range of activities are in place to protect our existing defensive positioning against macroeconomic headwinds. The Corporate loans portfolio benefited from high-quality exposure and credit protection. Further analysis on the credit quality of assets is presented in the approach to management and representation of credit quality section.

Stage decomposition: A net decrease of £1.5bn is observed in Stage 2 gross exposure driven by the reclassification of a co-branded card portfolio to assets held for sale and stage migration in corporate loans. Stage 3 balances increased to £3.9bn (2023: £3.8bn) driven by stage migration in corporate loans and US cards partially offset by sale of Italian mortgage business. Refer pages 90 to 91 for further details.

Scenario: The economy is gradually recovering and is further stimulated as restrictive monetary policy continues loosening. For Q424, macroeconomic scenarios have been refreshed and are designed around a broad range of economic outcomes. The Downside 2 (DS2) scenario has been broadly aligned to Barclays 2024 Internal Stress Test (IST24) which includes climate drivers. Refer to the Barclays resilience to climate scenarios on page 27 for further details.

ECL: Impairment allowances on loans and advances at amortised cost including off-balance sheet have decreased to £3,860m (2023: £4,514m) primarily driven by sale of Italian mortgage business and the reclassification of a co-branded card portfolio to assets held for sale. As a result, on balance sheet coverage has decreased 40 bps to 1.7% (2023: 2.1%).

Charge: Credit impairment charges were £1,617m (2023: £1,578m), driven by the anticipated higher delinquencies in US cards partially offset by the impact of credit risk management actions and methodology enhancements.

Management adjustments: Economic uncertainty adjustments have decreased to £nil (2023: £16m). The reduction is informed by the retirement of the adjustment linked to expected downside uncertainties on European Corporates. Refer to the Management adjustment to models for impairment section on pages 91 to 92 for further details.

Climate: Barclays Bank Group has performed a credit risk assessment of physical and transition risk due to climate change through a combination of a scenario approach and targeted reviews on specific portfolios identified as more susceptible to climate risk. As further enhancements during the year, the DS2 scenario has been aligned to the IST24 which is climate aware and for specific portfolios new climate modelling techniques were utilised to assess physical and transition risk due to climate change at customer level.

Further detail can be found in the Financial statements section in Note 8 Credit impairment charges. Description of terminology can be found in the glossary, available at home.barclays/annualreport. Refer to the credit risk management section for details of governance, policies and procedures.

Maximum exposure and effects of netting, collateral and risk transfer

The following tables present a reconciliation between the Barclays Bank Group's maximum exposure and its net exposure to credit risk, reflecting the financial effects of risk mitigation reducing the Barclays Bank Group's exposure.

The Barclays Bank Group mitigates the credit risk to which it is exposed through netting and set-off, collateral and risk transfer. Further detail on the Barclays Bank Group's policies to each of these forms of credit enhancement is presented on pages 66 to 67 of the credit risk management section.

Collateral obtained

Where collateral has been obtained in the event of default, the Barclays Bank Group does not, ordinarily, use such assets for its own operations and they are usually sold on a timely basis. The carrying value of assets held by the Barclays Bank Group as at 31 December 2024, as a result of the enforcement of collateral, was £12m (2023: £6m).

Maximum exposure and effect of netting, collateral and risk transfer (audited)

Barclays Bank Group As at 31 December 2024	Maximum exposure £m	Netting and set-off £m	Cash collateral £m	Non-cash collateral £m	Risk transfer £m	Exposure net of risk mitigation £m
On-balance sheet:						
Cash and balances at central banks	180,365	—	—	—	—	180,365
Cash collateral and settlement balances	113,987	—	—	—	—	113,987
Loans and advances at amortised cost:						
Retail mortgages	4,956	—	(22)	(4,922)	—	12
Retail credit cards	19,749	—	—	—	—	19,749
Retail other	3,918	—	(1,106)	(2,441)	(33)	338
Corporate loans	116,204	(3,006)	(1,104)	(57,458)	(4,536)	50,100
Total loans and advances at amortised cost	144,827	(3,006)	(2,232)	(64,821)	(4,569)	70,199
Of which credit-impaired (Stage 3):						
Retail mortgages	278	—	—	(277)	—	1
Retail credit cards	308	—	—	—	—	308
Retail other	191	—	(21)	(162)	—	8
Corporate loans	1,261	—	(32)	(383)	(87)	759
Total credit-impaired loans and advances at amortised cost	2,038	—	(53)	(822)	(87)	1,076
Debt securities at amortised cost	50,227	—	—	(583)	(40)	49,604
Reverse repurchase agreements and other similar secured lending	3,393	—	—	(3,393)	—	—
Trading portfolio assets:						
Debt securities	77,805	—	—	(657)	—	77,148
Traded loans	13,470	—	—	(878)	—	12,592
Total trading portfolio assets	91,275	—	—	(1,535)	—	89,740
Financial assets at fair value through the income statement:						
Loans and advances	44,182	—	(17)	(40,401)	—	3,764
Debt securities	2,931	—	—	(182)	—	2,749
Reverse repurchase agreements	141,791	—	(2,429)	(138,924)	—	438
Other financial assets	85	—	—	—	—	85
Total financial assets at fair value through the income statement	188,989	—	(2,446)	(179,507)	—	7,036
Derivative financial instruments	292,356	(230,260)	(28,953)	(12,633)	(5,284)	15,226
Financial assets at fair value through other comprehensive income	51,010	—	—	(1,104)	(102)	49,804
Other assets	665	—	(1)	—	—	664
Assets held for sale	9,544	—	—	—	—	9,544
Total on-balance sheet	1,126,638	(233,266)	(33,632)	(263,576)	(9,995)	586,169
Off-balance sheet:						
Contingent liabilities	26,565	—	(2,664)	(441)	(248)	23,212
Loan commitments	353,777	—	(550)	(51,812)	(1,840)	299,575
Total off-balance sheet	380,342	—	(3,214)	(52,253)	(2,088)	322,787
Total	1,506,980	(233,266)	(36,846)	(315,829)	(12,083)	908,956

Off-balance sheet exposures are shown gross of provisions of £420m (2023: £473m). See Note 23 for further details. In addition to the above, Barclays Bank Group holds forward starting reverse repos amounting to £108.6bn (2023: £54.3bn). These balances are fully collateralised. Corporate loans at amortised cost include £0.2bn (2023: £0.3bn) of CBILs and CLBILs supported by UK government guarantees of £0.1bn (2023: £0.2bn) which are included within the Risk transfer column in the table. Reported off-balance sheet loan commitments also include exposures relating to financial assets classified as assets held for sale.

Maximum exposure and effects of netting, collateral and risk transfer (audited)

Barclays Bank Group As at 31 December 2023	Maximum exposure £m	Netting and set-off £m	Cash collateral £m	Non-cash collateral £m	Risk transfer £m	Exposure net of risk mitigation £m
On-balance sheet:						
Cash and balances at central banks	189,686	—	—	—	—	189,686
Cash collateral and settlement balances	103,708	—	—	—	—	103,708
Loans and advances at amortised cost:						
Retail mortgages	8,002	—	(13)	(7,976)	—	13
Retail credit cards	24,511	—	—	—	—	24,511
Retail other	3,366	—	(1,007)	(2,024)	(39)	296
Corporate loans	110,322	(3,876)	(1,111)	(51,105)	(5,222)	49,008
Total loans and advances at amortised cost	146,201	(3,876)	(2,131)	(61,105)	(5,261)	73,828
Of which credit-impaired (Stage 3):						
Retail mortgages	395	—	—	(393)	—	2
Retail credit cards	296	—	—	—	—	296
Retail other	273	—	(23)	(245)	—	5
Corporate loans	887	—	(4)	(601)	(128)	154
Total credit-impaired loans and advances at amortised cost	1,851	—	(27)	(1,239)	(128)	457
Debt securities at amortised cost	39,046	—	—	(956)	(79)	38,011
Reverse repurchase agreements and other similar secured lending	1,103	—	—	(1,103)	—	—
Trading portfolio assets:						
Debt securities	75,459	—	—	(521)	—	74,938
Traded loans	12,653	—	—	(189)	—	12,464
Total trading portfolio assets	88,112	—	—	(710)	—	87,402
Financial assets at fair value through the income statement:						
Loans and advances	46,541	—	(47)	(39,998)	(4)	6,492
Debt securities	2,545	—	—	(221)	—	2,324
Reverse repurchase agreements	149,131	—	(3,416)	(145,292)	—	423
Other financial assets	81	—	—	—	—	81
Total financial assets at fair value through the income statement	198,298	—	(3,463)	(185,511)	(4)	9,320
Derivative financial instruments	256,111	(198,633)	(29,944)	(9,983)	(3,791)	13,760
Financial assets at fair value through other comprehensive income	51,421	—	—	(362)	(134)	50,925
Other assets	2,068	—	(1)	—	—	2,067
Assets held for sale	3,855	—	—	—	—	3,855
Total on-balance sheet	1,079,609	(202,509)	(35,539)	(259,730)	(9,269)	572,562
Off-balance sheet:						
Contingent liabilities	26,829	—	(2,225)	(358)	(283)	23,963
Loan commitments	337,935	—	(1,486)	(37,596)	(1,709)	297,144
Total off-balance sheet	364,764	—	(3,711)	(37,954)	(1,992)	321,107
Total	1,444,373	(202,509)	(39,250)	(297,684)	(11,261)	893,669

Expected credit losses

Loans and advances at amortised cost by product

Total loans and advances at amortised cost in the credit risk performance section includes loans and advances at amortised cost to banks and loans and advances at amortised cost to customers.

The table below presents a product breakdown by stages of loans and advances at amortised cost and the impairment allowance. Also included are stage allocation of debt securities by gross exposure, impairment allowance and coverage ratio.

Impairment allowance under IFRS 9 considers both the drawn and the undrawn counterparty exposure. For retail portfolios, the total impairment allowance is allocated to gross loans and advances to the extent allowance does not exceed the drawn exposure and any excess is reported on the liabilities side of the balance sheet as a provision. For corporate portfolios, impairment allowance on undrawn exposure is reported on the liability side of the balance sheet as a provision.

Barclays Bank Group (audited)		Stage 2					
As at 31 December 2024	Stage 1	Not past due	<=30 days past due	>30 days past due	Total	Stage 3	Total[1]
Gross exposure	£m	£m	£m	£m	£m	£m	£m
Retail mortgages	4,537	9	—	141	150	310	4,997
Retail credit cards	17,629	2,449	256	248	2,953	1,724	22,306
Retail other	3,329	177	157	70	404	216	3,949
Corporate loans	107,194	7,944	137	66	8,147	1,654	116,995
Total loans and advances at amortised cost	**132,689**	**10,579**	**550**	**525**	**11,654**	**3,904**	**148,247**
Debt securities at amortised cost	47,077	3,170	—	—	3,170	—	50,247
Total loans and advances at amortised cost including debt securities	**179,766**	**13,749**	**550**	**525**	**14,824**	**3,904**	**198,494**
Impairment allowance							
Retail mortgages	8	1	—	—	1	32	41
Retail credit cards	334	552	105	150	807	1,416	2,557
Retail other	5	1	—	—	1	25	31
Corporate loans	144	240	6	8	254	393	791
Total loans and advances at amortised cost	**491**	**794**	**111**	**158**	**1,063**	**1,866**	**3,420**
Debt securities at amortised cost	9	11	—	—	11	—	20
Total loans and advances at amortised cost including debt securities	**500**	**805**	**111**	**158**	**1,074**	**1,866**	**3,440**
Net exposure							
Retail mortgages	4,529	8	—	141	149	278	4,956
Retail credit cards	17,295	1,897	151	98	2,146	308	19,749
Retail other	3,324	176	157	70	403	191	3,918
Corporate loans	107,050	7,704	131	58	7,893	1,261	116,204
Total loans and advances at amortised cost	**132,198**	**9,785**	**439**	**367**	**10,591**	**2,038**	**144,827**
Debt securities at amortised cost	47,068	3,159	—	—	3,159	—	50,227
Total loans and advances at amortised cost including debt securities	**179,266**	**12,944**	**439**	**367**	**13,750**	**2,038**	**195,054**
Coverage ratio	%	%	%	%	%	%	%
Retail mortgages	0.2	11.1	—	—	0.7	10.3	0.8
Retail credit cards	1.9	22.5	41.0	60.5	27.3	82.1	11.5
Retail other	0.2	0.6	—	—	0.2	11.6	0.8
Corporate loans	0.1	3.0	4.4	12.1	3.1	23.8	0.7
Total loans and advances at amortised cost	**0.4**	**7.5**	**20.2**	**30.1**	**9.1**	**47.8**	**2.3**
Debt securities at amortised cost	—	0.3	—	—	0.3	—	—
Total loans and advances at amortised cost including debt securities	**0.3**	**5.9**	**20.2**	**30.1**	**7.2**	**47.8**	**1.7**

Note
1 Other financial assets subject to impairment excluded in the table above include cash collateral and settlement balances, reverse repurchase agreements and other similar secured lending, financial assets at fair value through other comprehensive income and other assets. These have a total gross exposure of £169.6bn and an impairment allowance of £150m. This comprises £17m impairment allowance on £168.3bn Stage 1 exposure, £7m on £1.1bn Stage 2 exposure and £126m on £130m Stage 3 exposure. Loan commitments and financial guarantee contracts have total impairment allowance of £420m.

Barclays Bank Group (audited)		Stage 2					
As at 31 December 2023	Stage 1	Not past due	<=30 days past due	>30 days past due	Total	Stage 3	Total[1]
Gross exposure	£m	£m	£m	£m	£m	£m	£m
Retail mortgages	7,257	342	14	33	389	716	8,362
Retail credit cards	22,315	2,818	339	293	3,450	1,522	27,287
Retail other	2,734	210	71	88	369	308	3,411
Corporate loans	100,956	8,642	166	159	8,967	1,235	111,158
Total loans and advances at amortised cost	133,262	12,012	590	573	13,175	3,781	150,218
Debt securities at amortised cost	35,321	3,749	—	—	3,749	—	39,070
Total loans and advances at amortised cost including debt securities	168,583	15,761	590	573	16,924	3,781	189,288
Impairment allowance							
Retail mortgages	11	23	3	2	28	321	360
Retail credit cards	412	805	145	188	1,138	1,226	2,776
Retail other	8	2	0	0	2	35	45
Corporate loans	179	295	7	7	309	348	836
Total loans and advances at amortised cost	610	1,125	155	197	1,477	1,930	4,017
Debt securities at amortised cost	7	17	—	—	17	—	24
Total loans and advances at amortised cost including debt securities	617	1,142	155	197	1,494	1,930	4,041
Net exposure							
Retail mortgages	7,246	319	11	31	361	395	8,002
Retail credit cards	21,903	2,013	194	105	2,312	296	24,511
Retail other	2,726	208	71	88	367	273	3,366
Corporate loans	100,777	8,347	159	152	8,658	887	110,322
Total loans and advances at amortised cost	132,652	10,887	435	376	11,698	1,851	146,201
Debt securities at amortised cost	35,314	3,732	—	—	3,732	—	39,046
Total loans and advances at amortised cost including debt securities	167,966	14,619	435	376	15,430	1,851	185,247
Coverage ratio	%	%	%	%	%	%	%
Retail mortgages	0.2	6.7	21.4	6.1	7.2	44.8	4.3
Retail credit cards	1.8	28.6	42.8	64.2	33.0	80.6	10.2
Retail other	0.3	1.0	0.0	0.0	0.5	11.4	1.3
Corporate loans	0.2	3.4	4.2	4.4	3.4	28.2	0.8
Total loans and advances at amortised cost	0.5	9.4	26.3	34.4	11.2	51.0	2.7
Debt securities at amortised cost	—	0.5	—	—	0.5	—	0.1
Total loans and advances at amortised cost including debt securities	0.4	7.2	26.3	34.4	8.8	51.0	2.1

Note

1 Other financial assets subject to impairment excluded in the table above include cash collateral and settlement balances, reverse repurchase agreements and other similar secured lending, financial assets at fair value through other comprehensive income and other assets. These have a total gross exposure of £158.8bn and an impairment allowance of £145m. This comprises £14m impairment allowance on £158.5bn Stage 1 exposure, £1m on £0.2bn Stage 2 exposure and £130m on £136m Stage 3 exposure. Loan commitments and financial guarantee contracts have total impairment allowance of £473m.

Movement in gross exposures and impairment allowance including provisions for loan commitments and financial guarantees (audited)

The following tables present a reconciliation of the opening to the closing balance of the exposure and impairment allowance.

Transfers between stages in the tables have been reflected as if they had taken place at the beginning of the year. 'Net drawdowns, repayments, net-remeasurement and movements due to exposure and risk parameter changes' includes additional drawdowns and partial repayments from existing facilities. Additionally, the below tables do not include other financial assets subject to impairment such as debt securities at amortised cost, reverse repurchase agreements and other similar secured lending, cash collateral and settlement balances, financial assets at fair value through other comprehensive income and other assets.

The movements are measured over a 12-month period.

Loans and advances at amortised cost (audited)	Stage 1		Stage 2		Stage 3		Total	
Barclays Bank Group	Gross £m	ECL £m	Gross £m	ECL £m	Gross £m	ECL £m	Gross £m	ECL £m
Retail mortgages								
As at 1 January 2024	7,257	11	389	28	716	321	8,362	360
Transfers from Stage 1 to Stage 2	(231)	—	231	—	—	—	—	—
Transfers from Stage 2 to Stage 1	91	3	(91)	(3)	—	—	—	—
Transfers to Stage 3	(82)	—	(30)	(3)	112	3	—	—
Transfers from Stage 3	19	1	11	—	(30)	(1)	—	—
Business activity in the year	632	1	—	—	2	—	634	1
Refinements to models used for calculation	—	—	—	—	—	—	—	—
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	197	(2)	(2)	9	69	40	264	47
Final repayments	(893)	(1)	(45)	(1)	(86)	(3)	(1,024)	(5)
Disposals[1]	(2,453)	(5)	(313)	(29)	(461)	(316)	(3,227)	(350)
Write-offs	—	—	—	—	(12)	(12)	(12)	(12)
As at 31 December 2024	4,537	8	150	1	310	32	4,997	41
Retail credit cards								
As at 1 January 2024	22,315	412	3,450	1,138	1,522	1,226	27,287	2,776
Transfers from Stage 1 to Stage 2	(1,503)	(51)	1,503	51	—	—	—	—
Transfers from Stage 2 to Stage 1	1,170	321	(1,170)	(321)	—	—	—	—
Transfers to Stage 3	(616)	(24)	(876)	(390)	1,492	414	—	—
Transfers from Stage 3	10	9	8	5	(18)	(14)	—	—
Business activity in the year	1,508	33	206	59	20	18	1,734	110
Refinements to models used for calculation[2]	—	5	—	2	—	4	—	11
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	1,039	(280)	728	506	(45)	973	1,722	1,199
Final repayments	(108)	(7)	(32)	(13)	(1)	—	(141)	(20)
Transfers to assets held for sale[3]	(5,495)	(64)	(689)	(161)	(57)	(46)	(6,241)	(271)
Disposals[1]	(691)	(20)	(175)	(69)	(249)	(219)	(1,115)	(308)
Write-offs	—	—	—	—	(940)	(940)	(940)	(940)
As at 31 December 2024	17,629	334	2,953	807	1,724	1,416	22,306	2,557
Retail other								
As at 1 January 2024	2,734	8	369	2	308	35	3,411	45
Transfers from Stage 1 to Stage 2	(221)	—	221	—	—	—	—	—
Transfers from Stage 2 to Stage 1	86	—	(86)	—	—	—	—	—
Transfers to Stage 3	(148)	—	(53)	—	201	—	—	—
Transfers from Stage 3	82	—	47	—	(129)	—	—	—
Business activity in the year	1,159	1	—	—	—	—	1,159	1
Refinements to models used for calculation	—	—	—	—	—	—	—	—
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	1,640	—	36	—	74	13	1,750	13
Final repayments	(2,003)	(4)	(130)	(1)	(224)	(9)	(2,357)	(14)
Disposals	—	—	—	—	—	—	—	—
Write-offs	—	—	—	—	(14)	(14)	(14)	(14)
As at 31 December 2024	3,329	5	404	1	216	25	3,949	31

Notes
1 The £3.2bn of gross disposals reported within Retail mortgages relate to sale of the Italian mortgage portfolio. The £1.1bn of gross disposals reported within Retail credit cards include £0.9bn sale of outstanding US Cards receivables to Blackstone and £0.2bn of other debt sale undertaken during the year.
2 Refinements to models used for calculation reported within Retail credit cards include a £11m movement in the calculated ECL for the US Cards portfolio. These reflect model enhancements made during the year. Barclays Bank Group continually reviews the output of models to determine accuracy of the ECL calculation including review of model monitoring, external benchmarking and experience of model operation over an extended period of time. This helps to ensure that the models used continue to reflect the risks inherent across the businesses.
3 Transfers to assets held for sale reported within Retail credit cards relate to a co-branded card portfolio within USCB.

Loans and advances at amortised cost (audited)	Stage 1		Stage 2		Stage 3		Total	
Barclays Bank Group	Gross £m	ECL £m	Gross £m	ECL £m	Gross £m	ECL £m	Gross £m	ECL £m
Corporate loans								
As at 1 January 2024	100,956	179	8,967	309	1,235	348	111,158	836
Transfers from Stage 1 to Stage 2	(2,586)	(15)	2,586	15	—	—	—	—
Transfers from Stage 2 to Stage 1	2,098	42	(2,098)	(42)	—	—	—	—
Transfers to Stage 3	(404)	(2)	(392)	(21)	796	23	—	—
Transfers from Stage 3	143	1	23	5	(166)	(6)	—	—
Business activity in the year	28,497	39	811	34	183	19	29,491	92
Refinements to models used for calculation[1]	—	18	—	51	—	—	—	69
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	3,957	(76)	198	—	6	270	4,161	194
Final repayments	(25,406)	(40)	(1,937)	(92)	(142)	(3)	(27,485)	(135)
Transfers to assets held for sale[2]	(49)	(1)	(9)	(3)	(1)	(1)	(59)	(5)
Disposals[3]	(12)	(1)	(2)	(2)	(2)	(2)	(16)	(5)
Write-offs	—	—	—	—	(255)	(255)	(255)	(255)
As at 31 December 2024	107,194	144	8,147	254	1,654	393	116,995	791

Reconciliation of ECL movement to credit impairment charge/(release) for the period	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m
Retail mortgages	2	2	39	43
Retail credit cards	6	(101)	1,395	1,300
Retail other	(3)	(1)	4	—
Corporate loans	(33)	(50)	303	220
ECL movement excluding assets held for sale, disposals and write-offs[4]	(28)	(150)	1,741	1,563
ECL movement on loan commitments and financial guarantees	(12)	(23)	(18)	(53)
ECL movement on other financial assets	3	6	(4)	5
ECL movement on debt securities at amortised cost	2	(6)	—	(4)
Recoveries and reimbursements[5]	(20)	23	(42)	(39)
ECL charge on assets held for sale[6]				74
Total exchange and other adjustments				71
Total credit impairment charge for the year				1,617

Notes
1 Refinements to models used for calculation reported within Corporate loans include a £69m movement in the calculated ECL for the IB portfolio. These reflect model enhancements made during the period. Barclays Bank Group continually reviews the output of models to determine accuracy of the ECL calculation including review of model monitoring,external benchmarking and experience of model operation over an extended period of time. This helps to ensure that the models used continue to reflect the risks inherent across the businesses.
2 Transfers to assets held for sale reported within Corporate loans relate to a co-branded card portfolio within USCB.
3 The £16m of gross disposals reported within Corporate loans relate to debt sales undertaken during the year.
4 In 2024, gross write-offs amounted to £1,221m and post write-off recoveries amounted to £28m. Net write-offs represent gross write-offs less post write-off recoveries and amounted to £1,193m.
5 Recoveries and reimbursements include £11m of reimbursements expected to be received under the arrangement where Barclays Bank Group has entered into financial guarantee contracts which provide credit protection over certain assets with third parties and cash recoveries of previously written off amounts of £28m.
6 ECL charge on assets held for sale relate to the German consumer finance business.

Loan commitments and financial guarantees (audited)[1]	Stage 1		Stage 2		Stage 3		Total	
Barclays Bank Group	Gross £m	ECL £m	Gross £m	ECL £m	Gross £m	ECL £m	Gross £m	ECL £m
Retail mortgages								
As at 1 January 2024	41	—	—	—	1	—	42	—
Net transfers between stages	—	—	—	—	—	—	—	—
Business activity in the year	—	—	—	—	—	—	—	—
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	(16)	—	—	—	—	—	(16)	—
Limit management and final repayments	(7)	—	—	—	—	—	(7)	—
As at 31 December 2024	18	—	—	—	1	—	19	—
Retail credit cards								
As at 1 January 2024	109,634	48	1,767	36	10	1	111,411	85
Net transfers between stages	(1,682)	20	1,675	(20)	7	—	—	—
Business activity in the year	15,489	11	160	3	1	—	15,650	14
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	2,467	(34)	(1,576)	11	(8)	—	883	(23)
Limit management and final repayments	(13,263)	(11)	(378)	(15)	—	—	(13,641)	(26)
As at 31 December 2024	112,645	34	1,648	15	10	1	114,303	50
Retail other								
As at 1 January 2024	3,446	5	116	2	29	—	3,591	7
Net transfers between stages	(35)	—	23	—	12	—	—	—
Business activity in the year	741	2	1	—	—	—	742	2
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	621	(2)	(26)	(2)	(7)	—	588	(4)
Limit management and final repayments	(803)	—	(11)	—	(23)	—	(837)	—
As at 31 December 2024	3,970	5	103	—	11	—	4,084	5
Corporate loans								
As at 1 January 2024	212,414	114	20,035	225	802	42	233,251	381
Net transfers between stages	1,240	29	(1,519)	(32)	279	3	—	—
Business activity in the year	50,350	33	1,650	30	192	—	52,192	63
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	10,133	(34)	(1,391)	65	(31)	(13)	8,711	18
Limit management and final repayments	(44,572)	(26)	(3,696)	(63)	(288)	(8)	(48,556)	(97)
As at 31 December 2024	229,565	116	15,079	225	954	24	245,598	365

Notes
1 Loan commitments reported also include financial assets classified as held for sale.

Loans and advances at amortised cost (audited)	Stage 1		Stage 2		Stage 3		Total	
Barclays Bank Group	Gross £m	ECL £m	Gross £m	ECL £m	Gross £m	ECL £m	Gross £m	ECL £m
Retail mortgages								
As at 1 January 2023	10,458	12	362	25	978	356	11,798	393
Transfers from Stage 1 to Stage 2	(274)	—	274	—	—	—	—	—
Transfers from Stage 2 to Stage 1	93	6	(93)	(6)	—	—	—	—
Transfers to Stage 3	(84)	—	(57)	(5)	141	5	—	—
Transfers from Stage 3	9	—	28	1	(37)	(1)	—	—
Business activity in the year	339	1	—	—	—	—	339	1
Refinements to models used for calculation	—	—	—	—	—	—	—	—
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	(2,518)	(8)	(101)	14	(262)	(21)	(2,881)	(15)
Final repayments	(766)	—	(24)	(1)	(88)	(2)	(878)	(3)
Disposals	—	—	—	—	—	—	—	—
Write-offs	—	—	—	—	(16)	(16)	(16)	(16)
As at 31 December 2023	7,257	11	389	28	716	321	8,362	360
Retail credit cards								
As at 1 January 2023	22,669	331	3,880	1,127	1,129	818	27,678	2,276
Transfers from Stage 1 to Stage 2	(1,515)	(42)	1,515	42	—	—	—	—
Transfers from Stage 2 to Stage 1	1,556	374	(1,556)	(374)	—	—	—	—
Transfers to Stage 3	(557)	(23)	(630)	(292)	1,187	315	—	—
Transfers from Stage 3	9	5	6	4	(15)	(9)	—	—
Business activity in the year	1,928	45	231	80	24	20	2,183	145
Refinements to models used for calculation[1]	—	(27)	—	(15)	—	(26)	—	(68)
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	(38)	(228)	479	620	(24)	850	417	1,242
Final repayments	(116)	(8)	(30)	(13)	(2)	(1)	(148)	(22)
Transfers to assets held for Sale[2]	(1,621)	(15)	(445)	(41)	(92)	(68)	(2,158)	(124)
Disposals[3]	—	—	—	—	(27)	(15)	(27)	(15)
Write-offs	—	—	—	—	(658)	(658)	(658)	(658)
As at 31 December 2023	22,315	412	3,450	1,138	1,522	1,226	27,287	2,776
Retail other								
As at 1 January 2023	6,915	38	524	29	523	171	7,962	238
Transfers from Stage 1 to Stage 2	(693)	(3)	693	3	—	—	—	—
Transfers from Stage 2 to Stage 1	165	5	(165)	(5)	—	—	—	—
Transfers to Stage 3	(467)	(1)	(53)	(8)	520	9	—	—
Transfers from Stage 3	22	1	4	—	(26)	(1)	—	—
Business activity in the year	4,914	7	24	3	6	4	4,944	14
Refinements to models used for calculation	—	—	—	—	—	—	—	—
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	(2,046)	(11)	(70)	13	(136)	1	(2,252)	3
Final repayments	(4,515)	(8)	(300)	(1)	(372)	(11)	(5,187)	(20)
Transfers to assets held for Sale[2]	(1,561)	(20)	(288)	(32)	(84)	(60)	(1,933)	(112)
Disposals[3]	—	—	—	—	(85)	(40)	(85)	(40)
Write-offs	—	—	—	—	(38)	(38)	(38)	(38)
As at 31 December 2023	2,734	8	369	2	308	35	3,411	45

Notes
1. Refinements to models used for calculation reported within Retail credit cards include a £43m movement in the calculated ECL for the US Cards portfolio and £(111)m movement in the German consumer finance business. These reflect model enhancements made during the year. Barclays Bank Group continually reviews the output of models to determine accuracy of the ECL calculation including review of model monitoring, external benchmarking and experience of model operation over an extended period of time. This ensures that the models used continue to reflect the risks inherent across the businesses.
2. Transfers to assets held for sale reported within Retail credit cards and Retail other relate to the German Consumer Finance business.
3. The £27m of gross disposals reported within Retail credit cards relate to debt sales undertaken during the year. The £85m of gross disposals reported within Retail other include £64m part sale of Wealth portfolio in Italy and £21m relate to debt sales undertaken during the year.

Loans and advances at amortised cost (audited)	Stage 1		Stage 2		Stage 3		Total	
Barclays Bank Group	Gross £m	ECL £m	Gross £m	ECL £m	Gross £m	ECL £m	Gross £m	ECL £m
Corporate loans								
As at 1 January 2023	100,121	304	10,484	275	940	293	111,545	872
Transfers from Stage 1 to Stage 2	(4,546)	(29)	4,546	29	—	—	—	—
Transfers from Stage 2 to Stage 1	3,488	53	(3,488)	(53)	—	—	—	—
Transfers to Stage 3	(329)	(7)	(374)	(16)	703	23	—	—
Transfers from Stage 3	69	1	196	3	(265)	(4)	—	—
Business activity in the year	23,136	36	846	27	39	14	24,021	77
Refinements to models used for calculation[1]	—	(61)	—	174	—	—	—	113
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	2,704	(79)	(753)	(65)	351	316	2,302	172
Final repayments	(23,301)	(36)	(2,376)	(39)	(282)	(52)	(25,959)	(127)
Disposals[2]	(386)	(3)	(114)	(26)	(108)	(99)	(608)	(128)
Write-offs	—	—	—	—	(143)	(143)	(143)	(143)
As at 31 December 2023	100,956	179	8,967	309	1,235	348	111,158	836

Reconciliation of ECL movement to credit impairment (release)/charge for the period	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m
Retail mortgages	(1)	3	(19)	(17)
Retail credit cards	96	52	1,149	1,297
Retail other	(10)	5	2	(3)
Corporate loans	(122)	60	297	235
ECL movement excluding assets held for sale, disposals and write-offs[3]	*(37)*	*120*	*1,429*	*1,512*
ECL movement on loan commitments and financial guarantees	(67)	(12)	20	(59)
ECL movement on other financial assets	7	(7)	(7)	(7)
ECL movement on debt securities at amortised cost	(1)	(16)	—	(17)
Recoveries and reimbursements[4]	6	(1)	(46)	(41)
Total exchange and other adjustments				190
Total credit impairment charge for the year				1,578

Notes
1 Refinements to models used for calculation reported within Corporate loans include a £93m movement in the calculated ECL for the UKCB and IB portfolios and £20m movement in Barclaycard Payments portfolio. These reflect model enhancements made during the period. Barclays Bank Group continually reviews the output of models to determine accuracy of the ECL calculation including review of model monitoring,external benchmarking and experience of model operation over an extended period of time. This helps to ensure that the models used continue to reflect the risks inherent across the businesses.
2 The £608m of gross disposals reported within Corporate loans relate to debt sales undertaken during the year.
3 In 2023, gross write-offs amounted to £855m and post write-off recoveries amounted to £17m. Net write-offs represent gross write-offs less post write-off recoveries and amounted to £838m.
4 Recoveries and reimbursements include £24m of reimbursements expected to be received under the arrangement where Barclays Bank Group has entered into financial guarantee contracts which provide credit protection over certain assets with third parties and cash recoveries of previously written off amounts of £17m.

Loan commitments and financial guarantees (audited)[1]	Stage 1		Stage 2		Stage 3		Total	
Barclays Bank Group	Gross £m	ECL £m	Gross £m	ECL £m	Gross £m	ECL £m	Gross £m	ECL £m
Retail mortgages								
As at 1 January 2023	61	—	1	—	5	—	67	—
Net transfers between stages	—	—	—	—	—	—	—	—
Business activity in the year	24	—	—	—	—	—	24	—
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	3	—	—	—	(4)	—	(1)	—
Limit management and final repayments	(47)	—	(1)	—	—	—	(48)	—
As at 31 December 2023	41	—	—	—	1	—	42	—
Retail credit cards								
As at 1 January 2023	109,291	41	1,973	45	7	1	111,271	87
Net transfers between stages	(1,432)	31	1,423	(31)	9	—	—	—
Business activity in the year	17,403	12	183	10	1	—	17,587	22
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	(4,260)	(29)	(1,365)	37	(7)	—	(5,632)	8
Limit management and final repayments	(11,368)	(7)	(447)	(25)	—	—	(11,815)	(32)
As at 31 December 2023	109,634	48	1,767	36	10	1	111,411	85
Retail other								
As at 1 January 2023	4,497	—	79	—	64	—	4,640	—
Net transfers between stages	(125)	—	98	—	27	—	—	—
Business activity in the year	1,260	—	1	—	—	—	1,261	—
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	(828)	5	(29)	2	(50)	—	(907)	7
Limit management and final repayments	(1,358)	—	(33)	—	(12)	—	(1,403)	—
As at 31 December 2023	3,446	5	116	2	29	—	3,591	7
Corporate loans								
As at 1 January 2023	205,220	193	23,873	230	812	22	229,905	445
Net transfers between stages	2,371	22	(2,366)	(22)	(5)	—	—	—
Business activity in the year	54,918	27	2,270	43	39	2	57,227	72
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	3,567	(102)	67	20	227	23	3,861	(59)
Limit management and final repayments	(53,662)	(26)	(3,809)	(46)	(271)	(5)	(57,742)	(77)
As at 31 December 2023	212,414	114	20,035	225	802	42	233,251	381

Note

1 Loan commitments reported also include financial assets classified as held for sale.

Stage 2 decomposition

Stage 2 exposures are predominantly identified using quantitative tests where the lifetime probability of default (PD) has deteriorated more than a pre-determined amount since origination during the year. This is augmented by inclusion of accounts meeting the designated high risk criteria (including watchlist) for the portfolio under the qualitative test.

A small number of other accounts (0.5% of impairment allowance and 1.9% of gross exposure) are included in Stage 2. These accounts are not otherwise identified by the quantitative or qualitative tests but are more than 30 days past due. The percentage triggered by these backstop criteria is a measure of the effectiveness of the Stage 2 criteria in identifying deterioration prior to delinquency. These balances include items in the UK Corporate Bank and Investment Bank for reasons such as outstanding interest and fees rather than principal balances.

Loans and advances at amortised cost[1]								
	Gross Exposure				Impairment Allowance			
Barclays Bank Group	Quantitative test	Qualitative test	30 days past due backstop	Total Stage 2	Quantitative test	Qualitative test	30 days past due backstop	Total Stage 2
As at 31 December 2024[2]	£m	£m	£m	£m	£m	£m	£m	£m
Retail mortgages	3	22	125	150	1	—	—	1
Retail credit cards	2,200	744	9	2,953	620	183	4	807
Retail other	14	321	69	404	—	1	—	1
Corporate loans	6,194	1,931	22	8,147	185	68	1	254
Total Stage 2	8,411	3,018	225	11,654	806	252	5	1,063

Loans and advances at amortised cost[1]								
	Gross Exposure				Impairment Allowance			
Barclays Bank Group	Quantitative test	Qualitative test	30 days past due backstop	Total Stage 2	Quantitative test	Qualitative test	30 days past due backstop	Total Stage 2
As at 31 December 2023	£m	£m	£m	£m	£m	£m	£m	£m
Retail mortgages	303	53	33	389	24	2	2	28
Retail credit cards	2,399	1,020	31	3,450	750	367	21	1,138
Retail other	8	308	53	369	1	1	—	2
Corporate loans	6,765	2,051	151	8,967	240	65	4	309
Total Stage 2	9,475	3,432	268	13,175	1,015	435	27	1,477

Notes
1 Where balances satisfy more than one of the above three criteria for determining a significant increase in credit risk, the corresponding gross exposure and impairment allowance have been assigned in order of categories presented.
2 Exposures exclude the portfolios which have been classified as assets held for sale.

Stage 3 decomposition

Stage 3 is comprised of exposures that are considered to be credit impaired. An asset is considered credit impaired when one or more events occur that have a detrimental impact on the estimated future cash flows of the financial asset. This comprises assets defined as defaulted and other individually assessed exposures where imminent default or actual loss is identified.

Loans and advances at amortised cost

	Gross Exposure			Impairment Allowance		
Barclays Bank Group	Exposures not charged-off	Exposures individually assessed or in recovery book	Total Stage 3	Exposures not charged-off	Exposures individually assessed or in recovery book	Total Stage 3
As at 31 December 2024[1]	£m	£m	£m	£m	£m	£m
Retail mortgages	118	192	310	10	22	32
Retail credit cards	707	1,017	1,724	428	988	1,416
Retail other	88	128	216	4	21	25
Corporate loans	119	1,535	1,654	23	370	393
Total Stage 3	1,032	2,872	3,904	465	1,401	1,866

Loans and advances at amortised cost

	Gross Exposure			Impairment Allowance		
Barclays Bank Group	Exposures not charged-off	Exposures individually assessed or in recovery book	Total Stage 3	Exposures not charged-off	Exposures individually assessed or in recovery book	Total Stage 3
As at 31 December 2023	£m	£m	£m	£m	£m	£m
Retail mortgages	221	495	716	28	293	321
Retail credit cards	617	905	1,522	413	813	1,226
Retail other	125	183	308	2	33	35
Corporate loans	150	1,085	1,235	25	323	348
Total Stage 3	1,113	2,668	3,781	468	1,462	1,930

Note
1 Exposures exclude the portfolios which have been classified as assets held for sale.

Management adjustments to models for impairment (audited)

Management adjustments to impairment models are applied in order to factor in certain conditions or changes in policy that are not fully incorporated into the impairment models, or to reflect additional facts and circumstances at the period end. Management adjustments are reviewed and incorporated into future model development where applicable.

Management adjustments are captured through "Economic uncertainty" and "Other" adjustments, and are presented by product below:

Management adjustments to models for impairment allowance presented by product (audited)[1]

Barclays Bank Group	Impairment allowance pre management adjustments[2]	Economic uncertainty adjustments (a)	Other adjustments[3] (b)	Management adjustments (a+b)	Total impairment allowance[4]	Proportion of management adjustments to total impairment allowance
As at 31 December 2024	£m	£m	£m	£m	£m	%
Retail mortgages	38	—	3	3	41	7.3
Retail credit cards	2,630	—	(23)	(23)	2,607	(0.9)
Retail other	32	—	4	4	36	11.1
Corporate loans	1,162	—	(6)	(6)	1,156	(0.5)
Total	3,862	—	(22)	(22)	3,840	(0.6)
Debt securities at amortised cost	27	—	(7)	(7)	20	(35.0)
Total including debt securities at amortised cost	3,889	—	(29)	(29)	3,860	(0.8)

As at 31 December 2023	£m	£m	£m	£m	£m	%
Retail mortgages	363	—	(3)	(3)	360	(0.8)
Retail credit cards	2,852	—	9	9	2,861	0.3
Retail other	62	—	(10)	(10)	52	(19.2)
Corporate loans	1,231	16	(30)	(14)	1,217	(1.2)
Total	4,508	16	(34)	(18)	4,490	(0.4)
Debt securities at amortised cost	24	—	—	—	24	—
Total including debt securities at amortised cost	4,532	16	(34)	(18)	4,514	(0.4)

Economic uncertainty adjustments presented by stage (audited)				
	Stage 1	Stage 2	Stage 3	Total
As at 31 December 2023	£m	£m	£m	£m
Retail mortgages	—	—	—	—
Retail credit cards	—	—	—	—
Retail other	—	—	—	—
Corporate loans	4	12	—	16
Total	4	12	—	16

Notes
1 Positive values reflect an increase in impairment allowance and negative values reflect a reduction in the impairment allowance.
2 Includes £3.7bn (2023: £4.0bn) of modelled ECL, £0.3bn (2023: £0.3bn) of individually assessed impairments, £0.1bn (2023: £0.2bn) of ECL from non-modelled exposures and debt securities and excludes £(0.3)bn (2023: £nil) of ECL from assets held for sale (co-branded card portfolio).
3 Management adjustments related to other financial assets subject to impairment not included in the table above include financial assets at fair value through other comprehensive income £(2)m, reverse repurchase agreements £(2)m and cash collateral and settlement balances £(1)m within the IB portfolio.
4 Total impairment allowance consists of ECL stock on drawn and undrawn exposures.

Economic uncertainty adjustments

Economic uncertainty adjustments continue to be captured in two ways. Firstly, customer uncertainty: the identification of customers and clients who may be more vulnerable to economic instability; and secondly, model uncertainty: to capture the impact from model limitations and sensitivities to specific macroeconomic parameters which are applied at a portfolio level.

The previously held customer and client uncertainty provision to provide for expected downside uncertainties on European Corporates has been retired following a resilient credit performance and updated macroeconomic outlook.

Other adjustments

Other adjustments are operational in nature and are expected to remain in place until they can be reflected in the underlying models. These adjustments result from data limitations and model performance related issues identified through model monitoring and other established governance processes.

Other adjustments of £(29)m (2023: £(34)m includes:

- **Retail credit cards, £(23)m (2023: £9m):**The movement is driven by an adjustment introduced in the US to enhance the qualitative measures used to identify high-risk account management (HRAM) accounts.

- **Corporate loans, £(6)m (2023: £(30)m):** The partial reduction reflects a release of underlying adjustments in the IB and PBWM portfolio following model remediation.

- **Debt securities, £(7)m:** This reflects an adjustment applied to Exposure at Default (EAD) within the IB portfolio to remediate an overly conservative modelled amortisation expectation.

Climate Risk ECL assessment

Barclays Bank Group performed a credit risk assessment of physical and transition risk due to climate change. This was delivered through a combination of a scenario approach and targeted reviews on specific portfolios identified as more susceptible to climate risk.

Scenario Approach: The IFRS 9 Downside 2 scenario has been updated and aligned to the 2024 Internal Stress Test scenario which is climate aware, ensuring that climate is being considered within the modelled ECL output via existing macroeconomic variables.

Specific Approach: The approach reviewed portfolios previously identified from both internal and external stress tests as more susceptible to climate risks. In particular, new climate modelling techniques were utilised to inform customer level PD spreads of physical and transition risk due to climate change for certain elevated risk sectors (predominantly Oil & Gas, Aviation, Automotive and Power sectors) within the Wholesale portfolio. The output of this review did not provide variances in ECL deemed sufficiently certain to warrant raising an additional climate-related charge in 2024.

Barclays acknowledges that impairment could increase over time as risks become more tangible and impact consumers and clients through physical risks or via impacts from the transition to a low carbon economy. Therefore, Barclays continues to review credit risk outputs to determine if any additional physical or transition climate risks are identified that are not sufficiently captured via model output.

Measurement uncertainty and sensitivity analysis

The measurement of modelled ECL involves complexity and judgement, including estimation of probabilities of default (PD), loss given default (LGD), a range of unbiased future economic scenarios, estimation of expected lives, estimation of exposures at default (EAD) and assessing significant increases in credit risk. The Barclays Bank Group uses a five-scenario model to calculate ECL. An external consensus forecast is assembled from key sources, including HM Treasury (short and medium term forecasts), and Bloomberg (based on median of economic forecasts) which forms the Baseline scenario. In addition, two adverse scenarios (Downside 1 and Downside 2) and two favourable scenarios (Upside 1 and Upside 2) are derived, with associated probability weightings. The adverse scenarios are calibrated to a broadly similar severity to the Barclays Bank Group's internal stress tests and stress scenarios provided by regulators whilst also considering IFRS 9 specific sensitivities and non-linearity. The favourable scenarios are designed to reflect plausible upside risks to the Baseline scenario which are broadly consistent with the economic narrative approved by the Senior Scenario Review Committee. All scenarios are regenerated at a minimum semi-annually. The scenarios include key economic variables (including GDP, unemployment, House Price Index (HPI) and base rates in both the UK and US markets), and expanded variables using statistical models based on historical correlations. The upside and downside shocks are designed to evolve over a five-year stress horizon, with all five scenarios converging to a steady state after approximately seven years. The same scenarios used in the estimation of expected credit losses are also used to inform the Barclays Bank Group's internal planning.

Scenarios used to calculate the Barclays Bank Group’s ECL charge were refreshed in Q424 with the Baseline scenario reflecting the latest consensus macroeconomic forecasts available at the time of the scenario refresh. In the Baseline scenario, following an encouraging first half of 2024, UK economic growth slowed in H224. However, it is further stimulated as restrictive monetary policy continues to loosen. UK and US GDP growth in 2025 is expected to be 1.4% and 2.0% respectively. Labour markets in major economies remain broadly resilient with unemployment rates relatively close to historic lows and are only expected to increase moderately.The UK unemployment rate peaks at 4.5% in 2026 before returning to 4.4% for the reminder of the 5-year projection period. US unemployment peaks at 4.3%, falling to 4.2% from 2026. The Bank of England cuts rates three times by 25bp in 2025. Similarly, the Fed finishes 2025 with rates at 4.0%. As lower rates feed into new mortgages, UK house prices stabilise and resume the upward trend from 2025. US house prices continue to grow at a decent pace.

The Downside 2 scenario has been broadly aligned to the Barclays Bank Group’s 2024 internal stress test which includes climate drivers. Under this scenario, long-standing structural issues, restrictive monetary policy and persistent household affordability loss leads to a sharp demand-driven economic contraction that precipitates into a severe global recession and disinflation process. The economic slowdown leads to rising unemployment rates as lay-offs intensify. UK and US unemployment peak at 8.4% and 7.5% respectively, during 2026. The combination of high interest rates and subdued growth leads to inflation declines which in turn causes central banks to reduce rates. In the Upside 2 scenario, a rise in labour force participation and higher productivity contribute to accelerated economic growth, without creating new inflationary pressures. Central banks lower interest rates stimulating private consumption and investment growth. Demand for labour increases. and unemployment rates stabilise and start falling again. As geopolitical tensions ease, low inflation supports consumer purchasing power and contributes further to a healthy GDP growth. The strong economic outlook and lower interest rates provide a boost to house prices growth and support bullish financial markets.

The methodology for estimating scenario probability weights involves simulating a range of future paths for UK and US GDP using historical data with the five scenarios mapped against the distribution of these future paths. The median is centred around the Baseline with scenarios further from the Baseline attracting a lower weighting before the five weights are normalised to total 100%. The increases in the Upside scenario weightings were driven by the improvement in GDP in the Baseline scenario, bringing the Baseline scenario closer to the Upside scenarios. For further details see page 95.

The tables below show the key macroeconomic variables used in the five scenarios (five year annual paths), the probability weights applied to each scenario and the macroeconomic variables by scenario using ‘specific bases’ i.e. the most extreme position of each variable in the context of the scenario, for example, the highest unemployment for downside scenarios and the lowest unemployment for upside scenarios. Five year average tables and movement over time graphs provide additional transparency. Annual paths show quarterly averages for the year (unemployment and base rate) or change in the year (GDP and HPI).

Baseline As at 31 December 2024	2024 %	2025 %	2026 %	2027 %	2028 %
UK GDP[1]	1.0	1.4	1.5	1.6	1.5
UK unemployment[2]	4.3	4.4	4.5	4.4	4.4
UK HPI[3]	2.8	3.3	1.6	4.5	3.0
UK bank rate	5.1	4.3	4.0	4.0	3.8
US GDP[1]	2.7	2.0	2.0	2.0	2.0
US unemployment[4]	4.1	4.3	4.2	4.2	4.2
US HPI[5]	6.5	2.6	2.7	3.0	3.0
US federal funds rate	5.1	4.1	4.0	3.8	3.8
Downside 2					
UK GDP[1]	1.0	(2.3)	(1.3)	2.6	2.3
UK unemployment[2]	4.3	6.2	8.1	6.6	5.5
UK HPI[3]	2.8	(24.8)	(5.2)	10.0	14.6
UK bank rate	5.1	3.5	1.7	0.6	1.1
US GDP[1]	2.7	(1.3)	(1.3)	3.3	2.9
US unemployment[4]	4.1	5.8	7.2	6.2	5.5
US HPI[5]	6.5	(8.0)	(0.7)	5.2	4.0
US federal funds rate	5.1	2.5	0.6	0.8	1.5
Downside 1					
UK GDP[1]	1.0	(0.5)	0.1	2.1	1.9
UK unemployment[2]	4.3	5.3	6.3	5.5	5.0
UK HPI[3]	2.8	(11.6)	(1.8)	7.2	8.7
UK bank rate	5.1	3.9	2.9	2.3	2.4
US GDP[1]	2.7	0.3	0.4	2.7	2.4
US unemployment[4]	4.1	5.1	5.7	5.2	4.9
US HPI[5]	6.5	(2.7)	1.0	4.1	3.5
US federal funds rate	5.1	3.4	2.3	2.3	2.7
Upside 2					
UK GDP[1]	1.0	3.0	3.7	2.9	2.4
UK unemployment[2]	4.3	3.8	3.4	3.5	3.5
UK HPI[3]	2.8	11.9	8.4	5.1	4.1
UK bank rate	5.1	3.9	2.9	2.8	2.8
US GDP[1]	2.7	2.8	3.1	2.8	2.8
US unemployment[4]	4.1	3.8	3.5	3.5	3.5
US HPI[5]	6.5	6.2	4.7	4.8	4.9
US federal funds rate	5.1	3.7	3.3	3.1	2.8
Upside 1					
UK GDP[1]	1.0	2.2	2.6	2.2	2.0
UK unemployment[2]	4.3	4.1	4.0	4.0	4.0
UK HPI[3]	2.8	7.6	4.9	4.8	3.5
UK bank rate	5.1	4.1	3.5	3.4	3.3
US GDP[1]	2.7	2.4	2.6	2.4	2.4
US unemployment[4]	4.1	4.0	3.9	3.9	3.9
US HPI[5]	6.5	4.4	3.7	3.9	3.9
US federal funds rate	5.1	4.0	3.8	3.6	3.3

Baseline As at 31 December 2023	2023 %	2024 %	2025 %	2026 %	2027 %
UK GDP[1]	0.5	0.3	1.2	1.6	1.6
UK unemployment[2]	4.2	4.7	4.7	4.8	5.0
UK HPI[3]	(3.3)	(5.1)	0.7	3.1	5.3
UK bank rate	4.7	4.9	4.1	3.8	3.5
US GDP[1]	2.4	1.3	1.7	1.9	1.9
US unemployment[4]	3.7	4.3	4.3	4.3	4.3
US HPI[5]	5.4	3.4	3.0	3.3	3.3
US federal funds rate	5.1	5.0	3.9	3.8	3.8
Downside 2	%	%	%	%	%
UK GDP[1]	0.5	(1.5)	(2.6)	2.4	1.6
UK unemployment[2]	4.2	5.2	7.9	6.3	5.5
UK HPI[3]	(3.3)	(19.3)	(16.8)	14.5	12.4
UK bank rate	4.7	6.6	1.3	1.0	1.0
US GDP[1]	2.4	(0.6)	(2.0)	3.1	2.0
US unemployment[4]	3.7	5.2	7.2	5.9	5.2
US HPI[5]	5.4	(6.5)	(5.7)	7.2	6.4
US federal funds rate	5.1	6.3	1.8	1.5	1.5
Downside 1	%	%	%	%	%
UK GDP[1]	0.5	(0.6)	(0.7)	2.0	1.6
UK unemployment[2]	4.2	4.9	6.3	5.6	5.2
UK HPI[3]	(3.3)	(12.4)	(8.3)	8.7	8.8
UK bank rate	4.7	5.8	2.7	2.5	2.3
US GDP[1]	2.4	0.3	(0.2)	2.5	1.9
US unemployment[4]	3.7	4.7	5.8	5.1	4.8
US HPI[5]	5.4	(1.7)	(1.4)	5.2	4.8
US federal funds rate	5.1	5.7	2.9	2.8	2.8
Upside 2	%	%	%	%	%
UK GDP[1]	0.5	2.4	3.7	2.9	2.4
UK unemployment[2]	4.2	3.9	3.5	3.6	3.6
UK HPI[3]	(3.3)	7.8	7.6	4.5	5.6
UK bank rate	4.7	4.3	2.7	2.5	2.5
US GDP[1]	2.4	2.8	3.1	2.8	2.8
US unemployment[4]	3.7	3.5	3.6	3.6	3.6
US HPI[5]	5.4	6.1	4.3	4.5	4.6
US federal funds rate	5.1	4.3	2.9	2.8	2.8
Upside 1	%	%	%	%	%
UK GDP[1]	0.5	1.4	2.5	2.3	2.0
UK unemployment[2]	4.2	4.3	4.1	4.2	4.3
UK HPI[3]	(3.3)	1.2	4.1	3.8	5.4
UK bank rate	4.7	4.6	3.4	3.3	3.0
US GDP[1]	2.4	2.0	2.4	2.4	2.4
US unemployment[4]	3.7	3.9	3.9	4.0	4.0
US HPI[5]	5.4	4.7	3.7	3.9	3.9
US federal funds rate	5.1	4.7	3.5	3.3	3.3

Notes
1 Average Real GDP seasonally adjusted change in year.
2 Average UK unemployment rate 16-year+.
3 Change in year end UK HPI = Halifax All Houses, All Buyers index, relative to prior year end.
4 Average US civilian unemployment rate 16-year+.
5 Change in year end US HPI = FHFA house price index, relative to prior year end.

Scenario probability weighting (audited)[1]	Upside 2	Upside 1	Baseline	Downside 1	Downside 2
	%	%	%	%	%
As at 31 December 2024					
Scenario probability weighting	**17.4**	**26.8**	**32.5**	**14.7**	**8.6**
As at 31 December 2023					
Scenario probability weighting	13.8	24.7	32.4	18.3	10.8

Note
1 For further details on changes to scenario weights see page 93.

Specific bases show the most extreme position of each variable in the context of the downside/upside scenarios, for example, the highest unemployment for downside scenarios, average unemployment for baseline scenarios and lowest unemployment for upside scenarios. GDP and HPI downside and upside scenario data represents the lowest and highest points relative to the start point in the 20 quarter period.

Macroeconomic variables used in the calculation of ECL (specific bases) (audited)[1]	Upside 2	Upside 1	Baseline	Downside 1	Downside 2
	%	%	%	%	%
As at 31 December 2024					
UK GDP[2]	**15.0**	**11.6**	**1.4**	**0.2**	**(2.9)**
UK unemployment[3]	**3.4**	**3.9**	**4.4**	**6.5**	**8.4**
UK HPI[4]	**36.3**	**25.9**	**3.0**	**(11.3)**	**(26.8)**
UK bank rate[3]	**2.8**	**3.3**	**4.2**	**5.3**	**5.3**
US GDP[2]	**14.9**	**12.8**	**2.2**	**0.4**	**(2.1)**
US unemployment[3]	**3.5**	**3.8**	**4.2**	**5.9**	**7.5**
US HPI[4]	**30.1**	**24.4**	**3.5**	**1.1**	**(4.0)**
US federal funds rate[3]	**2.8**	**3.3**	**4.2**	**5.3**	**5.3**
As at 31 December 2023					
UK GDP[2]	13.4	9.6	1.1	(1.3)	(4.1)
UK unemployment[3]	3.5	3.9	4.7	6.5	8.3
UK HPI[4]	23.8	11.5	0.1	(22.5)	(35.0)
UK bank rate[3]	2.5	3.0	4.2	6.8	8.5
US GDP[2]	15.1	12.3	1.8	0.6	(1.7)
US unemployment[3]	3.4	3.5	4.2	5.9	7.5
US HPI[4]	27.4	23.5	3.7	0.4	(7.6)
US federal funds rate[3]	2.8	3.3	4.3	6.8	8.5

Average basis represents the average quarterly value of variables in the 20 quarter period with GDP and HPI based on yearly average and quarterly CAGRs respectively.

Macroeconomic variables used in the calculation of ECL (5 year averages) (audited)[1]

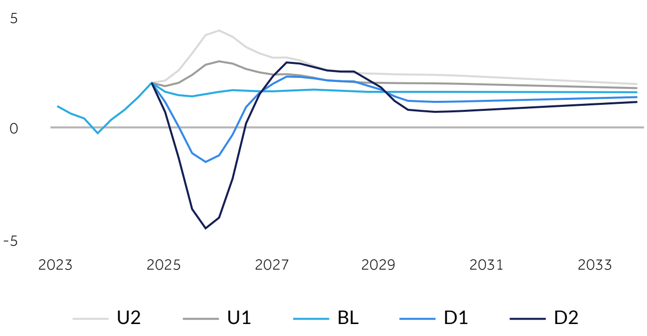
	Upside 2	Upside 1	Baseline	Downside 1	Downside 2
	%	%	%	%	%
As at 31 December 2024					
UK GDP[5]	**2.6**	**2.0**	**1.4**	**0.9**	**0.5**
UK unemployment[6]	**3.7**	**4.0**	**4.4**	**5.3**	**6.1**
UK HPI[7]	**6.4**	**4.7**	**3.0**	**0.8**	**(1.6)**
UK bank rate[6]	**3.5**	**3.9**	**4.2**	**3.3**	**2.4**
US GDP[5]	**2.9**	**2.5**	**2.2**	**1.7**	**1.2**
US unemployment[6]	**3.7**	**3.9**	**4.2**	**5.0**	**5.8**
US HPI[7]	**5.4**	**4.5**	**3.5**	**2.4**	**1.2**
US federal funds rate[6]	**3.6**	**4.0**	**4.2**	**3.2**	**2.1**
As at 31 December 2023					
UK GDP[5]	2.4	1.7	1.1	0.6	0.1
UK unemployment[6]	3.7	4.2	4.7	5.2	5.8
UK HPI[7]	4.4	2.2	0.1	(1.7)	(3.5)
UK bank rate[6]	3.3	3.8	4.2	3.6	2.9
US GDP[5]	2.8	2.3	1.8	1.4	0.9
US unemployment[6]	3.6	3.9	4.2	4.8	5.4
US HPI[7]	5.0	4.3	3.7	2.4	1.2
US federal funds rate[6]	3.6	4.0	4.3	3.9	3.2

Notes
1 UK GDP = Real GDP growth seasonally adjusted; UK unemployment = UK unemployment rate 16-year+; UK HPI = Halifax All Houses, All Buyers Index; US GDP = Real GDP growth seasonally adjusted; US unemployment = US civilian unemployment rate 16-year+; US HPI = FHFA house price index. 20 quarter period starts from Q124 (2023: Q123).
2 Maximum growth relative to Q423 (2023: Q422), based on 20 quarter period in Upside scenarios; 5-year yearly average CAGR in Baseline; minimum growth relative to Q423 (2023: Q422), based on 20 quarter period in Downside scenarios.
3 Lowest quarter in Upside scenarios; 5-year average in Baseline; highest quarter in Downside scenarios. Period based on 20 quarters from Q124 (2023: Q123).
4 Maximum growth relative to Q423 (2023: Q422), based on 20 quarter period in Upside scenarios; 5-year quarter end CAGR in Baseline; minimum growth relative to Q423 (2023: Q422), based on 20 quarter period in Downside scenarios.
5 5-year yearly average CAGR, starting 2023 (2023: 2022).
6 5-year average. Period based on 20 quarters from Q124 (2023: Q123).
7 5-year quarter end CAGR, starting Q423 (2023: Q422).

The graphs below plot the historical data for the quarterly, year on year GDP growth rate (Q v Q-4) and the quarterly unemployment rate in the UK and US as well as the forecasted data under each of the five scenarios.

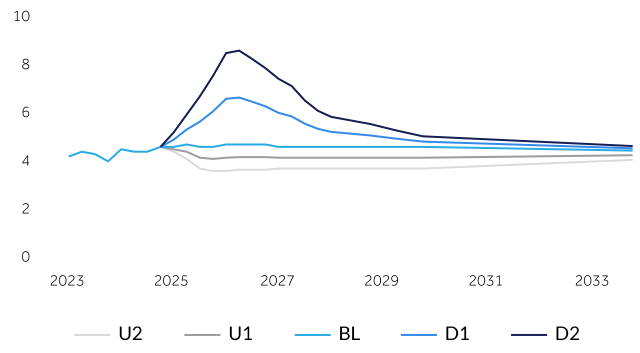
UK GDP

(%)



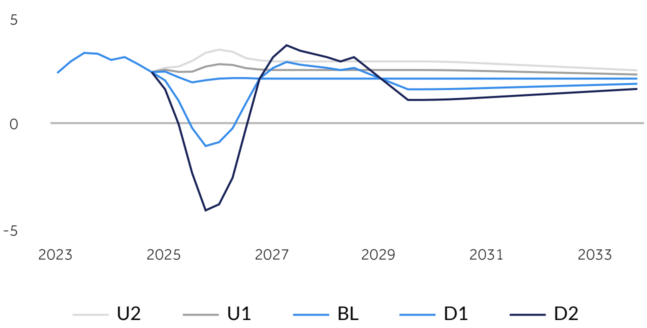
UK unemployment

(%)



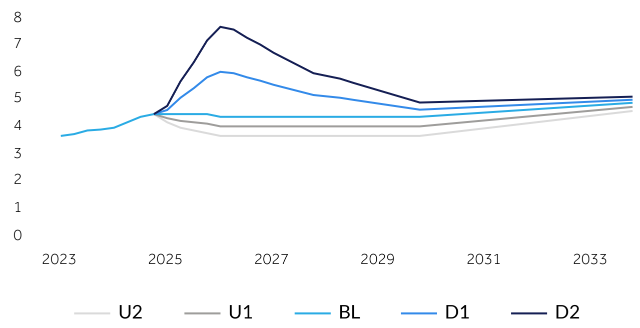
US GDP

(%)



US unemployment

(%)



GDP growth based on year on year growth each quarter (Q/(Q-4))

ECL sensitivity analysis (audited)

The table below shows the Expected Credit Loss (ECL) assuming scenarios have been 100% weighted with the dispersion of results around the Baseline, highlighting the impact on exposure and ECL across the scenarios.

Model exposure uses exposure at default (EAD) values and is not directly comparable to gross exposure used in prior disclosures.

Barclays Bank Group (audited)	Scenarios[1]					
As at 31 December 2024	Weighted[2]	Upside 2	Upside 1	Baseline	Downside 1	Downside 2
Stage 1 Model exposure (£m)						
Retail mortgages	9	9	9	9	9	9
Retail credit cards	45,377	45,328	45,352	45,377	45,429	45,462
Retail other	—	—	—	—	—	—
Corporate loans	193,873	194,752	194,413	194,151	193,208	189,985
Stage 1 Model ECL (£m)						
Retail mortgages	—	—	—	—	—	—
Retail credit cards	422	410	417	423	431	438
Retail other	—	—	—	—	—	—
Corporate loans	237	206	215	226	272	318
Stage 1 Coverage (%)						
Retail mortgages	—	—	—	—	—	—
Retail credit cards	0.9	0.9	0.9	0.9	0.9	1.0
Retail other	—	—	—	—	—	—
Corporate loans	0.1	0.1	0.1	0.1	0.1	0.2
Stage 2 Model exposure (£m)						
Retail mortgages	3	3	3	3	3	3
Retail credit cards	4,591	4,516	4,554	4,590	4,660	4,752
Retail other	—	—	—	—	—	—
Corporate loans	17,769	16,740	17,134	17,508	18,576	21,956
Stage 2 Model ECL (£m)						
Retail mortgages	—	—	—	—	—	—
Retail credit cards	1,024	976	999	1,023	1,070	1,127
Retail other	—	—	—	—	—	—
Corporate loans	464	373	404	439	569	813
Stage 2 Coverage (%)						
Retail mortgages	—	—	—	—	—	—
Retail credit cards	22.3	21.6	21.9	22.3	23.0	23.7
Retail other	—	—	—	—	—	—
Corporate loans	2.6	2.2	2.4	2.5	3.1	3.7
Stage 3 Model exposure (£m)[3]						
Retail mortgages	25	25	25	25	25	25
Retail credit cards	2,005	2,005	2,005	2,005	2,005	2,005
Retail other	—	—	—	—	—	—
Corporate loans	34	34	34	34	34	34
Stage 3 Model ECL (£m)						
Retail mortgages	5	4	5	5	5	5
Retail credit cards	1,535	1,496	1,517	1,537	1,570	1,598
Retail other	—	—	—	—	—	—
Corporate loans[4]	25	25	25	25	25	25
Stage 3 Coverage (%)						
Retail mortgages	20.0	16.0	20.0	20.0	20.0	20.0
Retail credit cards	76.6	74.6	75.7	76.7	78.3	79.7
Retail other	—	—	—	—	—	—
Corporate loans[4]	73.5	73.5	73.5	73.5	73.5	73.5
Total Model ECL (£m)						
Retail mortgages	5	4	5	5	5	5
Retail credit cards	2,981	2,882	2,933	2,983	3,071	3,163
Retail other	—	—	—	—	—	—
Corporate loans[4]	726	604	644	690	866	1,156
Total Model ECL	3,712	3,490	3,582	3,678	3,942	4,324

Reconciliation to total ECL	£m
Total weighted model ECL	3,712
ECL from individually assessed exposures[4]	329
ECL from non-modelled exposures and others	103
ECL from debt securities at amortised cost	20
ECL from held for sale assets[1]	(282)
ECL from post model management adjustments[5]	(22)
Of which: ECL from economic uncertainty adjustments	—
Total ECL	**3,860**

Notes

1. Model exposure and ECL reported within Retail credit cards and Retail Other excludes the German consumer finance business, sale of which completed after the balance sheet date. Model exposure and ECL reported within Retail credit cards and Corporate loans continues to include a co-branded card portfolio, as the sale is expected to close in 2026.
2. Model exposures are allocated to a stage based on an individual scenario rather than a probability-weighted approach, as required for Barclays reported impairment allowance. As a result, it is not possible to back solve the final reported weighted ECL from individual scenarios given balances may be assigned to a different stage dependent on the scenario.
3. Model exposures allocated to Stage 3 does not change in any of the scenarios as the transition criteria relies only on an observable evidence of default as at 31st December 2024 and not on macroeconomic scenario.
4. Material corporate loan defaults are individually assessed across different recovery strategies. As a result, ECL of £329m is reported as an individually assessed impairment in the reconciliation table.
5. Includes negative operational management adjustments.

The use of five scenarios with associated weightings results in a total weighted ECL uplift from the Baseline ECL of 0.9%.

Retail mortgages: Total weighted ECL of £5m is aligned to the Baseline ECL (£5m).

Retail credit cards: Total weighted ECL of £2,981m is broadly aligned to the Baseline ECL (£2,983m). Total ECL increases to £3,163m under the Downside 2 scenario, driven by an increase in US unemployment rate.

Corporate loans: Total weighted ECL of £726m represents a 5.2% increase over the Baseline ECL (£690m) reflecting the range of economic scenarios used, with exposures in the Investment Bank being particularly sensitive to the Downside 2 scenario.

Barclays Bank Group (audited)	Scenarios[1]					
As at 31 December 2023	Weighted[2]	Upside 2	Upside 1	Baseline	Downside 1	Downside 2
Stage 1 Model exposure (£m)						
Retail mortgages	2,858	2,891	2,877	2,856	2,828	2,785
Retail credit cards	49,088	49,021	49,041	49,059	49,161	49,241
Retail other	—	—	—	—	—	—
Corporate loans	157,168	159,242	158,560	157,681	155,431	152,198
Stage 1 Model ECL (£m)						
Retail mortgages	4	4	4	4	5	5
Retail credit cards	446	423	435	447	460	474
Retail other	—	—	—	—	—	—
Corporate loans	241	211	223	238	260	276
Stage 1 Coverage (%)						
Retail mortgages	0.1	0.1	0.1	0.1	0.2	0.2
Retail credit cards	0.9	0.9	0.9	0.9	0.9	1.0
Retail other	—	—	—	—	—	—
Corporate loans	0.2	0.1	0.1	0.2	0.2	0.2
Stage 2 Model exposure (£m)						
Retail mortgages	357	324	338	359	387	430
Retail credit cards	4,624	4,535	4,577	4,621	4,679	4,758
Retail other	—	—	—	—	—	—
Corporate loans	19,630	17,386	18,125	19,126	21,485	24,859
Stage 2 Model ECL (£m)						
Retail mortgages	30	22	25	29	36	42
Retail credit cards	1,191	1,113	1,150	1,189	1,243	1,307
Retail other	—	—	—	—	—	—
Corporate loans	516	390	435	488	617	833
Stage 2 Coverage (%)						
Retail mortgages	8.4	6.8	7.4	8.1	9.3	9.8
Retail credit cards	25.8	24.5	25.1	25.7	26.6	27.5
Retail other	—	—	—	—	—	—
Corporate loans	2.6	2.2	2.4	2.6	2.9	3.4
Stage 3 Model exposure (£m)[3]						
Retail mortgages	558	558	558	558	558	558
Retail credit cards	1,596	1,596	1,596	1,596	1,596	1,596
Retail other	—	—	—	—	—	—
Corporate loans	45	45	45	45	45	45
Stage 3 Model ECL (£m)						
Retail mortgages	312	302	306	311	319	327
Retail credit cards	1,229	1,194	1,211	1,227	1,254	1,276
Retail other	—	—	—	—	—	—
Corporate loans[4]	29	29	29	29	29	29
Stage 3 Coverage (%)						
Retail mortgages	55.9	54.1	54.8	55.7	57.2	58.6
Retail credit cards	77.0	74.8	75.9	76.9	78.6	79.9
Retail other	—	—	—	—	—	—
Corporate loans[4]	64.4	64.4	64.4	64.4	64.4	64.4
Total Model ECL (£m)						
Retail mortgages	346	328	335	344	360	374
Retail credit cards	2,866	2,730	2,796	2,863	2,957	3,057
Retail other	—	—	—	—	—	—
Corporate loans[4]	786	630	687	755	906	1,138
Total Model ECL	**3,998**	**3,688**	**3,818**	**3,962**	**4,223**	**4,569**

Reconciliation to total ECL	£m
Total weighted model ECL	3,998
ECL from individually assessed exposures[4]	289
ECL from non-modelled exposures and others	221
ECL from debt securities at amortised cost	24
ECL from post model management adjustments[5]	(18)
Of which: ECL from economic uncertainty adjustments	*16*
Total ECL	**4,514**

Notes

1. Model exposure and ECL reported within Retail credit cards and Retail other excludes the German consumer finance business portfolio which has now been classified as assets held for sale.
2. Model exposures are allocated to a stage based on an individual scenario rather than a probability-weighted approach, as required for Barclays reported impairment allowances. As a result, it is not possible to back solve the final reported weighted ECL from individual scenarios given balances may be assigned to a different stage dependent on the scenario.
3. Model exposures allocated to Stage 3 do not change in any of the scenarios as the transition criteria relies only on an observable evidence of default as at 31st December 2023 and not on macroeconomic scenario.
4. Material corporate loan defaults are individually assessed across different recovery strategies. As a result, ECL of £289m is reported as an individually assessed impairment in the reconciliation table.
5. Includes negative operational management adjustments.

Analysis of the concentration of credit risk

A concentration of credit risk exists when a number of counterparties are located in a common geographical region or are engaged in similar activities and have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The Barclays Bank Group implements limits on concentrations in order to mitigate the risk.

The table below presents an industry credit risk concentration analysis of loans and advances at amortised cost net of impairment allowance including breakdown by geographical location of the counterparty or customers. Further includes debt securities at amortised cost, off-balance sheet commitments and financial guarantees and contingent liabilities at amortised cost by geography.

Further detail on the Barclays Bank Group's policies with regard to managing concentration risk is presented in the Barclays Bank PLC Pillar 3 Report 2024 (unaudited).

Credit risk concentration by Industry and Geography (audited)

Loans and advances at amortised cost net of impairment allowance

Industry	Geography				
	United Kingdom	Americas	Europe	Others	Total
Barclays Bank Group					
As at 31 December 2024	£m	£m	£m	£m	£m
Agriculture, Food and Forest Products	**112**	**—**	**—**	**—**	**112**
Mining and Quarrying	**506**	**709**	**189**	**—**	**1,404**
Manufacturing	**3,168**	**1,418**	**828**	**349**	**5,763**
Government and central bank	**220**	**—**	**2**	**342**	**564**
Banks	**1,212**	**3,573**	**1,286**	**2,707**	**8,778**
Energy and water	**2,067**	**401**	**203**	**287**	**2,958**
Materials and Building	**11,255**	**2,815**	**399**	**218**	**14,687**
Wholesale and retail distribution and leisure	**5,931**	**831**	**294**	**616**	**7,672**
Transport and storage	**519**	**421**	**300**	**96**	**1,336**
Home Loans	**3,079**	**110**	**899**	**868**	**4,956**
Business and other services	**11,846**	**5,196**	**3,646**	**1,031**	**21,719**
Other Financial Institutions	**10,655**	**30,788**	**7,226**	**2,542**	**51,211**
Cards, unsecured loans and other personal lending	**1,826**	**20,081**	**993**	**767**	**23,667**
Total loans and advances at amortised cost	**52,396**	**66,343**	**16,265**	**9,823**	**144,827**
Debt securities at amortised cost	**15,822**	**18,062**	**15,123**	**1,220**	**50,227**
Total loans and advances at amortised cost including debt	**68,218**	**84,405**	**31,388**	**11,043**	**195,054**
Contingent liabilities	**6,442**	**10,742**	**5,514**	**2,879**	**25,577**
Loan commitments	**46,590**	**243,612**	**39,864**	**8,361**	**338,427**
Total off-balance sheet[1]	**53,032**	**254,354**	**45,378**	**11,240**	**364,004**
As at 31 December 2023					
Agriculture, Food and Forest Products	79	—	—	5	84
Mining and Quarrying	484	843	260	121	1,708
Manufacturing	3,693	1,279	826	416	6,214
Government and central bank	1,265	—	5	30	1,300
Banks	955	3,605	1,496	1,889	7,945
Energy and water	2,123	487	879	180	3,669
Materials and Building	10,111	2,620	446	113	13,290
Wholesale and retail distribution and leisure	5,097	1,061	481	452	7,091
Transport and storage	522	536	182	118	1,358
Home Loans	3,208	96	3,869	829	8,002
Business and other services	12,059	5,491	3,164	1,022	21,736
Other Financial Institutions	11,326	25,588	6,481	2,532	45,927
Cards, unsecured loans and other personal lending	911	24,855	1,382	729	27,877
Total loans and advances at amortised cost	51,833	66,461	19,471	8,436	146,201
Debt securities at amortised cost	17,599	9,910	9,980	1,557	39,046
Total loans and advances at amortised cost including debt	69,432	76,371	29,451	9,993	185,247
Contingent liabilities	7,156	10,263	5,919	2,225	25,563
Loan commitments	45,475	227,606	41,571	8,080	322,732
Total off-balance sheet[1]	52,631	237,869	47,490	10,305	348,295

Note
1 The Off-balance sheet contingent liabilities and loan commitments excludes the fair value balance of £16,338m in 2024 (2023: £16,469m) and includes exposures relating to financial assets classified as assets held for sale.

Approach to management and representation of credit quality

Asset credit quality

The credit quality distribution is based on the IFRS 9 12 month probability of default (PD) at the reporting date to ensure comparability with other ECL disclosures in Expected Credit Losses section on pages 82 to 102. The Barclays Bank Group uses the following internal measures to determine credit quality for loans:

PD Range %	Internal DG Band	Default Probability			Credit Quality description	Moody's	Standard and Poor's
		>Min	Mid	<=Max			
0.00 to < 0.15	1	0.00%	0.01%	0.02%	Strong	Aaa, Aa1, Aa2	AAA, AA+, AA, AA-
	2	0.02%	0.03%	0.03%		Aa3	AA-
	3	0.03%	0.04%	0.05%		A1, A2, A3	A+, A
	4	0.05%	0.08%	0.10%		A1, A2, A3	A-
	5	0.10%	0.13%	0.15%		Baa1	BBB+
0.15 to < 0.25	6	0.15%	0.18%	0.20%	Strong	Baa2	BBB
	7	0.20%	0.23%	0.25%		Baa2	BBB-
0.25 to < 0.50	8	0.25%	0.28%	0.30%	Strong	Baa3	BBB-
	9	0.30%	0.35%	0.40%		Baa3	BB+
	10	0.40%	0.45%	0.50%		Ba1	BB+
0.50 to < 0.75	11	0.50%	0.55%	0.60%	Strong	Ba1	BB
	12	0.60%	0.68%	0.75%	Satisfactory	Ba2	BB, BB-
0.75 to < 2.50	12	0.75%	0.98%	1.20%	Satisfactory	Ba2	BB, BB-
	13	1.20%	1.38%	1.55%		Ba3	BB-
	14	1.55%	1.85%	2.15%		Ba3	B+
	15	2.15%	2.33%	2.50%		B1	B+
2.50 to < 10.00	15	2.50%	2.78%	3.05%	Satisfactory	B1	B+
	16	3.05%	3.75%	4.45%		B2	B
	17	4.45%	5.40%	6.35%		B3, Caa1	B
	18	6.35%	7.50%	8.65%		B3, Caa1	B-
	19	8.65%	9.32%	10.00%		Caa2	B-
10.00 to < 100.00	19	10.00%	10.67%	11.35%	Satisfactory	Caa2	B-
	20	11.35%	15.00%	18.65%	Higher Risk	Caa2	CCC+
	21	18.65%	30.00%	99.99%	Higher Risk	Caa3, Ca, C	CCC, CCC-, CC+, CC, C
100.00 (Default)	22	100%	100%	100%	Credit Impaired	D	D

For retail clients, a range of analytical tools are used to derive the probability of default of clients at inception and on an ongoing basis. These credit quality descriptions can be summarised as follows:

Strong: there is a very high likelihood of the asset being recovered in full.

Satisfactory: while there is a high likelihood that the asset will be recovered and therefore, of no cause for concern to the Barclays Bank Group, the asset may not be collateralised, or may relate to unsecured retail facilities. At the lower end of this grade there are customers that are being more carefully monitored, for example, corporate customers which are indicating some evidence of deterioration, mortgages with a high loan to value, and unsecured retail loans operating outside normal product guidelines.

Higher risk: there is concern over the obligor's ability to make payments when due. However, these have not yet converted to actual delinquency. There may also be doubts over the value of collateral or security provided. However, the borrower or counterparty is continuing to make payments when due and is expected to settle all outstanding amounts of principal and interest. Loans that are past due are monitored closely, with impairment allowances raised as appropriate and in line with the Barclays Bank Group's impairment policies. These loans are all considered higher risk for the purpose of this analysis of credit quality.

Debt securities

For assets held at fair value, the carrying value on the balance sheet will include, among other things, the credit risk of the issuer. Most listed and some unlisted securities are rated by external rating agencies. The Barclays Bank Group mainly uses external credit ratings provided by Standard & Poor's, Fitch or Moody's. Where such ratings are not available or are not current, the Barclays Bank Group will use its own internal ratings for the securities.

Balance sheet credit quality

The following tables present the credit quality of Barclays Bank Group assets exposed to credit risk.

Overview

As at 31 December 2024, the ratio of the Barclays Bank Group's on-balance sheet assets classified as strong (0.0 < 0.60%) at 85% (2023: 87%) of total assets exposed to credit risk.

Balance sheet credit quality (audited)

Barclays Bank Group	PD Range	0.0 to <0.60%	0.60 to <11.35%	11.35% to 100%	Total	0.0 to <0.60%	0.60 to <11.35%	11.35% to 100%	Total
As at 31 December 2024		£m	£m	£m	£m	%	%	%	%
Cash and balances at central banks		180,365	—	—	180,365	100	—	—	100
Cash collateral and settlement balances		98,590	15,371	26	113,987	87	13	—	100
Loans and advances at amortised cost									
Retail mortgages		4,524	153	279	4,956	91	3	6	100
Retail credit cards		7,488	11,063	1,198	19,749	38	56	6	100
Retail other		3,217	503	198	3,918	82	13	5	100
Corporate loans		93,324	19,893	2,987	116,204	80	17	3	100
Total loans and advances at amortised cost		108,553	31,612	4,662	144,827	75	22	3	100
Debt securities at amortised cost		49,888	339	—	50,227	99	1	—	100
Reverse repurchase agreements and other similar secured lending		1,625	1,768	—	3,393	48	52	—	100
Trading portfolio assets:									
Debt securities		65,785	11,478	542	77,805	84	15	1	100
Traded loans		2,543	7,442	3,485	13,470	19	55	26	100
Total trading portfolio assets		68,328	18,920	4,027	91,275	75	21	4	100
Financial assets at fair value through the income statement:									
Loans and advances		24,252	19,357	573	44,182	55	44	1	100
Debt securities		1,722	1,156	53	2,931	59	39	2	100
Reverse repurchase agreements		103,589	37,565	637	141,791	73	27	—	100
Other financial assets		63	22	—	85	74	26	—	100
Total financial assets at fair value through the income statement		129,626	58,100	1,263	188,989	68	31	1	100
Derivative financial instruments		274,058	18,104	194	292,356	94	6	—	100
Financial assets at fair value through other comprehensive income		50,960	50	—	51,010	100	—	—	100
Other assets		594	68	3	665	90	10	—	100
Assets held for sale		1,178	8,235	131	9,544	12	87	1	100
Total on-balance sheet		963,765	152,567	10,306	1,126,638	85	14	1	100
As at 31 December 2023									
Cash and balances at central banks		189,686	—	—	189,686	100	—	—	100
Cash collateral and settlement balances		93,911	9,789	8	103,708	91	9	—	100
Loans and advances at amortised cost									
Retail mortgages		5,444	2,115	443	8,002	68	26	6	100
Retail credit cards		7,077	16,355	1,079	24,511	29	67	4	100
Retail other		2,687	403	276	3,366	80	12	8	100
Corporate loans		86,530	21,338	2,454	110,322	79	19	2	100
Total loans and advances at amortised cost		101,738	40,211	4,252	146,201	69	28	3	100
Debt securities at amortised cost		38,892	153	1	39,046	100	—	—	100
Reverse repurchase agreements and other similar secured lending		933	170	—	1,103	85	15	—	100
Trading portfolio assets:									
Debt securities		65,430	9,642	387	75,459	86	13	1	100
Traded loans		4,006	5,893	2,754	12,653	32	46	22	100
Total trading portfolio assets		69,436	15,535	3,141	88,112	78	18	4	100
Financial assets at fair value through the income statement:									
Loans and advances		29,436	16,830	275	46,541	63	36	1	100
Debt securities		1,412	1,091	42	2,545	55	43	2	100
Reverse repurchase agreements		112,799	35,988	344	149,131	76	24	—	100
Other financial assets		59	22	—	81	73	27	—	100
Total financial assets at fair value through the income statement		143,706	53,931	661	198,298	73	27	—	100
Derivative financial instruments		244,361	11,616	134	256,111	95	5	—	100
Financial assets at fair value through other comprehensive income		50,966	455	—	51,421	99	1	—	100
Other assets		2,011	54	3	2,068	97	3	—	100
Assets held for sale		1,110	2,618	127	3,855	29	68	3	100
Total on-balance sheet		936,750	134,532	8,327	1,079,609	87	12	1	100

Credit exposures by internal PD grade

The below tables represent credit risk profiles by PD grade for loans and advances at amortised cost, contingent liabilities and loan commitments.

Stage 1 higher risk assets, presented gross of associated collateral held, are of weaker credit quality but have not significantly deteriorated since origination.

IFRS 9 Stage 1 and Stage 2 classification is not dependent solely on the absolute probability of default but on elements that determine a Significant Increase in Credit Risk, including relative movement in probability of default since initial recognition. There is therefore no direct relationship between credit quality and IFRS 9 stage classification.

Credit risk profile by internal PD grade for retail mortgages (audited)

As at 31 December 2024			Gross carrying amount				Allowance for ECL					
Grading	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Net exposure £m	Coverage ratio %
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	—	—	—	—	—	—	—	—	—	—
4-5	0.05 to <0.15%	Strong	4	—	—	4	—	—	—	—	4	—
6-8	0.15 to <0.30%	Strong	2	—	—	2	—	—	—	—	2	—
9-11	0.30 to <0.60%	Strong	4,526	—	—	4,526	8	—	—	8	4,518	0.2
12-14	0.60 to <2.15%	Satisfactory	4	1	—	5	—	—	—	—	5	—
15-19	2.15 to <11.35%	Satisfactory	1	148	—	149	—	1	—	1	148	0.7
20-21	11.35 to <100%	Higher Risk	—	1	—	1	—	—	—	—	1	—
22	100%	Credit Impaired	—	—	310	310	—	—	32	32	278	10.3
Total			4,537	150	310	4,997	8	1	32	41	4,956	0.8

Credit risk profile by internal PD grade for retail credit cards[3] (audited)

As at 31 December 2024			Gross carrying amount				Allowance for ECL					
Grading	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Net exposure £m	Coverage ratio %
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	1	—	—	1	—	—	—	—	1	—
4-5	0.05 to <0.15%	Strong	565	—	—	565	1	—	—	1	564	0.2
6-8	0.15 to <0.30%	Strong	2,562	2	—	2,564	7	—	—	7	2,557	0.3
9-11	0.30 to <0.60%	Strong	4,384	4	—	4,388	22	—	—	22	4,366	0.5
12-14	0.60 to <2.15%	Satisfactory	2,905	117	—	3,022	37	9	—	46	2,976	1.5
15-19	2.15 to <11.35%	Satisfactory	7,018	1,578	—	8,596	242	267	—	509	8,087	5.9
20-21	11.35 to <100%	Higher Risk	194	1,252	—	1,446	25	531	—	556	890	38.5
22	100%	Credit Impaired	—	—	1,724	1,724	—	—	1,416	1,416	308	82.1
Total			17,629	2,953	1,724	22,306	334	807	1,416	2,557	19,749	11.5

Credit risk profile by internal PD grade for retail other[3] (audited)

As at 31 December 2024			Gross carrying amount				Allowance for ECL					
Grading	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Net exposure £m	Coverage ratio %
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	—	—	—	—	—	—	—	—	—	—
4-5	0.05 to <0.15%	Strong	6	—	—	6	—	—	—	—	6	—
6-8	0.15 to <0.30%	Strong	17	—	—	17	—	—	—	—	17	—
9-11	0.30 to <0.60%	Strong	3,199	—	—	3,199	5	—	—	5	3,194	0.2
12-14	0.60 to <2.15%	Satisfactory	65	1	—	66	—	—	—	—	66	—
15-19	2.15 to <11.35%	Satisfactory	41	396	—	437	—	—	—	—	437	—
20-21	11.35 to <100%	Higher Risk	1	7	—	8	—	1	—	1	7	12.5
22	100%	Credit Impaired	—	—	216	216	—	—	25	25	191	11.6
Total			3,329	404	216	3,949	5	1	25	31	3,918	0.8

Credit risk profile by internal PD grade for corporate loans[3] (audited)

As at 31 December 2024			Gross carrying amount				Allowance for ECL					
Grading	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Net exposure £m	Coverage ratio %
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	43,318	122	3	43,443	4	—	2	6	43,437	—
4-5	0.05 to <0.15%	Strong	21,947	145	—	22,092	8	—	—	8	22,084	—
6-8	0.15 to <0.30%	Strong	11,392	566	—	11,958	8	2	—	10	11,948	0.1
9-11	0.30 to <0.60%	Strong	15,549	326	—	15,875	18	2	—	20	15,855	0.1
12-14	0.60 to <2.15%	Satisfactory	12,017	2,988	—	15,005	49	20	—	69	14,936	0.5
15-19	2.15 to <11.35%	Satisfactory	2,854	2,243	—	5,097	50	90	—	140	4,957	2.7
20-21	11.35 to <100%	Higher Risk	117	1,757	—	1,874	7	140	—	147	1,727	7.8
22	100%	Credit Impaired	—	—	1,651	1,651	—	—	391	391	1,260	23.7
Total			107,194	8,147	1,654	116,995	144	254	393	791	116,204	0.7

Credit risk profile by internal PD grade for loans and advances at amortised cost[3] (audited)

As at 31 December 2024			Gross carrying amount				Allowance for ECL					
Grading	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Net exposure £m	Coverage ratio %
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	43,319	122	3	43,444	4	—	2	6	43,438	—
4-5	0.05 to <0.15%	Strong	22,522	145	—	22,667	9	—	—	9	22,658	—
6-8	0.15 to <0.30%	Strong	13,973	568	—	14,541	15	2	—	17	14,524	0.1
9-11	0.30 to <0.60%	Strong	27,658	330	—	27,988	53	2	—	55	27,933	0.2
12-14	0.60 to <2.15%	Satisfactory	14,991	3,107	—	18,098	86	29	—	115	17,983	0.6
15-19	2.15 to <11.35%	Satisfactory	9,914	4,365	—	14,279	292	358	—	650	13,629	4.6
20-21	11.35 to <100%	Higher Risk	312	3,017	—	3,329	32	672	—	704	2,625	21.1
22	100%	Credit Impaired	—	—	3,901	3,901	—	—	1,864	1,864	2,037	47.8
Total			132,689	11,654	3,904	148,247	491	1,063	1,866	3,420	144,827	2.3

Credit risk profile by internal PD grade for retail mortgages (audited)

As at 31 December 2023			Gross carrying amount				Allowance for ECL					
Grading	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Net exposure £m	Coverage ratio %
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	1	—	—	1	—	—	—	—	1	—
4-5	0.05 to <0.15%	Strong	3	—	—	3	—	—	—	—	3	—
6-8	0.15 to <0.30%	Strong	55	—	—	55	—	—	—	—	55	—
9-11	0.30 to <0.60%	Strong	5,392	—	—	5,392	7	—	—	7	5,385	0.1
12-14	0.60 to <2.15%	Satisfactory	1,803	78	—	1,881	4	—	—	4	1,877	0.2
15-19	2.15 to <11.35%	Satisfactory	3	252	—	255	—	17	—	17	238	6.7
20-21	11.35 to <100%	Higher Risk	—	59	—	59	—	11	—	11	48	18.6
22	100%	Credit Impaired	—	—	716	716	—	—	321	321	395	44.8
Total			7,257	389	716	8,362	11	28	321	360	8,002	4.3

Credit risk profile by internal PD grade for retail credit cards[3] (audited)

As at 31 December 2023			Gross carrying amount				Allowance for ECL					
Grading	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Net exposure £m	Coverage ratio %
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	10	—	—	10	—	—	—	—	10	—
4-5	0.05 to <0.15%	Strong	488	—	—	488	1	—	—	1	487	0.2
6-8	0.15 to <0.30%	Strong	2,394	2	—	2,396	7	—	—	7	2,389	0.3
9-11	0.30 to <0.60%	Strong	4,210	3	—	4,213	22	—	—	22	4,191	0.5
12-14	0.60 to <2.15%	Satisfactory	8,360	125	—	8,485	109	12	—	121	8,364	1.4
15-19	2.15 to <11.35%	Satisfactory	6,699	2,051	—	8,750	254	505	—	759	7,991	8.7
20-21	11.35 to <100%	Higher Risk	154	1,269	—	1,423	19	621	—	640	783	45.0
22	100%	Credit Impaired	—	—	1,522	1,522	—	—	1,226	1,226	296	80.6
Total			22,315	3,450	1,522	27,287	412	1,138	1,226	2,776	24,511	10.2

Credit risk profile by internal PD grade for retail other[3] (audited)

As at 31 December 2023			Gross carrying amount				Allowance for ECL					
Grading	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Net exposure £m	Coverage ratio %
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	—	—	—	—	—	—	—	—	—	—
4-5	0.05 to <0.15%	Strong	3	—	—	3	—	—	—	—	3	—
6-8	0.15 to <0.30%	Strong	8	—	—	8	—	—	—	—	8	—
9-11	0.30 to <0.60%	Strong	2,684	—	—	2,684	8	—	—	8	2,676	0.3
12-14	0.60 to <2.15%	Satisfactory	25	1	—	26	—	—	—	—	26	—
15-19	2.15 to <11.35%	Satisfactory	14	364	—	378	—	1	—	1	377	0.3
20-21	11.35 to <100%	Higher Risk	—	4	—	4	—	1	—	1	3	25.0
22	100%	Credit Impaired	—	—	308	308	—	—	35	35	273	11.4
Total			2,734	369	308	3,411	8	2	35	45	3,366	1.3

Credit risk profile by internal PD grade for corporate loans (audited)

As at 31 December 2023			Gross carrying amount				Allowance for ECL					
Grading	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Net exposure £m	Coverage ratio %
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	37,180	143	4	37,327	—	—	2	2	37,325	—
4-5	0.05 to <0.15%	Strong	21,498	92	—	21,590	12	—	—	12	21,578	0.1
6-8	0.15 to <0.30%	Strong	10,447	318	—	10,765	8	2	—	10	10,755	0.1
9-11	0.30 to <0.60%	Strong	16,579	327	—	16,906	31	3	—	34	16,872	0.2
12-14	0.60 to <2.15%	Satisfactory	12,129	3,412	—	15,541	55	28	—	83	15,458	0.5
15-19	2.15 to <11.35%	Satisfactory	3,029	3,034	—	6,063	64	119	—	183	5,880	3.0
20-21	11.35 to <100%	Higher Risk	94	1,641	—	1,735	9	157	—	166	1,569	9.6
22	100%	Credit Impaired	—	—	1,231	1,231	—	—	346	346	885	28.1
Total			100,956	8,967	1,235	111,158	179	309	348	836	110,322	0.8

Credit risk profile by internal PD grade for loans and advances at amortised cost[3] (audited)

As at 31 December 2023			Gross carrying amount				Allowance for ECL					
	PD range	Credit quality	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Net exposure	Coverage ratio
Grading	%	description	£m	£m	£m	£m	£m	£m	£m	£m	£m	%
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	37,191	143	4	37,338	—	—	2	2	37,336	—
4-5	0.05 to <0.15%	Strong	21,992	92	—	22,084	13	—	—	13	22,071	0.1
6-8	0.15 to <0.30%	Strong	12,904	320	—	13,224	15	2	—	17	13,207	0.1
9-11	0.30 to <0.60%	Strong	28,865	330	—	29,195	68	3	—	71	29,124	0.2
12-14	0.60 to <2.15%	Satisfactory	22,317	3,616	—	25,933	168	40	—	208	25,725	0.8
15-19	2.15 to <11.35%	Satisfactory	9,745	5,701	—	15,446	318	642	—	960	14,486	6.2
20-21	11.35 to <100%	Higher Risk	248	2,973	—	3,221	28	790	—	818	2,403	25.4
22	100%	Credit Impaired	—	—	3,777	3,777	—	—	1,928	1,928	1,849	51.0
Total			133,262	13,175	3,781	150,218	610	1,477	1,930	4,017	146,201	2.7

Credit risk profile by internal PD grade for contingent liabilities[1] (audited)

As at 31 December 2024			Gross carrying amount				Allowance for ECL					
	PD range	Credit quality	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Net exposure	Coverage ratio
Grading	%	description	£m	£m	£m	£m	£m	£m	£m	£m	£m	%
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	**9,351**	**310**	**—**	**9,661**	**1**	**1**	**—**	**2**	**9,659**	**—**
4-5	0.05 to <0.15%	Strong	**4,934**	**—**	**—**	**4,934**	**2**	**—**	**—**	**2**	**4,932**	**—**
6-8	0.15 to <0.30%	Strong	**2,717**	**391**	**—**	**3,108**	**2**	**—**	**—**	**2**	**3,106**	**0.1**
9-11	0.30 to <0.60%	Strong	**2,177**	**119**	**—**	**2,296**	**4**	**—**	**—**	**4**	**2,292**	**0.2**
12-14	0.60 to <2.15%	Satisfactory	**2,309**	**563**	**—**	**2,872**	**12**	**7**	**—**	**19**	**2,853**	**0.7**
15-19	2.15 to <11.35%	Satisfactory	**730**	**937**	**—**	**1,667**	**21**	**36**	**—**	**57**	**1,610**	**3.4**
20-21	11.35 to <100%	Higher Risk	**29**	**515**	**—**	**544**	**—**	**82**	**—**	**82**	**462**	**15.1**
22	100%	Credit Impaired	**—**	**—**	**495**	**495**	**—**	**—**	**16**	**16**	**479**	**3.2**
Total			**22,247**	**2,835**	**495**	**25,577**	**42**	**126**	**16**	**184**	**25,393**	**0.7**

Credit risk profile by internal PD grade for contingent liabilities[1] (audited)

As at 31 December 2023			Gross carrying amount				Allowance for ECL					
Grading	PD range	Credit quality	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Net exposure	Coverage ratio
	%	description	£m	£m	£m	£m	£m	£m	£m	£m	£m	%
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	9,071	79	—	9,150	1	—	—	1	9,149	—
4-5	0.05 to <0.15%	Strong	3,337	3	—	3,340	2	—	—	2	3,338	0.1
6-8	0.15 to <0.30%	Strong	3,211	157	—	3,368	3	1	—	4	3,364	0.1
9-11	0.30 to <0.60%	Strong	2,848	285	—	3,133	3	4	—	7	3,126	0.2
12-14	0.60 to <2.15%	Satisfactory	2,388	701	—	3,089	8	6	—	14	3,075	0.5
15-19	2.15 to <11.35%	Satisfactory	1,501	1,027	—	2,528	27	41	—	68	2,460	2.7
20-21	11.35 to <100%	Higher Risk	17	355	—	372	1	61	—	62	310	16.7
22	100%	Credit Impaired	—	—	583	583	—	—	22	22	561	3.8
Total			22,373	2,607	583	25,563	45	113	22	180	25,383	0.7

Credit risk profile by internal PD grade for loan commitments[1,2] (audited)

As at 31 December 2024			Gross carrying amount				Allowance for ECL					
Grading	PD range	Credit quality description	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Net exposure	Coverage ratio
	%		£m	£m	£m	£m	£m	£m	£m	£m	£m	%
Barclays Bank Group												
1-3	0.0 to < 0.05%	Strong	86,137	320	—	86,457	3	—	—	3	86,454	—
4-5	0.05 to < 0.15%	Strong	68,407	93	—	68,500	8	—	—	8	68,492	—
6-8	0.15 to < 0.30%	Strong	56,893	951	—	57,844	12	1	—	13	57,831	—
9-11	0.30 to < 0.60%	Strong	54,576	736	—	55,312	19	1	—	20	55,292	—
12-14	0.60 to < 2.15%	Satisfactory	45,417	2,710	—	48,127	31	11	—	42	48,085	0.1
15-19	2.15 to < 11.35%	Satisfactory	11,878	5,779	—	17,657	39	45	—	84	17,573	0.5
20-21	11.35 to < 100%	Higher Risk	643	3,406	—	4,049	1	56	—	57	3,992	1.4
22	100%	Credit Impaired	—	—	481	481	—	—	9	9	472	1.9
Total			323,951	13,995	481	338,427	113	114	9	236	338,191	0.1

Credit risk profile by internal PD grade for loan commitments[1,2] (audited)

As at 31 December 2023			Gross carrying amount				Allowance for ECL					
Grading	PD range	Credit quality description	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Net exposure	Coverage ratio
	%		£m	£m	£m	£m	£m	£m	£m	£m	£m	%
Barclays Bank Group												
1-3	0.0 to < 0.05%	Strong	70,899	692	—	71,591	2	—	—	2	71,589	—
4-5	0.05 to < 0.15%	Strong	63,058	277	—	63,335	6	1	—	7	63,328	—
6-8	0.15 to < 0.30%	Strong	55,992	2,524	—	58,516	12	1	—	13	58,503	—
9-11	0.30 to < 0.60%	Strong	54,685	1,242	—	55,927	21	1	—	22	55,905	—
12-14	0.60 to < 2.15%	Satisfactory	45,196	3,647	—	48,843	36	14	—	50	48,793	0.1
15-19	2.15 to < 11.35%	Satisfactory	12,758	7,334	—	20,092	43	61	—	104	19,988	0.5
20-21	11.35 to < 100%	Higher Risk	574	3,595	—	4,169	2	72	—	74	4,095	1.8
22	100%	Credit Impaired	—	—	259	259	—	—	21	21	238	8.1
Total			303,162	19,311	259	322,732	122	150	21	293	322,439	0.1

Notes
1 Excludes loan commitments and financial guarantees carried at fair value of £16.3bn (2023: 16.5bn) for Barclays Bank Group.
2 Reported loan commitments also include exposures relating to financial assets classified as assets held for sale.
3 Exposures reported within Retail credit cards, Retail other and Corporate loans does not include the German Consumer Finance business and a co-branded card portfolio (2024) which is classified as assets held for sale.

Analysis of specific portfolios and asset types

Retail Credit Cards and Retail Other

The principal portfolios listed below accounted for 85% (2023: 89%) of Barclays Bank Group's total retail credit cards and retail other.

Principal portfolios	Gross Exposure	30 Day Arrears, excluding recoveries book	90 Day Arrears, excluding recoveries book	Annualised Gross Write-off Rates	Annualised Net Write-off Rates
	£m	%	%	%	%
As at 31 December 2024					
US cards[1]	**28,548**	**3.0**	**1.6**	**3.8**	**3.7**
As at 31 December 2023					
US cards	27,286	2.9	1.5	2.3	2.3

Note:

1 Includes assets classified as held for sale (see table below)

Portfolios - held for sale	Gross Exposure	30 Day Arrears, excluding recoveries book	90 Day Arrears, excluding recoveries book	Annualised Gross Write-off Rates	Annualised Net Write-off Rates
	£m	%	%	%	%
As at 31 December 2024					
Barclays US Consumer Bank	**6,241**	**1.3**	**0.5**	**2.0**	**2.0**
Head Office - German consumer finance business	**3,733**	**1.8**	**0.9**	**1.3**	**1.2**
As at 31 December 2023					
Head Office - German consumer finance business	4,094	1.7	0.8	1.0	1.0

US cards: 30 and 90 day arrears rates increased to 3.0% (2023: 2.9%) and 1.6% (2023: 1.5%) respectively due to higher flow into and through delinquency. The increase in both gross and net write-off rates reflected the overall delinquency trends through to charge-off lagged by the charge off to write-off period of 12 months as well as a sale in the year.

German consumer finance business: Gross exposure decreased 8.8% as loan originations were limited to existing customers following the discontinuation of Open Market loan originations in 2023. Cards origination strategy moved to a more profitable revolver customer segment in 2024 resulting in expected increases in 30 and 90 day arrears and write-offs rates.

Assets held for sale

This section presents portfolios classified as assets held for sale. These include a co-branded card portfolio and German consumer finance business.

For further details on assets held for sale, see Note 39 to the financial statements.

Loans and advances by product

Loans and advances to customers classified as assets held for sale (audited)

	Stage 1			Stage 2			Stage 3			Total		
	Gross	ECL	Coverage	Gross	ECL	Coverage	Gross	ECL	Coverage	Gross	ECL	Coverage
As at 31 December 2024	£m	£m	%	£m	£m	%	£m	£m	%	£m	£m	%
Retail credit cards - US	5,495	64	1.2	689	161	23.4	57	46	80.7	6,241	271	4.3
Retail credit cards - Germany	1,908	18	0.9	307	29	9.4	93	69	74.2	2,308	116	5.0
Retail other - Germany	1,134	16	1.4	220	33	15.0	71	48	67.6	1,425	97	6.8
Corporate loans - US	49	1	2.0	9	3	33.3	1	1	100.0	59	5	8.5
Total	8,586	99	1.2	1,225	226	18.4	222	164	73.9	10,033	489	4.9
As at 31 December 2023												
Retail credit cards - US	—	—	—	—	—	—	—	—	—	—	—	—
Retail credit cards - Germany	1,621	15	0.9	445	41	9.2	92	68	73.9	2,158	124	5.7
Retail other - Germany	1,561	20	1.3	288	32	11.1	84	60	71.4	1,933	112	5.8
Corporate loans - US	—	—	—	—	—	—	—	—	—	—	—	—
Total	3,182	35	1.1	733	73	10.0	176	128	72.7	4,091	236	5.8

Stage 2 decomposition

Loans and advances at amortised cost classified as held for sale

	Gross Exposure				Impairment Allowance			
Barclays Bank Group	Quantitative test	Qualitative test	30 days past due backstop	Total Stage 2	Quantitative test	Qualitative test	30 days past due backstop	Total Stage 2
As at 31 December 2024	£m	£m	£m	£m	£m	£m	£m	£m
Retail credit cards - US	564	123	2	689	130	30	1	161
Retail credit cards - Germany	209	96	2	307	19	9	1	29
Retail other - Germany	207	11	2	220	31	1	1	33
Corporate loans - US	7	2	—	9	2	1	—	3
Total Stage 2	987	232	6	1,225	182	41	3	226
As at 31 December 2023	£m	£m	£m	£m	£m	£m	£m	£m
Retail credit cards - US	—	—	—	—	—	—	—	—
Retail credit cards - Germany	387	56	2	445	34	6	1	41
Retail other - Germany	265	20	3	288	29	2	1	32
Corporate loans - US	—	—	—	—	—	—	—	—
Total Stage 2	652	76	5	733	63	8	2	73

Stage 3 decomposition

Loans and advances at amortised cost						
	Gross Exposure			Impairment Allowance		
Barclays Bank Group	Exposures not charged-off	Exposures individually assessed or in recovery book	Total Stage 3	Exposures not charged-off	Exposures individually assessed or in recovery book	Total Stage 3
As at 31 December 2024	£m	£m	£m	£m	£m	£m
Retail credit cards - US	57	—	57	46	—	46
Retail credit cards - Germany	68	25	93	49	20	69
Retail other - Germany	51	20	71	32	16	48
Corporate loans - US	1	—	1	1	—	1
Total Stage 3	177	45	222	128	36	164
As at 31 December 2023	£m	£m	£m	£m	£m	£m
Retail credit cards - US	—	—	—	—	—	—
Retail credit cards - Germany	65	27	92	45	23	68
Retail other - Germany	61	23	84	38	22	60
Corporate loans - US	—	—	—	—	—	—
Total Stage 3	126	50	176	83	45	128

Management adjustments to models for impairment (audited)

Management adjustments to models for impairment allowance presented by product (audited)						
Barclays Bank Group	Impairment allowance pre management adjustments	Economic uncertainty adjustments (a)	Other adjustments (b)	Management adjustments (a+b)	Total impairment allowance	Proportion of management adjustments to total impairment allowance
As at 31 December 2024	£m	£m	£m	£m	£m	%
Retail credit cards - US	277	—	—	—	277	—
Retail credit cards - Germany[1]	101	—	16	16	117	13.7
Retail other - Germany[1]	80	—	17	17	97	17.5
Corporate loans - US	5	—	—	—	5	—
Total	463	—	33	33	496	6.7
As at 31 December 2023	£m	£m	£m	£m	£m	%
Retail credit cards - US	—	—	—	—	—	—
Retail credit cards - Germany[1]	111	—	14	14	125	11.2
Retail other - Germany[1]	96	—	17	17	113	15.0
Corporate loans - US	—	—	—	—	—	—
Total	207	—	31	31	238	13.0

Note:

1. Management adjustments of £33m (2023: £31m) include an adjustment for definition of default under the Capital Requirements Regulation (CRR) and an adjustment for recalibration of LGD to reflect revised recovery expectations partially offset by adjustments for model monitoring.

Credit exposures by internal PD grade

Credit risk profile by internal PD grade classified as assets held for sale for Retail credit cards - US (audited)

As at 31 December 2024			Gross carrying amount				Allowance for ECL				Net exposure	Coverage ratio
Grading	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	£m	%
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	—	—	—	—	—	—	—	—	—	—
4-5	0.05 to <0.15%	Strong	—	—	—	—	—	—	—	—	—	—
6-8	0.15 to <0.30%	Strong	—	—	—	—	—	—	—	—	—	—
9-11	0.30 to <0.60%	Strong	—	—	—	—	—	—	—	—	—	—
12-14	0.60 to <2.15%	Satisfactory	5,495	—	—	5,495	64	—	—	64	5,431	1.2
15-19	2.15 to <11.35%	Satisfactory	—	689	—	689	—	161	—	161	528	23.4
20-21	11.35 to <100%	Higher Risk	—	—	—	—	—	—	—	—	—	—
22	100%	Credit Impaired	—	—	57	57	—	—	46	46	11	80.7
Total			5,495	689	57	6,241	64	161	46	271	5,970	4.3

Credit risk profile by internal PD grade classified as assets held for sale for Retail credit cards - Germany (audited)

As at 31 December 2024			Gross carrying amount				Allowance for ECL				Net exposure	Coverage ratio
Grading	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	£m	%
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	62	—	—	62	—	—	—	—	62	—
4-5	0.05 to <0.15%	Strong	289	—	—	289	1	—	—	1	288	0.3
6-8	0.15 to <0.30%	Strong	152	—	—	152	1	—	—	1	151	0.7
9-11	0.30 to <0.60%	Strong	250	—	—	250	1	—	—	1	249	0.4
12-14	0.60 to <2.15%	Satisfactory	928	5	—	933	9	—	—	9	924	1.0
15-19	2.15 to <11.35%	Satisfactory	227	229	—	456	6	15	—	21	435	4.6
20-21	11.35 to <100%	Higher Risk	—	73	—	73	—	14	—	14	59	19.2
22	100%	Credit Impaired	—	—	93	93	—	—	69	69	24	74.2
Total			1,908	307	93	2,308	18	29	69	116	2,192	5.0

Credit risk profile by internal PD grade classified as assets held for sale for Retail other - Germany (audited)

As at 31 December 2024			Gross carrying amount				Allowance for ECL				Net exposure	Coverage ratio
Grading	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	£m	%
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	1	—	—	1	—	—	—	—	1	—
4-5	0.05 to <0.15%	Strong	25	—	—	25	—	—	—	—	25	—
6-8	0.15 to <0.30%	Strong	110	—	—	110	—	—	—	—	110	—
9-11	0.30 to <0.60%	Strong	294	—	—	294	1	—	—	1	293	0.3
12-14	0.60 to <2.15%	Satisfactory	534	17	—	551	6	4	—	10	541	1.8
15-19	2.15 to <11.35%	Satisfactory	170	182	—	352	9	22	—	31	321	8.8
20-21	11.35 to <100%	Higher Risk	—	21	—	21	—	7	—	7	14	33.3
22	100%	Credit Impaired	—	—	71	71	—	—	48	48	23	67.6
Total			1,134	220	71	1,425	16	33	48	97	1,328	6.8

Credit risk profile by internal PD grade classified as assets held for sale for Corporate loans - US (audited)

As at 31 December 2024			Gross carrying amount				Allowance for ECL				Net	Coverage
Grading	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	exposure £m	ratio %
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	—	—	—	—	—	—	—	—	—	—
4-5	0.05 to <0.15%	Strong	—	—	—	—	—	—	—	—	—	—
6-8	0.15 to <0.30%	Strong	—	—	—	—	—	—	—	—	—	—
9-11	0.30 to <0.60%	Strong	—	—	—	—	—	—	—	—	—	—
12-14	0.60 to <2.15%	Satisfactory	49	—	—	49	1	—	—	1	48	2.0
15-19	2.15 to <11.35%	Satisfactory	—	9	—	9	—	3	—	3	6	33.3
20-21	11.35 to <100%	Higher Risk	—	—	—	—	—	—	—	—	—	—
22	100%	Credit Impaired	—	—	1	1	—	—	1	1	—	100.0
Total			49	9	1	59	1	3	1	5	54	8.5

Credit risk profile by internal PD grade classified as assets held for sale for Retail credit cards - Germany (audited)

As at 31 December 2023			Gross carrying amount				Allowance for ECL				Net	Coverage
Grading	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	exposure £m	ratio %
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	52	—	—	52	—	—	—	—	52	—
4-5	0.05 to <0.15%	Strong	232	—	—	232	—	—	—	—	232	—
6-8	0.15 to <0.30%	Strong	148	—	—	148	—	—	—	—	148	—
9-11	0.30 to <0.60%	Strong	226	—	—	226	1	—	—	1	225	0.4
12-14	0.60 to <2.15%	Satisfactory	755	74	—	829	8	5	—	13	816	1.6
15-19	2.15 to <11.35%	Satisfactory	208	302	—	510	6	22	—	28	482	5.5
20-21	11.35 to <100%	Higher Risk	—	69	—	69	—	14	—	14	55	20.3
22	100%	Credit Impaired	—	—	92	92	—	—	68	68	24	73.9
Total			1,621	445	92	2,158	15	41	68	124	2,034	5.7

Credit risk profile by internal PD grade classified as assets held for sale for Retail other - Germany (audited)

As at 31 December 2023			Gross carrying amount				Allowance for ECL				Net	Coverage
Grading	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	exposure £m	ratio %
Barclays Bank Group												
1-3	0.0 to <0.05%	Strong	—	—	—	—	—	—	—	—	—	—
4-5	0.05 to <0.15%	Strong	16	—	—	16	—	—	—	—	16	—
6-8	0.15 to <0.30%	Strong	90	—	—	90	—	—	—	—	90	—
9-11	0.30 to <0.60%	Strong	348	—	—	348	1	—	—	1	347	0.3
12-14	0.60 to <2.15%	Satisfactory	791	18	—	809	8	2	—	10	799	1.2
15-19	2.15 to <11.35%	Satisfactory	316	240	—	556	11	24	—	35	521	6.3
20-21	11.35 to <100%	Higher Risk	—	30	—	30	—	6	—	6	24	20.0
22	100%	Credit Impaired	—	—	84	84	—	—	60	60	24	71.4
Total			1,561	288	84	1,933	20	32	60	112	1,821	5.8

Summary of Contents

All disclosures in this section, pages 117 to 118 are unaudited unless otherwise stated.

Overview

This section contains key statistics describing the market risk profile of the Barclays Bank Group:

- The market risk management section on page 67 provides a description of management VaR. Management measures are shown below.

Measures of market risk in the Barclays Bank Group and accounting measures

Traded market risk measures such as VaR and balance sheet exposure measures have fundamental differences:
- Balance sheet measures show accruals-based balances or marked to market values as at the reporting date
- VaR measures also take account of current marked to market values but, in addition, hedging effects between positions are considered
- Market risk measures are expressed in terms of changes in value or volatilities as opposed to static values.

For these reasons, it is not possible to present direct reconciliations of traded market risk and accounting measures.

Summary of performance in the period

Average Management VaR decreased 38% to £26m (2023: £42m). The decrease was mainly driven by lower market volatility and credit spread levels in 2024, as inflation continued to decline and central banks continued to cut rates.

Traded market risk review

Review of management measures

The following disclosures provide details of management measures of market risk.

The table below shows the total management VaR on a diversified basis by risk factor. Total management VaR includes all trading positions in UKCB and ICB and the supporting Barclays Bank Group Treasury desks, measured to a confidence level of 95%.

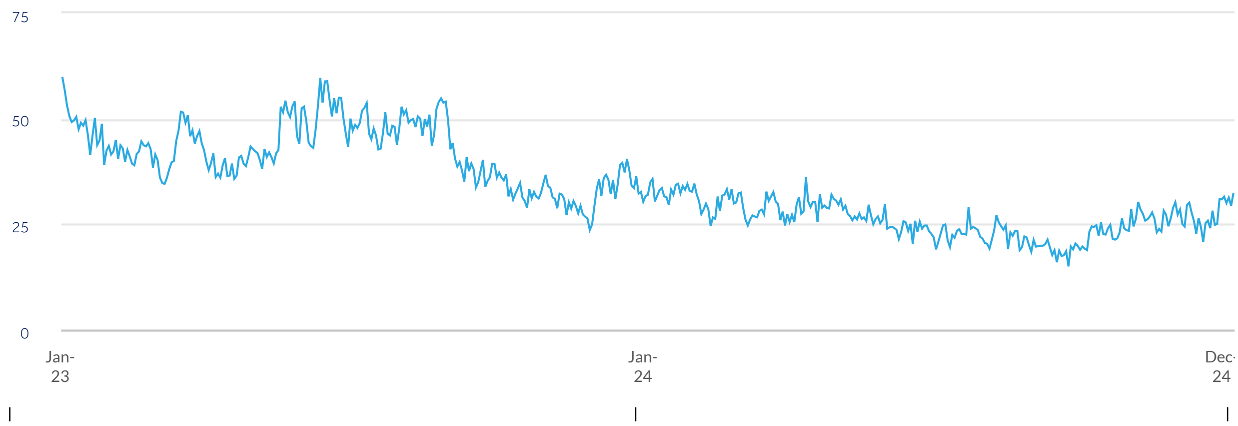
Limits are applied against each risk factor VaR as well as total management VaR, which are then cascaded further by risk managers to each business.

The daily average, high and low values of management VaR

Management VaR (95%, one day) (audited)	2024			2023		
For the year ended 31 December 2024	Average £m	High £m	Low £m	Average £m	High £m	Low £m
Credit risk	21	27	17	40	57	22
Interest rate risk	15	25	6	15	25	9
Equity risk	6	12	2	6	10	3
Basis risk	5	8	4	13	24	8
Spread risk	5	7	3	9	14	6
Foreign exchange risk	4	9	2	4	9	1
Commodity risk	—	1	—	—	1	—
Inflation risk	4	5	2	7	11	2
Diversification effect[1]	(34)	n/a	n/a	(52)	n/a	n/a
Total management VaR	**26**	**36**	**15**	42	60	24

Note
1 Diversification effects recognise that forecast losses from different assets or businesses are unlikely to occur concurrently, hence the expected aggregate loss is lower than the sum of the expected losses from each area. Historical correlations between losses are taken into account in making these assessments. The high and low VaR figures reported for each category did not necessarily occur on the same day as the high and low VaR reported as a whole. Consequently, a diversification effect balance for the high and low VaR figures would not be meaningful and is therefore omitted from the above table.

Barclays Bank Group Management VaR (£m)



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Liquidity risk

All disclosures in this section, pages 120 to 131, are unaudited unless otherwise stated.

Overview

The efficient management of liquidity is essential to the Barclays Bank Group in order to retain the confidence of markets and maintain the sustainability of the business. The liquidity risk control framework is used to manage all liquidity risk exposures under both business-as-usual and stressed conditions. The liquidity risk framework is designed to maintain liquidity resources that are sufficient in amount, quality and funding tenor profile to support the liquidity risk appetite as expressed by the Barclays Bank PLC Board. The liquidity risk appetite is monitored against both internal and regulatory liquidity metrics.

For the purpose of liquidity management, Barclays Bank PLC and its subsidiary Barclays Capital Securities Limited, a UK broker dealer entity, are monitored on a combined basis by the PRA under a Domestic Liquidity Sub-Group (Barclays Bank PLC DoLSub) arrangement.

Liquidity regulation

The bank monitors its position against both the LCR (Liquidity Coverage Ratio) and NSFR (Net Stable Funding Ratio) according to the PRA regulatory requirements which include certain Basel III standards that were retained in the UK regulatory framework from 1 January 2022 as part of the UK's withdrawal from the EU. The LCR requirement takes into account the relative stability of different sources of funding and potential incremental funding requirements in a stress. The LCR is designed to promote short-term resilience of a bank's liquidity risk profile by holding sufficient High Quality Liquid Assets (HQLA) to survive an acute stress scenario lasting for 30 days. The NSFR has been developed to promote a sustainable and stable structure of assets and liabilities.

Liquidity risk stress testing

The Internal Liquidity Stress Test (ILST) measures the potential contractual and contingent stress outflows under a range of stress scenarios, which are then used to determine the size of the liquidity pool that is immediately available to meet anticipated outflows if a stress occurs. The scenarios include a 30 day Barclays-specific stress event, a 90 day market-wide stress event and a 30 day combined scenario consisting of both a Barclays specific and market-wide stress event. Barclays Bank PLC DolSub also runs a liquidity stress test which measures the anticipated outflows over a 12 month market-wide scenario.

As at 31 December 2024, Barclays Bank PLC DoLSub held eligible liquid assets well above 100% of net stressed outflows as measured according to its internal and regulatory requirements. The split of the liquidity pool between cash and deposits with central banks, government bonds and other eligible securities is broadly similar to the Barclays Group.

The liquidity pool increased to £179bn (December 2023: £176bn), while the Average LCR increased to 157% (December 2023:151%). The liquidity pool movement was driven by changes in business funding consumption and a reduction in wholesale funding led by short-term Money Market balances . The increase in LCR is driven by a decrease in net stress outflows led by an increase in the proportion of corporate deposits treated as operational and an increase in inflows from securities lending.

As at 31 December	2024 £bn	2023 £bn
Barclays Bank PLC DoLSub Liquidity Pool	**179**	176
	%	%
Barclays Bank PLC DoLSub Liquidity Coverage Ratio[1]	**157**	151

Note
1 Liquidity Coverage Ratio is now shown on an average basis, based on the average of the last 12 spot month end ratios.

The Barclays Bank Group has direct access to US, European and Asian capital markets through its global investment banking operations and to long-term investors through its clients worldwide. Key sources of wholesale funding include money markets, certificates of deposit, commercial paper, medium term issuances (including structured notes) and securitisations. This funding capacity enables the Barclays Bank Group to maintain a stable and diversified funding base.

The Barclays Bank Group also supports various central bank monetary initiatives, such as the Bank of England's Term Funding Scheme with additional incentives for SMEs (TFSME), and the European Central Bank's Targeted Long-Term Refinancing Operations (TLTRO). These are reported under 'repurchase agreements and other similar secured borrowing' on the balance sheet. In 2024, Barclays Bank Group fully repaid its entire outstanding TLTRO balance of £0.5bn. Barclays Bank Group repaid £3.6bn of its TFSME drawings reducing its outstanding balance to £3.4bn at year end.

Net Stable Funding Ratio (NSFR)

The external NSFR metric requires banks to maintain a stable funding profile taking into account both on and certain off balance sheet exposures over a medium to long term period. The ratio is defined as the Available Stable Funding (capital and certain liabilities which are defined as stable sources of funding) relative to the Required Stable Funding (a measure of assets on balance sheet and certain off balance sheet exposures which may require longer term funding). The NSFR (average of last four quarter end ratios) was 112% at December 2024, equivalent to a surplus of £39bn above the regulatory requirement and demonstrates Barclays Bank PLC's stable balance sheet funding profile.

Net Stable Funding Ratio[1]	2024 £bn	2023 £bn
Total Available Stable Funding	**372**	339
Total Required Stable Funding	**333**	308
Surplus	**39**	31
Net Stable Funding Ratio	**112 %**	110 %

Note
1 Average represents the last four spot quarter end ratios.

As part of the liquidity risk appetite, Barclays Bank PLC DoLSub establishes minimum LCR, NSFR and internal liquidity stress test limits. Barclays Bank PLC DoLSub plans to maintain its surplus to the internal and regulatory requirements at an efficient level. Risks to market funding conditions, the Barclays Bank Group's liquidity position and funding profile are assessed continually, and actions are taken to manage the size of the liquidity pool and the funding profile as appropriate.

Contractual maturity of financial assets and liabilities

The table below provides detail on the contractual maturity of all financial instruments and other assets and liabilities. Derivatives (other than those designated in a hedging relationship) and trading portfolio assets and liabilities are included in the 'not more than one month' column at their fair value. Liquidity risk on these items is not managed on the basis of contractual maturity since these items are not held for settlement according to such maturity and will frequently be settled before contractual maturity at fair value. Derivatives designated in a hedging relationship are included according to their contractual maturity.

Contractual maturity of financial assets and liabilities (audited)

Barclays Bank Group	Not more than one month	Over one month but not more than three months	Over three months but not more than six months	Over six months but not more than one year	Over one year but not more than three years	Over three years but not more than five years	Over five years	Total
As at 31 December 2024	£m	£m	£m	£m	£m	£m	£m	£m
Assets								
Cash and balances at central banks	180,365	—	—	—	—	—	—	180,365
Cash collateral and settlement balances	76,805	37,182	—	—	—	—	—	113,987
Debt Securities at amortised cost	233	352	1,710	1,194	15,393	11,921	19,424	50,227
Loans and advances at amortised cost to banks and customers	22,523	5,207	7,067	16,544	45,701	22,641	25,144	144,827
Reverse repurchase agreements and other similar secured lending	299	37	292	110	1,675	980	—	3,393
Trading portfolio assets	166,244	—	—	—	—	—	—	166,244
Financial assets at fair value through the income statement	152,022	11,628	4,467	4,471	10,082	6,099	3,076	191,845
Derivative financial instruments	291,580	19	333	—	268	23	133	292,356
Financial assets at fair value through other comprehensive income	1,421	1,002	110	233	5,747	12,147	30,350	51,010
Assets included in disposal groups classified as held for sale	—	3,710	—	—	6,144	—	—	9,854
Other financial assets	499	22	126	17	1	—	—	665
Total financial assets	891,991	59,159	14,105	22,569	85,011	53,811	78,127	1,204,773
Other assets								13,751
Total assets								1,218,524
Liabilities								
Deposits at amortised cost from bank and customers	240,546	33,576	27,124	12,752	3,481	1,296	601	319,376
Cash collateral and settlement balances	75,019	29,608	—	—	—	—	—	104,627
Repurchase agreements and other similar secured borrowing	18,522	1,823	84	3,931	3,702	1,335	—	29,397
Debt securities in issue	2,912	15,264	5,859	3,469	713	2,164	5,422	35,803
Subordinated liabilities	—	818	75	80	11,431	6,444	23,027	41,875
Trading portfolio liabilities	56,182	—	—	—	—	—	—	56,182
Financial liabilities designated at fair value	156,917	23,502	16,742	15,331	28,332	19,087	19,866	279,777
Derivative financial instruments	278,657	27	18	—	185	255	189	279,331
Liabilities included in disposal groups classified as held for sale	—	3,726	—	—	—	—	—	3,726
Other financial liabilities	4,333	4	9	19	71	40	392	4,868
Total financial liabilities	833,088	108,348	49,911	35,582	47,915	30,621	49,497	1,154,962
Other liabilities								4,342
Total liabilities								1,159,304

Contractual maturity of financial assets and liabilities (audited)

Barclays Bank Group As at 31 December 2023	Not more than one month £m	Over one month but not more than three months £m	Over three months but not more than six months £m	Over six months but not more than one year £m	Over one year but not more than three years £m	Over three years but not more than five years £m	Over five years £m	Total £m
Assets								
Cash and balances at central banks	189,686	—	—	—	—	—	—	189,686
Cash collateral and settlement balances	56,656	47,052	—	—	—	—	—	103,708
Debt securities at amortised cost	3	4,781	300	3,910	11,033	8,527	10,492	39,046
Loans and advances at amortised cost to banks and customers	21,083	5,462	8,269	15,124	42,178	26,186	27,899	146,201
Reverse repurchase agreements and other similar secured lending	204	1	—	34	862	—	2	1,103
Trading portfolio assets	174,566	—	—	—	—	—	—	174,566
Financial assets at fair value through the income statement	156,958	17,758	6,213	5,900	11,000	3,456	2,951	204,236
Derivative financial instruments	255,229	100	—	—	275	280	227	256,111
Financial assets at fair value through other comprehensive income	1,278	1,675	283	4,419	7,578	10,765	25,425	51,423
Assets included in disposal groups classified as held for sale	—	—	—	3,916	—	—	—	3,916
Other financial assets	1,878	18	152	8	11	—	—	2,067
Total financial assets	857,541	76,847	15,217	33,311	72,937	49,214	66,996	1,172,063
Other assets								13,103
Total assets								1,185,166
Liabilities								
Deposits at amortised cost from banks and customers	224,720	31,711	20,530	20,106	2,546	1,337	848	301,798
Cash collateral and settlement balances	64,130	28,858	—	—	—	—	—	92,988
Repurchase agreements and other similar secured borrowing	13,430	12,433	1,307	696	609	—	79	28,554
Debt securities in issue	2,563	17,004	9,683	7,286	2,405	800	5,912	45,653
Subordinated liabilities	257	121	266	204	11,232	7,151	16,672	35,903
Trading portfolio liabilities	57,761	—	—	—	—	—	—	57,761
Financial liabilities designated at fair value	181,214	31,970	13,867	14,579	23,460	13,994	19,489	298,573
Derivative financial instruments	249,404	21	—	—	28	55	372	249,880
Liabilities included in disposal groups classified as held for sale	—	—	—	3,164	—	—	—	3,164
Other financial liabilities	6,014	5	12	24	87	66	80	6,288
Total financial liabilities	799,493	122,123	45,665	46,059	40,367	23,403	43,452	1,120,562
Other liabilities								4,100
Total liabilities								1,124,662

Expected maturity date may differ from the contractual date, to account for:

- Trading portfolio assets and liabilities and derivative financial instruments which may not be held to maturity as part of the Barclays Bank Group's trading strategies.
- Corporate and retail deposits, reported under deposits at amortised cost, are repayable on demand or at short notice on a contractual basis. In practice, their behavioural maturity is typically longer than their contractual maturity, and therefore provide stable funding for the Barclays Bank Group's operations and liquidity needs.
- Loans to corporate and retail customers, which are included within loans and advances at amortised cost and financial assets at fair value, may be repaid earlier in line with terms and conditions of the contract.
- Debt securities in issue, subordinated liabilities, and financial liabilities designated at fair value may include early redemption features.

Contractual maturity of financial liabilities on an undiscounted basis

The following table presents the cash flows payable by the Barclays Bank Group under financial liabilities by remaining contractual maturities at the balance sheet date. The amounts disclosed in the table are the contractual undiscounted cash flows of all financial liabilities (i.e. nominal values).

The balances in the below table do not agree directly to the balances in the consolidated balance sheet as the table incorporates all cash flows, on an undiscounted basis, related to both principal as well as those associated with all future coupon payments.

Derivative financial instruments held for trading and trading portfolio liabilities are included in the 'not more than one month' column at their fair value.

Contractual maturity of financial liabilities - undiscounted (audited)

Barclays Bank Group	Not more than one month £m	Over one month but not more than three months £m	Over three months but not more than six months £m	Over six months but not more than one year £m	Over one year but not more than three years £m	Over three years but not more than five years £m	Over five years £m	Total £m
As at 31 December 2024								
Deposits at amortised cost from banks and customers	240,695	33,769	27,410	13,059	3,687	1,531	762	320,913
Cash collateral and settlement balances	75,021	29,780	—	—	—	—	—	104,801
Repurchase agreements and other similar secured borrowing	18,542	1,832	84	4,065	3,892	1,508	—	29,923
Debt securities in issue	2,920	15,360	5,930	3,579	745	2,558	8,714	39,806
Subordinated liabilities	—	824	75	80	11,955	7,036	34,922	54,892
Trading portfolio liabilities	56,182	—	—	—	—	—	—	56,182
Financial liabilities designated at fair value	157,090	23,676	16,971	15,713	30,014	21,471	34,087	299,022
Derivative financial instruments	278,662	27	18	—	197	298	402	279,604
Liabilities included in disposal groups classified as held for sale	—	3,726	—	—	—	—	—	3,726
Other financial liabilities	4,335	10	18	35	127	86	3,680	8,291
Total financial liabilities	**833,447**	**109,004**	**50,506**	**36,531**	**50,617**	**34,488**	**82,567**	**1,197,160**
As at 31 December 2023								
Deposits at amortised cost from banks and customers	224,753	31,931	20,850	20,720	2,738	1,556	1,017	303,565
Cash collateral and settlement balances	64,132	29,098	—	—	—	—	—	93,230
Repurchase agreements and other similar secured borrowing	13,463	12,516	1,326	719	632	—	213	28,869
Debt securities in issue	2,571	17,142	9,849	7,481	2,571	908	8,464	48,986
Subordinated liabilities	257	121	272	205	11,911	8,426	24,613	45,805
Trading portfolio liabilities	57,761	—	—	—	—	—	—	57,761
Financial liabilities designated at fair value	181,348	32,178	14,174	15,013	24,882	15,309	32,541	315,445
Derivative financial instruments	249,405	21	—	—	31	64	705	250,226
Liabilities included in disposal groups classified as held for sale	—	—	—	3,164	—	—	—	3,164
Other financial liabilities	6,014	7	14	28	101	73	92	6,329
Total financial liabilities	799,704	123,014	46,485	47,330	42,866	26,336	67,645	1,153,380

Maturity of off-balance sheet commitments given

The table below presents the maturity split of the Barclays Bank Group's off-balance sheet commitments given at the balance sheet date. The amounts disclosed in the table are the undiscounted cash flows (i.e. nominal values) on the basis of earliest opportunity at which they are available.

Maturity analysis of off-balance sheet commitments given (audited)

Barclays Bank Group	Not more than one month £m	Over one month but not more than three months £m	Over three months but not more than six months £m	Over six months but not more than one year £m	Over one year but not more than three years £m	Over three years but not more than five years £m	Over five years £m	Total £m
As at 31 December 2024								
Contingent liabilities and financial guarantees	26,541	22	1	1	—	—	—	26,565
Documentary credits and other short-term trade related transactions	1,432	1	—	—	—	—	—	1,433
Standby facilities, credit lines and other commitments[1]	352,276	—	—	—	68	—	—	352,344
Total off-balance sheet commitments given	**380,249**	**23**	**1**	**1**	**68**	—	—	**380,342**
As at 31 December 2023								
Contingent liabilities and financial guarantees	26,706	119	2	1	1	—	—	26,829
Documentary credits and other short-term trade related transactions	2,348	3	1	—	—	—	—	2,352
Standby facilities, credit lines and other commitments[1]	335,528	—	—	—	55	—	—	335,583
Total off-balance sheet commitments given	**364,582**	**122**	**3**	**1**	**56**	—	—	**364,764**

Note
1. Includes exposures relating to financial assets classified as assets held for sale.

Capital risk

All disclosures in this section, page 126 are unaudited unless otherwise stated.

Overview

Barclays Bank PLC capital requirements are set by the PRA at a solo-consolidated level. Barclays Bank PLC solo-consolidated comprises Barclays Bank PLC plus certain additional subsidiaries, whose inclusion within the consolidation is subject to PRA approval.

Further information on the risk profile will be included in the Barclays Bank PLC 2024 Pillar 3 Report, expected to be published on 13 February 2025, and which will be available at home.barclays/investor-relations/reports-and-events/annual-reports.

As at 31 December 2024 Barclays Bank PLC solo-consolidated CET1 ratio was 12.1% which is above its minimum regulatory requirement of 10.6%.

Capital ratios[1,2,4]

As at 31 December	2024	2023
CET1	**12.1%**	12.1%
Tier 1 (T1)	**15.1%**	16.0%
Total regulatory capital	**18.1%**	19.2%

Capital resources (audited)

As at 31 December	2024 £m	2023 £m
CET1 capital	**26,995**	25,470
T1 capital	**33,787**	33,864
Total regulatory capital	**40,444**	40,530
Total risk weighted assets (RWAs) (unaudited)	**223,648**	211,193

Leverage minimum requirements are set at the sub-consolidated level for Barclays Bank PLC. The sub-consolidated group represents the Barclays Bank Group on a regulatory scope of consolidation, as approved by the PRA. As a result, the Barclays Bank PLC leverage disclosures contained within this document are presented at Barclays Bank PLC sub-consolidated level, based on capital and exposure on the last day of the quarter. Additionally, it is also required to disclose an average UK leverage ratio based on capital on the last day of each month in the quarter and an exposure measure for each day in the quarter.

As at 31 December 2024, the Barclays Bank PLC sub-consolidated leverage ratio was 5.8% which is above the minimum leverage ratio requirement of 3.5%.

Leverage ratio BBPLC sub-consolidated[1,3,4]

As at 31 December	2024 £m	2023 £m
UK leverage ratio[5]	**5.8%**	6.0%
T1 capital	**54,713**	55,560
UK leverage exposure	**946,809**	924,826
Average UK leverage ratio	**5.2%**	5.4%
Average T1 capital	**54,645**	55,681
Average UK leverage exposure	**1,050,090**	1,022,824

Notes
1 CET1, T1 and T2 capital, RWAs and leverage are calculated applying the transitional arrangements in accordance with UK CRR. This included IFRS 9 transitional arrangements and the grandfathering of certain capital instruments until 28 June 2025. Effective from 1 January 2025, the IFRS9 transitional arrangements no longer applied.
2 The fully loaded CET1 ratio was 12.1%, with £27.0bn of CET1 capital and £223.6bn of RWAs calculated without applying the transitional arrangements in accordance with UK CRR.
3 Fully loaded UK leverage ratio was 5.8%, with £54.6bn of T1 capital and £946.7bn of leverage exposure. Fully loaded average UK leverage ratio was 5.2% with £54.5bn of T1 capital and £1,050bn of leverage exposure. Fully loaded UK leverage ratios are calculated without applying the transitional arrangements under UK CRR.
4 The fully loaded Barclays Bank PLC Solo-consolidated and Barclays Bank PLC sub-consolidated CET1 ratios, as are relevant for assessing against the conversion triggers in Barclays Bank PLC AT1 securities (all of which are held by Barclays PLC), were 12.1% and 16.4% respectively calculated without applying the transitional arrangements under UK CRR.
5 Although the leverage ratio is expressed in terms of T1 capital, the countercyclical leverage ratio buffer (CCLB) and 75% of the minimum requirement must be covered solely with CET1 capital. The CET1 capital held against the 0.2% countercyclical leverage ratio buffer was £1.9bn.

Foreign exchange risk (audited)

The Barclays Bank Group is exposed to two sources of foreign exchange risk.

a) Transactional foreign currency exposure

Transactional foreign currency exposures represent exposures on banking assets and liabilities, denominated in currencies other than the functional currency of the transacting entity.

The Barclays Bank Group's risk management policies are designed to prevent the holding of significant open positions in foreign currencies outside the trading portfolio which is monitored through VaR.

Banking book transactional foreign exchange risk is monitored on a daily basis by the market risk function and minimised by the businesses.

b) Translational foreign exchange exposure

The Barclays Bank Group's investments in overseas subsidiaries and branches create capital resources denominated in foreign currencies, principally USD and EUR. Changes in the GBP value of the net investments due to foreign currency movements are captured in the currency translation reserve, resulting in a movement in shareholders' equity.

Functional currency of operations (audited)

	Foreign currency net investments	Borrowings which hedge the net investments	Derivatives which hedge the net investments	Structural currency exposures pre-economic hedges	Other Equity instruments	Remaining structural currency exposures
	£m	£m	£m	£m	£m	£m
As at 31 December 2024						
USD	**27,742**	**(4,644)**	**(2,229)**	**20,868**	**(5,846)**	**15,023**
EUR	**9,559**	**(2,729)**	**—**	**6,830**	**(265)**	**6,565**
INR	**1,400**	**—**	**(992)**	**408**	**—**	**408**
JPY	**628**	**(215)**	**—**	**413**	**—**	**413**
Other	**2,037**	**—**	**(792)**	**1,245**	**(849)**	**396**
Total	**41,366**	**(7,588)**	**(4,013)**	**29,764**	**(6,960)**	**22,805**
As at 31 December 2023						
USD	26,199	(5,733)	(2,168)	18,298	(7,326)	10,972
EUR	9,521	(2,600)	—	6,921	(277)	6,644
INR	1,167	—	(891)	276	—	276
JPY	701	(174)	—	527	—	527
Other	1,793	—	(674)	1,119	(505)	614
Total	39,381	(8,507)	(3,733)	27,141	(8,108)	19,033

Other equity instruments relate to exposures arising on foreign currency denominated preference share and AT1 instruments. These instruments are accounted for at historical cost under IFRS and do not qualify as hedges for accounting purposes. The gain or loss arising from changes in the GBP value of these instruments is recognised on redemption in retained earnings.

During 2024, total structural currency exposure net of hedging instruments increased by £3.8bn to £22.8bn (2023: £19bn). Foreign currency net investments increased by £2bn to £41.4bn (2023: £39.4bn) driven predominantly by a £1.6bn increase in US dollars, £0.2bn increase in INR & £0.3bn increase in other currencies offset by £0.1bn decrease in Euro. The hedges associated with these foreign currency investments decreased by £0.6bn to £11.6bn (2023: £12.2bn).

Pension risk review

The UK Retirement Fund (UKRF) represents approximately 96% (2023: 96%) of the Group's total retirement benefit obligations globally. As such this risk review section focuses exclusively on the UKRF. The UKRF is closed to new entrants and there is no new final salary benefit being accrued. Existing active members accrue a combination of a cash balance benefit and a defined contribution element. Pension risk arises as the market value of the pension fund assets may decline, investment returns may reduce or the estimated value of the pension liabilities may increase.

Assets

The Trustee Board of the UKRF defines its overall long-term investment strategy with investments across a broad range of asset classes. This results in a diversified mix of return seeking assets as well as liability matching assets to better match future pension obligations. The two largest risks within the asset portfolio are credit spread and growth assets. The split of scheme assets is shown within Note 30 to the financial statements. The fair value of the UKRF assets was £21.9bn as at 31 December 2024 (2023: £24.2bn).

Liabilities

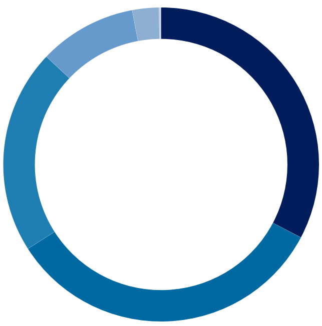
The UKRF retirement benefit obligations are a series of future cash flows with relatively long duration. On an IAS 19 basis these cash flows are sensitive to changes in the expected long-term price inflation rate (RPI) and the discount rate (GBP AA corporate bond yield):

- An increase in long-term expected inflation corresponds to an increase in liabilities;
- A decrease in the discount rate corresponds to an increase in liabilities.

Pension risk is generated through the Group's defined benefit schemes and this risk is set to reduce over time as the main defined benefit scheme is closed to new entrants. The chart below outlines the shape of the UKRF's liability cash flow profile as at 31 December 2024 that takes account of the future inflation indexing of payments to beneficiaries. The majority of the cash flows (approximately 97%) fall between 0 and 40 years, peaking between 11 and 20 years and reducing thereafter. The shape may vary depending on changes to inflation and longevity expectations and any members who elect to transfer out. Transfers out will bring forward the liability cash flows.

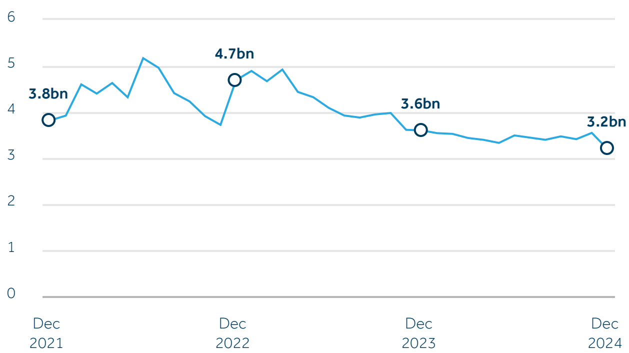
For more detail on the UKRF's financial and demographic valuation assumptions see Note 30 to the financial statements.

Proportion of liability cash flows (%)



0-10 years	32.7
11-20 years	33.3
21-30 years	21.1
31-40 years	10
41-50 years	2.7
51+ years	0.2

IAS 19 pension position from 2021 to 2024 (£bn)



The graph above shows the evolution of the UKRF's net IAS 19 position over the last four years. During 2024 the decrease in the UKRF surplus was driven by changes in market conditions, primarily due to the high rates environment.

Refer to Note 30 to the financial statements for the sensitivity of the UKRF to changes in key assumptions.

Risk measurement

In line with the Barclays Bank Group's risk management framework the assets and liabilities of the UKRF are modelled within a VaR framework to show the volatility of the pension position at a total portfolio level. This enables the risks, diversification and liability matching characteristics of the UKRF obligations and investments to be adequately captured. VaR is measured and monitored on a quarterly basis. Risks are reviewed and reported regularly at the Pensions Executive Board. The VaR model takes into account the valuation of the liabilities on an IAS 19 basis (see Note 30 to the financial statements). The Trustee receives quarterly VaR measures on a funding basis.

The pension liability is also sensitive to post-retirement mortality assumptions which are reviewed regularly (See Note 30 to the financial statements).

To mitigate part of this risk the UKRF has entered into a longevity swap hedging approximately 70% of current pensioner liabilities.

In addition, the impact of pension risk to the Barclays Bank Group is taken into account as part of the stress testing process. Stress testing is performed internally at least on an annual basis. The UKRF exposure is also included as part of regulatory stress tests.

The Barclays Bank Group's defined benefit pension schemes affect capital in two ways:

- An IAS 19 deficit is treated as a liability on the Barclays Bank Group’s balance sheet. Movement in a deficit due to remeasurements, including actuarial losses, are recognised immediately through Other Comprehensive Income and as such reduce shareholders’ equity and CET1 capital. An IAS 19 surplus is treated as an asset on the balance sheet and increases shareholders’ equity; however, it is deducted for the purposes of determining CET1 capital.
- In the Barclays Bank Group’s statutory balance sheet an IAS 19 surplus or deficit is partially offset by a deferred tax liability or asset respectively. These may or may not be recognised for calculating CET1 capital depending on the overall deferred tax position of the Barclays Bank Group at the particular time.

Pension risk is taken into account in the Pillar 2A capital assessment undertaken by the PRA at least annually. The Pillar 2A requirement forms part of the overall capital requirement for Barclays Bank PLC.

Interest rate risk in the banking book

All disclosures in this section, pages 130 to 131, are unaudited unless otherwise stated.

Overview

The treasury and capital risk framework covers interest rate sensitive exposures held in the banking book, mostly relating to accrual accounted and fair value through other comprehensive income (FVOCI) instruments. The potential volatility of net interest income (NII) is measured by an Annual Earnings at Risk (AEaR) metric which is monitored regularly and reported to senior management and the Barclays Bank PLC Board Risk Committee as part of the limit monitoring framework.

Summary of performance in the period

NII sensitivity to interest rate shocks has remained broadly unchanged year on year with a change in the Bank's currency composition. Barclays Bank PLC's strategy remains to stabilise income across various interest rate environments, this has led to a broadly neutral outcome of sensitivities to both a +25bps and -25bps shock.

Key metrics

-£11m

AEaR across the Barclays Bank Group from a +25bps shock to forward interest rate curves.

Net interest income sensitivity

The table below shows a sensitivity analysis on pre-tax net interest income for non-traded financial assets and liabilities, including the effect of any hedging. This analysis is not a forward guidance on NII and is intended as a quantification of risk exposure utilising the Net Interest Income (NII) metric as described on page 178 of the Barclays PLC Pillar 3 Report 2024 (unaudited), which includes documentation of the main model assumptions.

Net Interest Income sensitivity (AEaR) by currency (audited)	2024		2023	
	+25 basis points	-25 basis points	+25 basis points	-25 basis points
Barclays Bank Group	£m	£m	£m	£m
GBP	27	(28)	(27)	25
USD	(29)	29	18	(18)
EUR	(6)	6	20	(21)
Other currencies	(3)	3	(19)	19
Total	(11)	10	(8)	5

Analysis of equity sensitivity

The analysis of equity sensitivity table measures the overall impact of a +/- 25bps movement in interest rates on retained earnings, FVOCI, cash flow hedge reserves and pensions. For non-NII items a DV01 metric is used, which is an indicator of the shift in value for a 1bp movement in the yield curve.

Analysis of equity sensitivity (audited)	31 December 2024		31 December 2023	
	+25 basis points	-25 basis points	+25 basis points	-25 basis points
Barclays Bank Group	£m	£m	£m	£m
Net interest income	(11)	10	(8)	5
Taxation effects on the above	2	(2)	1	(1)
Effect on profit for the year	(9)	8	(7)	4
As percentage of net profit after tax	(0.2%)	0.2%	(0.2%)	0.1%
Effect on profit for the year (per above)	(9)	8	(7)	4
Fair value through other comprehensive income reserve	(193)	200	(234)	242
Cash flow hedge reserve	(588)	588	(585)	585
Taxation effects on the above[1]	219	(221)	131	(132)
Effect on equity	(571)	575	(695)	699
As percentage of equity	(1.0%)	1.0%	(1.1%)	1.2%

Note:
1 The 2024 methodology has been updated to reflect the expected tax rates of each component impacting equity.

Volatility of the FVOCI portfolio in the liquidity pool

Changes in value of FVOCI exposures flow directly through capital via the FVOCI reserve. The volatility in the value of the FVOCI investments in the liquidity pool is captured and managed through a value measure rather than an earning measure, i.e. non-traded market risk VaR.

Although the underlying methodology to calculate the non-traded VaR is identical to the one used in traded management VaR, the two measures are not directly comparable. The non-traded VaR represents the volatility to capital driven by the FVOCI exposures. These exposures are in the banking book and do not meet the criteria for trading book treatment.

Analysis of volatility of the FVOCI portfolio in the liquidity pool

	2024			2023		
	Average	High	Low	Average	High	Low
For the year ended 31 December	£m	£m	£m	£m	£m	£m
Non-traded market value at risk (daily, 95%)	**56**	**66**	**45**	67	78	51

Daily Value at Risk has been lower on an average in 2024 relative to 2023 driven by a combination of position changes and market volatility reduction.

All disclosures in this section, pages 132 to 134, are unaudited unless otherwise stated.

Overview

Operational risks are inherent in the Barclays Bank Group's business activities and it is not cost effective or possible to attempt to eliminate all operational risks. The Operational Risk Framework is therefore focused on identifying operational risks, assessing them and managing them within the Barclays Bank Group's approved risk appetite.

The Operational Risk principal risk comprises the following risks: Change Delivery Management Risk; Data Management Risk; Financial Reporting Risk; Fraud Risk; Information Security Risk; Operational Recovery Planning Risk; Payments Process Risk; People Risk; Physical Security Risk; Premises Risk; Risk Reporting; Supplier Risk; Tax Risk; Technology Risk and Transaction Operations Risk. The operational risk profile is also informed by a number of Connected Risks: Data, Resilience, Third Party Service Provider and Model Connected Risk. These Connected Risks represent threats to the Barclays Bank Group that extend across multiple risk types, and therefore require an integrated risk approach to reporting and monitoring the risk exposure.

For definitions of these risks refer to the Management of operational risk section of the Barclays PLC Pillar 3 Report 2024. To provide complete coverage of the potential adverse impacts on the Barclays Bank Group arising from operational risk, the operational risk taxonomy extends beyond the risks listed above to cover operational risks associated with other principal risks too.

This section provides an analysis of the Barclays Bank Group's operational risk profile, including events above the Barclays Bank Group's reportable threshold, which have had a financial impact in 2024. The Barclays Bank Group's operational risk profile is informed by bottom-up risk assessments undertaken by each business unit and top-down qualitative review for each risk type. Fraud, Transaction Operations, Information Security and Technology continue to be highlighted as key operational risk exposures.

For information on compliance risk events, see the compliance risk section.

Summary of performance in the period

During 2024, total operational risk losses[1] reduced to £47m (2023: £54m) and the number of recorded events for 2024 increased to 924 from 839 events recorded during the prior year. The total operational risk losses for the year were mainly driven by events falling within the Execution, Delivery & Process Management and External Fraud categories, which tend to be high volume but low impact events.

Key metrics

83%
of the Barclays Bank Group's net reportable operational risk events had a loss value of £50,000 or less

30%
of events by number are due to Execution, Delivery and Process Management

70%
of events by number are due to External Fraud

72%
of losses are from events aligned to Execution, Delivery and Process Management

Operational risk profile

Within operational risk, there are a large number of small value risk events. In 2024, 83% (2023: 79%) of the Barclays Bank Group's reportable operational risk events by volume had a value of less than £50,000 each. Cumulatively, events under this £50,000 threshold accounted for only 27% (2023: 20%) of the Barclays Bank Group's total net operational risk losses. A small proportion of operational risk events have a material impact on the financial results of the Barclays Bank Group.

The analysis below presents the Barclays Bank Group's operational risk events by Basel event category:

Operational risk events by BASEL event category

	% of total risk events by count 2024	% of total risk events by count 2023	% of total risk events by value 2024	% of total risk events by value 2023
Internal Fraud	0%	0%	0%	0%
External Fraud	70.1%	63.1%	28.2%	24%
Execution Delivery and Process Management	29.8%	36.1%	71.7%	75.4%
Employment Practices and Workplace Safety	0%	0%	0%	0%
Damage to Physical Assets	0%	0.1%	0%	0%
Clients Products and Business Practices	0%	0.2%	0%	0.3%
Business Disruption and System Failures	0.1%	0.4%	0%	0.1%

Note
1 The data disclosed includes operational risk losses for reportable events impacting the Barclays Bank Group business areas, having impact of > £10,000 and excludes Gain or Insurance Recovery impacts, events that are compliance or legal risk, aggregate and boundary events. A boundary event is an operational risk event that results in a credit risk impact. Due to the nature of risk events that keep evolving, data for prior year losses are updated.

- Execution, Delivery and Process Management impacts during 2024 reduced to £34m (2023: £41m) and accounted for 72% of total operational risk losses (2023: 75%). The events in this category are typical of the banking industry as a whole where high volumes of transactions are processed on a daily basis, mapping mainly to Barclays Transaction Operations risk type. The overall frequency of events in this category in 2024 decreased to 30% of total events by volume (2023: 36%).

- External Fraud impacts during 2024 remain stable at £13m (2023: £13m) and accounted for 28% of total events by value (2023: 24%). Volume of events increased to 648 accounting for 70% of total event volume (2023: 529 / 63%). In this category, high volume, low value events are driven by transactional fraud often related to debit and credit card usage. Note: Total External Fraud losses in 2024 including those from events with impact <£10,000 amounted to £63m (2023: £69m).

Investment continues to be made in improving the control environment across the Barclays Bank Group. Specific areas of focus include new and enhanced fraud prevention systems and tools to combat the increasing level of fraud attempts being made whilst minimising disruption to genuine transactions. Fraud remains an industry wide threat and the Barclays Bank Group continues to work closely with external partners on various prevention initiatives.

Fraudsters use various techniques to target customers and colleagues directly (i.e. Third Party Fraud), or the Bank directly (i.e. First Party Fraud). In the UK and Europe, Authorised Push Payment (APP) Scams is a growing fraud type where customers are deceived to transfer funds from their account to a bad actor. Fraud can also be committed by one or more employees and workers of any entity (i.e. Internal Fraud) or any unauthorized trading fraud. Additionally, the Barclays Bank Group continues to invest in its processing infrastructure to manage the risk of processing errors as well as ensuring scalability of operations.

Operational Resilience remains a key area of focus for the Barclays Bank Group, having been reinforced in recent years due to potential operational disruption from the COVID-19 pandemic. The Barclays Bank Group continues to strengthen its resilience approach across its most important business services to improve recoverability and assurance thereof by reviewing scenarios based on current global climates.

Operational risk associated with cybersecurity remains a top focus for the Barclays Bank Group. The sophistication of threat actors continues to grow as noted by multiple external risk events observed throughout the year. Cybersecurity incidents across the global Barclays supplier base and financial market intermediaries were observed, and we worked closely with the affected parties to manage potential impacts to the Barclays Bank Group and its clients and customers. The Barclays Bank Group’s cybersecurity incidents did not materially impact the Barclays Bank Group's business strategy, results of operations, or financial condition.

For further information, refer to the operational risk management section.

Risk performance

Model risk, Compliance risk, Reputation risk and Legal risk

All disclosures in these model risk, compliance risk, reputation risk and legal risk sections on pages 135 to 136 are unaudited unless otherwise stated.

Model risk

The Barclays Bank Group is committed to continually improving model risk management and made a number of enhancements in 2024, including:

- Continued focus on improving model risk control framework.
- Established a programme to meet PRA's Supervisory Statement 1/23 Model risk management principles for banks.
- Development of a governance framework for approaches which rely on subject matter expert judgement and establishing initial inventory.
- Enhanced quantitative model risk assessment to cover most significant model suites.
- Introduced Artificial Intelligence (AI) Policy, Development of approach to AI validation, and design of associated governance framework.
- Expanded model risk framework to provide transparency around risk themes (Data and Technology) outside the Model Risk Framework that may impact model outputs.

Compliance risk

The Barclays Bank Group is committed to continuing to drive the right culture throughout all levels of the organisation. The Barclays Bank Group will continue to enhance effective management of Compliance Risk and appropriately consider the relevant tools, governance and management information in decision-making processes. Focus on management of Compliance Risk is ongoing and, alongside other relevant business and control management information, the Trading Entity Conduct Risk Dashboard is a key component of this.

The Barclays Bank Group continues to review the role and impact of Compliance Risk events and issues in remuneration decisions at both the individual and business level.

In 2024, the Barclays Bank Group maintained focus on new and heightened inherent Compliance Risks, including those relating to the evolving threat landscape as related to financial crime, and challenges in ensuring customer and client data is handled appropriately. These risks continue to be monitored on an ongoing basis.

A key area of focus has been the ongoing embedment of the FCA's Consumer Duty, Rules for closed products and services took effect at the end July 2024.

Businesses have continued to assess the potential customer, client and market impacts of strategic change. As part of the 2024 medium-term planning process, material Compliance Risks associated with strategic and financial plans were assessed.

Throughout 2024, Compliance Risks were raised by each business area for consideration by relevant Board level committees. These committees reviewed the risks raised and whether management's proposed actions were appropriate to mitigate the risks effectively.

During 2024, laws, rules and regulation risk (LRR risk) was embedded as a risk under the Compliance Principal Risk. LRR is intended to mitigate the risk of failing to identify applicable LRRs, and ensure appropriate steps are in place to monitor and oversee LRRs. Work continues to implement processes to support the management and oversight of LRR Risk.

The Barclays Bank Group continued to incur costs in relation to litigation and conduct matters, refer to Note 24 Legal, competition and regulatory matters and Note 22 Provisions for further details. Costs include customer redress and remediation, as well as fines and settlements. Resolution of these matters remains a necessary and important part of delivering the Barclays Bank Group's strategy and an ongoing commitment to improve oversight of culture and conduct.

Trading Entity Compliance Risk Dashboards, setting out key indicators in relation to conduct and financial crime risk, are provided to the respective Board Risk Committees and senior management. These continue to be evolved and enhanced to allow effective oversight and decision-making. Work is ongoing to enhance the Compliance Risk Control Environment in a timely and effective manner to ensure the Barclays Bank Group operates within Risk Appetite. The tolerance adherence is assessed by the business areas through key indicators and reported to the relevant Trading Entity Board Committees as part of the Compliance Risk Dashboard governance process.

The Barclays Bank Group remains focused on the continuous improvements being made to manage risk effectively with an emphasis on enhancing governance and management information to identify risk at earlier stages.

Reputation risk

The Barclays Bank Group is committed to continuing to drive the right culture throughout all levels of the organisation. The Barclays Bank Group will continue to enhance effective management of reputation risk and appropriately consider the relevant tools, governance and management information in decision-making processes.

The Barclays Bank PLC Board considers reputation risks raised by businesses. The Board has also considered whether management's proposed actions have been appropriate to mitigate the risks effectively.

The Barclays Bank Group continued to incur costs in relation to litigation and conduct matters, please refer to Note 24 to the financial statements (Legal, competition and regulatory matters) and Note 22 to the financial statements (Provisions), for further details. Related costs include customer redress and remediation, as well as fines and settlements. Resolution of these matters remain an ongoing commitment to improve oversight of culture and conduct and management of reputation risks.

The Barclays Bank Group remains focused on the continuous improvements being made to manage risk effectively, with an emphasis on enhancing governance and management information to help identify risks at earlier stages.

Legal risk

The Barclays Bank Group remains committed to continuous improvements in managing legal risk effectively. During 2024, an annual review and update was conducted of the Barclays Group wide LRMF to complement and accommodate the introduction of changes to the CRMF (and described in more detail on page 71), which includes a requirement for the Legal Function to proactively identify, communicate and provide legal advice on applicable laws, rules and regulations.

Other improvements during 2024 included a review and update of the established supporting legal risk policies, standards and mandatory training, reinforced by ongoing engagement with and education of the Barclays Group's businesses and functions by Legal Function colleagues. Legal risk tolerances and legal risk appetite have also been reviewed.

Tolerances adherence is assessed through key indicators, which are also used to evaluate the legal risk profile and are reviewed, at least annually, through the relevant risk and control committees. Mandatory controls to manage legal risks are set out in the legal risk standards and are subject to ongoing monitoring. The implementation of changes to the CRMF referred to above (and described in more detail on page 71) also mitigate legal risk.

Supervision of the Barclays Bank Group

The Barclays Bank Group's operations, including its overseas branches, subsidiaries and associates, are subject to a large number of rules and regulations applicable to the conduct of banking and other financial services business in each of the jurisdictions in which the Barclays Bank Group operates. These apply to business operations, impact financial returns and include capital, leverage and liquidity requirements, authorisation, registration and reporting requirements, restrictions on certain activities, and conduct of business regulations, amongst other applicable regulatory requirements.

Regulatory developments in one or more jurisdictions may impact the Barclays Bank Group globally. We focus particularly on UK, US and EU regulation in this Report due to the location of the Barclays Bank Group's principal areas of business. Regulations elsewhere may also have a significant impact on the Barclays Bank Group due to the location of its branches, subsidiaries and, in some cases, clients. For more information on the risks related to the supervision and regulation of the Barclays Bank Group, including regulatory change, see the material existing and emerging risk entitled 'Regulatory Change agenda and impact on Business Model' in the Material existing and emerging risks section.

Supervision in the UK

In the UK, day-to-day regulation and supervision of the Barclays Bank Group is divided between the Prudential Regulation Authority (PRA) (a division of the Bank of England (BoE)) and the Financial Conduct Authority (FCA). In addition, the Financial Policy Committee (FPC) of the BoE has influence on the prudential requirements that may be imposed on the banking system through its powers of direction and recommendation. Certain members of the Barclays Bank Group are also subject to regulatory initiatives undertaken by the UK Payment Systems Regulator (PSR), as a participant in payment systems regulated by the PSR.

Barclays Bank PLC is an authorised person, with permission to accept deposits, amongst other things, and is subject to prudential supervision by the PRA and to conduct regulation and supervision by the FCA. Barclays Bank PLC is subject to prudential supervision on a solo-consolidated basis. The Barclays Group as a whole is also subject to prudential supervision by the PRA on a group consolidated basis. Barclays PLC has been approved by the PRA as a financial holding company. Barclays Capital Securities Limited (BCSL) is authorised and subject to prudential supervision by the PRA as a PRA-designated investment firm and subject to conduct regulation and supervision by the FCA. Barclays Execution Services Limited and Barclays Global Service Centre Private Limited are both appointed representatives of Barclays Bank PLC. These are arrangements under which the appointed representative is permitted to carry on certain regulated activities in the UK which its principal takes responsibility for and oversees. Appointed representative arrangements must comply with certain statutory and FCA rules, including on prescribed contractual terms and ongoing monitoring and supervision of the appointed representative by the principal.

The PRA's supervision of the Barclays Bank Group is conducted through a variety of regulatory tools, including the collection of information by way of prudential returns or cross-firm reviews, reports obtained from skilled persons, information gathering, regular supervisory visits and regular continuous assessment meetings with the management and relevant stakeholders to discuss matters such as strategy, governance, financial resilience, operational resilience, risk management, and recovery and resolution.

Further, the BoE, as the UK resolution authority, informs prudential requirements and sets requirements for the Barclays Group relating to resolution preparedness.

The FCA's supervision of the UK firms in the Barclays Bank Group is carried out through a combination of proactive engagement meetings, regular supervisory visits, information gathering and regular meetings with the Barclays Bank Group's management and relevant stakeholders to discuss matters such as customer strategy, fair treatment of customers, and financial crime controls, as well as cross-sectoral reviews which analyse the different areas of the market and the risks that may lie ahead.

The FCA and the PRA also apply the Senior Managers and Certification Regime (the SMCR) which imposes a regulatory approval, individual accountability and fitness and propriety framework in respect of senior individuals within relevant firms.

FCA supervision has focused on strategic transformation, financial crime controls, conduct risk and customer/client outcomes under the Consumer Duty (which now applies to both open and closed products), firm culture and non-financial misconduct, fraud controls and reimbursement, access to cash, the fair treatment of vulnerable customers and payment account access and closures.
PRA supervision has focused on strategic transformation, financial and operational resilience (including cyber risk), governance, credit risk management, model risk management, data risk management, systems and controls, climate risk and resolvability, where resolvability is reviewed in conjunction with the Resolution Directorate (a division of the BoE).

Both the PRA and the FCA apply standards that generally either anticipate or go beyond requirements established by global or EU standards, whether in relation to capital, leverage and liquidity, resolvability and resolution or matters of conduct. The UK is in the process of reviewing, repealing and, where relevant, replacing the EU legislation that was onshored into English law following the UK's departure from the EU (assimilated law). The Financial Services and Markets Act 2023 (FSMA 2023) established a framework for the revocation of assimilated law relating to financial services, with HM Treasury now repealing certain requirements set out in assimilated law. However, the Government is not expected to revoke assimilated law relating to financial services unless the FCA and/or PRA have drafted and consulted on rules in the relevant areas, where it is appropriate that the provisions are replaced.

HM Treasury may specify parts of assimilated law where the regulators are exempt from requirements to consult on new replacement rules, for example where they are restating assimilated law revoked through FSMA 2023 in their rulebooks without material changes or where they are replacing revoked assimilated law with material changes but the only material effect is to reduce a regulatory burden. Where changes also have other material effects, which may include impacts on the regulators' objectives, for example, the Government has indicated that it is appropriate to require the regulators to consult. There is a significant volume of assimilated law for the UK Government to repeal and replace, so this process remains ongoing and the regulatory landscape continues to develop. There is potential for an increase in regulatory implementation costs in the near term to adapt systems and controls, although areas of divergence from assimilated law have been limited to date.

FSMA 2023 also introduced the framework for the 'designated activities regime' (DAR). The DAR framework allows HM Treasury to designate certain activities which do not require regulatory authorisation to carry them out, but which are currently subject to FCA and PRA supervision under assimilated law. The DAR will provide a mechanism for the UK regulators to make rules, supervise these activities and exercise enforcement powers in these areas as the relevant provisions in assimilated law are repealed and replaced. The DAR will apply to both authorised and unauthorised persons carrying on designated activities. Implementation costs may be incurred to adapt existing processes as the DAR develops. In January 2025, the Financial Services and Markets Act 2000 (Designated Activities) (Supervision and Enforcement) Regulations 2025 came into effect. These Regulations give the FCA supervisory and enforcement powers in respect of short selling and consumer composite investment activities.

Supervision in the EU

The Barclays Bank Group's operations in the European Union are authorised and regulated by a combination of its home regulators and host regulators in the EU countries where the Barclays Bank Group operates.

Barclays Bank Ireland PLC is licensed as a credit institution by the Central Bank of Ireland (CBI) and is therefore subject to supervision by the CBI as home state or competent authority under various EU financial services directives and regulations. It is further designated as a significant institution falling under direct supervision on a solo basis by the European Central Bank (ECB) for prudential purposes. Barclays Bank Ireland PLC's EU branches are supervised by the ECB and are also subject to direct supervision for local conduct purposes by national supervisory authorities in the EU jurisdictions where they are established. Barclays Bank Ireland PLC is subject to the requirements set by the Single Resolution Board (SRB) as its resolution authority. Barclays Bank Ireland PLC is also subject to supervision by the CBI as home state or competent authority under various EU financial services directives and regulations.

The Barclays Group provides the majority of its cross-border banking and investment services to EEA clients via Barclays Bank Ireland PLC (a subsidiary of Barclays Bank PLC). Additionally, Barclays Bank PLC and BCSL are authorised in certain EEA Member States to enable them to continue to conduct a limited range of activities without a physical presence, including accessing EEA trading venues and interdealer trading. The newly adopted Directive (EU) 2024/1619 (CRD VI) contains a prohibition on providing core banking services, such as lending and deposit-taking into the EU from a third country entity, subject to certain exemptions. Subject to additional guidance from the EU, and pending Member State implementation, Barclays Bank PLC and BCSL may be limited in their ability to provide certain core banking services into the EU. Barclays Bank PLC also has a branch in Paris (to facilitate access to TARGET 2), which is regulated by the ACPR.

Supervision in the US

Barclays PLC, Barclays Bank PLC and its New York branch, and Barclays Bank PLC's US subsidiaries are subject to a comprehensive regulatory framework involving numerous statutes, rules and regulations in the US. For example, the Barclays Bank Group's US activities and operations are subject to supervision and regulation by the Board of Governors of the Federal Reserve System (FRB), as well as additional supervision, requirements and restrictions imposed by other federal and state regulators and self-regulatory organisations (SROs). In some cases, US requirements may impose restrictions on the Barclays Bank Group's global activities, in addition to its activities in the US.

Barclays PLC, Barclays Bank PLC, Barclays US Holdings Limited (BUSHL), Barclays US LLC (BUSL), and Barclays Group US Inc. (BGUS) are regulated as bank holding companies (BHCs) by the FRB. BUSL is the Barclays Bank Group's ultimate US holding company that holds substantially all of the Barclays Bank Group's US subsidiaries (including Barclays Capital Inc. (BCI) and Barclays Bank Delaware). BUSL is subject to requirements in respect of capital adequacy, capital planning and stress testing, risk management and governance, liquidity, leverage limits, large exposure limits, restrictions on activities and financial regulatory reporting. Barclays Bank PLC's New York branch is also subject to enhanced prudential standards relating to, among other things, liquidity and risk management.

Barclays PLC, Barclays Bank PLC, BUSHL and BUSL have financial holding company (FHC) status under the Bank Holding Company Act of 1956. FHC status allows these entities to engage in a variety of financial and related activities, directly or through subsidiaries, including underwriting, dealing and market making in securities. Failure to maintain FHC status could result in increasingly stringent penalties and, ultimately, in the closure or cessation of certain operations in the US.

In addition to oversight by the FRB, Barclays Bank PLC's New York branch and many of the Barclays Bank Group's subsidiaries are regulated by additional US authorities based on the location or activities of those entities. The New York branch of Barclays Bank PLC is subject to supervision and regulation by the New York State Department of Financial Services (NYSDFS). Barclays Bank Delaware, a Delaware chartered bank, is subject to supervision and regulation by the Delaware Office of the State Bank Commissioner, the Federal Deposit Insurance Corporation (FDIC), the FRB and the Consumer Financial Protection Bureau (CFPB). The deposits of Barclays Bank Delaware are insured by the FDIC, up to applicable limits. Barclays PLC, Barclays Bank PLC, BUSHL, BUSL, and BGUS are required to act as a source of strength for Barclays Bank Delaware. This could, among other things, require these entities to provide capital support to Barclays Bank Delaware if it fails to meet applicable regulatory capital requirements.

The Barclays Bank Group's US securities broker/dealer and investment banking operations are conducted primarily through BCI, and are also subject to ongoing supervision and regulation by the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA) and other government agencies and SROs under US federal and state securities laws. BCI is also registered as a Futures Commission Merchant with the Commodity Futures Trading Commission (CFTC), through which the Barclays Group conducts its US futures and options on futures business, including client clearing operations, which are subject to ongoing supervision and regulation by the CFTC, the National Futures Association and other SROs.

Under the US framework for regulating swaps and security-based swaps established under Title VII of the Dodd-Frank Act, the CFTC has regulatory authority over swaps, the SEC has regulatory authority over security-based swaps, and the CFTC and SEC jointly regulate mixed swaps (as such terms are defined in the relevant legislation). Accordingly, the Barclays Group's activities related to US swaps and security-based swaps are principally conducted by Barclays Bank PLC and are subject to ongoing supervision and regulation by the CFTC and the SEC, respectively. Barclays Bank PLC is registered as a swap dealer with the CFTC and conditionally registered as a security-based swap dealer with the SEC. Barclays Bank PLC is also subject to the FRB swaps rules with respect to margin and capital requirements. In addition, Barclays Bank Ireland PLC is registered as a swap dealer with the CFTC and is subject to the FRB swaps rules with respect to margin and capital.

Supervision in Asia Pacific

The Barclays Bank Group's operations in Asia Pacific are supervised and regulated by a broad range of national banking and financial services regulators.

Prudential regulation

Prudential regulation in the UK

Certain Basel III standards were originally implemented in EU and UK law through the Capital Requirements Regulation (CRR) and the Capital Requirements Directive IV (CRD IV), as amended by CRR II and CRD V. These standards were retained in the UK regulatory framework via a series of onshoring instruments when the UK withdrew from the European Union. Under the assimilated law version of the CRR (the UK CRR), the Barclays Group is subject to a binding Pillar 1 minimum capital requirement to satisfy a Common Equity Tier 1 (CET1) ratio of 4.5% of risk-weighted assets (RWAs) . However, in practice the Barclays Group is required to and does hold capital significantly in excess of this requirement. Additional capital requirements apply to the Barclays Group including Pillar 2A minimum requirements and capital buffers, including the capital conservation buffer, the countercyclical capital buffer, the O-SII buffer and the G-SIB buffer, as well as PRA buffer requirements (the Pillar 2B), as explained further below.

Global systemically important banks (G-SIBs), such as the Barclays Group, are subject to a number of additional prudential requirements, including the requirement to hold additional loss-absorbing capacity and additional capital buffers above the level required by Basel III standards. The level of the G-SIB buffer is set by the Financial Stability Board (FSB) according to a bank's systemic importance and can range from 1% to 3.5% of RWAs. The G-SIB buffer must be met with CET1 capital. In November 2024, the FSB published an update to its list of G-SIBs, maintaining the 1.5% G-SIB buffer that applies to the Barclays Group.

The Barclays Group is subject to a 'combined buffer requirement' consisting of (i) a capital conservation buffer of 2.5% of RWAs, and (ii) a countercyclical capital buffer (CCyB). The CCyB is based on rates determined by the regulatory authorities in each jurisdiction in which the Barclays Group maintains exposures. In the UK, the CCyB rate is set by the FPC and is currently 2%. Like the capital conservation buffer, the CCyB must be met entirely with CET1 capital.

The PRA requires UK firms to hold additional capital to cover risks which the PRA assesses are not fully captured by the Pillar 1 capital requirement. The PRA sets this additional capital requirement (Pillar 2A) at least annually, derived from each firm's individual capital guidance. Under current PRA rules, the Pillar 2A requirement must be met with at least 56.25% CET1 capital, no more than 43.75% additional Tier 1 (AT1) capital and no more than 25% tier 2 capital. In addition, the capital that firms use to meet their minimum requirements (Pillar 1 and Pillar 2A) cannot be counted towards meeting the combined buffer requirement. In September 2024, the BoE and PRA issued a consultation paper (CP9/24) on changes to the Pillar 2A capital framework, including retiring the refined methodology for calculating Pillar 2A requirements in light of incoming proposals to implement Basel III standards (discussed further below) and streamlining firm-specific capital communications.

The PRA may also impose a confidential 'PRA buffer' to cover risks over a forward looking planning horizon, including with regard to firm-specific stresses or management and governance weaknesses. The PRA buffer must be met separately to the combined buffer requirement, and must be met fully with CET1 capital.

Barclays Bank PLC is subject to prudential regulation by the PRA on a solo-consolidated basis and is required to meet a minimum Common Equity Tier 1 (CET1) ratio of 10.6% comprising a 4.5% Pillar 1 requirement, a 2.5% capital conservation buffer, a 0.8% countercyclical buffer and a 2.9% Pillar 2A add on.

In December 2023, the PRA published its first collection of near-final policy proposals for implementing certain remaining Basel III standards (Basel 3.1), including revised frameworks for market risk, operational risk and Credit Valuation Adjustment (CVA) risk. A second policy statement was published by the PRA in September 2024, including near-final rules on credit risk and credit risk mitigation, the implementation of an output floor (requiring reported RWAs calculated under standardised and modelled approaches to be a minimum of 72.5% of fully standardised calculations), and disclosure and reporting. The implementation date for these standards has been extended to 1 January 2027, with a transitional period to ensure full implementation by 1 January 2030.

In October 2021, the FPC and PRA published a policy statement setting out changes to the leverage ratio framework, including applying the leverage ratio requirement on an individual basis and making sub-consolidation available as an alternative to individual application where a firm has subsidiaries that can be consolidated. Barclays Bank PLC applied for this sub-consolidated permission which was approved by the PRA and took effect from 1 January 2023.

The PRA is consulting on proposed amendments (CP14/24) to the large exposures (LE) framework to implement the remaining Basel large exposure standards (removing the option for firms to use internal models to calculate exposure values to securities financing transactions and introducing a mandatory substitution approach to calculate the effect of the use of credit risk mitigation techniques), as well as other amendments including in respect of the LE limits to intragroup entities and removing the option for firms to exceed LE limits for trading book exposures to third parties.

Additional minimum prudential requirements that apply to the Barclays Group to ensure that sufficient resources are maintained to provide loss absorption in a resolution context are discussed in the sub-section titled 'TLAC and MREL' below.

Prudential regulation in the EU

In the EU, Barclays Bank Ireland PLC is subject to CRR and CRD, each as amended, which implement the Basel III framework. Under this framework, Barclays Bank Ireland PLC is identified as an O-SII by the CBI, which has imposed an O-SII buffer on Barclays Bank Ireland PLC of 1%.

The implementation of the final part of Basel III (Basel 3.1) is effected through CRR III which has applied since January 2025, save for those provisions relating to the Fundamental Review of the Trading Book (or FRTB), which have been deferred until January 2026 by the European Commission through Delegated Regulation. The European Banking Authority (EBA) has also issued a no-action letter recommending that competent authorities not prioritise enforcement of the new boundaries of the trading book. Given the most recent revision to the timetable for the implementation of Basel 3.1 in the UK to January 2027 (which was triggered by uncertainties in relation to the US implementation), a further delay in the EU cannot be ruled out. The EU implementation otherwise largely follows Basel 3.1 and has significant overlap with the UK rules, save for important divergences, for example on certain exposure classes, risk weights and application of models.

Prudential regulation in the US

In the US, the Barclays Bank Group (including BUSL) is subject to prudential requirements for large domestic US banking organisations, foreign banking organisations and their intermediate holding companies (IHCs) set by the FRB and other US regulatory agencies. BUSL is a "Category III" IHC. BUSL (and Barclays Bank Delaware) is subject to reduced (calibrated at 85%) standardised liquidity requirements, including the liquidity coverage ratio and the net stable funding ratio (NSFR).

BUSL is also subject to the FRB's rules regarding single counterparty credit limits (SCCL). The SCCL apply to the largest US BHCs and foreign banks' (including the Barclays Bank Group's) US operations. The SCCL creates two separate limits for foreign banks, the first on combined US operations (CUSO) and the second on the US IHC (BUSL). The SCCL for BUSL, as a US BHC, requires that exposure to an unaffiliated counterparty of BUSL not exceed 25% of BUSL's tier 1 capital. With respect to the CUSO, the SCCL rule allows certification to the FRB that a foreign bank complies with comparable home country regulation.

Barclays Bank PLC has complied with the CUSO requirement since 1 January 2022. To date, Barclays Bank PLC has not relied on home country certification.

In 2023, the FRB and other US regulatory agencies proposed changes to the regulatory capital rules applicable to certain US banks, BHCs and IHCs that were intended to be broadly consistent with revisions to Basel III finalised by the Basel Committee on Banking Supervision in 2017. The FRB has also suggested in public statements that the FRB is considering changes to liquidity regulations after the banking stress of 2023 but has not yet issued a proposal. The future of these proposals, if any, is highly uncertain.

Stress testing

The Barclays Group and certain of its members, including Barclays Bank PLC, are subject to supervisory stress testing exercises in a number of jurisdictions, designed to assess the resilience of banks to adverse economic or financial developments and ensure that they have robust, forward-looking capital planning processes that account for the risks associated with their business profile. Assessment by regulators is on both a quantitative and qualitative basis, the latter focusing on such elements as data provision and stress testing capability, including model risk management and internal management processes and controls.

Recovery and Resolution

Stabilisation and resolution framework

The current UK framework for recovery and resolution was established by the Banking Act 2009, as amended. The EU framework was established by the 2014 Bank Recovery and Resolution Directive (BRRD), as amended by BRRD II.

The BoE, as the UK resolution authority, has the power to resolve a UK financial institution that is failing or likely to fail by exercising certain stabilisation tools, including (i) bail-in: the cancellation, transfer or dilution of a relevant entity's equity and write-down or conversion of the claims of a relevant entity's unsecured creditors (including holders of capital instruments) and conversion of those claims into equity as necessary to restore solvency; (ii) the transfer of all or part of a relevant entity's business to a private sector purchaser; and (iii) the transfer of all or part of a relevant entity's business to a "bridge bank" controlled by the BoE. When exercising any of its stabilisation powers, the BoE must generally provide that shareholders bear first losses, followed by creditors in accordance with the priority of their claims in insolvency.

In order to enable the exercise of its stabilisation powers, the BoE may impose a temporary stay on the rights of creditors to terminate, accelerate or close out contracts, or override events of default or termination rights that might otherwise be invoked as a result of a resolution action and modify contractual arrangements in certain circumstances (including a variation of the terms of any securities). HM Treasury may also amend the law for the purpose of enabling it to use its powers under this regime effectively, potentially with retrospective effect.

In addition and distinct from bail-in, the BoE has the power to permanently write-down, or convert into equity, tier 1 capital instruments, tier 2 capital instruments and internal eligible liabilities at the point of non-viability of an institution pursuant to broader resolution powers under the Banking Act.

The BoE's preferred approach for the resolution of the Barclays Group is a bail-in strategy with a single point of entry at Barclays PLC. Under such a strategy, Barclays PLC's subsidiaries (including entities within Barclays Bank Group) would remain operational while Barclays PLC's capital instruments and eligible liabilities would be written down or converted to equity in order to recapitalise the Barclays Group and allow for the continued provision of services and operations throughout the resolution. The order in which the bail-in tool is applied reflects the hierarchy of capital instruments under applicable UK legislation and rules and otherwise respecting the hierarchy of claims in an ordinary insolvency. Accordingly, the more subordinated the claim, the more likely losses will be suffered by owners of the claim.

The PRA has made rules that require authorised firms to draw up recovery plans and resolution packs. Recovery plans are designed to outline credible actions that authorised firms could implement in the event of severe stress in order to restore their business to a stable and sustainable condition. The submission of resolution packs was suspended by the PRA in 2018 until further notice and replaced by annual resolution reporting. It continues to be suspended pending PRA assessment of areas of potential duplication between different reporting expectations. The Barclays Group, however, is required to provide the PRA with a recovery plan biennially, although the Barclays Group maintains and refreshes this on an annual basis.

Removal of potential impediments to an orderly resolution of a banking group or one or more of its subsidiaries is considered as part of the BoE's resolution planning for each firm, and the BoE can require firms to make significant changes in order to enhance their resolvability. Under the BoE's Resolvability Assessment Framework (RAF), firms are required to have in place capabilities covering three resolvability outcomes: (i) adequate financial resources; (ii) being able to continue to do business through resolution and restructuring; and (iii) being able to communicate and co-ordinate within the firm and with authorities. Barclays Group's second self-assessment report on resolvability under the RAF was submitted to the PRA/BoE in 2023 and the BoE's assessment on the report was published in August 2024. The BoE's 2024 assessment was more detailed than in previous years. The BoE identified that there are no shortcomings, deficiencies or substantive impediments in the Barclays Group's capabilities that could impede Barclays' ability to execute the preferred resolution strategy. The BoE did note that there were three areas for further enhancement relating to the provision of timely valuations, in respect of operational continuity in resolution relating to the inclusion of resolution-resilient language in service contracts, and restructuring planning. The Barclays Group continues to develop its capabilities in these areas and is engaging with the BoE on these areas identified for enhancements. In future, the PRA/BoE could exercise its various powers to direct the Barclays Group to address any relevant issues. In January 2025, amendments to the PRA rules were introduced which now require firms to make submissions under the relevant resolution rules on a 'periodic' basis rather than the previous fixed two-year cycles (PS1/25). The BoE and PRA will require firms to submit their next resolution reports in 2026, with a public disclosure to be made in 2027.

While regulators in many jurisdictions have indicated a preference for single point of entry resolution for the Barclays Group, additional resolution or bankruptcy provisions may apply to certain non-UK Barclays Bank Group entities or branches.

In the EU, Barclays Bank Ireland PLC is required by the ECB to submit a standalone BRRD compliant recovery plan on an annual basis. As a Significant Institution under direct ECB supervision, Barclays Bank Ireland PLC falls within the remit of the Single Resolution Board (SRB). Under the provisions of the BRRD and EU Single Resolution Mechanism Regulation (SRMR), the SRB is required to determine the optimal resolution strategy for Barclays Bank Ireland PLC and, also, to prepare a resolution plan for the bank. The SRB undertakes this work within the context of the BoE's preferred resolution strategy of single point of entry with bail in at Barclays PLC. In order to carry out its mandate, the SRB collects detailed structural and other information from Barclays Bank Ireland PLC on a regular basis, as well as engaging with the bank to identify and address impediments to resolution. This work is done in coordination with the BoE, as the Barclays Group resolution authority. Barclays Bank Ireland PLC meets the SRB's requirements for resolution as set out in the SRB's 'Expectations for Banks'.

In April 2023, the EU Commission also proposed certain reforms to strengthen the EU's bank crisis management and deposit insurance (CMDI) framework, including extending depositor protection to public entities and client money deposited in certain types of client funds. The EU legislative process remains ongoing and the future of this proposal is not yet clear in the new legislative cycle 2024-2029. The EU is also reviewing its approach to securitisation from a prudential perspective with a view to stimulating the market in securitised products.

In the US, Title I of the Dodd-Frank Act (DFA), as amended, and the implementing regulations issued by the FRB and the FDIC require each foreign-based bank holding company with assets of $250bn or more, including those within the Barclays Group, to prepare and submit a plan for the orderly resolution of subsidiaries and operations that are domiciled in the US or conducted in whole or material part in the US in the event of future material financial distress or failure. The Barclays Group submitted a "targeted plan" in December 2021. The agencies did not identify any shortcomings or deficiencies with the Barclays Group's 2021 US Resolution Plan. In August 2024, the FRB and FDIC finalised new guidance for foreign triennial full filers (such as the Barclays Group) that would affect the content required to be included in the US Resolution Plan. The final guidance generally represents an expansion of the current 165(d) resolution planning guidance applicable to the Barclays Group. The Barclays Group's next submission of the US Resolution Plan in respect of its US operations will be a "full plan" due by 1 October 2025.

BUSL may also be resolved under the Orderly Liquidation Authority established by Title II of the DFA, a regime for the orderly liquidation of systemically important financial institutions by the FDIC, as an alternative to proceedings under the US Bankruptcy Code. In addition, the licensing authorities of Barclays Bank PLC New York branch and of Barclays Bank Delaware have the authority to take possession of the business and property of the applicable branch or entity they license and/or to revoke or suspend such license.

TLAC and MREL

The Barclays Group is under the supervision of the BoE, as the UK resolution authority, and is subject to a Minimum Requirement for Own Funds and Eligible Liabilities (MREL), which includes a component reflecting the FSB's standards on total loss absorbency capacity (TLAC).

Since 1 January 2022, G-SIBs with resolution entities incorporated in the UK have been required to meet an MREL equivalent to the higher of: (i) two times the sum of their Pillar 1 and Pillar 2A requirements; or (ii) the higher of two times their leverage ratio requirement or 6.75% of leverage exposures. The Barclays Group is also required to meet binding external MRELs in 2024 on the basis of a bail-in resolution strategy comprising a binding minimum capital requirement of 12.6% of RWAs, MREL of 25.2% of RWAs, and a loss-absorbing capacity (MREL plus buffers) of 30.0% of RWAs. Internal MREL for material subsidiaries is subject to a scalar in the 75-90% range of the external requirement that would apply to the subsidiary if it were a resolution entity. The starting point for the scalar is 90% for ring-fenced bank sub-groups. In October 2024, the BoE launched a consultation on proposals to amend its statement of policy on its approach to setting MREL (the MREL SoP). This forms part of the repeal and restatement (with modifications) process of assimilated law and the BoE does not consider that its proposals would result in fundamental changes to the overall impact of its MREL policy.

Barclays Bank Ireland PLC is subject to the SRB's MREL policy, as issued in May 2024, in respect of the internal MREL that it will be required to issue to the Barclays Group. The SRB's current calibration of internal MREL for non-resolution entities is expressed as two ratios that have to be met in parallel: (a) two times the sum of: (i) the firm's Pillar 1 requirement; and (ii) its Pillar 2 requirement; and (b) two times the leverage ratio requirement. The SRB's policy does not apply any scalar in respect of the internal MREL requirement. Under the SRB MREL policy, a bank specific adjustment and a market confidence charge can be applied by the SRB to MREL requirements. Since 1 January 2024, a revised deduction regime applies for the indirect subscription of instruments eligible for internal MREL to avoid the double-counting of MREL elements at the level of intermediate entities within a resolution group.

In the US, the FRB's TLAC rule includes provisions that require BUSL to have: (i) a specified outstanding amount of eligible long-term debt; (ii) a specified outstanding amount of TLAC (consisting of common and preferred equity regulatory capital plus eligible long-term debt); and (iii) a specified common equity buffer. In addition, the FRB's TLAC rule prohibits BUSL, for so long as the Barclays Group's overall resolution plan treats BUSL as a non-resolution entity, from issuing TLAC to entities other than those within the Barclays Group.

Bank Levy and FSCS

The BRRD established a requirement for EU Member States to set up a pre-funded resolution financing arrangement with funding equal to 1% of covered deposits by 31 December 2024 to cover the costs of bank resolutions. The UK implemented this requirement by way of a tax on the balance sheets of banks known as the 'Bank Levy', which remains in place.

In addition, the UK has a statutory compensation fund called the Financial Services Compensation Scheme (FSCS), which is funded by way of annual levies on most authorised financial services firms.

Structural reform

In the UK, the Financial Services (Banking Reform) Act 2013 put in place a framework for ring-fencing certain operations of large banks. Ring-fencing requires, among other things, the separation of the retail and SME deposit-taking activities of UK banks from wholesale and investment banking operations into a legally distinct, operationally separate and economically independent entity (i.e. a 'ring-fenced bank'), which is not permitted to undertake a range of activities. Under FSMA, the PRA is required to review its ring-fencing rules every five years following the rules coming into force, with the first report having been published in January 2024. The PRA intends to consult in due course on targeted reforms to its ring-fencing rules as a result of its review, although the overall conclusion was that most of those rules are performing satisfactorily. Separately, HM Treasury has introduced legislative amendments to implement near-term reforms to the ring-fencing regime which took effect in February 2025. These reforms have, amongst other measures, increased the core deposit threshold (which determines whether a UK bank is subject to the ring-fencing regime) from £25bn to £35bn, exempted predominantly retail-focussed banks from the ring-fencing regime by introducing a secondary threshold (referred to as the trading assets exemption), permitted ring-fenced banks to establish branches and subsidiaries outside of the UK or the EEA (subject to PRA rules) and introduced a new four-year transition period for UK non-ring-fenced banks to comply with the ring-fencing regime following mergers or acquisitions.

In the EU, structural reform is taking the form of further integration of the banking union and on the financial markets side the proposed Savings and Investment Union and the Retail Investment Strategy. This will entail further consolidation of the market in the EU and an increasing focus on legislation by way of directly applicable regulations. Structural reform might, over time, also come through further strengthening the powers of the European Supervisory Authorities (ESAs).

US regulation places further substantive limits on the activities that may be conducted by banks and holding companies, including foreign banking organisations such as the Barclays Group. The 'Volcker Rule', which was part of the DFA and which came into effect in the US in 2015, prohibits banking entities from undertaking certain proprietary trading activities and limits such entities' ability to sponsor or invest in certain private equity funds and hedge funds (in each case broadly defined). As required by the rule, the Barclays Group has developed and implemented an extensive compliance and monitoring programme addressing proprietary trading and covered fund activities (both inside and outside of the US).

Market infrastructure regulation

In recent years, regulators as well as global-standard setting bodies such as the International Organization of Securities Commissions (IOSCO) have focused on improving transparency and reducing risk in markets, particularly risks related to over-the-counter (OTC) derivative transactions. This focus has resulted in a variety of new regulations across the G20 countries and beyond that require or encourage on-venue trading, clearing, posting of margin and disclosure of pre-trade and post-trade information.

The wholesale financial markets in the EU are facing reform to apply the lessons learned from the introduction of the Markets in Financial Instruments Directive and Markets in Financial Instruments Regulation (collectively referred to as MiFID II) and various other pieces of legislation, which will affect how the Barclays Bank Group transacts with counterparties and customers in the EU and how it packages its investment services. Various aspects of MiFID II and related legislation have been subject to change as a result of the EU's ongoing focus on the development of a stronger Savings and Investment Union.

In the UK, FSMA 2023 introduced reforms to remove certain requirements which were previously applicable to trading in wholesale markets and to promote investment in line with the Wholesale Markets Review. Other changes, for example on trade transparency requirements have been progressed by way of amendments to regulatory rules and guidance and an FCA review of the UK transaction reporting regime is underway.

Regulation of benchmarks

As a regulatory response to the LIBOR scandal, the EU and UK Benchmarks Regulations apply to the administration, contribution and use of benchmarks within the EU and the UK, respectively. Financial institutions within the EU or the UK, as applicable, are prohibited from using benchmarks unless their administrators are authorised, registered or otherwise recognised in the EU or the UK, respectively. This prohibition will apply in respect of third country benchmark administrators from the end of 2025 (EU) and 2030 (UK). The European Commission has published a proposal to amend the EU Benchmark Regulation to reduce the scope of benchmark administrators subject to its requirements. This proposal needs to go through the European legislative process, with potential new rules applying from the beginning of 2026. The phase out of LIBOR has now been completed, with the remaining synthetic LIBOR settings for holders of legacy contracts published for the last time on 30 September 2024. Other global benchmarks are now being phased out through 2025. Global regulators in conjunction with the industry have developed alternative benchmarks and risk-free rate fallback arrangements, including updates to existing, as well as new, applicable legislation.

Regulation of the derivatives market

The European Market Infrastructure Regulation (EMIR) imposes requirements in the EU and the UK which are designed to improve transparency and reduce the risks associated with the derivatives market. EMIR has operational and financial impacts on the Barclays Bank Group, including by imposing collateral requirements on the Barclays Bank Group, as well as a requirement to centrally clear certain OTC derivatives contracts with certain market participants. Following the UK's departure from the EU, EMIR rules were onshored into English law and now form part of UK assimilated law (UK EMIR). Access to the clearing services of certain Central Counterparties (CCPs) used by Barclays Bank Group entities is currently permitted under temporary equivalence and recognition regimes in the UK and EU. In the UK, the temporary recognition regime for non-UK CCPs has now been extended until the end of December 2026. Targeted amendments to the UK EMIR reporting framework were implemented in September 2024, which aimed to align the regime with international guidance (where appropriate).

In the EU, access to the clearing services of certain non-EU CCPs used by Barclays Bank Group entities is permitted through recognised third country CCPs. For UK CCPs, this recognition is currently envisaged to end on 30 June 2025. In April 2024, amendments to the EU EMIR reporting requirements (relating to the details and formats of reports, for example) introduced by regulatory and implementing technical standards under the EMIR REFIT Regulation took effect. Further proposals to amend the EU EMIR framework (Regulation (EU) 2024/2987 and Directive (EU) 2024/2994, referred to collectively as EMIR 3) came into force on 24 December 2024. The changes introduced by EMIR 3 seek to reduce the reliance and exposure to third-country CCPs and enhance the competitiveness of CCPs in the EU. EMIR 3 will require EU entities to clear a representative amount of their trades through EU authorised CCPs, as part of the new "active account" regime which requires certain financial and non-financial counterparties exceeding the clearing threshold in defined categories of derivative contracts to hold at least one clearing account at CCPs authorised in the EU. These changes aim to reduce the concentration of exposures to systemically important UK CCPs in particular, but other EMIR 3 changes will also apply. For example, EMIR 3 will amend the intragroup transactions definition, removing the need for equivalence decisions to have been issued, which may make it easier to rely on the relevant intragroup exemptions in respect of clearing and margin requirements.

US regulators have imposed similar rules as in the EU with respect to the mandatory on-venue trading and clearing of certain derivatives, and post-trade transparency, as well as in relation to the margining of OTC derivatives. In December 2017, the CFTC and the European Commission recognised the trading venues of each other's jurisdiction to allow market participants to comply with mandatory on-venue trading requirements while trading on certain venues recognised by the other jurisdiction. In August 2024, the CFTC extended temporary relief that would permit trading venues and market participants located in the UK to continue to rely on this mutual recognition framework following the withdrawal of the UK from the EU.

Certain participants in US swap markets are required to register with the CFTC as 'swap dealers' or 'major swap participants' and/or, with the SEC as 'security-based swap dealers' or 'major security-based swap participants'. Such registrants are subject to CFTC and/or SEC regulation and oversight. Barclays Bank PLC is registered with the CFTC as a swap dealer and conditionally registered with the SEC as a security-based swap dealer. In addition, Barclays Bank Ireland PLC is registered as a Swap Dealer with the CFTC.

Accordingly, Barclays Bank PLC and Barclays Bank Ireland PLC are both subject to CFTC rules on business conduct, record-keeping and reporting, and Barclays Bank PLC is subject to SEC rules on business conduct, record-keeping and reporting. However, since Barclays Bank PLC and Barclays Bank Ireland PLC are non-US swap dealers, they are only subject to certain of the CFTC's requirements in respect of swap transactions. Whether and the extent to which such CFTC requirements apply to any particular swap transaction may depend on whether the counterparty to such swap transaction is a US person or guaranteed by or affiliated with a US person. In addition, since Barclays Bank PLC is a non-US security-based swap dealer, it is only subject to certain of the SEC's requirements in respect of security-based swap transactions. Whether and the extent to which such SEC requirements apply to any particular security-based swap transaction may depend on whether the counterparty to any security-based swap transaction is a US person or guaranteed by a US person, or whether the transaction is arranged, negotiated, or executed by US-based Barclays personnel. Additionally, Barclays Bank PLC and Barclays Bank Ireland PLC have elected to comply with certain CFTC/SEC requirements, as applicable, through 'substituted compliance' with EU/UK requirements pursuant to relevant determinations and related relief issued by the SEC and the CFTC, as applicable.

Barclays Bank PLC and Barclays Bank Ireland PLC are subject to FRB rules on capital and margin.

In 2024, the CFTC adopted amendments to its capital and financial reporting requirements for swap dealers. The new rules codify certain no-action relief and add specificity as to existing reporting requirements.

Other significant regulatory developments in the US

In 2023, the SEC finalised amendments to shorten the standard settlement cycle for most broker-dealer transactions in securities from two business days after the trade (T+2) to one business day after the trade (T+1), which requires significant changes to BCI's settlement procedures and practices, and introduced new rules requiring market-wide improvements in the rate of same-day affirmations and on central matching service providers. This reduced settlement cycle will have knock-on effects for both the UK and EU markets as they seek to introduce similarly shortened settlement cycles.

On 13 October 2023, the SEC adopted new rules to establish broad reporting requirements of the terms of securities loans to FINRA for public dissemination, and requiring FINRA to make publicly available certain information it receives regarding those lending transactions. Although the rule has been challenged in court, there has been no stay of the rule's implementation. The FINRA rules associated with the rulemaking are required to be effective in January 2025, and the reporting requirements to FINRA begin in January 2026.

On 13 October 2023, the SEC adopted new rules requiring a wide range of firms to file monthly reports with the SEC for large short positions in equity securities on a new Form SHO and amendments to the National Market System plan governing the Consolidated Audit Trail, which adds an additional reporting requirement for CAT-reporting firms relying on the bona fide market maker exception to Reg SHO's locate requirement. Although the rule has been challenged in court, there has been no stay of the requirement to begin filing Form SHO reports, and that requirement begins in January 2025.

On 30 October 2023, the SEC issued exemptive relief, which exempts broker-dealers from their information review obligations concerning the issuer of an over-the-counter security prior to publication or submission of a quotation in that security with respect to a fixed-income security to be sold in compliance with the safe harbor in Rule 144A under the Securities Act of 1933.

On 13 December 2023, the SEC adopted rule amendments under the Exchange Act that, among other things, will mandate central clearing of certain US Treasury securities transactions and amend the broker-dealer customer protection rule as it applies to margin posted for transactions in US Treasury securities. These rule amendments could impose additional costs on the Barclays Bank Group's Treasury securities trading activity. Although there is some discussion as to whether deadlines for implementation might be extended, the amended rule's compliance date remains 31 December 2025.

On 18 September 2024, the SEC unanimously amended certain rules under Regulation NMS (National Market System) to adopt variable minimum pricing increments, reduce access fee caps for protected quotations, and require that the amount of exchange fees and rebates be determinable at the time of execution, among other changes. The compliance date for the amended rule has been set as the first business day in November 2025. The rule is currently under challenge and the SEC has ordered a partial stay of the rule's effectiveness pending the outcome of that petition for review.

Other regulation

Consumer protection, digital access, culture and diversity and inclusion

The FCA's Consumer Duty is now in force for new and existing products or services that are open to sale or renewal, as well as closed products and services. The duty sets higher expectations for the standard of care that firms provide to retail customers and impacts all aspects of Barclays' retail businesses, including every retail customer journey, product and service as well as Barclays Bank Group's relationships with partners, suppliers and third parties. This has resulted in significant implementation costs and there are also continued higher ongoing costs for the industry as a result of extensive monitoring and evidential requirements. In setting out its strategy for supervision of the retail banking industry in 2025, the FCA has reiterated the importance of the Consumer Duty as a continued priority for the FCA and its expectations for firms to embed the Consumer Duty into their culture and purpose.

Other areas of strategic priority for the FCA's supervision include the fair treatment of customers in financial difficulty, access for customers to payment accounts and banking services (discussed further below), compliance with operational resilience rules, the continued management of financial crime and fraud risks, and the role of banks in developing sustainable finance offerings and the importance of ensuring that sustainability-related claims associated with products are clear, fair and not misleading.

In the UK, the wider financial industry may be impacted by the October 2024 Court of Appeal judgments on commission arrangements in the motor finance industry, subject to the result of the appeals of those judgments to the Supreme Court, and to the FCA's ongoing review of the motor finance market. In December 2024, the FCA announced an extension to the time motor finance firms have to handle complaints on lender commissions until after 4 December 2025, following on from the Court of Appeal's judgments in Johnson v FirstRand Bank, Wrench v FirstRand Bank and Hopcroft v Close Brothers Ltd [2024] EWCA Civ 1282. The decisions in these cases could, subject to these appeals, impact the availability and terms of financing, risk of future claims, and the likelihood of a FCA consumer redress scheme. There could also be wider market and industry implications of the judgments and/or the appeals, which could adversely affect the Barclays Bank Group's business, results of operations, financial condition and prospects.

Barclays Bank Group's regulators have enhanced their focus on the promotion of cultural values as a key area for banks. The UK regulators have also begun focusing on diversity and inclusion in financial services firms, with the PRA and FCA having published a consultation on the introduction of a new regulatory framework on diversity and inclusion in September 2023. The FCA has stated that it expects to publish a policy statement on non-financial misconduct early in 2025, with the FCA and PRA intending to publish policy statements on the remaining diversity and inclusion proposals in Q2 2025. The UK Government is expected to consult on abolishing the Certification Regime that applies under the SMCR and replace this with a more proportionate approach, although details of these proposals are yet to be published.

Following increasing regulatory focus in 2023, the FCA published its findings on the reasons for payment account closures, in light of concerns that customer accounts were being closed on the basis of customers' political views. In September 2024, the FCA published a follow-up report outlining further findings and expectations for firms, particularly in respect of the Consumer Duty. HM Treasury previously announced plans to require banks to provide clear and tailored reasons for the closure of payment accounts as well as extending the notice period of such closure to 90 days, although these reforms have not yet been implemented.

FSMA 2023 contains provisions mandating that the Payment Systems Regulator (PSR) require the reimbursement of authorised push payment scams by payment service providers, including Barclays. This new reimbursement requirement took effect in October 2024. It has imposed a maximum reimbursement limit of £85,000 with costs split 50:50 between the sending and receiving firms. Similar but less stringent rules will apply in the EU with the expected adoption in 2025 of the proposed amendment to the Payment Services Directive and the new Payment Services Regulation (together known as PSD).

In the EU, new initiatives such as the proposed Regulation on Financial Data Access (FIDA) establish a framework on data sharing between financial institutions at the initiative of customers, allowing financial institutions to better tailor products and services.

Data protection

Most jurisdictions where the Barclays Bank Group operates have adopted or are considering comprehensive laws concerning data protection and privacy. Regulations regarding data protection are increasing in number, as well as levels of enforcement, as manifested in increased amounts of fines and the severity of other penalties. We expect that personal privacy and data protection will continue to receive attention and focus from regulators, as well as public scrutiny and attention.

The EU's General Data Protection Regulation (GDPR) and the UK's General Data Protection Regulation (UK GDPR) provide a framework of rights and duties designed to safeguard personal data and apply to the activities conducted from an establishment in the EU or the UK, respectively. The extraterritorial effect of the GDPR and the UK GDPR means entities established outside the EU or the UK may fall respectively within the GDPR or the UK GDPR's ambit when offering goods or services to EU/UK based customers or clients or conducting behavioural monitoring of individuals in the EU/UK. The Data (Use and Access) Bill was introduced to the UK Parliament in October 2024, which if enacted will bring some divergence between the EU GDPR and UK GDPR.

The data regime in China is likely to continue to evolve, governing the collection, processing and cross-border transfers of China-based individuals' personal data and restricted data (e.g. macro/derived characteristics data which, if tampered with, divulged or destroyed, may endanger China's economic operation, social stability, national security - among other things - having regard to the volume and granularity of the data). In India, in preparation for the implementation of the Digital Personal Data Protection Act, which passed in 2023, the Government has yet to issue finalised implementation rules for a robust mechanism of privacy protection and rights. Except under certain exemptions, its scope would include the processing of personal data in India and would extend to the profiling of, and offering goods and services to, India-based individuals outside of India. As the global data protection regulatory landscape develops, non-compliance with any such requirements and rules could lead to regulatory fines and other penalties.

In the US, Barclays Bank Delaware is subject to the US Gramm-Leach-Bliley Act (GLBA) and the California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act of 2020 (CPRA). The GLBA limits the use and disclosure of non-public personal information to non-affiliated third parties, and requires financial institutions to provide written notice of their privacy policies and practices and implement certain information security policies and practices. Any violations of the GLBA could subject Barclays Bank Delaware to additional reporting requirements or regulatory investigation or audits by the financial regulators. More broadly, the Barclays Bank Group's US operations are subject to the CPRA which applies to personal information that is not collected, processed, sold or disclosed subject to the GLBA. The CPRA requires applicable members of the Barclays Bank Group to both provide California residents with additional disclosures regarding the collection, use and sharing of personal information and grant California residents access, deletion, correction and other rights, including the right to opt-out of certain sales or transfers of personal information and the right to limit the processing of sensitive personal information to certain purposes. Any violations of the CPRA may be subject to enforcement by the California Privacy Protection Agency and the California Attorney General and the imposition of monetary penalties, as well as potential lawsuits arising from the private right of action provided to California residents in the case of certain data breaches. Bills proposed in the United States Congress and in the legislatures of various US states from time to time, if enacted, may have further impact on the data privacy practices of Barclays' US operations. In addition, all 50 states have laws including obligations to provide notification of security breaches of computer databases that contain personal information to affected individuals, state officers and others.

In May 2024, the SEC adopted amendments to expand the scope of and introduce new requirements under Regulation S-P, a set of privacy rules adopted pursuant to the GLBA and the Fair and Accurate Credit Transactions Act of 2003 that govern the treatment of non-public personal information about consumers by certain financial institutions, including BCI. In addition to expanding the scope of customer information protected under Regulation S-P's safeguards and disposal rules, the amendments will require covered financial institutions to (i) develop, implement and maintain written policies and procedures for an incident response program reasonably designed to detect, respond to and recover from unauthorised access to or use of customer information, (ii) notify individuals whose sensitive customer information was, or is reasonably likely to have been, accessed or used without authorisation as soon as practicable, but not later than 30 days, after becoming aware that an incident has or is reasonably likely to have occurred and (iii) establish, maintain and enforce written policies and procedures reasonably designed to require oversight and monitoring of service providers, including by requiring relevant service providers to provide notification to the covered institution as soon as possible, but no later than 72 hours, after becoming aware of a breach in security has occurred resulting in unauthorised access to a customer information system maintained by the service provider.

In October 2024, the CFPB released its final rule titled "Required Rulemaking on Personal Financial Data Rights" as required to implement Section 1033 of the Consumer Financial Protection Act of 2010. The final rule requires banks, credit unions and other financial service providers that meet the definition of covered data providers to make covered data regarding covered products and services available in an electronic form to consumers and authorised third parties, subject to a number of requirements. The final rule also sets out criteria a third party must satisfy in order to be an authorised third party and therefore access consumers' data, including certifying to the relevant consumer it will satisfy certain obligations regarding the collection, use and retention of covered data and obtaining express and informed consumer consent. Compliance with this rule will be phased in over several years, with the first set of requirements taking effect from 1 April 2026, and with Barclays Bank Delaware becoming subject to the rule on 1 April 2027.

Cybersecurity and operational resilience

Regulators globally continue to focus on cybersecurity risk management, organisational operational resilience and overall soundness across all financial services firms, with customer and market expectations of uninterrupted access to financial services remaining at an all-time high.

The regulatory focus has been further heightened by the increasing number of high-profile ransomware and other supply chain attacks seen across the industry in recent years and the growing reliance of financial services on Cloud and other third party service providers. This is evidenced by the continuing introduction of new laws and regulatory frameworks directed at enhancing resilience of both firms and their critical third party providers. The UK operational resilience framework introduced in March 2021 requires firms to be able to remain within impact tolerances set for their important business services, in severe but plausible disruption scenarios such as a cyberattack, by no later than 31 March 2025. In December 2024, the FCA and the PRA each published a consultation paper (CP24/28 and CP17/24 respectively) on proposals for firms to report operational incidents and their material third party arrangements to enhance the operational resilience framework. The FCA has stated that it expects to publish finalised rules in a policy statement in the second half of 2025, whilst the PRA has stated that the proposed implementation date for its proposals is no earlier than the second half of 2026.

FSMA 2023 introduced a new regime for designated critical third party providers (CTPs). In November 2024, the FCA, PRA, and BoE jointly released the final rules and expectations for designated CTPs with the final rules having taken effect from 1 January 2025. Whilst the new rules apply to designated CTPs themselves, there may be additional impact and costs for the Barclays Bank Group incurred in connection with updating existing supplier arrangements to reflect the new CTP requirements where suppliers are designated as critical CTPs.

The EU's Digital Operational Resilience Act (DORA) entered into force in January 2023 and has applied from 17 January 2025, introducing comprehensive and sector specific regulation on Information Communication Technologies (ICT) incident reporting, testing and third party risk management, and providing for direct oversight of critical third party providers servicing the EU financial services sector. Firms which do not meet the regulations under DORA can face significant fines and other regulatory measures.

The EU's Network and Information Security (NIS) Directive, which aimed to improve the resilience of network and information systems in the EU against cybersecurity risks, has been updated. The revised version, NIS2, applies from 18 October 2024 and imposes stricter security, governance and incident reporting requirements. Failure to comply can lead to significant fines and senior manager liability among other things. The extraterritorial effect of NIS2 means entities established outside the EU may fall within its ambit if providing certain services in the EU. In the UK, the original NIS Directive was transposed into UK law and still applies but a new Cyber Security and Resilience Bill is planned to be introduced to Parliament in 2025.

In 2023, the SEC finalised disclosure rules regarding cybersecurity risk management, governance and incident reporting by US-listed companies, including foreign private issuers such as Barclays PLC and Barclays Bank PLC. The rules require foreign private issuers to annually disclose the policies and procedures relied upon to identify and manage cybersecurity risks, including risk management strategy and whether any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, have materially affected or are reasonably likely to materially affect the issuer, its business strategy, results of operations or financial condition. In addition, Barclays PLC and Barclays Bank PLC must annually describe Barclays' board of directors' oversight of risks from cybersecurity threats, the board committee responsible for the oversight of such risks, and the processes by which the board or such committee is informed of these risks; and details of management's expertise and role in assessing and managing material risks from cybersecurity threats. If Barclays PLC or Barclays Bank PLC are required or determine to disclose material cybersecurity incidents under home country or stock exchange rules, they are required to also furnish this information with the SEC on the SEC's website, in accordance with their obligations as foreign private issuers.

In late 2023, NYDFS amended its cybersecurity regulation applying to the New York Branch of Barclays Bank PLC, with various implementation deadlines through November 2025. The NYDFS's amended cybersecurity regulation contains significant updates, including enhanced notification requirements, cybersecurity governance obligations, and requirements applicable to cybersecurity policies and procedures (e.g. encryption and multi-factor authentication, business continuity and incident response plans, and vulnerability management).

The existing and anticipated requirements specified in the UK, EU, and US for increased controls will serve to improve industry standardisation and resilience capabilities, enhancing Barclays Bank Group's ability to deliver services during periods of potential disruption. Such measures are resulting in increased technology and compliance costs for the Barclays Bank Group.

Artificial intelligence

A number of jurisdictions where the Barclays Bank Group operates have adopted or are considering adopting laws regulating artificial intelligence (AI).

The EU's Artificial Intelligence Act (EU AI Act), which entered into force on 1 August 2024, provides rights and duties designed to ensure the safe and ethical deployment of AI. The EU AI Act requires organisations to ensure suitable levels of AI literacy within their workforce and categorises AI systems based on their level of risk. It has a phased approach to compliance, with the first set of requirements prohibiting certain uses of AI applying from 2 February 2025. It also establishes a rigorous compliance regime for high-risk AI applications (which provisions apply from 2 August 2027). The extraterritorial effect of the of EU AI Act means entities established outside the EU fall with the EU AI Act's ambit if they provide or deploy AI in the EU or the output of their AI is used in the EU.

Similarly, several U.S. states are considering enacting or have already enacted regulations concerning the use of AI technologies, including Colorado's An Act Concerning Consumer Protections In Interactions with AI Systems and the Utah AI Policy Act. Moreover, U.S. federal and state agencies and regulators are considering how existing laws and regulations may apply to the use of AI technologies. For example, in October of 2024, NYDFS issued guidance addressed to executives and information security personnel of regulated entities to assist them in understanding and assessing cybersecurity risks associated with the use of AI, and implementing appropriate controls to mitigate such risks using the cybersecurity regulation as a relevant framework (e.g. undertaking AI-specific risk assessments, accounting for AI-related risks in contracts with third party service providers, implementing access controls to combat deepfakes and other AI-enhanced social engineering attacks).

Regulatory initiatives on ESG

<u>Regulatory initiatives on ESG in the UK</u>

In the UK, the FCA published final rules on the UK Sustainability Disclosure Requirements regime in November 2023 which set out new requirements to prepare sustainability-related product and entity level disclosures for certain firms, as well as a new sustainable investment labelling regime and anti-greenwashing rule applicable to all authorised firms. The new anti-greenwashing rule (and associated guidance) came into force on 31 May 2024 and the labelling regime was made available from 31 July 2024, whilst the disclosure regime continues to be implemented on a phased basis from late 2024 until the end of 2026. The FCA also published a consultation in April 2024 on extending the SDR and investment labels regime to portfolio management and expects to publish a Policy Statement and further information about implementation in Q2 2025.

The Digital Markets, Competition and Consumers Act 2024 (DMCCA) received Royal Assent in May 2024, introducing major updates to UK competition and consumer protection laws. These reforms included the expansion of the powers held by the Competition and Markets Authority (the 'CMA'), in relation to digital markets, merger control and antitrust rules, as well as consumer law. Expected to commence in spring 2025, the CMA will be able to directly impose significant fines of up to 10% of global turnover for breaches of consumer protection law. As one of the regulators entrusted with consumer protection in the UK, the CMA has already been actively focusing on misleading environmental claims, with recent investigations and regulatory action taken in relation to the UK fashion industry for example. The CMA has the ability to investigate potential breaches of consumer protection laws by financial services firms also, and the FCA will be able to make recommendations to the CMA to exercise its powers under the DMCCA. The DMCCA also simplifies and enhances the process by which the regulators may obtain enforcement orders and undertakings for breaches of consumer law. The Advertising Standards Authority is responsible for regulating the content of advertisements, sales promotions and direct marketing in the UK, and has also been focusing on greenwashing, including investigating and making rulings against advertisements from financial services firms due to greenwashing

In its election manifesto, the Government stated that it would mandate UK regulated financial institutions and FTSE 100 companies to develop and implement credible transition plans that align with the 1.5°C goal of the Paris Agreement. Consequently, it intends to consult in H1 2025 on how best to take that commitment forward. The UK's Transition Plan Taskforce (TPT) concluded its work on a disclosure framework for transition plans in October 2024, with the International Financial Reporting Standards (IFRS) Foundation now assuming responsibility for the TPT's disclosure materials. It is widely expected that the work of the TPT will likely form the basis of transition plan disclosure requirements mandated by the Government and UK regulators.

In September 2024, the Government published information on its framework to create UK Sustainability Reporting Standards (UK SRS). Subject to an affirmative endorsement decision, and following a consultation process, the Government would create the first two UK Sustainability Reporting Standards, based on those of the International Sustainability Standards Board (ISSB) (IFRS S1 on general requirements for disclosure of sustainability related financial information and IFRS S2 on climate-related disclosures) and these standards will form part of a wider Sustainability Disclosure Reporting (SDR) framework led by HM Treasury. The Government aims to make its endorsement decisions on the first two UK Sustainability Reporting Standards (SRS) in Q1 2025. As there is some overlap between IFRS S2 and the TPT Disclosure Framework, the FCA plans, through its consultation on implementing UK-endorsed ISSB standards, to consult on strengthening its expectations for transition plan disclosures with reference to the TPT Disclosure Framework, as noted above. In addition, TCFD-aligned reporting requirements apply to UK publicly quoted companies, large private companies and LLPs (in addition to existing TCFD-related reporting requirements under the UK Listing Rules).

The UK Government published a consultation in November 2024 seeking views on whether a UK Green Taxonomy would be a useful tool to support investment activities aligned with sustainability ambitions and as a mitigant to greenwashing activity.

Regulatory initiatives on ESG in the EU

The EU Regulation on Sustainable Finance Disclosures Regulation (SFDR) and related Delegated Regulations require financial market participants (FMPs) to disclose how they integrate environmental, social and governance factors in their investment decisions for certain financial products and to publish principal adverse impact statements. The SFDR applies to entities established in the EU and in-scope products marketed in the EU, regardless of the location of the entity. The SFDR is currently under review by the Commission. The European Securities and Markets Authority has also published guidelines for funds in-scope of SFDR regarding the use of ESG- or sustainability-related terms in their names.

In addition, the EU Taxonomy Regulation provides for a general framework for the development of an EU-wide classification system for environmentally sustainable economic activities. It sets mandatory entity-level disclosure requirements for companies which fall under the scope of the EU Accounting Directive, in relation to eligibility and alignment of their business activities with the EU Taxonomy Regulation. The EU Taxonomy Regulation also imposes product level disclosure obligations for FMPs on the extent to which their financial products are Taxonomy aligned or not.

The EU Corporate Sustainability Reporting Directive (CSRD) introduces significant sustainability related reporting obligations covering a wide range of topics beyond climate change for various entities, including EU banks and certain non-EU companies and banks (by virtue of having EU listings or significant business in the EU), with reporting to commence on a phased basis from the financial year 2024. Related technical sustainability reporting standards (i.e. the European Sustainability Reporting Standards, or the 'ESRS') have been published and are expected to require significant amounts of data collection. Disclosure requirements may apply to companies in respect of their global operations, and not just their operations within the EU. The breadth of the ESRS is significant for financial institutions, as companies to which finance has been provided are considered to be within scope of their value chain, and thus their reporting. The European Commission is currently developing sector-specific reporting standards which are expected to clarify its expectations for reporting by financial institutions, but these are not expected to be released before mid-2026. The CSRD has also introduced assurance requirements in respect of sustainability reporting, intended to put this reporting on a similar footing to financial reporting audit requirements. Assurance standards are currently being developed by the European Commission and expected in mid-2026, with Member States free to apply national standards for assurance in the meantime.

The CRR II established, for certain large financial institutions, a Pillar 3 disclosure framework for information on environmental, social and governance risks, including physical risks and transition risks. Amendments included in the CRR III and CRD VI banking package will extend the scope of these disclosures and the emphasis on ESG, with a number of new ESG-related requirements, including the development of mandatory prudential transition plans and new supervisory powers for competent authorities specifically relating to ESG risk, including assessment of prudential transition plans and ESG risk governance and risk management processes now being part of the Supervisory Review and Evaluation Process. The ECB has made, and continues to regard, the supervision of the approach of institutions to ESG risk a priority.

In July 2024, the Directive on Corporate Sustainability Due Diligence (CSDDD) entered into force, and will require certain EU and non-EU entities to carry out due diligence in relation to their own operations and 'chain of activities', in order to identify and prevent, bring to an end or mitigate the actual and potential adverse impact of their own operations, the operations of their subsidiaries or of their business partners on human rights and the environment. For regulated financial undertakings, the Directive covers own operations and the upstream value chain but not the activities of their downstream business partners that receive their financial services and products. However, the Directive foresees that the EU Commission should submit a report to the EU Parliament and the Council on the necessity to lay down additional sustainability due diligence requirements tailored to regulated financial undertakings by July 2026. Moreover, entities in scope of the Directive will also be required to adopt and put into effect a climate change mitigation transition plan with specific requirements. The

Commission will publish guidance on the transition plan requirements. The CSDDD is a particularly significant measure, with failure to comply with obligations under the Directive potentially giving rise to the imposition of administrative fines based on net worldwide turnover and civil liability. These obligations will apply after transposition into national laws in each EU Member State on a phased basis from July 2027. The EU is currently considering proposals to review some parts of CSDDD and other sustainability related legislation, but any proposed amendments remain to be seen.

Regulatory initiatives on ESG in the US

The Barclays Bank Group may be impacted by various ESG regulatory and legislative developments in the US at both the federal and state level. In March 2024, the SEC adopted rules requiring U.S.-listed companies (including foreign private issuers such as Barclays PLC and Barclays Bank PLC) to disclose extensive climate-related information. In April 2024, the SEC issued an order voluntarily staying these new climate-related disclosure rules pending judicial review following a number of legal challenges to the new rules in U.S. courts. The outcome of these legal challenges remains uncertain and the fate of these rules may be impacted by the change in presidential administrations . In addition, bills proposed or adopted by the legislatures of certain US states may impose different climate related-disclosure (such as the California climate disclosure laws) or other ESG-related requirements, including anti-ESG provisions, on businesses operating in such US states. Examples of recent climate related-disclosure legislation include the Climate Corporate Data Accountability Act (SB-253) and the Greenhouse Gases: Climate-Related Financial Risk bill (SB-261) adopted in California in 2023 (expected to apply commencing in 2026), and the Climate Corporate Data Accountability Act (S.B. 897) proposed in the state of New York in 2023. As an example of anti-ESG bills, in 2021, Texas adopted anti-boycott legislation prohibiting Texas state entities from entering into contracts with companies that boycott energy companies. Barclays is monitoring such legislative developments and their impact on Barclays' US operations and reporting obligations.

Sanctions and financial crime

The UK Bribery Act 2010 introduced a new form of corporate criminal liability focused broadly on a company's failure to prevent bribery on its behalf. The Criminal Finances Act 2017 introduced new corporate criminal offences of failing to prevent the facilitation of UK and overseas tax evasion. In 2023, the Economic Crime and Corporate Transparency Act 2023 became law. This creates a new offence, in force from 1 September 2025, of failing to prevent a person associated with the Barclays Bank Group from committing fraud for the benefit of the Barclays Bank Group. In addition, this legislation also extends the concept of corporate criminal liability. These pieces of legislation have broad application and in certain circumstances may have extraterritorial impact on entities, persons or activities located outside the UK, including Barclays Bank PLC's subsidiaries outside the UK.

The UK Bribery Act requires the Barclays Bank Group to have adequate procedures to prevent bribery which, due to the extraterritorial nature of the Act, makes this both complex and costly. Additionally, the Criminal Finances Act requires the Barclays Bank Group to have reasonable procedures in place to prevent the criminal facilitation of tax evasion by persons acting for, or on behalf of, the Barclays Bank Group. The Economic Crime and Corporate Transparency Act similarly requires the Barclays Bank Group to have reasonable procedures in place to prevent a person associated with the Barclays Bank Group from committing fraud.

The Sanctions and Anti-Money Laundering Act 2018 (the Sanctions Act) became law in the UK in 2018. Following the UK's withdrawal from the EU, the Sanctions Act allowed for the adoption of an autonomous UK sanctions regime which came into force in 2021, as well as a more flexible licensing regime post-Brexit. This regime applies within the UK and in relation to the conduct of all UK persons wherever they are in the world; it also applies to overseas branches of UK companies (including the Barclays Bank PLC New York branch).

Within the EU, there is a system of autonomous sanctions by which the European Council adopts a decision made by the EU's Common Foreign and Security Policy. The measures stated in the Council decision are either implemented at the EU level, by way of Regulation, or at a national level in Member States. Regulations are binding and directly effective throughout the EU. Each measure will specify the territorial scope of the relevant sanctions but these can apply broadly within the territory of any EU Member States and to EU nationals wherever they are located as well as to third country branches of EU companies. The EU's anti-money laundering regime has been implemented through a series of the Fourth to Sixth Anti-Money Laundering Directives, which Member States are then required to transpose into their local law – the Fourth and Fifth Money Laundering Directives (2015/849 and 2018/843) set out the current requirements for Member States to transpose in respect of AML. The EU has introduced a new Sixth Anti-Money Laundering Directive 2024/1640, which will repeal and replace the previous Directives and which Member States will be required to implement by 2027. In addition the EU has passed the Anti-Money Laundering Regulation (EU) 2024/1624 which will have direct effect in Member States, with most provisions in force from 2027. Furthermore, the 2015/849 and the Fifth Anti-Money Laundering Agency Regulation (EU) 2024/1620 establishes the Authority for Anti-Money Laundering and Countering the Financing of Terrorism (AMLA) which will have direct supervisory powers over the 40 most systemic financial institutions in the EU and will indirectly impact other market parties. Further changes to Directive (EU) 2018/849 are being proposed through the Sixth Anti-Money Laundering Directive, and a package of further reforms are currently under discussion.

In the US, the Bank Secrecy Act, the USA PATRIOT Act 2001, the Anti-Money Laundering Act of 2020 and regulations thereunder contain numerous anti-money laundering and anti-terrorist financing requirements for financial institutions. In addition, the Barclays Bank Group is subject to the US Foreign Corrupt Practices Act, which prohibits, among other things, corrupt payments to foreign government officials. It is also subject to various economic sanctions laws, regulations and executive orders administered by the US government, which prohibit or restrict some or all business activities and other dealings with or involving certain individuals, entities, groups, countries and territories.

In some cases, US state and federal regulations addressing sanctions, money laundering and other financial crimes may impact entities, persons or activities located or undertaken outside the US, including Barclays Bank PLC and its subsidiaries. US government authorities have aggressively enforced these laws, and expanded authorities threatening the imposition of sanctions, against financial institutions in recent years.

As a result of the conflict in Ukraine, there has been an increased regulatory focus on sanctions compliance in various jurisdictions, including the US, UK and EU. Failure of a financial institution to ensure adherence to such laws could have serious legal, financial and reputational consequences for the institution.

Financial statements

Contents

Detailed analysis of our consolidated financial statements, independently audited and providing in-depth disclosure on the financial performance of Barclays Bank Group.

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
Barclays Bank PLC:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Barclays Bank PLC and subsidiaries (the Company) as of December 31, 2024 and 2023, the related consolidated income statements, consolidated statements of comprehensive income, consolidated statements of changes in equity, and consolidated cash flow statements for each of the years in the three-year period ended December 31, 2024, and the related notes and specific disclosures described in Note 1 of the consolidated financial statements as being part of the consolidated financial statements (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2024, in conformity with International Financial Reporting Standards, as issued by the International Accounting Standards Board.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgements. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Impairment allowance for loans and advances at amortised cost, including off-balance sheet elements of the allowance

As discussed in note 8 to the consolidated financial statements, and in the Credit risk management (audited) disclosures on page 79 to 115, the Company's impairment allowance for loans and advances, including off-balance sheet elements at amortised cost was £3.9bn as at 31 December 2024.

We identified the assessment of impairment allowance for loans and advances at amortised cost, including off balance sheet elements as a critical audit matter. A high degree of audit effort, including specialised skills and knowledge was required because it involved significant measurement uncertainty. Complex and subjective auditor judgement was required to assess the following:

- Model estimations – Complex and subjective auditor judgement was applied in assessing the Company's modelled estimations of Expected Credit Losses ("ECL") due to the inherently judgemental nature of the underlying models, including the IFRS 9 Probability of Default ("PD") models, the Loss Given Default ("LGD") models and the Exposure at Default ("EAD") models, and the associated assumptions. Certain IFRS 9 models and assumptions are the key drivers of complexity and uncertainty, and minor changes to these could have a significant effect on the Company's calculation of the ECL estimate.

- Economic scenarios – Complex and subjective auditor judgement was applied in assessing the forward-looking economic scenarios used by the Company as an input to calculate ECL, the probability weightings applied to them and the complexity of models used to derive the probability weightings.

- Qualitative adjustments – Complex and subjective auditor judgement was applied in assessing certain qualitative adjustments to the model-driven impairment allowance due to the inherent estimation uncertainty associated with these adjustments.

The following are the primary procedures we performed to address this critical audit matter.

- We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's process for estimating the impairment allowance for loans and advances at amortised cost, including off-balance sheet elements. This included controls relating to the (1) application of the staging criteria, (2) model validation, implementation and monitoring, (3) authorisation and calculation of qualitative adjustments and management overlays, (4) selection and implementation of economic variables and the controls over the economic scenario selection and probabilities, and (5) credit reviews that determine customer risk ratings used in the models for a population of wholesale customers.

- We involved credit risk modelling professionals with specialised skills and knowledge, who assisted in the following:
    - Evaluating the Company's impairment methodologies for compliance with IFRS 9;
    - Inspecting model code for the calculation of certain components of the ECL model to assess its consistency with the Company's modelling methodology;
    - Evaluating model changes (including the updated model code) for a selection of models which were changed or updated during the year as to whether they were appropriate by assessing the updated model methodology against the applicable accounting standard;
    - Reperforming the calculation of certain adjustments to assess consistency with the qualitative adjustment methodologies;
    - Evaluating the model output for a selection of models by inspecting the corresponding model functionality and independently implementing the model by rebuilding the model code and comparing our independent output with management's output;
    - Assessing the appropriateness of certain assumptions by inspecting and evaluating management's documented methodology for how the assumption is determined; and
    - Reperforming and assessing, for a selection of models, the reasonableness of the model predictions by comparing them against actual results and evaluating the resulting differences.
- In addition, we involved economic professionals with specialised skills and knowledge, who assisted in:
    - Assessing the reasonableness of the Company's methodology and models used for determining the economic scenarios used and the probability weightings applied to them;
    - Assessing key economic variables which included comparing a selection of economic variables to external sources; and
    - Assessing the overall reasonableness of the economic forecasts by comparing the Company's forecasts to our own modelled forecasts.

Valuation of certain Level 3 and Level 2 financial instruments recorded at fair value
As discussed in Note 16 to the Company's consolidated financial statements, the balances of financial assets and liabilities recorded at fair value as at December 31, 2024 was £701bn and £615bn, respectively. This includes Level 3 assets of £22bn and liabilities of £7bn respectively. The Company has Level 2 financial assets at fair value of £579bn and financial liabilities at fair value of £581bn. The Company is required to apply valuation techniques which often involve the exercise of significant judgement and the use of assumptions and valuation models over certain Level 3 and Level 2 financial assets and liabilities.

We identified the valuation of certain Level 3 and Level 2 financial instruments recorded at fair value as a critical audit matter. This is because there was significant measurement uncertainty associated with the fair value estimates of these instruments and subjective auditor judgement, including specialised skills and knowledge was required to evaluate pricing data inputs, valuation models and fair value adjustments (FVA), including portfolio-level FVAs related to credit, collateralisation and funding (commonly referred to as XVAs).

The following are the primary procedures we performed to address this critical audit matter.

- We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's process to measure fair value of these portfolios. This included controls related to (1) the independent price verification (IPV) of certain pricing data inputs, (2) the determination or calculation of FVAs, including exit price adjustments (to mark the portfolio to bid or offer prices), model shortcoming reserves to address model limitations and XVAs and (3) the validation, completeness, implementation and usage of valuation models including assessment of the impact of model limitations and assumptions.
- For a selection of collateral disputes identified by management, we challenged management's valuation where significant fair value differences were observable with the market participant's valuation on the other side of the trade. We also utilised collateral dispute data to identify fair value financial instruments with significant fair value differences against market counterparties and selected these to independently reprice.
- We performed a retrospective review by inspecting significant gains and losses on a selection of new fair value financial instruments, historical exit prices on similar instruments and restructurings throughout the audit period and evaluated whether these data points indicated elements of fair value not incorporated into the current valuation methodologies. We also inspected movements in unobservable inputs throughout the period to challenge whether any gain or loss generated was appropriate.
- We involved valuation professionals with specialised skills and knowledge, who assisted in the following:
    - Independently re-pricing a selection of fair value financial instruments and challenging management on the valuations where they were outside our tolerance; and
    - Challenging the appropriateness of significant models and methodologies used in calculating fair values, risk exposures and in calculating FVAs and XVAs, including comparison to industry practice.
- We inspected trading revenue arising on level 3 positions to assess whether material gains or losses generated were in line with the accounting standards.

UK Pension Scheme – Defined Benefit Obligation (DBO) assumptions

As discussed in note 30 to the consolidated financial statements, the total fair value of the Company's defined benefit obligation as at December 31, 2024 was £20bn, of which £19bn was related to the UK Retirement Fund (UKRF). The determination of the Company's defined benefit pension obligation with respect to these plans is dependent on certain actuarial assumptions, including the discount rate, inflation rate (or retail price index) and mortality assumptions.

We identified the valuation of the defined benefit pension obligation in respect of UKRF as a critical audit matter. Subjective and complex auditor judgement, including specialised skills and knowledge, was required in evaluating the discount rates, retail price index (RPI) and mortality assumptions used, as small changes would have a significant impact on the measurement of the defined benefit pension obligation.

The following are the primary procedures we performed to address this critical audit matter:

- We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's defined benefit obligation process; this included controls related to management's review of IAS 19 assumptions including discount rate, RPI and mortality assumptions, and
- We involved actuarial professionals with specialised skills and knowledge who assisted in assessing the Company's discount rate, RPI and mortality assumptions by evaluating those assumptions against expectations derived from external sources.

/s/ KPMG LLP

We have served as the Company's auditor since 2017.

London, United Kingdom
12 February 2025

Consolidated income statement

For the year ended 31 December	Notes	2024 £m	2023 £m	2022 £m
Continuing operations				
Interest and similar income	3	**25,780**	24,261	11,779
Interest and similar expense	3	**(19,035)**	(17,608)	(6,381)
Net interest income		**6,745**	6,653	5,398
Fee and commission income	4	**9,486**	8,708	8,171
Fee and commission expense	4	**(3,215)**	(3,247)	(2,745)
Net fee and commission income		**6,271**	5,461	5,426
Net trading income	5	**5,900**	5,980	7,624
Net investment income/(expense)	6	**69**	112	(323)
Other income		**52**	62	69
Total income		**19,037**	18,268	18,194
Staff costs	28	**(5,556)**	(5,591)	(5,192)
Infrastructure costs	7	**(795)**	(1,073)	(900)
Administration and general expenses	7	**(5,894)**	(5,606)	(4,729)
UK regulatory levies	7	**(242)**	(149)	(150)
Litigation and conduct	7	**(186)**	(44)	(1,427)
Operating expenses	7	**(12,673)**	(12,463)	(12,398)
Share of post-tax results of associates and joint ventures		**—**	(4)	3
Profit on disposal of subsidiaries, associates and joint ventures		**—**	—	1
Profit before Impairment		**6,364**	5,801	5,800
Credit impairment charges	8	**(1,617)**	(1,578)	(933)
Profit before tax		**4,747**	4,223	4,867
Taxation	9	**(999)**	(662)	(485)
Profit after tax		**3,748**	3,561	4,382
Attributable to:				
Equity holders of the parent		**2,956**	2,753	3,650
Other equity instrument holders		**792**	808	732
Total equity holders of the parent		**3,748**	3,561	4,382
Profit after tax		**3,748**	3,561	4,382

Consolidated statement of comprehensive income

For the year ended 31 December	2024 £m	2023 £m	2022 £m
Profit after tax	**3,748**	3,561	4,382
Other comprehensive income/(loss) that may be recycled to profit or loss:			
Currency translation reserve			
Currency translation differences[1]	**(143)**	(1,242)	2,411
Tax	**50**	33	—
Fair value through other comprehensive income reserve movement relating to debt securities			
Net (losses)/gains from changes in fair value	**(840)**	1,142	(6,376)
Net (gains)/losses transferred to net profit on disposal	**(134)**	(102)	68
Net losses/(gains) related to (releases of) impairment	**1**	(2)	8
Net gains/(losses) due to fair value hedging	**318**	(849)	4,627
Tax	**181**	(54)	449
Cash flow hedging reserve			
Net (losses)/gains from changes in fair value	**(1,349)**	2,506	(7,290)
Net losses transferred to net profit	**1,950**	1,158	543
Tax	**(154)**	(1,002)	1,808
Other comprehensive (loss)/income that may be recycled to profit or loss	**(120)**	1,588	(3,752)
Other comprehensive (loss)/income not recycled to profit or loss:			
Retirement benefit remeasurements	**(419)**	(1,182)	(755)
Own credit	**(1,131)**	(983)	2,092
Tax	**430**	609	(156)
Other comprehensive (loss)/income not recycled to profit or loss	**(1,120)**	(1,556)	1,181
Other comprehensive (loss)/income for the year	**(1,240)**	32	(2,571)
Total comprehensive income for the year	**2,508**	3,593	1,811
Attributable to:			
Equity holders of the parent	**2,508**	3,593	1,811
Total comprehensive income for the year	**2,508**	3,593	1,811

Note
1 Includes £1m gain (2023: £0m gain; 2022: £1m gain) on recycling of currency translation differences.

Consolidated balance sheet

As at 31 December	Notes	2024 £m	2023 £m
Assets			
Cash and balances at central banks		**180,365**	189,686
Cash collateral and settlement balances		**113,987**	103,708
Debt securities at amortised cost		**50,227**	39,046
Loans and advances at amortised cost to banks		**8,780**	9,024
Loans and advances at amortised cost to customers		**136,047**	137,177
Reverse repurchase agreements and other similar secured lending at amortised cost		**3,393**	1,103
Trading portfolio assets	11	**166,244**	174,566
Financial assets at fair value through the income statement	12	**191,845**	204,236
Derivative financial instruments	13	**292,356**	256,111
Financial assets at fair value through other comprehensive income	14	**51,010**	51,423
Investments in associates and joint ventures	33	**14**	22
Goodwill and intangible assets	20	**1,425**	1,084
Property, plant and equipment	18	**1,546**	1,262
Current tax assets		**785**	546
Deferred tax assets	9	**4,133**	3,888
Retirement benefit assets	30	**3,263**	3,667
Assets included in disposal group classified as held for sale	39	**9,854**	3,916
Other assets		**3,250**	4,701
Total assets		**1,218,524**	1,185,166
Liabilities			
Deposits at amortised cost from banks		**13,252**	14,598
Deposits at amortised cost from customers		**306,124**	287,200
Cash collateral and settlement balances		**104,627**	92,988
Repurchase agreements and other similar secured borrowing at amortised cost		**29,397**	28,554
Debt securities in issue		**35,803**	45,653
Subordinated liabilities	25	**41,875**	35,903
Trading portfolio liabilities	11	**56,182**	57,761
Financial liabilities designated at fair value	15	**279,777**	298,573
Derivative financial instruments	13	**279,331**	249,880
Current tax liabilities		**404**	411
Deferred tax liabilities	9	**2**	3
Retirement benefit liabilities	30	**164**	173
Liabilities included in disposal group classified as held for sale	39	**3,726**	3,164
Other liabilities	21	**7,904**	8,984
Provisions	22	**736**	817
Total liabilities		**1,159,304**	1,124,662
Equity			
Called up share capital and share premium	26	**2,348**	2,348
Other equity instruments	26	**9,604**	10,765
Other reserves	27	**(1,302)**	(363)
Retained earnings		**48,570**	47,754
Total equity		**59,220**	60,504
Total liabilities and equity		**1,218,524**	1,185,166

The Board of Directors approved the financial statements on pages 153 to 251 on 12 February 2025.

CS Venkatakrishnan
Barclays Bank Group – Chief Executive Officer

Aunoy Banerjee
Barclays Bank Group – Chief Financial Officer

Consolidated financial statements
Consolidated statement of changes in equity

Statement of changes in equity

	Called up share capital and share premium[1]	Other equity instruments[1]	Other reserves[2]	Retained earnings	Total equity
	£m	£m	£m	£m	£m
Balance as at 1 January 2024	**2,348**	**10,765**	**(363)**	**47,754**	**60,504**
Profit after tax	**—**	**792**	**—**	**2,956**	**3,748**
Currency translation movements	**—**	**—**	**(93)**	**—**	**(93)**
Fair value through other comprehensive income reserve	**—**	**—**	**(474)**	**—**	**(474)**
Cash flow hedges	**—**	**—**	**447**	**—**	**447**
Retirement benefit remeasurement	**—**	**—**	**—**	**(298)**	**(298)**
Own credit reserve	**—**	**—**	**(822)**	**—**	**(822)**
Total comprehensive income for the year	**—**	**792**	**(942)**	**2,658**	**2,508**
Issue and redemption of other equity instruments	**—**	**(1,161)**	**—**	**(92)**	**(1,253)**
Other equity instruments coupons paid	**—**	**(792)**	**—**	**—**	**(792)**
Employee settled Barclays PLC share schemes	**—**	**—**	**—**	**531**	**531**
Vesting of Barclays PLC shares under share-based payment schemes	**—**	**—**	**—**	**(448)**	**(448)**
Dividends on ordinary shares	**—**	**—**	**—**	**(1,782)**	**(1,782)**
Dividends on preference shares and other shareholders equity	**—**	**—**	**—**	**(41)**	**(41)**
Other reserve movements	**—**	**—**	**3**	**(10)**	**(7)**
Balance as at 31 December 2024	**2,348**	**9,604**	**(1,302)**	**48,570**	**59,220**

Notes
1 For further details refer to Note 26.
2 For further details refer to Note 27.

Statement of changes in equity

	Called up share capital and share premium[1]	Other equity instruments[1]	Other reserves[2]	Retained earnings	Total equity
	£m	£m	£m	£m	£m
Balance as at 1 January 2023	2,348	10,691	(1,464)	47,378	58,953
Profit after tax	—	808	—	2,753	3,561
Currency translation movements	—	—	(1,209)	—	(1,209)
Fair value through other comprehensive income reserve	—	—	135	—	135
Cash flow hedges	—	—	2,662	—	2,662
Retirement benefit remeasurement	—	—	—	(846)	(846)
Own credit reserve	—	—	(710)	—	(710)
Total comprehensive income for the year	—	808	878	1,907	3,593
Issue and redemption of other equity instruments	—	74	—	(12)	62
Other equity instruments coupons paid	—	(808)	—	—	(808)
Employee settled Barclays PLC share schemes	—	—	—	409	409
Vesting of Barclays PLC shares under share-based payment schemes	—	—	—	(442)	(442)
Dividends on ordinary shares	—	—	—	(1,348)	(1,348)
Dividends on preference shares and other shareholders equity	—	—	—	(40)	(40)
Net equity impact on inter Barclays PLC Group transfers	—	—	220	(96)	124
Other reserve movements	—	—	3	(2)	1
Balance as at 31 December 2023	2,348	10,765	(363)	47,754	60,504

Notes
1 For further details refer to Note 26.
2 For further details refer to Note 27.

Consolidated statement of changes in equity

	Called up share capital and share premium	Other equity instruments	Other reserves	Retained earnings	Total equity
	£m	£m	£m	£m	£m
Balance as at 1 January 2022	2,348	9,693	861	43,415	56,317
Profit after tax	—	732	—	3,650	4,382
Currency translation movements	—	—	2,411	—	2,411
Fair value through other comprehensive income reserve	—	—	(1,224)	—	(1,224)
Cash flow hedges	—	—	(4,939)	—	(4,939)
Retirement benefit remeasurement	—	—	—	(282)	(282)
Own credit reserve	—	—	1,463	—	1,463
Total comprehensive income for the year	—	732	(2,289)	3,368	1,811
Issue and redemption of other equity instruments	—	998	—	38	1,036
Other equity instruments coupons paid	—	(732)	—	—	(732)
Employee settled Barclays PLC share schemes	—	—	—	419	419
Vesting of Barclays PLC shares under share-based payment schemes	—	—	—	(413)	(413)
Dividends on ordinary shares	—	—	—	(200)	(200)
Dividends on preference shares and other shareholders equity	—	—	—	(31)	(31)
Own credit realisation	—	—	(36)	36	—
Capital contribution from Barclays Plc	—	—	—	750	750
Other reserve movements	—	—	—	(4)	(4)
Balance as at 31 December 2022	2,348	10,691	(1,464)	47,378	58,953

Consolidated financial statements
Consolidated cash flow statement

For the year ended 31 December	Notes	2024 £m	2023 £m	2022 £m
Reconciliation of profit before tax to net cash flows from operating activities:				
Profit before tax		**4,747**	4,223	4,867
Adjustment for non-cash items:				
Credit impairment charges		**1,617**	1,578	933
Depreciation, amortisation and impairment of property, plant, equipment and intangibles		**356**	489	483
Provisions and pension charges		**195**	63	1,188
Net loss on disposal of investments and property, plant and equipment		**9**	7	8
Other non-cash movements including exchange rate movements		**1,835**	7,567	(13,491)
Changes in operating assets and liabilities				
Net decrease/ (increase) in cash collateral and settlement balances		**2,060**	31	(1,078)
Net (increase)/decrease in loans and advances at amortised cost		**(2,556)**	8,313	(30,617)
Net (increase)/decrease in reverse repurchase agreements and other similar secured lending		**(2,290)**	(378)	2,452
Net increase in deposits at amortised cost		**17,578**	10,219	28,751
Net (decrease)/increase in debt securities in issue		**(9,850)**	(14,359)	11,624
Net increase/(decrease) in repurchase agreements and other similar secured borrowing		**843**	16,589	(804)
Net (increase)/decrease in derivative financial instruments		**(6,794)**	7,539	(8,002)
Net decrease/(increase) in trading portfolio assets		**8,322**	(40,795)	13,100
Net (decrease)/increase in trading portfolio liabilities		**(1,579)**	(14,699)	19,169
Net (increase)/decrease in financial assets and liabilities at fair value through the income statement		**(6,415)**	33,410	(1,978)
Net decrease/(increase) in other assets		**(3,962)**	(1,301)	(3,311)
Net (decrease)/increase in other liabilities		**(1,440)**	(1,864)	1,834
Corporate income tax paid		**(685)**	(265)	(144)
Net cash from operating activities		**1,991**	16,367	24,984
Purchase of debt securities at amortised cost		**(27,617)**	(14,901)	(20,014)
Proceeds from redemption or sale of debt securities at amortised cost		**16,922**	2,681	12,925
Purchase of financial assets at fair value through other comprehensive income		**(52,347)**	(50,254)	(43,139)
Proceeds from sale or redemption of financial assets at fair value through other comprehensive income		**51,803**	44,126	42,157
Purchase of property, plant and equipment and intangibles		**(512)**	(439)	(540)
Acquisition of business		**(232)**	—	—
Other cash flows associated with investing activities[1]		**2,749**	—	—
Net cash from investing activities		**(9,234)**	(18,787)	(8,611)
Dividends paid and other coupon payments on equity instruments		**(2,615)**	(2,196)	(963)
Issuance of subordinated liabilities	25	**11,222**	5,986	15,381
Redemption of subordinated liabilities	25	**(5,067)**	(7,431)	(8,367)
Issue of shares and other equity instruments	26	**970**	2,499	3,134
Repurchase of shares and other equity instruments	26	**(2,131)**	(2,425)	(2,136)
Capital contribution		**—**	—	750
Vesting of employee share schemes		**(448)**	(442)	(413)
Net cash from financing activities		**1,931**	(4,009)	7,386
Effect of exchange rates on cash and cash equivalents		**(2,405)**	(5,013)	10,235
Net (decrease)/increase in cash and cash equivalents		**(7,717)**	(11,442)	33,994
Cash and cash equivalents at beginning of year		**208,412**	219,854	185,860
Cash and cash equivalents at end of year		**200,695**	208,412	219,854
Cash and cash equivalents comprise:				
Cash and balances at central banks		**180,365**	189,686	202,142
Loans and advances to banks with original maturity of three months or less		**7,758**	7,117	6,229
Cash collateral balances with central banks with original maturity of three months or less		**11,025**	10,325	10,625
Treasury and other eligible bills with original maturity of three months or less		**1,547**	1,284	858
Cash and cash equivalents at end of year		**200,695**	208,412	219,854

Note

1 This relates to the net proceeds from the sale of the Italian retail mortgage portfolio.

Interest received was £25,695m (2023: £24,347m; 2022: £10,939m) and interest paid was £18,952m (2023: £15,944m; 2022: £6,664m). 2023 and 2022 comparative figures have been amended to make the cash flow statement more relevant following a review of the disclosure and the basis of preparation applied. Following that review, the basis of preparation of interest received and paid has been amended to reflect interest received and interest paid on activity where interest is recognised on an effective interest rate basis to make the cash flow statement information more relevant with reference to net interest income recognised in the income statement and enhancing comparability with industry peers. Previously, amounts related to trading activities were also included.

The Barclays Bank Group is required to maintain balances with central banks and other regulatory authorities and these amounted to £2,317m (2023: £2,973m; 2022: £3,038m). For the purposes of the cash flow statement, cash comprises cash on hand and demand deposits and cash equivalents comprise highly liquid investments that are convertible into cash with an insignificant risk of changes in value with original maturities of three months or less. Repurchase and reverse repurchase agreements are not considered to be part of cash equivalents.

Balance sheet

As at 31 December	Notes	2024 £m	2023 £m
Assets			
Cash and balances at central banks		**151,288**	153,701
Cash collateral and settlement balances		**75,284**	75,271
Debt securities at amortised cost		**35,519**	33,576
Loans and advances at amortised cost to banks		**14,834**	15,308
Loans and advances at amortised cost to customers		**210,218**	227,131
Reverse repurchase agreements and other similar secured lending at amortised cost		**5,546**	6,876
Trading portfolio assets	11	**102,030**	112,654
Financial assets at fair value through the income statement	12	**253,812**	263,960
Derivative financial instruments	13	**260,487**	225,301
Financial assets at fair value through other comprehensive income	14	**49,499**	50,381
Investments in associates and joint ventures	33	**12**	12
Investment in subsidiaries	31	**20,747**	19,105
Goodwill and intangible assets	20	**104**	104
Property, plant and equipment	18	**125**	117
Current tax assets		**757**	719
Deferred tax assets	9	**2,638**	2,509
Retirement benefit assets	30	**3,202**	3,621
Other assets		**1,915**	3,392
Total assets		**1,188,017**	1,193,738
Liabilities			
Deposits at amortised cost from banks		**12,039**	13,616
Deposits at amortised cost from customers		**336,054**	333,687
Cash collateral and settlement balances		**62,386**	58,292
Repurchase agreements and other similar secured borrowing at amortised cost		**46,196**	43,951
Debt securities in issue		**12,991**	24,833
Subordinated liabilities	25	**41,240**	35,237
Trading portfolio liabilities	11	**41,015**	50,995
Financial liabilities designated at fair value	15	**329,522**	351,945
Derivative financial instruments	13	**248,417**	221,365
Current tax liabilities		**298**	331
Deferred tax liabilities	9	**2**	2
Retirement benefit liabilities	30	**66**	71
Provisions	22	**435**	477
Other liabilities	21	**4,456**	5,708
Total liabilities		**1,135,117**	1,140,510
Equity			
Called up share capital and share premium	26	**2,348**	2,348
Other equity instruments	26	**14,311**	15,472
Other reserves	27	**(3,928)**	(3,209)
Retained earnings		**40,169**	38,617
Total equity		**52,900**	53,228
Total liabilities and equity		**1,188,017**	1,193,738

The Board of Directors approved the financial statements on pages 159 to 162 on 12 February 2025.

CS Venkatakrishnan
Barclays Bank Group – Chief Executive Officer

Aunoy Banerjee
Barclays Bank Group – Chief Financial Officer

Statement of changes in equity

	Called up share capital and share premium[1]	Other equity instruments[1,2]	Other reserves[3]	Retained earnings	Total equity
	£m	£m	£m	£m	£m
Balance as at 1 January 2024	**2,348**	**15,472**	**(3,209)**	**38,617**	**53,228**
Profit after tax	**—**	**1,225**	**—**	**3,740**	**4,965**
Currency translation movements	**—**	**—**	**148**	**—**	**148**
Fair value through other comprehensive income reserve	**—**		**(463)**	**—**	**(463)**
Cash flow hedges	**—**		**376**	**—**	**376**
Retirement benefit remeasurement	**—**		**—**	**(295)**	**(295)**
Own credit reserve	**—**		**(781)**	**—**	**(781)**
Total comprehensive income for the year		**1,225**	**(720)**	**3,445**	**3,950**
Issue and redemption of other equity instruments	**—**	**(1,161)**	**—**	**(92)**	**(1,253)**
Other equity instruments coupons paid	**—**	**(1,225)**	**—**	**—**	**(1,225)**
Employee settled Barclays PLC share schemes	**—**	**—**	**—**	**475**	**475**
Vesting of Barclays PLC shares under share-based payment schemes	**—**	**—**	**—**	**(448)**	**(448)**
Dividends paid on ordinary shares	**—**	**—**	**—**	**(1,782)**	**(1,782)**
Dividends paid on preference shares and other shareholders' equity	**—**	**—**	**—**	**(41)**	**(41)**
Other reserve movements	**—**	**—**	**1**	**(5)**	**(4)**
Balance as at 31 December 2024	**2,348**	**14,311**	**(3,928)**	**40,169**	**52,900**

Statement of changes in equity

	Called up share capital and share premium[1]	Other equity instruments[1,2]	Other reserves[3]	Retained earnings	Total equity
	£m	£m	£m	£m	£m
Balance as at 1 January 2023	2,348	15,398	(4,552)	39,273	52,467
Profit after tax	—	1,247	—	1,619	2,866
Currency translation movements	—	—	(572)	—	(572)
Fair value through other comprehensive income reserve	—	—	132	—	132
Cash flow hedges	—	—	2,483	—	2,483
Retirement benefit remeasurement	—	—	—	(839)	(839)
Own credit reserve	—	—	(703)	—	(703)
Total comprehensive income for the year	—	1,247	1,340	780	3,367
Issue and redemption of other equity instruments	—	74	—	(12)	62
Other equity instruments coupons paid	—	(1,247)	—	—	(1,247)
Employee settled Barclays PLC share schemes	—	—	—	406	406
Vesting of Barclays PLC shares under share-based payment schemes	—	—	—	(442)	(442)
Dividends paid on ordinary shares	—	—	—	(1,348)	(1,348)
Dividends paid on preference shares and other shareholders' equity	—	—	—	(40)	(40)
Other reserve movements	—	—	3	—	3
Balance as at 31 December 2023	2,348	15,472	(3,209)	38,617	53,228

Notes
1 For further details refer to Note 26.
2 Other equity instruments includes AT1 securities issued by Barclays Bank PLC and borrowings of $6bn (2023: $6bn) from a wholly-owned, indirect subsidiary of Barclays Bank PLC. The borrowings have been recorded as equity since, under their terms, interest payments are non cumulative and discretionary whilst repayment of principal is perpetually deferrable by Barclays Bank PLC. Should Barclays Bank PLC make a discretionary dividend payment on its ordinary shares in the six months preceding the date of an interest payment, it will be obliged to make that interest payment. In 2024, interest paid on these borrowings was £433m (2023: £439m).
3 For further details refer to Note 27.

Statement of changes in equity

	Called up share capital and share premium	Other equity instruments[1]	Other reserves	Retained earnings	Total equity
	£m	£m	£m	£m	£m
Balance as at 1 January 2022	2,348	14,400	(1,236)	37,180	52,692
Profit after tax	—	982	—	1,802	2,784
Currency translation movements	—	—	1,149	—	1,149
Fair value through other comprehensive income reserve	—	—	(1,232)	—	(1,232)
Cash flow hedges	—	—	(4,556)	—	(4,556)
Retirement benefit remeasurement	—	—	—	(315)	(315)
Own credit reserve	—	—	1,359	—	1,359
Total comprehensive income for the year	—	982	(3,280)	1,487	(811)
Issue and redemption of other equity instruments	—	998	—	38	1,036
Other equity instruments coupons paid	—	(982)	—	—	(982)
Employee settled Barclays PLC share schemes	—	—	—	425	425
Vesting of Barclays PLC shares under share-based payment schemes	—	—	—	(413)	(413)
Dividends paid on ordinary shares	—	—	—	(200)	(200)
Dividends paid on preference shares and other shareholders' equity	—	—	—	(31)	(31)
Own credit realisation	—	—	(36)	36	—
Net equity impact on intra group transfers	—	—	—	750	750
Other reserve movements	—	—	—	1	1
Balance as at 31 December 2022	2,348	15,398	(4,552)	39,273	52,467

Note
1 Other equity instruments includes AT1 securities issued by Barclays Bank PLC and borrowings of $6bn from a wholly-owned, indirect subsidiary of Barclays Bank PLC. The borrowings have been recorded as equity since, under their terms, interest payments are non cumulative and discretionary whilst repayment of principal is perpetually deferrable by Barclays Bank PLC. Should Barclays Bank PLC make a discretionary dividend payment on its ordinary shares in the six months preceding the date of an interest payment, it will be obliged to make that interest payment. In 2022, interest paid on these borrowings was £250m.

Cash flow statement

For the year ended 31 December	Notes	2024 £m	2023 £m	2022 £m
Reconciliation of profit before tax to net cash flows from operating activities:				
Profit before tax		**5,165**	2,977	2,744
Adjustment for non-cash items:				
Credit impairment charges		**216**	98	165
Impairment of Investments in subsidiaries		**(811)**	166	2,533
Depreciation, amortisation and impairment of property, plant, equipment and intangibles		**30**	33	72
Provisions and pensions charges/(credits)		**95**	(95)	996
Net loss/(profit) on disposal of investments and property, plant and equipment		**(48)**	2	(115)
Other non-cash movements including exchange rate movements		**1,721**	5,991	(11,858)
Changes in operating assets and liabilities				
Net decrease in cash collateral and settlement balances		**4,781**	137	2,671
Net decrease/(increase) in loans and advances at amortised cost		**14,178**	(40,968)	(19,764)
Net decrease/(increase) in reverse repurchase agreements and other similar secured lending		**1,330**	(968)	(926)
Net increase in deposits at amortised cost		**790**	33,408	27,134
Net (decrease)/increase in debt securities in issue		**(11,842)**	(15,333)	7,581
Net increase/(decrease) in repurchase agreements and other similar secured borrowing		**2,245**	17,644	(2,895)
Net (increase)/decrease in derivative financial instruments		**(8,134)**	4,205	(1,723)
Net decrease/(increase) in trading portfolio assets		**10,624**	(29,611)	13,681
Net (decrease)/increase in trading portfolio liabilities		**(9,980)**	(1,098)	1,977
Net (increase)/decrease in financial assets and liabilities at fair value through the income statement		**(12,275)**	34,459	(959)
Net decrease/(increase) in other assets		**1,451**	(244)	(3,035)
Net (decrease)/increase in other liabilities		**(1,406)**	(2,378)	2,196
Corporate income tax		**135**	249	422
Net cash from operating activities		**(1,735)**	8,674	20,897
Purchase of debt securities at amortised cost		**(17,113)**	(11,984)	(18,519)
Proceeds from redemption or sale of debt securities at amortised cost		**15,120**	2,023	12,107
Purchase of financial assets at fair value through other comprehensive income		**(49,318)**	(46,808)	(36,084)
Proceeds from sale or redemption of financial assets at fair value through other comprehensive income		**49,258**	39,852	35,066
Purchase of property, plant and equipment and intangibles		**(21)**	(22)	(28)
Disposal of subsidiaries and associates, net of cash disposed		**48**	(1)	125
Increase in investment in subsidiaries		**(824)**	(7)	(2,667)
Other cash flows associated with investing activities		**—**	—	(1)
Net cash from investing activities		**(2,850)**	(16,947)	(10,001)
Dividends paid and other coupon payments on equity instruments		**(3,048)**	(2,635)	(1,213)
Issuance of subordinated liabilities	25	**11,143**	5,643	14,904
Redemption of subordinated liabilities	25	**(4,963)**	(7,209)	(8,104)
Issue of shares and other equity instruments	26	**970**	2,499	3,134
Repurchase of shares and other equity instruments	26	**(2,131)**	(2,425)	(2,136)
Capital contribution		**—**	—	750
Vesting of shares under employee share schemes		**(448)**	(442)	(413)
Net cash from financing activities		**1,523**	(4,569)	6,922
Effect of exchange rates on cash and cash equivalents		**(1,380)**	(3,938)	8,166
Net (decrease)/increase in cash and cash equivalents		**(4,442)**	(16,780)	25,984
Cash and cash equivalents at beginning of year		**168,263**	185,043	159,059
Cash and cash equivalents at end of year		**163,821**	168,263	185,043
Cash and cash equivalents comprise:				
Cash and balances at central banks		**151,288**	153,701	170,307
Loans and advances to banks with original maturity of three months or less		**136**	3,130	3,466
Cash collateral balances with central banks with original maturity of three months or less		**11,025**	10,325	10,625
Treasury and other eligible bills with original maturity of three months or less		**1,372**	1,107	645
Cash and cash equivalents at end of year		**163,821**	168,263	185,043

Interest received was £25,935m (2023: £24,134m; 2022: £9,638m) and interest paid by Barclays Bank PLC was £23,199m (2023: £20,609m; 2022: £8,567m). 2023 and 2022 comparative figures have been amended to make the cash flow statement more relevant following a review of the disclosure and the basis of preparation applied. Following that review, the basis of preparation of interest received and paid has been amended to reflect interest received and interest paid on activity where interest is recognised on an effective interest rate basis to make the cash flow statement information more relevant with reference to net interest income recognised in the income statement and enhancing comparability with industry peers. Previously, amounts related to trading activities were also included. Dividends received were £1,803m (2023: £529m; 2022: £1,862m).

Barclays Bank PLC was required to maintain balances with central banks and other regulatory authorities of £589m (2023: £767m; 2022: £1,070m). For the purposes of the cash flow statement, cash comprises cash on hand and demand deposits and cash equivalents comprise highly liquid investments that are convertible into cash with an insignificant risk of changes in value with original maturities of three months or less. Repurchase and reverse repurchase agreements are not considered to be part of cash equivalents.

Notes to the financial statements
For the year ended 31 December 2024

This section describes the Barclays Bank Group's material accounting policies and critical accounting judgements and estimates that relate to the financial statements and notes as a whole. If an accounting policy or a critical accounting judgement or estimate relates to a particular note, disclosure is contained within the relevant note.

1 Material accounting policies

1. Reporting entity

Barclays Bank PLC is a public company limited by shares registered in England under company number 1026167, having its registered office at 1 Churchill Place, London, E14 5HP.

These financial statements are prepared for Barclays Bank PLC and its subsidiaries (the Barclays Bank Group) under Section 399 of the Companies Act 2006. The Barclays Bank Group is a major global financial services provider engaged in credit cards, wholesale banking, investment banking, wealth management and investment management services. In addition, separate financial statements have been presented for the holding company.

2. Compliance with International Financial Reporting Standards

The consolidated financial statements of the Barclays Bank Group, and the separate financial statements of Barclays Bank PLC, have been prepared in accordance with UK-adopted international accounting standards.

The consolidated financial statements of the Barclays Bank Group, and the separate financial statements of Barclays Bank PLC, have also been prepared in accordance with (1) International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), including interpretations issued by the IFRS Interpretations Committee, as there are no applicable differences from IFRS as issued by the IASB for the periods presented; and (2) IFRS adopted pursuant to Regulation (EC) No. 1606/2002 as it applies in the European Union ("IFRS as adopted by the EU").

There are currently no differences between UK-adopted international accounting standards and IFRS as adopted by the EU and therefore no reconciliation of variances is provided.

The principal accounting policies applied in the preparation of the consolidated and separate financial statements are set out below, and in the relevant notes to the financial statements. These policies have been consistently applied, with the exception of Classification of Liabilities as Current or Non-current (Amendments to IAS 1), which was effective from 1 January 2024 and applies retrospectively.

3. Basis of preparation

The consolidated and separate financial statements have been prepared under the historical cost convention modified to include the fair valuation of investment property, and particular financial instruments, to the extent required or permitted under IFRS as set out in the relevant accounting policies. The financial statements are stated in millions of Pounds Sterling (£m), the functional currency of Barclays Bank PLC.

The financial statements have been prepared on a going concern basis, in accordance with the Companies Act 2006 as applicable to companies using IFRS. The financial statements are prepared on a going concern basis as the Board is satisfied that the Barclays Bank Group and parent company have the resources to continue in business for a period of at least 12 months from approval of the financial statements.

In making this assessment, the Board has considered a wide range of information relating to present and future conditions and has reviewed a working capital report (WCR). The WCR is used by the Board to assess the future performance of the Barclays Bank Group and whether it has the resources in place that are required to meet its ongoing regulatory requirements. The WCR assessment is based upon business plans which contain future forecasts of profitability taken from the Barclays Bank Group's medium term plan as well as projections of regulatory capital requirements and business funding needs. The WCR also includes an assessment of the impact of internally generated stress testing scenarios on the liquidity and capital requirement forecasts. The stress tests used were based upon an assessment of reasonably possible downside economic scenarios that the Barclays Bank Group could experience.

The WCR showed that the Barclays Bank Group had sufficient capital and liquidity in place to support its future business requirements and remained above its regulatory minimum requirements in the stress scenarios. Accordingly, the Board concluded that there was a reasonable expectation that the Barclays Bank Group has adequate resources to continue as a going concern for a period of at least 12 months from the date of approval of the financial statements.

4. Accounting policies

The Barclays Bank Group prepares financial statements in accordance with IFRS. The Barclays Bank Group's material accounting policies relating to specific financial statement items, together with a description of the accounting estimates and judgements that were critical to preparing those items, are set out under the relevant notes. Accounting policies that affect the financial statements as a whole are set out below.

(i) Consolidation

The consolidated financial statements combine the financial statements of Barclays Bank PLC and all its subsidiaries. Subsidiaries are entities over which Barclays Bank PLC has control. The Barclays Bank Group has control over another entity when the Barclays Bank Group has all of the following:

1) power over the relevant activities of the investee, for example through voting or other rights;
2) exposure to, or rights to, variable returns from its involvement with the investee; and
3) the ability to affect those returns through its power over the investee.

As the consolidated financial statements include partnerships where the Barclays Bank Group member is a partner, advantage has been taken of the exemption under Regulation 7 of the Partnership (Accounts) Regulations 2008 with regard to preparing and filing of individual partnership financial statements.

Details of the principal subsidiaries are given in Note 31.

(ii) Foreign currency translation

Transactions in foreign currencies are translated into Sterling at the rate ruling on the date of the transaction. Foreign currency monetary balances are translated into Sterling at the period end exchange rates. Exchange gains and losses on such balances are taken to the income statement.

The Barclays Bank Group's foreign operations (including subsidiaries, joint ventures, associates and branches) based mainly outside the UK may have different functional currencies. The functional currency of an operation is the currency of the main economy to which it is exposed.

Prior to consolidation (or equity accounting) the assets and liabilities of non-Sterling operations are translated at the period end exchange rate and items of income, expense and other comprehensive income are translated into Sterling at the rate on the date of the transactions. Exchange differences arising on the translation of foreign operations are included in currency translation reserves within equity. These are transferred to the income statement when the Barclays Bank Group disposes of the entire interest in a foreign operation, when partial disposal results in the loss of control of an interest in a subsidiary, when an investment previously accounted for using the equity method is accounted for as a financial asset, or on the disposal of a foreign operation within a branch.

(iii) Financial assets and liabilities

Recognition

The Barclays Bank Group recognises financial assets and liabilities when it becomes a party to the terms of the contract. Trade date or settlement date accounting is applied depending on the classification of the financial asset.

Classification and measurement

Financial assets are classified on the basis of two criteria:
i) the business model within which financial assets are managed; and
ii) their contractual cash flow characteristics (whether the cash flows represent 'solely payments of principal and interest' (SPPI)).

The Barclays Bank Group assesses the business model criteria at a portfolio level. Information that is considered in determining the applicable business model includes (i) policies and objectives for the relevant portfolio, (ii) how the performance and risks of the portfolio are managed, evaluated and reported to management, and (iii) the frequency, volume and timing of sales in prior periods, sales expectation for future periods, and the reasons for such sales.

The contractual cash flow characteristics of financial assets are assessed with reference to whether the cash flows represent SPPI. Terms that could change the contractual cash flows so that it would not meet the condition for SPPI are considered, including: (i) contingent and leverage features, (ii) non-recourse arrangements, (iii) features that could modify the time value of money, and (iv) Social, Environmental and Sustainability-linked features. Terms with de-minimis impact do not preclude cash flows from representing SPPI.

The accounting policy for each type of financial asset or liability is included within the relevant note for the item. The Barclays Bank Group's policies for determining the fair values of the assets and liabilities are set out in Note 16.

Derecognition

The Barclays Bank Group derecognises a financial asset, or a portion of a financial asset, from its balance sheet where (i) the contractual rights to cash flows from the asset have expired, or (ii) the contractual rights to the cash flows from the asset have been transferred (usually by sale) and with them either (a) substantially all the risks and rewards of the asset have been transferred, or (b) where neither substantially all the risks and rewards have been transferred or retained, where control over the asset has been lost.

Financial liabilities are de-recognised when the liability has been settled, has expired or has been extinguished. An exchange of an existing financial liability for a new liability with the same lender on substantially different terms – generally a difference of 10% or more in the present value of the cash flows or a substantive qualitative amendment – is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

It may not be obvious whether substantially all of the risks and rewards of a transferred asset, or portion of an asset, have been transferred. It is often necessary to perform a quantitative analysis that compares the Barclays Bank Group's exposure to variability in asset cash flows before the transfer with its retained exposure after the transfer. A cash flow analysis of this nature may require judgement. In particular, it is necessary to estimate the asset's expected future cash flows as well as potential variability around this expectation. The method of estimating expected future cash flows depends on the nature of the asset, with market and market-implied data used to the greatest extent possible. The potential variability around this expectation is typically determined by stressing underlying parameters to create reasonable alternative upside and downside scenarios. Probabilities are then assigned to each scenario. Stressed parameters may include default rates, loss severity, or prepayment rates.

Accounting for reverse repurchase and repurchase agreements including other similar lending and borrowing

Reverse repurchase agreements (and stock borrowing or similar transactions) are a form of secured lending whereby the Barclays Bank Group provides a loan or cash collateral in exchange for the transfer of collateral, generally in the form of marketable securities subject to an agreement to transfer the securities back at a fixed price in the future. Repurchase agreements are where the Barclays Bank Group obtains such loans or cash collateral, in exchange for the transfer of collateral.

The Barclays Bank Group purchases (a reverse repurchase agreement) or borrows securities subject to a commitment to resell or return them. The securities are not included in the balance sheet as the Barclays Bank Group does not acquire the risks and rewards of ownership. Consideration paid (or cash collateral provided) is accounted for as a loan asset at amortised cost, unless it is designated or mandatorily at fair value through profit and loss.

The Barclays Bank Group may also sell (a repurchase agreement) or lend securities subject to a commitment to repurchase or redeem them. The securities are retained on the balance sheet as the Barclays Bank Group retains substantially all the risks and rewards of ownership.

Consideration received (or cash collateral provided) is accounted for as a financial liability at amortised cost, unless it is designated at fair value through profit and loss.

(iv) Issued debt and equity instruments
Issued financial instruments or their components are classified as liabilities if the contractual arrangement results in the Barclays Bank Group having an obligation to either deliver cash or another financial asset, or a variable number of equity shares, to the holder of the instrument. If this is not the case, the instrument is generally an equity instrument and the proceeds included in equity, net of transaction costs. Dividends and other returns to equity holders are recognised when paid or declared by the members at the Annual General Meeting and treated as a deduction from equity.

Where issued financial instruments contain both liability and equity components, these are accounted for separately. The fair value of the debt is estimated first and the balance of the proceeds is included within equity.

(v) Cash flow statement
Cash comprises cash on hand and balances at central banks. Cash equivalents comprise loans and advances to banks, cash collateral balances with central banks related to payment schemes and treasury and other eligible bills, all with original maturities of three months or less.

Investments in debt securities at amortised cost are deemed to be investing activities for the purposes of the cash flow statement, except those instruments considered to be cash equivalents.

5. New and amended standards and interpretations
The accounting policies adopted have been consistently applied, with the exception of the following:

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
In January 2020 the IASB issued amendments to IAS 1 to clarify the presentation of liabilities in the balance sheet, with an effective date that was subsequently deferred to 1 January 2024.

The amendments clarify that a liability should be classified as non-current only if the entity has the right to defer settlement of the liability for at least 12 months after the reporting period, and that (i) the right to defer settlement must exist at the end of the reporting period and (ii) management's intentions or expectations about whether it will exercise its right to defer settlement does not affect the classification. Further clarifications include how lending conditions affect classification and classification of liabilities the entity will or may settle by issuing its own equity instruments.

In October 2022, the IASB also issued further amendments to IAS 1 to improve the information an entity provides when its right to defer settlement of a liability for at least 12 months is subject to compliance with covenants, and to respond to stakeholders' concerns about the classification of such a liability as current or non-current.

The impact to the Barclays Bank Group from these amendments is not considered to be material.

Future accounting developments
The following accounting standards have been issued by the IASB but are not yet effective:

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments
In May 2024, the IASB issued targeted amendments to IFRS 9 to address feedback received from stakeholders following a post-implementation review. The amendments include:

- additional guidance to clarify when certain financial assets may be compliant with SPPI requirements, including instruments with contingent features (e.g. ESG-linked financing), as well as contractually-linked instruments and non-recourse financing.
- clarifying the derecognition requirements for financial assets and financial liabilities, including establishing a new accounting policy choice for derecognition of a financial liability when a payment is initiated by the reporting entity using an electronic payment system provided specified criteria is met.

The amendments are effective from 1 January 2026, but are not yet endorsed for use in the UK. The Barclays Bank Group is currently assessing the impact of these amendments.

IFRS 18 Presentation and Disclosure in Financial Statements
In August 2024, the IASB issued a new IFRS Accounting Standard to replace IAS 1 Presentation of Financial Statements. The new standard creates detailed requirements for the classification and aggregation of income and expenses in the income statement, and disclosure requirements for management-defined performance measures.

The new standard is effective from 1 January 2027, but has not yet been endorsed for use in the UK. The Barclays Bank Group is currently assessing the impact of these amendments.

Amendments to IAS 21 - Lack of Exchangeability
In August 2023, the IASB issued amendments to IAS 21 to define when a currency is exchangeable into another currency and, when it is not, to determine the exchange rate to use.

The amendments are effective from 1 January 2025, however the impact to the Barclays Bank Group is not expected to be material.

6. Critical accounting estimates and judgements

The preparation of financial statements in accordance with IFRS requires the use of estimates. It also requires management to exercise judgement in applying the accounting policies. The key areas involving a higher degree of judgement or complexity or areas where assumptions are significant to the consolidated and individual financial statements are highlighted under the relevant note.

	Judgements	Estimates	Further information
Credit impairment charges	Identification and application of management adjustments in response to circumstances outside the scope of the model.	Estimates include modelling assumptions such as estimating forward-looking modelled parameters (PD, EAD & LGD), and a range of unbiased future economic scenarios and scenario weightings.	on page 173
Tax	Recognition of deferred tax assets and determination of provisions for uncertain tax positions.	Measurement of deferred tax balances and the level of provisioning for uncertain tax positions include forward-looking assumptions and estimates.	on page 177
Fair value of financial instruments	Classification of financial instruments with significant unobservable inputs as Level 3.	Valuation of Level 3 assets and liabilities are typically determined by referencing observable inputs, historical data, or employing other analytical techniques.	on page 193
Pensions and post-retirement benefit obligations	-	Valuation of defined benefit scheme obligations includes assumptions on post-retirement mortality, discount rates and inflation.	on page 226
Provisions including conduct and legal, competition and regulatory matters	Determination as to whether a present obligation exists.	Estimation uncertainty in the probability, timing, nature and quantum of outflows.	on page 212

7. Other disclosures

To improve transparency and ease of reference, by concentrating related information in one place, certain disclosures required under IFRS have been included within the Risk review section as follows:

- Credit risk on pages 66 to 67 and on pages 79 to 115
- Market risk on page 67 and on pages 117 to 118
- Treasury and capital risk – capital on page 68 to 69 and on page 126
- Treasury and capital risk – liquidity on pages 68 to 69 and on pages 120 to 131

These disclosures are covered by the Audit opinion (included on pages 150 to 152) where referenced as audited.

The notes included in this section focus on the results and performance of the Barclays Bank Group. Information on the segmental performance, income generated, expenditure incurred, tax, and dividends are included here.

2 Segmental reporting

From 2024, the Barclays Bank Group presents its reporting segments through the following operating divisions, in addition to Head Office:

a. Barclays UK Corporate Bank
b. Barclays Private Bank and Wealth Management
c. Barclays Investment Bank
d. Barclays US Consumer Bank

The previously reported Head Office will additionally include the held for sale German consumer finance business, the Merchant Acquiring component of the Payments business which were both previously reported within Consumer, Cards and Payments.

For more information about each reporting segment, refer to page 278.

Analysis of results by business

For the year ended 31 December 2024	Barclays UK Corporate Bank	Barclays Private Bank and Wealth Management	Barclays Investment Bank	Barclays US Consumer Bank	Head Office	Barclays Bank Group
	£m	£m	£m	£m	£m	£m
Net interest income	1,266	796	1,413	2,687	583	6,745
Non-interest income	590	545	10,779	664	(286)	12,292
Total income	1,856	1,341	12,192	3,351	297	19,037
Operating costs	(1,008)	(953)	(7,889)	(1,637)	(758)	(12,245)
UK regulatory levies[1]	(37)	(9)	(187)	—	(9)	(242)
Litigation and conduct	(1)	—	(55)	(13)	(117)	(186)
Total operating expenses	(1,046)	(962)	(8,131)	(1,650)	(884)	(12,673)
Other net income[2]	—	—	—	—	—	—
Profit/(loss) before impairment	810	379	4,061	1,701	(587)	6,364
Credit impairment (charges)/releases	(76)	(6)	(123)	(1,293)	(119)	(1,617)
Profit/(loss) before tax	734	373	3,938	408	(706)	4,747
Total assets (£bn)	61.3	34.1	1,061.8	34.9	26.4	1,218.5
Total liabilities (£bn)	94.7	75.0	955.6	24.5	9.5	1,159.3
Number of employees (full time equivalent)						23,000
Average number of employees (full time equivalent)						23,400
Average number of employees (headcount)						23,500

For the year ended 31 December 2023	Barclays UK Corporate Bank	Barclays Private Bank and Wealth Management	Barclays Investment Bank	Barclays US Consumer Bank	Head Office	Barclays Bank Group
	£m	£m	£m	£m	£m	£m
Net interest income	1,241	792	1,705	2,616	299	6,653
Non-interest income	620	443	9,717	665	170	11,615
Total income	1,861	1,235	11,422	3,281	469	18,268
Operating costs	(977)	(830)	(7,847)	(1,669)	(947)	(12,270)
UK regulatory levies[1]	(8)	(4)	(123)	—	(14)	(149)
Litigation and conduct	1	2	5	(6)	(46)	(44)
Total operating expenses	(984)	(832)	(7,965)	(1,675)	(1,007)	(12,463)
Other net (expenses)/income[2]	(3)	—	1	(1)	(1)	(4)
Profit/(loss) before impairment	874	403	3,458	1,605	(539)	5,801
Credit impairment (charges)/releases	27	(4)	(102)	(1,438)	(61)	(1,578)
Profit/(loss) before tax	901	399	3,356	167	(600)	4,223
Total assets (£bn)	61.6	32.1	1,027.6	33.4	30.5	1,185.2
Total liabilities (£bn)	86.8	61.0	948.9	21.2	6.8	1,124.7
Number of employees (full time equivalent)						23,900
Average number of employees (full time equivalent)						23,800
Average number of employees (headcount)						24,000

For the year ended 31 December 2022	Barclays UK Corporate Bank £m	Barclays Private Bank and Wealth Management £m	Barclays Investment Bank £m	Barclays US Consumer Bank £m	Head Office £m	Barclays Bank Group £m
Net interest income	1,184	733	1,142	1,986	353	5,398
Non-interest income	534	300	11,078	673	211	12,796
Total income	1,718	1,033	12,220	2,659	564	18,194
Operating costs	(878)	(565)	(7,153)	(1,549)	(676)	(10,821)
UK regulatory levies[1]	(7)	(4)	(119)	—	(20)	(150)
Litigation and conduct	—	—	(1,189)	(3)	(235)	(1,427)
Total operating expenses	(885)	(569)	(8,461)	(1,552)	(931)	(12,398)
Other net income[2]	1	—	1	—	2	4
Profit/(loss) before impairment	834	464	3,760	1,107	(365)	5,800
Credit impairment (charges)/release	—	(5)	(181)	(624)	(123)	(933)
Profit/(loss) before tax	834	459	3,579	483	(488)	4,867
Total assets (£bn)	88.4	42.7	1,023.8	30.2	18.4	1,203.5
Total liabilities (£bn)	86.8	62.5	967.1	19.5	8.7	1,144.6
Number of employees (full time equivalent)						21,900
Average number of employees (full time equivalent)						21,100
Average number of employees (headcount)						21,300

Note
1 Comprises the impact of the BoE levy scheme and the UK bank levy
2 Other net income represents the share of post-tax results of associates and joint ventures, and profit (or loss) on disposal of subsidiaries, associates and joint ventures.

Income by geographic region[1]

For the year ended 31 December	2024 £m	2023 £m	2022 £m
United Kingdom	6,075	6,095	7,962
Europe	2,749	2,513	2,320
Americas	8,864	8,200	6,516
Africa and Middle East	82	87	63
Asia	1,267	1,373	1,333
Total	19,037	18,268	18,194

Income from individual countries which represent more than 5% of total income

For the year ended 31 December	2024 £m	2023 £m	2022 £m
United Kingdom	6,075	6,095	7,962
United States	8,702	8,013	6,340

Note
1 The geographical analysis is based on the location of the office where the transactions are recorded.

3 Net interest income

Accounting for interest income and expenses

Interest income on loans and advances at amortised cost, financial assets at fair value through other comprehensive income, interest expense on financial liabilities held at amortised cost are calculated using the effective interest method which allocates interest, and direct and incremental fees and costs, over the expected lives of the assets and liabilities.

The effective interest method requires the Barclays Bank Group to estimate future cash flows, in some cases based on its experience of customers' behaviour, considering all contractual terms of the financial instrument, as well as the expected lives of the assets and liabilities.

The Barclays Bank Group incurs certain costs to originate credit card balances with the most significant being co-brand partner fees. To the extent these costs are attributed to customers that continuously carry an outstanding balance (revolvers) and incremental to the origination of credit card balances, they are capitalised and subsequently included within the calculation of the effective interest rate. They are amortised to interest income over the period of expected repayment of the originated balance. Costs attributed to customers that settle their outstanding balances each period (transactors) are deferred on the balance sheet as a cost of obtaining a contract and amortised to fee and commission expense over the life of the customer relationship (refer to Note 4). There are no other individual estimates involved in the calculation of effective interest rates that are material to the results or financial position.

	2024	2023	2022
	£m	£m	£m
Cash and balances at central banks	**9,567**	8,384	2,097
Debt securities at amortised cost	**1,737**	1,819	1,035
Loans and advances at amortised cost	**9,508**	7,854	6,419
Fair value through other comprehensive income	**2,335**	3,808	1,493
Cash collateral	**2,026**	1,987	405
Other[1]	**607**	409	330
Interest and similar income	**25,780**	24,261	11,779
Deposits at amortised cost	**(10,513)**	(8,741)	(3,104)
Debt securities in issue	**(2,847)**	(3,030)	(1,473)
Subordinated liabilities	**(2,990)**	(2,697)	(966)
Cash collateral	**(2,185)**	(2,206)	(396)
Other[2]	**(500)**	(934)	(442)
Interest and similar expense	**(19,035)**	(17,608)	(6,381)
Net interest income	**6,745**	6,653	5,398

Notes
1 Includes interest income from reverse repurchase agreements and other similar secured lending at amortised cost and negative interest on liabilities
2 Includes interest expense from repurchase agreement and other similar secured lending at amortised cost and negative expense on assets

Interest and similar income presented above represents interest revenue calculated using the effective interest method. Costs to originate credit card balances of £963m (2023: £885m; 2022: £747m) have been amortised to interest and similar income during the year.

4 Net fee and commission income

Accounting for net fee and commission income

The Barclays Bank Group recognises fee and commission income charged for services provided by the Barclays Bank Group as and when performance obligations are satisfied, for example, on completion of the underlying transaction. Incremental costs are reported within fee and commission expense if they are directly attributable to generating identifiable fee and commission income. Where the contractual arrangements also result in the Barclays Bank Group recognising financial instruments in scope of IFRS 9, such financial instruments are initially recognised at fair value in accordance with IFRS 9 before applying the provisions of IFRS 15.

Fee and commission income is disaggregated below by fee types that reflect the nature of the services offered across the Barclays Bank Group and operating segments, in accordance with IFRS 15. The below table includes a total for fees in scope of IFRS 15. Refer to Note 2 for more detailed information about operating segments.

	2024					
	Barclays UK Corporate Bank £m	Barclays Private Bank and Wealth Management £m	Barclays Investment Bank £m	Barclays US Consumer Bank £m	Head Office £m	Barclays Bank Group £m
Fee type						
Transactional	448	33	336	2,661	322	3,800
Advisory	—	319	739	—	—	1,058
Brokerage and execution	—	129	1,580	—	—	1,709
Underwriting and syndication	92	—	2,596	—	—	2,688
Other	11	3	51	—	29	94
Total revenue from contracts with customers	551	484	5,302	2,661	351	9,349
Other non-contract fee income	25	—	112	—	—	137
Fee and commission income	576	484	5,414	2,661	351	9,486
Fee and commission expense	(95)	(38)	(1,127)	(1,855)	(100)	(3,215)
Net fee and commission income	481	446	4,287	806	251	6,271

	2023					
	Barclays UK Corporate Bank £m	Barclays Private Bank and Wealth Management £m	Barclays Investment Bank £m	Barclays US Consumer Bank £m	Head Office £m	Barclays Bank Group £m
Fee type						
Transactional	433	32	327	2,603	297	3,692
Advisory	—	251	652	—	—	903
Brokerage and execution	—	89	1,674	—	—	1,763
Underwriting and syndication	82	—	1,997	—	—	2,079
Other	12	3	57	—	60	132
Total revenue from contracts with customers	527	375	4,707	2,603	357	8,569
Other non-contract fee income	28	1	110	—	—	139
Fee and commission income	555	376	4,817	2,603	357	8,708
Fee and commission expense	(102)	(34)	(1,253)	(1,765)	(93)	(3,247)
Net fee and commission income	453	342	3,564	838	264	5,461

	2022					
	Barclays UK Corporate Bank £m	Barclays Private Bank and Wealth Management £m	Barclays Investment Bank £m	Barclays US Consumer Bank £m	Head Office £m	Barclays Bank Group £m
Fee type						
Transactional	378	31	296	2,294	253	3,252
Advisory	—	144	820	—	—	964
Brokerage and execution	—	56	1,465	—	—	1,521
Underwriting and syndication	75	1	1,961	—	—	2,037
Other	12	4	86	6	147	255
Total revenue from contracts with customers	465	236	4,628	2,300	400	8,029
Other non-contract fee income	28	4	110	—	—	142
Fee and commission income	493	240	4,738	2,300	400	8,171
Fee and commission expense	(71)	(15)	(952)	(1,618)	(89)	(2,745)
Net fee and commission income	422	225	3,786	682	311	5,426

Fee types

Transactional
Transactional fees are service charges on deposit accounts, cash management services fees and transactional processing fees. These include interchange and merchant fee income generated from credit and bank card usage. Transaction and processing fees are recognised at the point in time the transaction occurs or service is performed. Interchange and merchant fees are recognised upon settlement of the card transaction payment.

The Barclays Bank Group incurs certain card related costs including those related to cardholder reward programmes and payments to co-brand partners. Cardholder reward programme costs related to customers that settle their outstanding balance each period (transactors) are expensed when incurred and presented in fee and commission expense, while costs related to customers that continuously carry an outstanding balance (revolvers) are included in the effective interest rate of the receivable (refer to Note 3). Payments to partners for new cardholder account originations related to transactor accounts are deferred as costs to obtain a contract under IFRS 15, while costs related to revolver accounts are included in the effective interest rate of the receivable (refer to Note 3). Those costs deferred under IFRS 15 are capitalised and amortised over the estimated life of the customer relationship. Payments to co-brand partners based on revenue sharing to the extent the revenue share relates to "revolvers" are included in the effective interest rate of the receivable and to the extent revenue share relates to “transactors” it must be presented in fee and commission expense. Payments based on profitability are presented in fee and commission expense.

Advisory
Advisory fees are generated from wealth management services and investment banking advisory services related to mergers, acquisitions and financial restructurings. Wealth management advisory fees are earned over the period the services are provided and are generally recognised quarterly when the market value of client assets is determined. Investment banking advisory fees are recognised at the point in time when the services related to the transaction have been completed under the terms of the engagement. Investment banking advisory costs are recognised as incurred in fee and commission expense if direct and incremental to the advisory services or are otherwise recognised in operating expenses.

Brokerage and execution
Brokerage and execution fees are earned for executing client transactions with various exchanges and over-the-counter markets and assisting clients in clearing transactions and facilitating foreign exchange transactions for spot/forward contracts. Brokerage and execution fees are recognised at the point in time the associated service has been completed which is generally the trade date of the transaction.

Underwriting and syndication

Underwriting and syndication fees are earned for the distribution of client equity or debt securities and the arrangement and administration of a loan syndication. This includes commitment fees to provide loan financing. Underwriting fees are generally recognised on trade date if there is no remaining contingency, such as the transaction being conditional on the closing of an acquisition or another transaction. Underwriting costs are deferred and recognised in fee and commission expense when the associated underwriting fees are recorded. Syndication fees are earned for arranging and administering a loan syndication; however, the associated fee may be subject to variability until the loan has been syndicated to other syndicate members or until other contingencies have been resolved and therefore the fee revenue is deferred until the uncertainty is resolved.

Included in underwriting and syndication fees are loan commitment fees, when the draw down is not probable. Such commitment fees are recognised over time through to the contractual maturity of the commitment.

Contract assets and contract liabilities
The Barclays Bank Group had no material contract assets or contract liabilities as at 31 December 2024 (2023: £nil; 2022: £nil).

Impairment of fee receivables and contract assets
During 2024, there have been no material impairments recognised in relation to fees receivable and contract assets (2023: £nil; 2022: £nil). Fees in relation to transactional business can be added to outstanding customer balances. These amounts may be subsequently impaired as part of the overall loans and advances balance.

Remaining performance obligations
The Barclays Bank Group applies the practical expedient of IFRS 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less or because the Barclays Bank Group has a right to consideration that corresponds directly with the value of the service provided to the client or customer.

Costs incurred in obtaining or fulfilling a contract
The Barclays Bank Group expects that incremental costs of obtaining a contract such as success fee and commission fees paid are recoverable and therefore capitalises such contract costs. Capitalised contract costs net of amortisation as at 31 December 2024 are £103m (2023: £203m; 2022: £190m).

Capitalised contract costs are amortised over the customer relationship period depending on the transfer of services to which the asset pertains. In 2024, the amount of amortisation was £58m (2023: £52m; 2022: £45m) and there was no impairment loss recognised in connection with the capitalised contract costs (2023: £nil; 2022: £nil).

5 Net trading income

Accounting for net trading income

Trading positions are held at fair value, and the resulting gains and losses are included in net trading income, together with interest and dividends arising from long and short positions and funding costs relating to trading activities. Incremental costs are reported within net trading income if they are directly attributable to generating identifiable trading income.

Income arises from both the sale and purchase of trading positions, margins which are achieved through market making and customer business and from changes in fair value caused by movements in interest and exchange rates, equity prices and other market variables.

Gains or losses on non-trading financial instruments designated or mandatorily at fair value with changes in fair value recognised in the income statement are included in net trading income.

	2024	2023	2022
	£m	£m	£m
Net gains on financial instruments held for trading	**4,201**	4,310	5,603
Net gains on financial instruments designated at fair value	**500**	362	501
Net gains on financial instruments mandatorily at fair value	**1,199**	1,308	1,520
Net trading income	**5,900**	5,980	7,624

6 Net investment income/(expense)

Accounting for net investment income/(expense)

Dividends are recognised when the right to receive the dividend has been established. Incremental costs are reported within net investment income if they are directly attributable to generating identifiable investment income. Other accounting policies relating to net investment income are set out in Note 12 and Note 14.

	2024	2023	2022
	£m	£m	£m
Net gains from financial assets mandatorily at fair value	**219**	133	19
Net gains/(losses) from disposal of debt instruments at fair value through other comprehensive income	**134**	102	(68)
Net losses from disposal of financial assets and liabilities measured at amortised cost[1]	**(225)**	(9)	(66)
Dividend Income	**3**	—	—
Net losses on other investments	**(62)**	(114)	(208)
Net investment income/(expense)	**69**	112	(323)

1 Included within the 2024 balance are losses of £220m on sale of the performing Italian retail mortgage portfolio.

7 Operating expenses

	2024	2023	2022
	£m	£m	£m
Infrastructure costs			
Property and equipment	**440**	591	417
Depreciation and amortisation	**353**	438	470
Impairment of property, equipment and intangible assets	**2**	44	13
Total infrastructure costs	**795**	1,073	900
Administration and general expenses			
Consultancy, legal and professional fees	**458**	422	403
Marketing and advertising	**407**	391	312
Other administration and general expenses	**5,029**	4,793	4,014
Total administration and general expenses	**5,894**	5,606	4,729
Staff costs[1]	**5,556**	5,591	5,192
UK regulatory levies[2]	**242**	149	150
Litigation and conduct[3]	**186**	44	1,427
Operating expenses	**12,673**	12,463	12,398

Notes
1 For further details on staff costs including accounting policies, refer to Note 28.
2 Comprises the impact of the Bank of England (BoE) levy scheme and the UK bank levy.
3 Included within the 2022 balance are costs of £966m related to the Over-issuance of Securities.

8 Credit impairment charges/(releases)

Accounting for the impairment of financial assets

Impairment

In accordance with IFRS 9, the Barclays Bank Group is required to recognise expected credit losses (ECLs) based on unbiased forward-looking information for all financial assets at amortised cost, lease receivables, debt financial assets at fair value through other comprehensive income, loan commitments and financial guarantee contracts. Intercompany exposures in the individual financial statements, including loan commitments and financial guarantee contracts, are also in scope of IFRS 9 for ECL purposes.

At the reporting date, an allowance (or provision for loan commitments and financial guarantees) is required for the 12 month (Stage 1) ECLs. If the credit risk has significantly increased since initial recognition (Stage 2), or if the financial instrument is credit impaired (Stage 3), an allowance (or provision) should be recognised for the lifetime ECLs.

The measurement of ECL is calculated using three main components: (i) probability of default (PD) (ii) loss given default (LGD) and (iii) the exposure at default (EAD).

The 12 month and lifetime ECLs are calculated by multiplying the respective PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

Expected credit loss measurement is based on the ability of borrowers to make payments as they fall due. The Barclays Bank Group also considers sector specific risks and whether additional adjustments are required in the measurement of ECL. Credit risk may be impacted by climate considerations for certain sectors, such as oil and gas.

Determining a significant increase in credit risk since initial recognition:

The Barclays Bank Group assesses when a significant increase in credit risk has occurred based on quantitative and qualitative assessments. The credit risk of an exposure is considered to have significantly increased when:

i) Quantitative test

The annualised lifetime PD has increased by more than an agreed threshold relative to the equivalent at origination.

PD deterioration thresholds are defined as percentage increases, and are set at an origination score band and segment level to ensure the test appropriately captures significant increases in credit risk at all risk levels. Generally, thresholds are inversely correlated to the origination PD, i.e. as the origination PD increases, the threshold value reduces.

The assessment of the point at which a PD increase is deemed 'significant' is based upon analysis of the portfolio's risk profile against a common set of principles and performance metrics (consistent across both retail and wholesale businesses), incorporating expert credit judgement where appropriate. Application of quantitative PD floors does not represent the use of the low credit risk exemption as exposures can separately move into stage 2 via the qualitative route described below.

Wholesale assets apply a 100% increase in PD and 0.2% PD floor to determine a significant increase in credit risk.

Retail assets apply bespoke relative increase and absolute PD thresholds based on product type and origination PD. Thresholds are subject to maximums defined by Barclays Bank Group policy and typically apply minimum relative thresholds of 50%-100% and a maximum relative threshold of 400%

For existing/historical exposures where origination point scores or data are no longer available or do not represent a comparable estimate of lifetime PD, a proxy origination score is defined, based upon:

- back-population of the approved lifetime PD score either to origination date or, where this is not feasible, as far back as possible (subject to a data start point no later than 1 January 2015); or
- use of available historical account performance data and other customer information, to derive a comparable 'proxy' estimation of origination PD.

ii) Qualitative test

This is relevant for accounts that meet the portfolio's 'high risk' criteria and are subject to closer credit monitoring.

High risk customers may not be in arrears but either through an event or an observed behaviour exhibit credit distress. The definition and assessment of high risk includes as wide a range of information as reasonably available, such as industry and Barclays Bank Group-wide customer level data, including but not limited to bureau scores and high consumer indebtedness index, wherever possible or relevant.

Whilst the high risk populations applied for IFRS 9 impairment purposes are aligned with risk management processes, they are also regularly reviewed and validated to ensure that they capture any incremental segments where there is evidence of credit deterioration.

iii) Backstop criteria

This is relevant for accounts that are more than 30 calendar days past due. The 30 days past due criteria is a backstop rather than a primary driver of moving exposures into Stage 2.

The criteria for determining a significant increase in credit risk for assets with bullet repayments follows the same principle as all other assets, i.e. quantitative, qualitative and backstop tests are all applied.

Exposures will move back to Stage 1 once they no longer meet the criteria for a significant increase in credit risk. This means that, at a minimum all payments must be up-to-date, the PD deterioration test is no longer met, the account is no longer classified as high risk, and the customer has evidenced an ability to maintain future payments.

Exposures are only removed from Stage 3 and re-assigned to Stage 2 once the original default trigger event no longer applies. Exposures being removed from Stage 3 must no longer qualify as credit impaired, and:

a) the obligor will also have demonstrated consistently good payment behaviour over a 12-month period, by making all consecutive contractual payments due and, for forborne exposures, the relevant EBA defined probationary period has also been successfully completed; or
b) (for non-forborne exposures) the performance conditions are defined and approved within an appropriately sanctioned restructure plan, including 12 months' payment history have been met.

Management overlays and other exceptions to model outputs are applied only if consistent with the objective of identifying significant increases in credit risk.

Forward-looking information
The measurement of ECL involves complexity and judgement, including estimation of PD, LGD, a range of unbiased future economic scenarios, estimation of expected lives (where contractual life is not appropriate), and estimation of EAD and assessing significant increases in credit risk.

Credit losses are the expected cash shortfalls from what is contractually due over the expected life of the financial instrument, discounted at the original effective interest rate (EIR). ECLs are the unbiased probability-weighted credit losses determined by evaluating a range of possible outcomes and considering future economic conditions.

Refer to the Measurement uncertainty and sensitivity analysis section on page 93 for further details.

Definition of default, credit impaired assets, write-offs, and interest income recognition
The definition of default for the purpose of determining ECLs, and for internal credit risk management purposes, has been aligned to the Regulatory Capital CRR Article 178 definition of default, to maintain a consistent approach with IFRS 9 and associated regulatory guidance. The Regulatory Capital CRR Article 178 definition of default considers indicators that the debtor is unlikely to pay, includes exposures in forbearance and is no later than when the exposure is more than 90 days past due. When exposures are identified as credit impaired at the time when they are purchased or originated, interest income is calculated on the carrying value net of the impairment allowance.

An asset is considered credit impaired when one or more events occur that have a detrimental impact on the estimated future cash flows of the financial asset. This comprises assets defined as defaulted and other individually assessed exposures where imminent default or actual loss is identified.

Uncollectible loans are written off against the related allowance for loan impairment on completion of the Barclays Bank Group's internal processes and when all reasonably expected recoverable amounts have been collected. Subsequent recoveries of amounts previously written off are credited to the income statement. The timing and extent of write-offs may involve some element of subjective judgement. Nevertheless, a write-off will often be prompted by a specific event, such as the inception of insolvency proceedings or other formal recovery action, which makes it possible to establish that some or the entire advance is beyond realistic prospect of recovery.

Accounting for purchased financial guarantee contracts
The Barclays Bank Group may enter into a financial guarantee contract which requires the issuer of such contract to reimburse the Barclays Bank Group for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. For these separate financial guarantee contracts, the Barclays Bank Group recognises a reimbursement asset aligned with the recognition of the underlying ECLs, if it is considered virtually certain that a reimbursement would be received if the specified debtor fails to make payment when due in accordance with the terms of the debt instrument.

Loan modifications and renegotiations that are not credit-impaired
When modification of a loan agreement occurs as a result of commercial restructuring activity rather than due to the credit risk of the borrower, an assessment must be performed to determine whether the terms of the new agreement are substantially different from the terms of the existing agreement. This assessment considers both the change in cash flows arising from the modified terms as well as the change in overall instrument risk profile. In respect of payment holidays granted to borrowers which are not due to forbearance, if the revised cash flows on a present value basis (based on the original EIR) are not substantially different from the original cash flows, the loan is not considered to be substantially modified.

Where terms are substantially different, the existing loan will be derecognised and a new loan will be recognised at fair value, with any difference in valuation recognised immediately within the income statement, subject to observability criteria.

Where terms are not substantially different, the loan carrying value will be adjusted to reflect the present value of modified cash flows discounted at the original EIR, with any resulting gain or loss recognised immediately within the income statement as a modification gain or loss.

Expected life
Lifetime ECLs must be measured over the expected life. This is restricted to the maximum contractual life and takes into account expected prepayment, extension, call and similar options. The exceptions are certain revolver financial instruments, such as credit cards and bank overdrafts, that include both a drawn and an undrawn component where the entity's contractual ability to demand repayment and cancel the undrawn commitment does not limit the entity's exposure to credit losses to the contractual notice period. For revolving facilities, expected life is analytically derived to reflect the behavioural life of the asset, i.e. the full period over which the business expects to be exposed to credit risk. Behavioural life is typically based upon historical analysis of the average time to default, closure or withdrawal of facility. Where data is insufficient or analysis inconclusive, an additional 'maturity factor' may be incorporated to reflect the full estimated life of the exposures, based upon experienced judgement and/or peer analysis. Potential future modifications of contracts are not taken into account when determining the expected life or EAD until they occur.

Discounting

ECLs are discounted at the EIR at initial recognition or an approximation thereof and consistent with income recognition. For loan commitments the EIR is the rate that is expected to apply when the loan is drawn down and a financial asset is recognised. Issued financial guarantee contracts are discounted at the risk-free rate. Lease receivables are discounted at the rate implicit in the lease. For variable/floating rate financial assets, the spot rate at the reporting date is used and projections of changes in the variable rate over the expected life are not made to estimate future interest cash flows or for discounting.

Modelling techniques

Currently, Internal Ratings-Based models are leveraged to calculate the point-in-time PD and LGD, which serve as key inputs to the IFRS 9 models. Thereafter, these inputs are extrapolated by the IFRS 9 models to create macroeconomic sensitive forecast of PDs, LGDs and in turn ECL.

Forbearance

A financial asset is subject to forbearance when it is modified due to the credit distress of the borrower. A modification made to the terms of an asset due to forbearance will typically be assessed as a non-substantial modification that does not result in derecognition of the original loan, except in circumstances where debt is exchanged for equity.

Both performing and non-performing forbearance assets are classified as Stage 3 except where it is established that the concession granted has not resulted in diminished financial obligation and that no other regulatory definitions of default criteria have been triggered, in which case the asset is classified as Stage 2. The minimum probationary period for non-performing forbearance is 12 months and for performing forbearance, 24 months. Hence, a minimum of 36 months is required for non-performing forbearance to move out of a forborne state.

No financial instrument in forbearance can transfer back to Stage 1 until all of the Stage 2 thresholds are no longer met and can only move out of Stage 3 when no longer credit impaired.

Critical accounting estimates and judgements

IFRS 9 impairment involves several important areas of judgement, including estimating forward looking modelled parameters (PD, LGD and EAD), developing a range of unbiased future economic scenarios, estimating expected lives and assessing significant increases in credit risk, based on the Barclays Bank Group's experience of managing credit risk. The determination of expected life is most material for Barclays Bank Group's credit card portfolios which is obtained via behavioural life analysis to materially capture the risk of these facilities.

Within the retail and small businesses portfolios, which comprise large numbers of small homogenous assets with similar risk characteristics where credit scoring techniques are generally used, the impairment allowance is calculated using forward looking modelled parameters which are typically run at account level. There are many models in use, each tailored to a product, line of business or customer category. Judgement and knowledge is needed in selecting the statistical methods to use when the models are developed or revised. Management adjustments to impairment models, which contain an element of subjectivity, are applied in order to factor in certain conditions or changes in policy that are not fully incorporated into the impairment models, or to reflect additional facts and circumstances at the period end. Management adjustments are reviewed and incorporated into future model development where appropriate.

For individually significant assets in Stage 3, impairment allowances are calculated on an individual basis and all relevant considerations that have a bearing on the expected future cash flows across a range of economic scenarios are taken into account. These considerations can be particularly subjective and can include the business prospects for the customer, the realisable value of collateral, the Barclays Bank Group's position relative to other claimants, the reliability of customer information and the likely cost and duration of the work-out process. The level of the impairment allowance is the difference between the value of the discounted expected future cash flows (discounted at the loan's original effective interest rate), and its carrying amount. Furthermore, judgements change with time as new information becomes available or as work-out strategies evolve, resulting in frequent revisions to the impairment allowance as individual decisions are taken. Changes in these estimates would result in a change in the allowances and have a direct impact on the impairment charge.

Temporary adjustments to calculated IFRS 9 impairment allowances may be applied in limited circumstances to account for situations where known or expected risk factors or information have not been considered in the ECL assessment or modelling process. For further information please see pages 91 to 92 in credit risk performance.

Information about the potential impact of the physical and transition risks of climate change on borrowers is considered, taking into account reasonable and supportable information to make accounting judgements and estimates. Climate change is inherently of a long-term nature, with significant levels of uncertainty, and consequently requires judgement in determining the possible impact in the next financial year, if any.

	2024			2023			2022		
	Impairment charges / (releases)	Recoveries and reimbursements[1]	Total[2]	Impairment charges / (releases)	Recoveries and reimbursements[1]	Total	Impairment charges / (releases)	Recoveries and reimbursements[1]	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Loans and advances at amortised cost[3]	**1,687**	**(42)**	**1,645**	1,656	(41)	1,615	1,118	(228)	890
Off-balance sheet loan commitments and financial guarantee contracts	**(34)**	**—**	**(34)**	(37)	—	(37)	7	—	7
Total	**1,653**	**(42)**	**1,611**	1,619	(41)	1,578	1,125	(228)	897
Cash collateral and settlement balances	**(3)**	**—**	**(3)**	4	—	4	28	—	28
Financial instruments at fair value through other comprehensive income	**1**	**—**	**1**	(2)	—	(2)	8	—	8
Reverse Repo	**8**	**—**	**8**	—	—	—	—	—	—
Other financial asset measured at cost	**—**	**—**	**—**	(2)	—	(2)	—	—	—
Credit impairment charges /(releases)	**1,659**	**(42)**	**1,617**	1,619	(41)	1,578	1,161	(228)	933

Notes
1 Recoveries and reimbursements include £11m (2023: £24m, 2022: £195m) for reimbursements expected to be received under the arrangement where the Barclays Bank Group has entered into financial guarantee contracts which provide credit protection over certain assets with third parties and cash recoveries of previously written off amounts of £31m (2023: £17m, 2022: £33m).
2 Includes net impairment charge relating to portfolios classified as held for sale. These include a co-branded card portfolio of £160m within USCB and German Consumer Finance business of £74m.
3 Includes Debt securities measured at amortised cost.

Write-offs that can be subjected to enforcement activity

The contractual amount outstanding on financial assets that were written off during the year and that can still be subjected to enforcement activity is £500m (2023: £395m, 2022: £512m) including £45m (2023: £41m) pertaining to German consumer finance business classified as held for sale. This is lower than the write-offs presented in the movement in gross exposures and impairment allowance table due to assets sold during the year post write-offs and post write-off recoveries.

Modification of financial assets

Financial assets of £1,585m (2023: £2,177m, 2022: £2,237m), with a loss allowance measured at an amount equal to lifetime ECL, were subject to non-substantial modification during the year, with a resulting loss of £75m (2023: £2m, 2022: £1m). The gross carrying amount at 31 December 2024 of financial assets subject to non-substantial modification for which the loss allowance has changed to a 12-month ECL during the year amounts to £101m (2023: £149m, 2022: £1,077m).

9 Tax

Accounting for income taxes

The Barclays Bank Group applies IAS 12 Income Taxes in accounting for taxes on income. Income tax payable on taxable profits (current tax) is recognised as an expense in the periods in which the profits arise. Withholding taxes are also treated as income taxes. Income tax recoverable on tax allowable losses is recognised as a current tax asset only to the extent that it is regarded as recoverable by offsetting against taxable profits arising in the current or prior periods. Current tax is measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax liabilities are recognised for all taxable temporary differences except for the initial recognition of goodwill. Deferred tax is not recognised where the temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. Deferred tax is determined using tax rates and legislation enacted or substantively enacted by the balance sheet date which are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets and liabilities are only offset when there is both a legal right to set-off and an intention to settle on a net basis.

The Barclays Bank Group has adopted the International Tax Reform - Pillar Two Model Rules amendments to IAS 12, which were issued on 23 May 2023 and approved by the UK Endorsement Board on 19 July 2023, and has applied the exception set out in paragraph 4A in respect of recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Barclays Bank Group considers an uncertain tax position to exist when it considers that ultimately, in the future, the amount of profit subject to tax may be greater than the amount initially reflected in the Barclays Bank Group's tax returns. The Barclays Bank Group accounts for provisions in respect of uncertain tax positions in two different ways.

A current tax provision is recognised when it is considered probable that the outcome of a review by a tax authority of an uncertain tax position will alter the amount of cash tax due to, or from, a tax authority in the future. From recognition, the current tax provision is then measured at the amount the Barclays Bank Group ultimately expects to pay the tax authority to resolve the position. The accrual of interest and penalty amounts in respect of uncertain income tax positions is recognised as an expense within profit before tax.

Deferred tax provisions are adjustments made to the carrying value of deferred tax assets in respect of uncertain tax positions. A deferred tax provision is recognised when it is considered probable that the outcome of a review by a tax authority of an uncertain tax position will result in a reduction in the carrying value of the deferred tax asset. From recognition of a provision, measurement of the underlying deferred tax asset is adjusted to take into account the expected impact of resolving the uncertain tax position on the loss or temporary difference giving rise to the deferred tax asset.

The approach taken to measurement takes account of whether the uncertain tax position is a discrete position that will be reviewed by the tax authority in isolation from any other position, or one of a number of issues which are expected to be reviewed together concurrently and resolved simultaneously with a tax authority. The Barclays Bank Group's measurement of provisions is based upon its best estimate of the additional profit that will become subject to tax. For a discrete position, consideration is given only to the merits of that position. Where a number of issues are expected to be reviewed and resolved together, the Barclays Bank Group will take into account not only the merits of its position in respect of each particular issue but also the overall level of provision relative to the aggregate of the uncertain tax positions across all the issues that are expected to be resolved at the same time. In addition, in assessing provision levels, it is assumed that tax authorities will review uncertain tax positions and that all facts will be fully and transparently disclosed.

Critical accounting estimates and judgements

There are two key areas of judgement that impact the reported tax position. Firstly, the level of provisioning for uncertain tax positions; and secondly, the recognition and measurement of deferred tax assets.

The Barclays Bank Group does not consider there to be a significant risk of a material adjustment to the carrying amount of current and deferred tax balances, including provisions for uncertain tax positions in the next financial year. The provisions for uncertain tax positions cover a diverse range of issues and reflect advice from external counsel where relevant. It should be noted that only a proportion of the total uncertain tax positions will be under audit at any point in time, and could therefore be subject to challenge by a tax authority over the next year.

Deferred tax assets have been recognised based on business profit forecasts which included consideration for the current view of climate impacts. Details on the recognition of deferred tax assets are provided in this note.

	2024 £m	2023 £m	2022 £m
Current tax charge/(credit)			
Current year	**680**	605	623
Adjustments in respect of prior years	**42**	(96)	(625)
	722	509	(2)
Deferred tax charge			
Current year	**239**	43	19
Adjustments in respect of prior years	**38**	110	468
	277	153	487
Tax charge	**999**	662	485

The table below shows the reconciliation between the actual tax charge and the tax charge that would result from applying the standard UK corporation tax rate to the Barclays Bank Group's profit before tax.

	2024 £m	2024 %	2023 £m	2023 %	2022 £m	2022 %
Profit before tax from continuing operations	**4,747**		4,223		4,867	
Tax charge based on the applicable UK corporation tax rate of 25% (2023: 23.5%, 2022: 19%)	**1,187**	**25.0%**	992	23.5%	925	19.0%
Impact of profits/losses earned in territories with different statutory rates to the UK (weighted average tax rate is 23% (2023: 23.6%, 2022: 22.3%))	**(95)**	**(2.0%)**	3	0.1%	160	3.3%
Recurring items:						
Non-creditable taxes including withholding taxes	**95**	**2.0%**	124	3.0%	117	2.4%
Adjustments in respect of prior years	**80**	**1.7%**	14	0.3%	(157)	(3.2%)
Changes in recognition of deferred tax and effect of unrecognised tax losses	**69**	**1.5%**	(58)	(1.4%)	(146)	(3.0%)
Impact of UK bank levy being non-deductible	**47**	**1.0%**	35	0.8%	28	0.6%
Non-deductible expenses	**44**	**0.9%**	47	1.1%	28	0.6%
Banking surcharge[1] and other items	**(32)**	**(0.7%)**	(74)	(1.8%)	(12)	(0.3%)
Non-taxable gains and income	**(74)**	**(1.6%)**	(60)	(1.4%)	(129)	(2.6%)
Tax relief on holdings of inflation-linked government bonds	**(157)**	**(3.3%)**	(194)	(4.6%)	(510)	(10.5%)
Tax relief on payments made under AT1 instruments	**(189)**	**(4.0%)**	(174)	(4.1%)	(136)	(2.8%)
Non-recurring items:						
Remeasurement of UK deferred tax assets due to tax rate changes	**—**	**—**	—	—	183	3.8%
Non-deductible provisions for investigations and litigation	**2**	**0.0%**	—	—	85	1.7%
Non-deductible provisions for UK customer redress	**22**	**0.5%**	7	0.2%	49	1.0%
Total tax charge	**999**	**21.0%**	662	15.7%	485	10.0%

Note
1 Banking surcharge includes the impact of the 3% UK banking surcharge rate on profits/losses and tax adjustments relating to UK banking entities.

Factors influencing the effective tax rate

The effective tax rate of 21% is lower than the UK corporation tax rate of 25% primarily due to tax relief on payments made under AT1 instruments and tax relief on holdings of inflation-linked government bonds. These factors, which have each decreased the effective tax rate, are partially offset by non-creditable taxes including withholding taxes.

Factors that may influence the effective tax rate in future periods

The Barclays Bank Group's future tax charge will be sensitive to the geographic mix of profits earned, the tax rates in force and changes to the tax rules in the jurisdictions that the Barclays Bank Group operates in.

Tax law is, at times, complex, and it is the role of courts and tribunals to act as the final authority on the correct interpretation of tax law. In October 2023, a First-tier Tax Tribunal hearing took place between Barclays Bank PLC and HM Revenue & Customs (HMRC) in respect of the UK corporation tax treatment of an element of the finance costs associated with reserve capital instruments issued as part of the capital raising announced by Barclays in October 2008, which have since been redeemed. The judgment was handed down in March 2024 and was in HMRC's favour. In January 2025, Barclays was granted permission from the Upper Tribunal to appeal against the judgment. A provision is carried that is expected to be sufficient to cover the tax cost (once tax attributes that are available to partially offset a potential tax liability in respect of this issue are taken into account) in the event that the appeal is unsuccessful and the existing judgment were to stand.

The UK Government enacted legislation in 2023 to implement the OECD's global minimum tax rules (the Pillar Two rules) and a UK domestic minimum tax. The rules apply from 1 January 2024 and apply in respect of profits for every jurisdiction where the Barclays Bank Group operates. Additional taxes resulting from the implementation of Pillar Two of £14m have arisen in respect of a limited number of jurisdictions in which the Barclays Bank Group operates, principally in the Isle of Man, Jersey, and Guernsey, by virtue of their low statutory tax rates. It is not expected that additional taxes will significantly increase the Barclays Bank Group's tax charge in future periods.

Additionally, the Barclays Bank Group may be subject to Qualifying Domestic Minimum Top-up Taxes (QDMTTs) under the Pillar Two rules implemented in its operating jurisdictions. The application of QDMTT rules should not affect the overall impact of any additional taxes resulting from the Pillar Two regime on the Barclays Bank Group's tax charge, as any taxes paid under a local QDMTT would be expected to result in a reduction in any top-up tax being payable in the UK. The Barclays Bank Group will continue to review and assess the impact of further guidance released by the OECD and governments implementing this new tax regime.

Tax in the consolidated statement of comprehensive income
Tax relating to each component of other comprehensive income can be found in the consolidated statement of comprehensive income.

Tax included directly in equity
Tax included directly in equity comprises a £94m credit (2023: £13m credit) relating to share-based payments and deductible costs on issuing other equity instruments.

Deferred tax assets and liabilities
The deferred tax amounts on the balance sheet were as follows:

	Barclays Bank Group	
	2024	2023
	£m	£m
UK Tax Group	**2,315**	2,054
US Intermediate Holding Company Tax Group ("IHC Tax Group")	**1,162**	973
Barclays Bank PLC's US Branch Tax Group	**270**	386
Other (outside the UK and US tax groups)	**386**	475
Deferred tax asset	**4,133**	3,888
Deferred tax liability - UK Tax Group	**(2)**	(3)
Net deferred tax	**4,131**	3,885

UK Tax Group deferred tax assets and liabilities
The net deferred tax asset in the UK Tax Group of £2,315m (2023: £2,054m) includes a deferred tax asset of £1,066m (2023: £1,241m) relating to tax losses with the balance relating to temporary differences. There is no time limit on utilisation of UK tax losses and business profit forecasts indicate these losses will be fully recovered.

US deferred tax assets in the IHC and the US Branch Tax Groups
The deferred tax asset in the IHC Tax Group of £1,162m (2023: £973m) includes £38m (2023: £35m) relating to tax losses, with the balance relating to temporary differences. The deferred tax asset in Barclays Bank PLC’s US Branch Tax Group of £270m (2023: £386m) relates entirely to temporary differences.

In relation to the IHC Tax Group, these temporary differences include £365m (2023: £387m) arising from New York State and City prior net operating loss conversion which can be carried forward and will expire in 2034. Business profit forecasts indicate that these amounts will be utilised prior to expiry.

Other deferred tax assets (outside the UK and US tax groups)
The deferred tax asset of £386m (2023: £475m) in other entities within the Barclays Bank Group includes £111m (2023: £147m) relating to tax losses. These deferred tax assets relate to a number of different territories and their recognition is based on profit forecasts or local country law which indicate that it is probable that those deferred tax assets will be fully recovered.

Of the deferred tax asset of £386m (2023: £475m), an amount of £4m (2023: £20m) relates to entities which have suffered a loss in either the current or prior year and for which the utilisation of the deferred tax is dependent on future taxable profits. This has been taken into account in reaching the above conclusion that these deferred tax assets will be fully recovered in the future.

The table below shows movements on deferred tax assets and liabilities during the year. The amounts are different from those disclosed on the balance sheet and in the preceding table as they are presented before offsetting asset and liability balances where there is a legal right to set-off and an intention to settle on a net basis.

Barclays Bank Group

	Fixed asset timing differences	Fair value through other comprehensive income	Cash flow hedges	Retirement benefit obligations	Loan impairment allowance	Own credit	Share based payments and deferred compensation	Other temporary differences	Tax losses carried forward	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Assets	275	510	1,058	16	506	85	327	903	1,423	5,103
Liabilities	(112)	—	—	(1,014)	—	—	—	(92)	—	(1,218)
As at 1 January 2024	163	510	1,058	(998)	506	85	327	811	1,423	3,885
Income statement	90	—	—	(3)	(79)	1	(6)	(72)	(208)	(277)
Other comprehensive income and reserves	—	181	(157)	116	—	308	79	1	—	528
Other movements	5	—	—	—	(19)	—	9	—	—	(5)
	258	691	901	(885)	408	394	409	740	1,215	4,131
Assets	367	691	904	12	408	394	409	878	1,215	5,278
Liabilities	(109)	—	(3)	(897)	—	—	—	(138)	—	(1,147)
As at 31 December 2024	258	691	901	(885)	408	394	409	740	1,215	4,131
Assets	215	590	2,040	21	548	—	329	1,138	1,348	6,229
Liabilities	(65)	—	—	(1,315)	—	(190)	—	(76)	—	(1,646)
As at 1 January 2023	150	590	2,040	(1,294)	548	(190)	329	1,062	1,348	4,583
Income statement	18	(26)	—	(27)	(12)	—	20	(204)	78	(153)
Other comprehensive income and reserves	—	(54)	(982)	325	—	273	(9)	—	—	(447)
Other movements	(5)	—	—	(2)	(30)	2	(13)	(47)	(3)	(98)
	163	510	1,058	(998)	506	85	327	811	1,423	3,885
Assets	275	510	1,058	16	506	85	327	903	1,423	5,103
Liabilities	(112)	—	—	(1,014)	—	—	—	(92)	—	(1,218)
As at 31 December 2023	163	510	1,058	(998)	506	85	327	811	1,423	3,885

Other movements include the impact of changes in foreign exchange rates as well as deferred tax amounts relating to acquisitions and disposals.

The amount of deferred tax asset expected to be recovered after more than 12 months for the Barclays Bank Group is £4,662m (2023: £3,577m). The amount of deferred tax liability expected to be settled after more than 12 months for the Barclays Bank Group is £1,021m (2023: £1,145m). These amounts are before offsetting asset and liability balances where there is a legal right to set-off and an intention to settle on a net basis.

Unrecognised deferred tax

Tax losses and temporary differences

The Barclays Bank Group has deferred tax assets not recognised in respect of gross deductible temporary differences of £373m (2023: £527m), unused tax credits of £359m (2023: £381m), and gross tax losses of £21,021m (2023: £21,373m). The tax losses include capital losses of £3,629m (2023: £3,657m). Of these tax losses, £13m (2023: £79m) expire within five years, £6m (2023: £13m) expire within six to ten years, £11,789m (2023: £10,504m) expire within eleven to twenty years and £9,213m (2023: £10,777m) can be carried forward indefinitely. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits and gains will be available against which they can be utilised.

Barclays Bank Group investments in subsidiaries, branches and associates

Deferred tax is not recognised in respect of the value of Barclays Bank Group's investments in subsidiaries, branches and associates where the Barclays Bank Group is able to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future. The aggregate amount of these temporary differences for which deferred tax liabilities have not been recognised was £873m (2023: £870m).

10 Dividends on ordinary shares and preference shares

The 2024 financial statements include £1,782m (2023: £1,348m, 2022: £200m) of dividends paid on ordinary shares. This comprises a 2023 interim dividend of £852m (2022; £700m, 2021: £200m) and 1 interim dividend in relation to 2024 of £930m (2023: 1 interim dividend of £648m, 2022:£ nil).

This results in a total dividend for the year of £0.76 (2023: £0.58, 2022: £0.09) per ordinary share.

Dividends paid on preference shares amounted to £41m (2023: £40m, 2022; £31m). Dividends paid on the Euro preference shares amounted to £384.56 per share (2023: £333.36, 2022: £53.42). Dividends paid on the US Dollar preference shares amounted to £493.20 per share (2023: £499.58, 2022: £511.27).

The Directors have approved an interim dividend in respect of 2024 of £1,195m. The financial statements for the year ended 31 December 2024 do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained profits in the year ending 31 December 2025.

The notes included in this section focus on assets and liabilities the Barclays Bank Group holds and recognises at fair value. Details regarding the Barclays Bank Group's approach to managing market risk can be found on page 67.

11 Trading portfolio

Accounting for trading portfolio assets and liabilities
All assets and liabilities held for trading purposes are held at fair value with gains and losses in the changes in fair value taken to the income statement in net trading income (Note 5).

	Barclays Bank Group	
	2024	2023
	£m	£m
Debt securities and other eligible bills	**77,805**	75,459
Equity securities	**74,859**	86,353
Traded loans	**13,470**	12,653
Commodities	**110**	101
Trading Portfolio Assets	**166,244**	174,566
Debt securities and other eligible bills	**(36,324)**	(39,639)
Equity securities	**(19,858)**	(18,122)
Trading Portfolio Liabilities	**(56,182)**	(57,761)

12 Financial assets at fair value through the income statement

Accounting for financial assets designated at fair value
Financial assets, other than those held for trading, are classified in this category if they are so irrevocably designated at inception and the use of the designation removes or significantly reduces an accounting mismatch.

Subsequent changes in fair value for these instruments are recognised in the income statement in net investment income, except if reporting it in trading income reduces an accounting mismatch.

The details on how the fair value amounts are derived for financial assets at fair value are described in Note 16.

Accounting for financial assets mandatorily at fair value
Financial assets that are held for trading are recognised at fair value through profit or loss. In addition, financial assets are held at fair value through profit or loss if they do not contain contractual terms that give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI), or if the financial asset is not held in a business model that is either (i) a business model to collect the contractual cash flows or (ii) a business model that is achieved by both collecting contractual cash flows and selling.

	Barclays Bank Group	
	2024	2023
	£m	£m
Loans and advances	**1,039**	1,367
Debt securities	**182**	130
Other financial assets	**—**	—
Financial assets designated at fair value	**1,221**	1,497
Loans and advances	**43,143**	45,174
Debt securities	**2,749**	2,415
Equity securities	**2,856**	5,938
Reverse repurchase agreements and other similar secured lending	**141,791**	149,131
Other financial assets	**85**	81
Financial assets mandatorily at fair value	**190,624**	202,739
Total	**191,845**	204,236

Credit risk of financial assets designated at fair value and related credit derivatives

The following table shows the maximum exposure to credit risk, the changes in fair value attributable to changes in credit risk, and the cumulative changes in fair value since initial recognition for loans and advances. The table does not include debt securities as they have minimal exposure to credit risk due to limited gross exposure.

	Barclays Bank Group					
	Maximum exposure as at 31 December		Changes in fair value during the year ended		Cumulative changes in fair value from inception	
	2024	2023	**2024**	2023	**2024**	2023
	£m	£m	**£m**	£m	**£m**	£m
Loans and advances designated at fair value, attributable to credit risk	**1,039**	1,367	**(2)**	3	**(4)**	1
Value mitigated by related credit derivatives	**405**	613	**—**	(5)	**—**	(5)

13 Derivative financial instruments

Accounting for derivatives

Derivative instruments are contracts whose value is derived from one or more underlying financial instruments or indices defined in the contract. They include swaps, forward-rate agreements, futures, options and combinations of these instruments and primarily affect the Barclays Bank Group's net interest income, net trading income and derivative assets and liabilities. Notional amounts of the contracts are not recorded on the balance sheet. Derivatives are used to hedge interest rate, credit risk, inflation risk, exchange rate, commodity, equity exposures and exposures to certain indices such as house price indices and retail price indices related to non-trading positions.

All derivative instruments are held at fair value through profit or loss, except for derivatives that are in a designated cash flow or net investment hedge accounting relationship. Derivatives are classified as assets when their fair value is positive or as liabilities when their fair value is negative.

Hedge accounting

The Barclays Bank Group applies the requirements of IAS 39 *Financial Instruments: Recognition and Measurement* for hedge accounting purposes. The Barclays Bank Group applies hedge accounting to represent the economic effects of its interest rate, currency and contractually linked inflation risk management strategies. Where derivatives are held for risk management purposes, and when transactions meet the required criteria for documentation and hedge effectiveness, the Barclays Bank Group applies fair value hedge accounting, cash flow hedge accounting, or hedging of a net investment in a foreign operation, as appropriate to the risks being hedged.

Fair value hedge accounting

Changes in fair value of derivatives that qualify and are designated as fair value hedges are recorded in the income statement, together with changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The fair value changes adjust the carrying value of the hedged asset or liability held at amortised cost.

If hedge relationships no longer meet the criteria for hedge accounting, hedge accounting is discontinued. For fair value hedges of interest rate risk, the fair value adjustment to the hedged item is amortised to the income statement over the period to maturity of the previously designated hedge relationship using the effective interest method. If the hedged item is sold or repaid, the unamortised fair value adjustment is recognised immediately in the income statement. For items classified as fair value through other comprehensive income, the hedge accounting adjustment is included in other comprehensive income.

Cash flow hedge accounting

For qualifying cash flow hedges, the fair value gain or loss associated with the effective portion of the cash flow hedge is recognised initially in other comprehensive income, and then recycled to the income statement in the periods when the hedged item will affect profit or loss. Any ineffective portion of the gain or loss on the hedging instrument is recognised in the income statement immediately.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the hedged item is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognised in equity is immediately transferred to the income statement.

Hedges of net investments

The Barclays Bank Group's net investments in foreign operations, including monetary items accounted for as part of the net investment, are hedged for foreign currency risks using both derivatives and foreign currency borrowings. Hedges of net investments are accounted for similarly to cash flow hedges; the effective portion of the gain or loss on the hedging instrument is being recognised directly in other comprehensive income and the ineffective portion being recognised immediately in the income statement. The cumulative gain or loss recognised in other comprehensive income is recognised in the income statement on the disposal or partial disposal of the foreign operation, or other reductions in the Barclays Bank Group's investment in the operation.

Barclays Bank Group	2024			2023		
	Notional contract amount	Fair value		Notional contract amount	Fair value	
		Assets	Liabilities		Assets	Liabilities
	£m	£m	£m	£m	£m	£m
Total derivative assets/(liabilities) held for trading	83,571,610	291,562	(278,636)	64,413,042	255,219	(249,380)
Total derivative assets/(liabilities) held for risk management	221,158	794	(695)	212,817	892	(500)
Derivative assets/(liabilities)	**83,792,768**	**292,356**	**(279,331)**	64,625,859	256,111	(249,880)

The fair values and notional amounts of derivatives held for trading are set out in the following table:

Derivatives held for trading and risk management	2024			2023		
Barclays Bank Group	Notional contract amount	Fair value		Notional contract amount	Fair value	
		Assets	Liabilities		Assets	Liabilities
	£m	£m	£m	£m	£m	£m
Derivatives held for trading						
Foreign exchange derivatives						
OTC derivatives	8,242,887	123,379	(116,485)	6,531,231	86,830	(82,625)
Derivatives cleared by central counterparty	240,612	228	(235)	186,672	529	(512)
Exchange traded derivatives	27,441	7	(7)	17,899	2	(2)
Foreign exchange derivatives	8,510,940	123,614	(116,727)	6,735,802	87,361	(83,139)
Interest rate derivatives						
OTC derivatives	26,437,086	92,206	(79,936)	19,684,538	105,405	(92,485)
Derivatives cleared by central counterparty	36,249,392	1,443	(1,319)	27,074,746	1,936	(2,065)
Exchange traded derivatives	7,672,496	2,664	(2,698)	6,800,161	2,824	(2,895)
Interest rate derivatives	70,358,974	96,313	(83,953)	53,559,445	110,165	(97,445)
Credit derivatives						
OTC derivatives	593,702	3,474	(4,307)	587,472	4,936	(6,005)
Derivatives cleared by central counterparty	943,413	3,424	(3,148)	860,878	2,726	(2,625)
Credit derivatives	1,537,115	6,898	(7,455)	1,448,350	7,662	(8,630)
Equity and stock index derivatives						
OTC derivatives	598,024	21,964	(26,318)	448,503	17,791	(25,769)
Exchange traded derivatives	2,347,247	40,947	(42,309)	2,017,045	30,379	(32,549)
Equity and stock index derivatives	2,945,271	62,911	(68,627)	2,465,548	48,170	(58,318)
Commodity derivatives						
OTC derivatives	7,084	17	(32)	4,734	44	(4)
Exchange traded derivatives	212,226	1,809	(1,842)	199,163	1,817	(1,844)
Commodity derivatives	219,310	1,826	(1,874)	203,897	1,861	(1,848)
Derivative assets/(liabilities) held for trading	83,571,610	291,562	(278,636)	64,413,042	255,219	(249,380)
Total OTC derivatives	35,878,783	241,040	(227,078)	27,256,478	215,006	(206,888)
Total derivatives cleared by central counterparty	37,433,417	5,095	(4,702)	28,122,296	5,191	(5,202)
Total exchange traded derivatives	10,259,410	45,427	(46,856)	9,034,268	35,022	(37,290)
Derivative assets/(liabilities) held for trading	83,571,610	291,562	(278,636)	64,413,042	255,219	(249,380)
Derivatives held for risk management						
Derivatives designated as cash flow hedges						
Currency Swaps	26,564	611	(307)	17,995	625	(8)
Interest rate swaps	—	—	—	266	17	—
Interest rate derivatives cleared by central counterparty	86,759	—	—	95,964	—	—
Derivatives designated as cash flow hedges	113,323	611	(307)	114,225	642	(8)
Derivatives designated as fair value hedges						
Interest rate swaps	7,234	147	(322)	4,670	140	(447)
Interest rate derivatives cleared by central counterparty	96,588	—	—	90,189	—	—
Derivatives designated as fair value hedges	103,822	147	(322)	94,859	140	(447)
Derivatives designated as hedges of net investments						
Forward foreign exchange	4,013	36	(66)	3,733	110	(45)
Derivatives designated as hedges of net investments	4,013	36	(66)	3,733	110	(45)
Derivative assets/(liabilities) held for risk management	221,158	794	(695)	212,817	892	(500)
Total OTC derivatives	37,811	794	(695)	26,664	892	(500)
Total derivatives cleared by central counterparty	183,347	—	—	186,153	—	—
Derivative assets/(liabilities) held for risk management	221,158	794	(695)	212,817	892	(500)

Hedge accounting

Hedge accounting is applied predominantly for the following risks:

- Interest rate risk – arises due to a mismatch between fixed interest rates and floating interest rates
- Currency risk – arises due to assets or liabilities being denominated in different currencies than the functional currency of the relevant entity. At a consolidated level, currency risk also arises when the functional currency of subsidiaries are different from the parent
- Contractually linked inflation risk – arises from financial instruments within contractually specified inflation risk. The Barclays Bank Group does not hedge inflation risk that arises from other activities

In order to hedge these risks, the Barclays Bank Group uses the following hedging instruments:

- Interest rate derivatives to swap interest rate exposure into either fixed or variable rates
- Currency derivatives to swap foreign currency exposures into the entity's functional currency, and net investment exposure to local currency
- Inflation derivatives to swap inflation exposure into either fixed or variable interest rates

In some cases, certain items which are economically hedged may be ineligible hedged items for the purposes of IAS 39, such as core deposits and equity. In these instances, a proxy hedging solution can be utilised whereby portfolios of floating rate assets are designated as eligible hedged items in cash flow hedges.

In some hedging relationships, the Barclays Bank Group designates risk components of hedged items as follows:

- Benchmark interest rate risk as a component of interest rate risk, such as the Risk Free Rate (RFR) component
- Inflation risk as a contractually specified component of a debt instrument
- Exchange rate risk for foreign currency financial assets or financial liabilities
- Components of cash flows of hedged items, for example certain interest payments for part of the life of an instrument

Using the benchmark interest rate risk results in other risks, such as credit risk and liquidity risk, being excluded from the hedge accounting relationship.

In respect of many of the Barclays Bank Group's hedge accounting relationships, the hedged item and hedging instrument change frequently due to the dynamic nature of the risk management and hedge accounting strategy. The Barclays Bank Group applies hedge accounting to dynamic scenarios, predominantly in relation to interest rate risk, with a combination of hedged items in order for its financial statements to reflect as closely as possible the economic risk management undertaken. In some cases, if the hedge accounting objective changes, the relevant hedge accounting relationship is de-designated and is replaced with a different hedge accounting relationship.

Changes in the GBP value of net investments due to foreign currency movements are captured in the currency translation reserve, resulting in a movement in CET1 capital. The Barclays Bank Group mitigates this by matching the CET1 capital movements to the revaluation of the foreign currency RWA exposures. Net investment hedges are designated where necessary to reduce the exposure to movement in a particular exchange rate to within limits mandated by Risk. As far as possible, existing external currency liabilities are designated as the hedging instruments.

The hedging instruments share the same risk exposures as the hedged items. Hedge effectiveness is determined with reference to quantitative tests, predominantly regression testing, but to the extent hedging instruments are exposed to different risks than the hedged items, this could result in hedge ineffectiveness or hedge accounting failures.

Sources of ineffectiveness include the following:

- Mismatches between the contractual terms of the hedged item and hedging instrument, including basis differences
- Changes in credit risk of the hedging instruments
- If a hedging relationship becomes over-hedged, for example in hedges of net investments if the net asset value designated at the start of the period falls below the amount of the hedging instrument
- Cash flow hedges using external swaps with non-zero fair values

Hedged items in fair value hedges

Barclays Bank Group		Accumulated fair value adjustment included in carrying amount			
	Carrying amount	Total	Of which: Accumulated fair value adjustment on items no longer in a hedge relationship	Change in fair value used as a basis to determine ineffectiveness	Hedge ineffectiveness recognised in the income statement[1]
Hedged item statement of financial position classification and risk category	£m	£m	£m	£m	£m
2024					
Assets					
Loans and advances at amortised cost					
- Interest rate risk	711	(160)	(1)	(18)	4
- Inflation risk	318	219	102	(18)	7
Debt securities classified as amortised cost					
- Interest rate risk	7,673	(44)	8	50	66
- Inflation risk	8,348	(1,342)	2	(598)	(29)
Financial assets at fair value through other comprehensive income[2]					
- Interest rate risk	29,514	(1,162)	(452)	(132)	176
- Inflation risk	2,979	(96)	(31)	(59)	(22)
Total Assets	49,543	(2,585)	(372)	(775)	202
Liabilities					
Debt securities in issue					
- Interest rate risk	(1,417)	8	(24)	(18)	2
Subordinated liabilities					
- Interest rate risk	(37,531)	2,257	1,182	398	(8)
Deposits at amortised cost from banks and customers					
- Interest rate risk	(8,596)	(12)	(1)	(4)	(2)
Repurchase agreements and other similar secured borrowing at amortised cost					
- Interest rate risk	—	—	—	—	—
Total Liabilities	(47,544)	2,253	1,157	376	(8)
Total Hedged Items	1,999	(332)	785	(399)	194

Hedged items in fair value hedges

Barclays Bank Group		Accumulated fair value adjustment included in carrying amount			
	Carrying amount	Total	Of which: Accumulated fair value adjustment on items no longer in a hedge relationship	Change in fair value used as a basis to determine ineffectiveness	Hedge ineffectiveness recognised in the income statement[1]
Hedged item statement of financial position classification and risk category	£m	£m	£m	£m	£m
2023					
Assets					
Loans and advances at amortised cost					
- Interest rate risk	830	(154)	(5)	34	(1)
- Inflation risk	450	246	—	3	(5)
Debt securities classified as amortised cost					
- Interest rate risk	2,394	(24)	(21)	48	24
- Inflation risk	6,484	(755)	3	33	(19)
Financial assets at fair value through other comprehensive income[2]					
- Interest rate risk	33,021	(1,173)	(658)	964	158
- Inflation risk	2,052	(51)	(62)	5	3
Total Assets	45,231	(1,911)	(743)	1,087	160
Liabilities					
Debt securities in issue					
- Interest rate risk	(3,935)	(28)	(52)	(95)	(1)
Subordinated liabilities					
- Interest rate risk	(29,306)	1,904	579	(593)	24
Deposits at amortised cost from banks and customers					
- Interest rate risk	(10,766)	(18)	(2)	(31)	(2)
Repurchase agreements and other similar secured borrowing at amortised cost					
- Interest rate risk	(426)	14	14	(4)	0
Total Liabilities	(44,433)	1,872	539	(723)	21
Total Hedged Items	798	(39)	(204)	364	181

Notes
1 Hedge ineffectiveness is recognised in net interest income.
2 For items classified as fair value through other comprehensive income, the hedge accounting adjustment is not included in the carrying amount, but rather adjusts other comprehensive income.

Amount, timing and uncertainty of future cash flows
The following table shows the fair value hedging instruments which are carried on the balance sheet:

Barclays Bank Group		Carrying value				
		Derivative assets	Derivative liabilities	Loan liabilities	Nominal amount	Change in fair value used as a basis to determine ineffectiveness
Hedge type	Risk category	£m	£m	£m	£m	£m
As at 31 December 2024						
Fair value	Interest rate risk	**26**	**(16)**	**—**	**89,602**	**(38)**
	Inflation risk	**121**	**(306)**	**—**	**14,220**	**631**
	Total	**147**	**(322)**	**—**	**103,822**	**593**
As at 31 December 2023						
Fair value	Interest rate risk	137	(106)	—	84,259	(121)
	Inflation risk	3	(341)	—	10,600	(62)
	Total	140	(447)	—	94,859	(183)

The following table profiles the expected notional values of current hedging instruments for fair value hedging in future years:

As at 31 December 2024	2024 £m	2025 £m	2026 £m	2027 £m	2028 £m	2029 £m	2030 and later £m
Barclays Bank Group							
Fair value hedges of:							
Interest rate risk (outstanding notional amount)	**89,602**	**77,074**	**67,309**	**55,277**	**51,051**	**43,755**	**37,221**
Inflation risk (outstanding notional amount)	**14,220**	**14,143**	**12,915**	**12,106**	**10,478**	**9,535**	**8,335**

For Barclays Bank Group, there are 946 (2023: 960) interest rate risk fair value hedges with an average fixed rate of 2.6% (2023: 2.6%) across the relationships and 105 (2023: 79) inflation risk fair value hedges with an average rate of 0.2% (2023: 1.1%) across the relationships.

Hedged items in cash flow hedges and hedges of net investments in foreign operations

Barclays Bank Group

Description of hedge relationship and hedged risk	Change in value of hedged item used as the basis for recognising ineffectiveness £m	Balance in cash flow hedging reserve for continuing hedges £m	Balance in currency translation reserve for continuing hedges £m	Balances remaining in cash flow hedging reserve for which hedge accounting is no longer applied £m	Balances remaining in currency translation reserve for which hedge accounting is no longer applied £m	Hedging gains or losses recognised in other comprehensive income £m	Hedge ineffectiveness recognised in the income statement[1] £m
2024							
Assets							
Cash flow hedge of:							
Interest rate risk							
Loans and advances at amortised cost	**438**	**182**	**—**	**1,552**	**—**	**438**	**(8)**
Cash and balances at Central Banks	**495**	**123**	**—**	**1,495**	**—**	**495**	**22**
Foreign exchange risk							
Loans and advances at amortised cost	**300**	**106**	**—**	**—**	**—**	**300**	**5**
Inflation risk							
Debt securities classified at amortised cost	**118**	**(73)**	**—**	**25**	**—**	**118**	**—**
Liabilities							
Cash flow hedge of:							
Foreign exchange risk							
Subordinated Liabilities	**18**	**(9)**	**—**	**—**	**—**	**18**	**—**
Total cash flow hedges	**1,369**	**329**	**—**	**3,072**	**—**	**1,369**	**19**
Hedge of net investment in foreign operations							
USD foreign operations	**136**	**—**	**1,449**	**—**	**—**	**136**	**—**
EUR foreign operations	**(109)**	**—**	**(26)**	**—**	**—**	**(109)**	**—**
Other foreign operations	**(17)**	**—**	**34**	**—**	**96**	**(17)**	**—**
Total foreign operations	**10**	**—**	**1,457**	**—**	**96**	**10**	**—**
2023							
Cash flow hedge of:							
Interest rate risk							
Loans and advances at amortised cost	(694)	94	—	1,909	—	(694)	23
Cash and balances at Central Banks	(1,004)	(151)	—	2,121	—	(1,004)	132
Foreign exchange risk							
Loans and advances at amortised cost	(463)	30	—	—	—	(463)	5
Inflation risk							
Debt securities classified at amortised cost	(313)	(181)	—	21	—	(313)	—
Total cash flow hedges	(2,474)	(208)	—	4,051	—	(2,474)	160
Hedge of net investment in foreign operations							
USD foreign operations	(522)	—	1,374	—	—	(522)	—
EUR foreign operations	(49)	—	83	—	—	(49)	—
Other foreign operations	(115)	—	53	—	96	(115)	—
Total foreign operations	(686)	—	1,510	—	96	(686)	—

Note
1 Hedge ineffectiveness is recognised in net interest income.

The following table shows the cash flow and net investment hedging instruments which are carried on the balance sheet:

Barclays Bank Group		Carrying value				Change in fair value used as a basis to determine ineffectiveness
		Derivative assets	Derivative liabilities	Loan liabilities	Nominal amount	
Hedge type	Risk category	£m	£m	£m	£m	£m
As at 31 December 2024						
Cash flow	Interest rate risk	—	—	—	80,382	(919)
	Foreign exchange risk	611	(307)	—	26,564	(313)
	Inflation risk	—	—	—	6,377	(118)
	Total	611	(307)	—	113,323	(1,350)
Net investment	Foreign exchange risk	36	(66)	(7,588)	11,601	(10)
As at 31 December 2023						
Cash flow	Interest rate risk	17	—	—	93,423	1,853
	Foreign exchange risk	625	(8)	—	17,995	468
	Inflation risk	—	—	—	2,807	313
	Total	642	(8)	—	114,225	2,634
Net investment	Foreign exchange risk	110	(45)	(8,507)	12,240	686

There are 2 (2023: 2) foreign exchange risk cash flow hedges with an average foreign exchange rate of JPY 149.87: GBP 1 (2023: JPY 147.80: GBP 1), 11 (2023: 8) with an average foreign exchange rate of USD 1.27: GBP 1 (2023: 1.25) and 9 (2023: none) with an average foreign exchange rate of AUD 1.94: GBP 1 (2023: none).

The effect on the income statement and other comprehensive income of recycling amounts in respect of cash flow hedges and net investment hedges of foreign operations is set out in the following table:

Barclays Bank Group	2024		2023	
	Amount recycled from other comprehensive income due to hedged item affecting income statement	Amount recycled from other comprehensive income due to sale of investment, or cash flows no longer expected to occur	Amount recycled from other comprehensive income due to hedged item affecting income statement	Amount recycled from other comprehensive income due to sale of investment, or cash flows no longer expected to occur
Description of hedge relationship and hedged risk	£m	£m	£m	£m
Cash flow hedge of interest rate risk				
Recycled to net interest income	(1,697)	(2)	(1,664)	(1)
Cash flow hedge of foreign exchange risk				
Recycled to net interest income	(251)	—	507	—
Hedge of net investment in foreign operations				
Recycled to other income	—	(1)	—	(6)

A detailed reconciliation of the movements of the cash flow hedging reserve and the currency translation reserve is as follows:

Barclays Bank Group	2024		2023	
	Cash flow hedging reserve	Currency translation reserve	Cash flow hedging reserve	Currency translation reserve
	£m	£m	£m	£m
Balance on 1 January	(2,895)	3,783	(5,557)	4,992
Currency translation movements	20	(194)	32	(1,934)
Hedging (losses)/gains for the year	(1,369)	50	2,474	686
Amounts reclassified in relation to cash flows affecting profit or loss	1,950	1	1,158	6
Tax	(154)	50	(1,002)	33
Balance on 31 December	(2,448)	3,690	(2,895)	3,783

14 Financial assets at fair value through other comprehensive income

Accounting for financial assets at fair value through other comprehensive income (FVOCI)
Financial assets that are debt instruments held in a business model that is achieved by both collecting contractual cash flows and selling and that contain contractual terms that give rise on specified dates to cash flows that are SPPI are measured at FVOCI. They are subsequently re-measured at fair value and changes therein (except for those relating to impairment, interest income and foreign currency exchange gains and losses) are recognised in other comprehensive income until the assets are sold. Interest (calculated using the effective interest method) is recognised in the income statement in net interest income (Note 3). Upon disposal, the cumulative gain or loss recognised in other comprehensive income is included in net investment income (Note 6).

In determining whether the business model is achieved by both collecting contractual cash flows and selling financial assets, it is determined that both collecting contractual cash flows and selling financial assets are integral to achieving the objective of the business model. The Barclays Bank Group will consider past sales and expectations about future sales to establish if the business model is achieved.

For equity securities that are not held for trading, the Barclays Bank Group may make an irrevocable election on initial recognition to present subsequent changes in the fair value of the instrument in other comprehensive income (except for dividend income which is recognised in profit or loss).

	Barclays Bank Group	
	2024	2023
	£m	£m
Debt securities and other eligible bills	47,727	50,650
Equity securities	—	2
Loans and advances	3,283	771
Financial assets at fair value through other comprehensive income	**51,010**	**51,423**

15 Financial liabilities designated at fair value

Accounting for liabilities designated at fair value through profit and loss
In accordance with IFRS 9, financial liabilities may be designated at fair value, with gains and losses taken to the income statement within net trading income (Note 5) and net investment income (Note 6). Movements in own credit are reported through other comprehensive income, unless the effects of changes in the liability's credit risk would create or enlarge an accounting mismatch in profit and loss. In these scenarios, all gains and losses on that liability (including the effects of changes in the credit risk of the liability) are presented in profit and loss. On derecognition of the financial liability no amounts relating to own credit risk are recycled to the income statement. The Barclays Bank Group has the ability to make the fair value designation when holding the instruments at fair value reduces an accounting mismatch (caused by an offsetting liability or asset being held at fair value), or is managed by the Barclays Bank Group on the basis of its fair value, or includes terms that have substantive derivative characteristics (Note 13).

The details on how the fair value amounts are arrived at for financial liabilities designated at fair value are described in Note 16.

	Barclays Bank Group			
	2024		2023	
	Fair value	Contractual amount due on maturity	Fair value	Contractual amount due on maturity
	£m	£m	£m	£m
Debt securities	76,833	92,479	67,486	81,651
Deposits	46,383	48,201	43,602	44,912
Repurchase agreements and other similar secured borrowing	156,024	156,600	186,906	187,786
Subordinated debt	537	957	579	942
Financial liabilities designated at fair value	**279,777**	**298,237**	298,573	315,291

(The details on how the fair value amounts are arrived at for financial liabilities designated at fair value are described in Note 16.)

The cumulative own credit net loss recognised for Barclays Bank Group is £1,434m (2023: £307m)

16 Fair value of financial instruments

Accounting for financial assets and liabilities – fair value
Financial instruments that are held for trading are recognised at fair value through profit or loss. In addition, financial assets are held at fair value through profit or loss if they do not contain contractual terms that give rise on specified dates to cash flows that are SPPI, or if the financial asset is not held in a business model that is either (i) a business model to collect the contractual cash flows or (ii) a business model that is achieved by both collecting contractual cash flows and selling. Subsequent changes in fair value for these instruments are recognised in the income statement in net investment income, except if reporting it in trading income reduces an accounting mismatch.

Wherever possible, fair value is determined by reference to a quoted market price for that instrument. For many of the Barclays Bank Group's financial assets and liabilities, especially derivatives, quoted prices are not available and valuation models are used to estimate fair value. The models calculate the expected cash flows under the terms of each specific contract and then discount these values back to a present value. These models use as their basis independently sourced market inputs including, for example, interest rate yield curves, equities and commodities prices, option volatilities and currency rates.

For financial liabilities measured at fair value, the carrying amount reflects the effect on fair value of changes in own credit spreads derived from observable market data such as in primary issuance and redemption activity for structured notes.

On initial recognition, it is presumed that the transaction price is the fair value unless there is observable information available in an active market to the contrary.

For valuations that have made use of unobservable inputs, the difference between the model valuation and the initial transaction price (Day One profit) is recognised in profit or loss either: on a straight-line basis over the term of the transaction; or over the period until all inputs will become observable where appropriate; or released in full when previously unobservable inputs become observable.

Various factors influence the availability of observable inputs, and these may vary from product to product and change over time. Factors include the depth of activity in the relevant market, the type of product, whether the product is new and not widely traded in the marketplace, the maturity of market modelling and the nature of the transaction (bespoke or generic). To the extent that valuation is based on models or inputs that are not observable in the market, the determination of fair value can be more subjective, dependent on the significance of the unobservable input to the overall valuation. Unobservable inputs are determined based on the best information available, for example by reference to similar assets, similar maturities, or other analytical techniques.

The sensitivity of valuations used in the financial statements to possible changes in significant unobservable inputs is shown on page 201.

Critical accounting estimates and judgements
The valuation of financial instruments often involves a significant degree of judgement and complexity, in particular where valuation models make use of unobservable inputs ('Level 3' assets and liabilities). This note provides information on these instruments, including the related unrealised gains and losses recognised in the period, a description of significant valuation techniques and unobservable inputs, and a sensitivity analysis.

Climate related risks are assumed to be included in the fair values of assets and liabilities traded in active markets. Within less active markets, for counterparties and instruments identified as being more susceptible to climate change risk, an impact assessment was performed by increasing their probability of default. The change in the valuation of the assets and liabilities from this assessment was not sufficiently material to necessitate any amendment to the reported 2024 year-end valuations.

Valuation
Assets and liabilities are classified according to a hierarchy that reflects the observability of significant market inputs. The three levels of the fair value hierarchy are defined below with judgement applied in determining the boundary between Level 2 and 3 classifications.

Quoted market prices – Level 1
Assets and liabilities are classified as Level 1 if their value is observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted price is readily available, and the price represents actual and regularly occurring market transactions. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis.

Valuation technique using observable inputs – Level 2
Assets and liabilities classified as Level 2 have been valued using models whose inputs are observable either directly or indirectly. Valuations based on observable inputs include assets and liabilities such as swaps and forwards which are valued using market standard pricing techniques, and options that are commonly traded in markets where all the inputs to the market standard pricing models are observable. For certain instruments that derive a fair value using unobservable inputs that are not considered significant, then the asset or liability may be classified as Level 2.

Valuation technique using significant unobservable inputs – Level 3
Assets and liabilities are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). A valuation input is considered observable if it can be directly observed from transactions in an active market, or if there is compelling external evidence demonstrating an executable exit price. Unobservable input levels are generally determined via reference to observable inputs, historical observations or using other analytical techniques.

The following table shows assets and liabilities that are held at fair value disaggregated by valuation technique (fair value hierarchy) and balance sheet classification:

Assets and liabilities held at fair value

	2024				2023			
	Valuation technique using				Valuation technique using			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Barclays Bank Group	£m	£m	£m	£m	£m	£m	£m	£m
Trading portfolio assets	77,581	78,548	10,115	166,244	94,615	73,442	6,509	174,566
Financial assets at fair value through the income statement	3,463	182,391	5,991	191,845	5,747	193,121	5,368	204,236
Derivative financial assets	101	290,182	2,073	292,356	107	252,464	3,540	256,111
Financial assets at fair value through other comprehensive income	19,021	28,315	3,674	51,010	21,079	29,568	776	51,423
Investment property	—	—	9	9	—	—	2	2
Total Assets	100,166	579,436	21,862	701,464	121,548	548,595	16,195	686,338
Trading portfolio liabilities	(27,033)	(28,754)	(395)	(56,182)	(28,380)	(29,013)	(368)	(57,761)
Financial liabilities designated at fair value	(181)	(276,355)	(3,241)	(279,777)	(117)	(297,244)	(1,212)	(298,573)
Derivative financial liabilities	(86)	(276,064)	(3,181)	(279,331)	(81)	(245,146)	(4,653)	(249,880)
Total Liabilities	(27,300)	(581,173)	(6,817)	(615,290)	(28,578)	(571,403)	(6,233)	(606,214)

The following table shows Barclays Bank Group's Level 3 assets and liabilities that are held at fair value disaggregated by product type:

As at 31 December 2024	Loans	Corporate debt	Asset backed securities	Government debt	Private equity investments	Issued debt	Reverse repurchase and repurchase agreements	Interest rate derivatives	Equity derivatives	Other products[1]	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Trading portfolio assets	6,146	1,590	991	1,018	—	—	—	—	—	370	10,115
Financial assets at fair value through the income statement	3,991	913	139	35	219	—	539	—	—	155	5,991
Derivative financial assets	—	—	—	—	—	—	—	1,193	477	403	2,073
Financial assets at fair value through other comprehensive income	2,858	47	757	12	—	—	—	—	—	—	3,674
Investment property	—	—	—	—	—	—	—	—	—	9	9
Total assets	**12,995**	**2,550**	**1,887**	**1,065**	**219**	**—**	**539**	**1,193**	**477**	**937**	**21,862**
Trading portfolio liabilities	—	(374)	(6)	—	—	—	—	—	—	(15)	(395)
Financial liabilities designated at fair value	—	—	—	—	—	(1,842)	(1,379)	—	—	(20)	(3,241)
Derivative financial liabilities	—	—	—	—	—	—	—	(1,013)	(1,219)	(949)	(3,181)
Total Liabilities	**—**	**(374)**	**(6)**	**—**	**—**	**(1,842)**	**(1,379)**	**(1,013)**	**(1,219)**	**(984)**	**(6,817)**

As at 31 December 2023	Loans	Corporate debt	Asset backed securities	Government debt	Private equity investments	Issued debt	Reverse repurchase and repurchase agreements	Interest rate derivatives	Equity derivatives	Other products[1]	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Trading portfolio assets	4,469	679	318	669	—	—	—	—	—	374	6,509
Financial assets at fair value through the income statement	3,984	889	85	—	145	—	209	—	—	56	5,368
Derivative financial assets	—	—	—	—	—	—	—	2,211	977	352	3,540
Financial assets at fair value through other comprehensive income	533	—	200	42	—	—	—	—	—	1	776
Investment property	—	—	—	—	—	—	—	—	—	2	2
Total assets	8,986	1,568	603	711	145	—	209	2,211	977	785	16,195
Trading portfolio liabilities	—	(359)	—	—	—	—	—	—	—	(9)	(368)
Financial liabilities designated at fair value	—	—	—	—	—	(629)	(517)	—	—	(66)	(1,212)
Derivative financial liabilities	—	—	—	—	—	—	—	(1,701)	(2,041)	(911)	(4,653)
Total Liabilities	—	(359)	—	—	—	(629)	(517)	(1,701)	(2,041)	(986)	(6,233)

Note
1 Other products include funds and fund-linked products, equity cash products, investment property, foreign exchange derivatives and credit derivatives.

Valuation techniques and sensitivity analysis

Sensitivity analysis is performed on products with significant unobservable inputs (Level 3) to generate a range of reasonably possible alternative valuations. The sensitivity methodologies applied take account of nature of the valuation techniques used, as well as availability and reliability of observable proxy and historical data and impact of using alternative models.

Sensitivities are dynamically calculated on a monthly basis. The calculation is based on range or spread data of a reliable reference source or a scenario based on relevant market analysis alongside the impact of using alternative models. Sensitivities are calculated without reflecting the impact of any diversification in the portfolio.

The valuation techniques used, observability and sensitivity analysis for material products within Level 3, are described below.

Interest rate derivatives

Description: Derivatives linked to interest rates or inflation indices. The category includes futures, interest rate and inflation swaps, swaptions, caps, floors, inflation options, balance guaranteed swaps and other exotic interest rate derivatives.

Valuation: Interest rate and inflation derivatives are generally valued using curves of forward rates constructed from market data to project and discount the expected future cash flows of trades. Instruments with optionality are valued using volatilities implied from market inputs and use industry standard or bespoke models depending on the product type.

Observability: In general, inputs are considered observable up to liquid maturities which are determined separately for each input and underlying. Unobservable inputs are generally set by referencing liquid market instruments and applying extrapolation techniques or inferred via another reasonable method.

Equity derivatives
Description: Exchange traded or OTC derivatives linked to equity indices and single names. The category includes vanilla and exotic equity products.

Valuation: Equity derivatives are valued using industry standard models. Valuation inputs include stock prices, dividends, volatilities, interest rates, equity repurchase curves and, for multi-asset products, correlations.

Observability: In general, valuation inputs are observable up to liquid maturities which are determined separately for each input and underlying. Unobservable inputs are set by referencing liquid market instruments and applying extrapolation techniques or inferred via another reasonable method.

Corporate debt
Description: Primarily corporate bonds.

Valuation: Corporate bonds are valued using observable market prices sourced from broker quotes, inter-dealer prices or other reliable pricing sources.

Observability: Prices for actively traded bonds are considered observable. Unobservable bond prices are generally determined by reference to bond yields or CDS spreads for actively traded instruments issued by or referencing the same (or a similar) issuer.

Reverse repurchase and repurchase agreements
Description: Includes securities purchased under resale agreements, securities sold under repurchase agreements, and other similar secured lending agreements. The agreements are primarily short-term in nature.

Valuation: Repurchase and reverse repurchase agreements are generally valued by discounting the expected future cash flows using industry standard models that incorporate market interest rates and repurchase rates, based on the specific details of the transaction.

Observability: Inputs are deemed observable up to liquid maturities or for consensus pricing with low pricing-range and are determined based on the specific features of the transaction. Unobservable inputs are generally set by referencing liquid market instruments and applying extrapolation techniques or inferred via another reasonable method.

Loans
Description: A drawn lending facility issued to corporate clients and customers.

Valuation: Loans are valued either using a price based approach or through models that discount expected future cash flows based on interest rates and loan spreads.

Observability: Within this loan population, the price or loan spread may be unobservable.

Private equity investments
Description: Includes investments in equity holdings in operating companies not quoted on a public exchange.

Valuation: Private equity investments are valued in accordance with the 'International Private Equity and Venture Capital Valuation Guidelines' which require the use of a number of individual pricing benchmarks such as the prices of recent transactions in the same or similar entities, discounted cash flow analysis and comparison with the earnings or revenue multiples of listed companies. While the valuation of unquoted equity instruments is subjective by nature, the relevant methodologies are commonly applied by other market participants and have been consistently applied over time.

Observability: Inputs are considered observable if there is active trading in a liquid market of products with significant sensitivity to the inputs. Unobservable inputs include earnings or revenue estimates, multiples of comparative companies, marketability discounts and discount rates.

Asset backed securities
Description: Securities that are linked to the cash flows of a pool of referenced assets via securitisation. The category includes residential mortgage backed securities, commercial mortgage backed securities, CDOs, collateralised loan obligations (CLOs) and other asset backed securities.

Valuation: Where available, valuations are based on observable market prices sourced from broker quotes and inter-dealer prices and external vendor provides who provide pricing. Otherwise, valuations are determined using industry standard discounted cash flow analysis that calculates the fair value based on valuation inputs such as constant default rate, conditional prepayment rate, loss given default and yield. These inputs are determined by reference to a number of sources including proxying to observed transactions, market indices or market research, and by assessing underlying collateral performance.

Proxying to observed transactions, indices or research requires an assessment and comparison of the relevant securities' underlying attributes including collateral, tranche, vintage, underlying asset composition (historical losses, borrower characteristics and loan attributes such as loan to value ratio and geographic concentration) and credit ratings (original and current).

Observability: Where an asset backed product does not have an observable market price and the valuation is determined using a discounted cash flow analysis, the instrument is considered unobservable.

Government debt
Description: Government bonds, supra sovereign bonds and agency bonds.

Valuation: Liquid bonds that are actively traded through an exchange or clearing house are marked to the levels observed in these markets. Other actively traded bonds are valued using observable market prices sourced from broker quotes, inter-dealer prices or other reliable pricing sources.

Observability: Prices for actively traded bonds are considered observable. Unobservable bonds prices are generally determined by reference to bond yields for actively traded bonds from the same (or a similar) issuer.

Issued debt

Description: Debt notes issued by Barclays.

Valuation: Issued debt is valued using discounted cash flow techniques models incorporating various inputs observed for each instrument.

Observability: Barclays issued notes are generally observable. Structured notes are debt instruments containing embedded derivatives. Where either an input to the embedded derivative or the debt instrument is deemed unobservable and significant to the overall valuation of the note, the structured note is classified as Level 3.

Other products

Description: Other products include funds and fund-linked products, equity cash products, investment property, credit derivatives and foreign exchange derivatives.

Assets and liabilities reclassified between Level 1 and Level 2

During the year ended 31 December 2024, there were no material transfers between Level 1 to Level 2 (year ended 31 December 2023: there were no material transfers between Level 1 and Level 2).

Level 3 movement analysis

The following table summarises the movements in the Level 3 balances during the year. Transfers have been reflected as if they had taken place at the beginning of the year.

Asset and liability transfers between Level 2 and Level 3 are primarily due to 1) an increase or decrease in observable market activity related to an input or 2) a change in the significance of the unobservable input, with assets and liabilities classified as Level 3 if an unobservable input is deemed significant.

Analysis of movements in Level 3 assets and liabilities

						Total gains and (losses) in the period recognised in the income statement		Total gains and (losses) in the period recognised in OCI	Transfers		
	As at 1 January 2024	Purchases	Sales	Issues	Settlements	Trading income[2]	Other income		In	Out	31 December 2024
Barclays Bank Group	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Trading portfolio assets	6,509	5,848	(1,817)	—	(865)	(9)	—	—	775	(326)	10,115
Financial assets at fair value through the income statement	5,368	2,540	(1,524)	—	(582)	—	56	—	206	(73)	5,991
Fair value through other comprehensive income	776	3,116	(43)	—	—	3	22	—	—	(200)	3,674
Investment property	2	9	(2)	—	—	—	—	—	—	—	9
Trading portfolio liabilities	(368)	(26)	20	—	—	(7)	—	—	(15)	1	(395)
Financial liabilities designated at fair value	(1,212)	(409)	—	(1,147)	143	(74)	—	—	(892)	350	(3,241)
Net derivative financial instruments[1]	(1,113)	(571)	(7)	—	(15)	(66)	—	—	163	501	(1,108)
Total	9,962	10,507	(3,373)	(1,147)	(1,319)	(153)	78	—	237	253	15,045

Analysis of movements in Level 3 assets and liabilities

Barclays Bank Group	As at 1 January 2023 £m	Purchases £m	Sales £m	Issues £m	Settlements £m	Total gains and (losses) in the period recognised in the income statement: Trading income[2] £m	Total gains and (losses) in the period recognised in the income statement: Other income £m	Total gains and (losses) in the period recognised in OCI £m	Transfers In £m	Transfers Out £m	As at 31 December 2023 £m
Trading portfolio assets	6,480	3,394	(3,023)	—	(602)	11	—	—	1,059	(810)	6,509
Financial assets at fair value through the income statement	6,111	3,877	(3,411)	—	(1,084)	26	(14)	—	239	(376)	5,368
Fair value through other comprehensive income	4	733	—	—	(3)	—	—	—	42	—	776
Investment property	5	—	(4)	—	—	—	1	—	—	—	2
Trading portfolio liabilities	(56)	(367)	45	—	—	—	—	—	—	10	(368)
Financial liabilities designated at fair value	(1,042)	(38)	—	(403)	—	(38)	(3)	—	(147)	459	(1,212)
Net derivative financial instruments[1]	(1,190)	(639)	24	—	83	(92)	—	—	388	313	(1,113)
Total	10,312	6,960	(6,369)	(403)	(1,606)	(93)	(16)	—	1,581	(404)	9,962

Notes
1 The derivative financial instruments are represented on a net basis. On a gross basis, derivative financial assets are £2,073m (2023: £3,540m) and derivative financial liabilities are £(3,181)m (2023: £(4,653)m).
2 Trading income represents gains and losses on Level 3 financial instruments which in the majority are offset by losses and gains on financial instruments disclosed in level 2.

Unrealised gains and losses on Level 3 financial assets and liabilities
The following tables disclose the unrealised gains and losses recognised in the year arising on Level 3 financial assets and liabilities held at year end.

Unrealised gains and (losses) recognised during the period on Level 3 assets and liabilities held at year end

	2024				2023			
	Income statement				Income statement			
Barclays Bank Group	Trading income[1] £m	Other income £m	Other comprehensive income £m	Total £m	Trading income[1] £m	Other income £m	Other comprehensive income £m	Total £m
Trading portfolio assets	**(9)**	**—**	**—**	**(9)**	10	—	—	10
Financial assets at fair value through the income statement	**—**	**55**	**—**	**55**	28	1	—	29
Fair value through other comprehensive income	**3**	**22**	**—**	**25**	—	—	—	—
Investment property	**—**	**—**	**—**	**—**	—	1	—	1
Trading portfolio liabilities	**(7)**	**—**	**—**	**(7)**	—	—	—	—
Financial liabilities designated at fair value	**(77)**	**—**	**—**	**(77)**	(38)	(3)	—	(41)
Net derivative financial instruments[1]	**(58)**	**—**	**—**	**(58)**	(107)	—	—	(107)
Total	**(148)**	**77**	**—**	**(71)**	(107)	(1)	—	(108)

Note
1 Trading income represents gains and losses on Level 3 financial instruments which in the majority are offset by losses and gains on financial instruments disclosed in level 2.

Significant unobservable inputs

The following table discloses the valuation techniques and significant unobservable inputs for assets and liabilities recognised at fair value and classified as Level 3 along with the range of values used for those significant unobservable inputs:

			2024 Range		2023 Range		
	Valuation technique(s)[1]	Significant unobservable inputs	Min	Max	Min	Max	Units[2]
Derivative financial instruments[3]							
Interest rate derivatives	Discounted cash flows	Inflation forwards	3	3	4	7	%
		Credit spread	14	1,972	15	1,672	bps
		Yield	0	12	1	7	%
		Growth curve	n/m[4]	n/m[4]	(1)	2	%
	Option model	Inflation volatility	n/m[4]	n/m[4]	66	257	bps vol
		Interest rate volatility	19	175	26	515	bps vol
		FX - IR correlation	(36)	30	(20)	78	%
		IR - IR correlation	33	98	(20)	98	%
		IR - Inflation correlation	10	10	10	10	%
		Inflation - Inflation correlation	5	5	5	5	%
Equity derivatives	Option model	Equity volatility	1	133	5	138	%
		Equity - equity correlation	40	100	40	100	%
	Discounted cash flow	Discount margin	(215)	351	(238)	110	bps
Non-derivative financial instruments							
Loans	Discounted cash flows	Loan spread	35	908	41	802	bps
		Credit spread	194	1,011	186	870	bps
		Discount margin	230	345	230	345	bps
		Yield	2	18	7	18	%
	Comparable pricing	Comparable price	0	240	0	287	points
Asset backed securities	Comparable pricing	Comparable price	0	125	0	5,000	points
	Discounted cash flows	Discount margin	(137)	(25)	n/m[4]	n/m[4]	bps
	Option Model	Equity volatility	15	32	n/m[4]	n/m[4]	%
Corporate debt	Comparable pricing	Comparable price	0	2,322	0	352	points
Government debt	Comparable pricing	Comparable price	0	123	1	127	points
Issued debt	Discounted cash flows	Credit spread	50	198	60	192	bps
	Option model	Equity volatility	1	111	4	91	%
		Interest rate volatility	19	211	11	391	bps vol
Reverse repurchase and repurchase agreements	Discounted cash flows	Repo spread	14	186	385	468	bps

Notes

1 A range has not been provided for Net Asset Value as there would be a wide range reflecting the diverse nature of the positions.

2 The units used to disclose ranges for significant unobservable inputs are percentages, points and basis points. Points are a percentage of par; for example, 100 points equals 100% of par. A basis point equals 1/100th of 1%; for example, 150 basis points equals 1.5%.

3 Certain derivative instruments are classified as Level 3 due to a significant unobservable credit spread input into the calculation of the Credit Valuation Adjustment for the instruments. The range of significant unobservable credit spreads is between 14bps-1,972bps (2023: 29bps-1,672bps).

4 Non-material level 3 balances for these unobservable inputs.

The following section describes the significant unobservable inputs identified in the table above, and the sensitivity of fair value measurement of the instruments categorised as Level 3 assets or liabilities to increases in significant unobservable inputs. Where sensitivities are described, the inverse relationship will also generally apply.

Where reliable interrelationships can be identified between significant unobservable inputs used in fair value measurement, a description of those interrelationships is included below.

Forwards

A price or rate that is applicable to a financial transaction that will take place in the future.

In general, a significant increase in a forward in isolation will result in a fair value increase for the contracted receiver of the underlying (currency, bond, commodity, etc.), but the sensitivity is dependent on the specific terms of the instrument.

Credit spread

Credit spreads typically represent the difference in yield between an instrument and a benchmark security or reference rate. Credit spreads reflect the additional yield that a market participant demands for taking on exposure to the credit risk of an instrument and form part of the yield used in a discounted cash flow calculation.

In general, a significant increase in credit spread in isolation will result in a fair value decrease for a cash asset.

For a derivative instrument, a significant increase in credit spread in isolation can result in a fair value increase or decrease depending on the specific terms of the instrument.

Volatility

Volatility is a measure of the variability or uncertainty in return for a given derivative underlying. It is an estimate of how much a particular underlying instrument input or index will change in value over time. In general, volatilities are implied from observed option prices. For unobservable options the implied volatility may reflect additional assumptions about the nature of the underlying risk, and the strike/ maturity profile of a specific contract.

In general, a significant increase in volatility in isolation will result in a fair value increase for the holder of a simple option, but the sensitivity is dependent on the specific terms of the instrument.

There may be interrelationships between unobservable volatilities and other unobservable inputs (e.g. when equity prices fall, implied equity volatilities generally rise) but these are generally specific to individual markets and may vary over time.

Correlation

Correlation is a measure of the relationship between the movements of two variables. Correlation can be a significant input into valuation of derivative contracts with more than one underlying instrument. Credit correlation generally refers to the correlation between default processes for the separate names that make up the reference pool of a collateralised debt obligation (CDO) structure.

A significant increase in correlation in isolation can result in a fair value increase or decrease depending on the specific terms of the instrument.

Comparable price

Comparable instrument prices are used in valuation by calculating an implied yield (or spread over a liquid benchmark) from the price of a comparable observable instrument, then adjusting that yield (or spread) to account for relevant differences such as maturity or credit quality. Alternatively, a price-to-price basis can be assumed between the comparable and unobservable instruments in order to establish a value.

Loans includes a portfolio of loans extended to clients within the Barclays Bank Group's leveraged finance business. Leveraged finance loans are originated where Barclays Bank Group provides financing commitments to clients to facilitate strategic transactions such as leverage buyouts and acquisitions. The sensitivity of the portfolio to unobservable inputs is judgmental reflecting their illiquid nature and the significance of unobservable price inputs to the valuation.

In general, a significant increase in comparable price in isolation will result in an increase in the price of the unobservable instrument. For derivatives, a change in the comparable price in isolation can result in a fair value increase or decrease depending on the specific terms of the instrument.

Loan spread

Loan spreads typically represent the difference in yield between an instrument and a benchmark security or reference rate. Loan spreads typically reflect credit quality, the level of comparable assets such as gilts and other factors, and form part of the yield used in a discounted cash flow calculation.

In general, a significant increase in loan spreads in isolation will result in a fair value decrease for a loan.

Sensitivity analysis of valuations using unobservable inputs (Relates to Level 3 Portfolios)								
	2024				2023			
	Favourable changes		Unfavourable changes		Favourable changes		Unfavourable changes	
	Income statement	Equity	Income statement	Equity	Income statement	Equity	Income statement	Equity
Barclays Bank Group	£m	£m	£m	£m	£m	£m	£m	£m
Loans	577	43	(742)	(43)	545	2	(763)	(2)
Corporate debt	87	—	(56)	—	34	—	(22)	—
Asset backed securities	57	4	(40)	(4)	37	1	(27)	(1)
Government debt	47	—	(56)	—	31	—	(34)	—
Private equity investments	28	—	(28)	—	9	—	(9)	—
Interest rate derivatives	98	—	(212)	—	78	—	(158)	—
Equity derivatives	199	—	(269)	—	142	—	(226)	—
Other products[1]	91	—	(104)	—	89	—	(98)	—
Total	1,184	47	(1,507)	(47)	965	3	(1,337)	(3)

Note
1 Other products include equity cash products, credit derivatives, foreign exchange derivatives and fund and fund linked products

The effect of stressing unobservable inputs to a range of reasonably possible alternatives, alongside considering the impact of using alternative models, would be to increase fair values by up to £1,231m (2023: £968m) or to decrease fair values by up to £1,554m (2023: £1,340m) with substantially all the potential effect impacting profit and loss. Unfavourable changes shown in the table above are partly provided for through the capital and prudential valuation adjustment framework.

Fair value adjustments
Key balance sheet valuation adjustments are quantified below:

	2024	2023
Barclays Bank Group	£m	£m
Exit price adjustments derived from market bid-offer spreads	(529)	(558)
Uncollateralised derivative funding	19	(4)
Derivative credit valuation adjustments	(184)	(209)
Derivative debit valuation adjustments	108	144

Exit price adjustments derived from market bid-offer spreads
Barclays Bank Group uses mid-market pricing where it is a market maker and has the ability to transact at, or better than, mid-price (which is the case for certain equity, bond and vanilla derivative markets). For other financial assets and liabilities, bid-offer adjustments are recorded to reflect the exit level for the expected close out strategy. The methodology for determining the bid-offer adjustment for a derivative portfolio involves calculating the net risk exposure by offsetting long and short positions by strike and term in accordance with the risk management and hedging strategy.

Bid-offer levels are generally derived from market quotes such as broker data. Less liquid instruments may not have a directly observable bid-offer level. In such instances, an exit price adjustment may be derived from an observable bid-offer level for a comparable liquid instrument, or determined by calibrating to derivative prices, or by scenario or historical analysis.

Exit price adjustments derived from market bid-offer spreads have decreased by £29m from £(558)m to £(529)m.

Discounting approaches for derivative instruments
Collateralised
In line with market practice, the methodology for discounting collateralised derivatives takes into account the nature and currency of the collateral that can be posted within the relevant credit support annex (CSA). The CSA aware discounting approach recognises the 'cheapest to deliver' option that reflects the ability of the party posting collateral to change the currency of the collateral.

Uncollateralised
A fair value adjustment of £19m has been applied to account for the impact of incorporating the cost of funding into the valuation of uncollateralised and partially collateralised derivative portfolios and collateralised derivatives where the terms of the agreement do not allow the rehypothecation of collateral received. The derivative funding adjustment has moved by £23m from £(4)m to £19m .

Derivative credit and debit valuation adjustments
Derivative credit valuation adjustments and Derivative debit valuation adjustments are incorporated into derivative valuations to reflect the impact on fair value of counterparty credit risk and Barclays Bank Group's own credit quality respectively. These adjustments are calculated for uncollateralised and partially collateralised derivatives across all asset classes. Derivative credit valuation adjustments and Derivative debit valuation adjustments are calculated using estimates of exposure at default, probability of default and recovery rates, at a counterparty level. Counterparties include (but are not limited to) corporates, Sovereigns and Sovereign agencies and Supranationals.

Exposure at default is generally estimated through the simulation of underlying risk factors through approximating with a more vanilla structure, or by using current or scenario-based mark to market as an estimate of future exposure.

Probability of default and recovery rate information is generally sourced from the Credit Default Swap (CDS) markets. Where this information is not available, or considered unreliable, alternative approaches are taken based on mapping internal counterparty ratings onto historical or market-based default and recovery information.

Derivative credit valuation adjustments decreased by £25m from £(209)m to £(184)m as a result of tightening in input counterparty credit spreads. Derivative debit valuation adjustments decreased by £36m from £144m to £108m, as a result of a tightening in input own credit spreads.

Correlation between counterparty credit and underlying derivative risk factors, termed 'wrong-way,' or 'right-way' risk, is not systematically incorporated into the Derivative credit valuation adjustments calculation but is adjusted where the underlying exposure is directly related to the counterparty.

Barclays Bank Group continues to monitor market practices and activity to ensure the approach to uncollateralised derivative valuation remains appropriate.

Portfolio exemptions

Barclays Bank Group uses the portfolio exemption in IFRS 13 *Fair Value Measurement* to measure the fair value of groups of financial assets and liabilities. Financial instruments are measured using the price that would be received to sell a net long position (i.e. an asset) for a particular risk exposure or to transfer a net short position (i.e. a liability) for a particular risk exposure in an orderly transaction between market participants at the balance sheet date under current market conditions. Accordingly, Barclays Bank Group measures the fair value of the group of financial assets and liabilities consistently with how market participants would price the net risk exposure at the measurement date.

Unrecognised gains as a result of the use of valuation models using unobservable inputs

The amount that has yet to be recognised in income that relates to the difference between the transaction price (the fair value at initial recognition) and the amount that would have arisen had valuation models using unobservable inputs been used on initial recognition, less amounts subsequently recognised is £267m (2023: £194m) for financial instruments measured at fair value and £17m (2023: £18m) for financial instruments carried at amortised cost. There are additions and FX revaluation of £177m (2023: £136m) and amortisation and releases of £104m (2023: £48m) for financial instruments measured at fair value and additions of £nil (2023: £nil) and amortisation and releases of £1m (2023: £7m) for financial instruments carried at amortised cost.

Third-party credit enhancements

Structured and brokered certificates of deposit issued by Barclays Bank Group are insured up to $250,000 per depositor by the Federal Deposit Insurance Corporation (FDIC) in the US. The FDIC is funded by premiums that Barclays Bank Group and other banks pay for deposit insurance coverage. The carrying value of these issued certificates of deposit that are designated under the IFRS 9 fair value option includes this third-party credit enhancement. The on-balance sheet value of these brokered certificates of deposit amounted to £4,844m (2023: £5,162m).

Comparison of carrying amounts and fair values for assets and liabilities not held at fair value

The following table summarises the fair value of financial assets and liabilities measured at amortised cost on Barclays Bank Group's and Barclays Bank PLC's balance sheet disaggregated by balance sheet classification:

Barclays Bank Group	2024					2023				
	Carrying amount	Fair value	Level 1	Level 2	Level 3	Carrying amount	Fair value	Level 1	Level 2	Level 3
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Financial assets										
Debt securities at amortised cost	**50,227**	**49,400**	**18,307**	**29,509**	**1,584**	39,046	37,807	13,976	21,384	2,447
Loans and advances at amortised cost	**144,827**	**146,369**	**6,791**	**67,601**	**71,977**	146,201	147,323	5,766	73,231	68,326
Reverse repurchase agreements and other similar secured lending	**3,393**	**3,393**	**—**	**3,393**	**—**	1,103	1,103	—	1,103	—
Assets included in disposal groups classified as held for sale	**9,544**	**9,628**	**—**	**3,520**	**6,108**	3,855	3,855	—	3,855	—
Financial liabilities										
Deposits at amortised cost	**(319,376)**	**(319,135)**	**(203,393)**	**(115,172)**	**(570)**	(301,798)	(301,851)	(166,087)	(135,461)	(303)
Repurchase agreements and other similar secured borrowing	**(29,397)**	**(29,397)**	**—**	**(29,397)**	**—**	(28,554)	(28,554)	—	(28,554)	—
Debt securities in issue	**(35,803)**	**(35,745)**	**—**	**(34,612)**	**(1,133)**	(45,653)	(45,557)	—	(44,595)	(962)
Subordinated liabilities	**(41,875)**	**(43,030)**	**—**	**(42,189)**	**(841)**	(35,903)	(37,295)	—	(37,100)	(195)
Liabilities included in disposal groups classified as held for sale	**(3,647)**	**(3,647)**	**—**	**(3,647)**	**—**	(3,077)	(3,077)	—	(3,077)	—

The fair value is an estimate of the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As a wide range of valuation techniques are available, it may not be appropriate to directly compare this fair value information to independent market sources or other financial institutions. Different valuation methodologies and assumptions can have a significant impact on fair values which are based on unobservable inputs.

Financial assets

Debt Securities at amortised cost
Debt securities at amortised cost are valued using observable market prices sourced from broker quotes, inter-dealer prices or other reliable pricing sources. Prices for actively traded bonds are considered observable. Where market data for the underlying bond is unavailable, a number of proxy/extrapolation techniques are employed to determine the appropriate fair value

Loans and advances at amortised cost
The fair value of loans and advances, for the purpose of this disclosure, is derived from discounting expected cash flows in a way that reflects the current market price for lending to issuers of similar credit quality. Where market data or credit information on the underlying borrowers is unavailable, a number of proxy/extrapolation techniques are employed to determine the appropriate discount rates.

Reverse repurchase agreements and other similar secured lending
The fair value of reverse repurchase agreements approximates carrying amount as these balances are generally short dated and fully collateralised.

Financial liabilities

Deposits at amortised cost
In many cases, the fair value disclosed approximates carrying value because the instruments are short-term in nature or have interest rates that reprice frequently, such as customer accounts and other deposits and short-term debt securities.

The fair value for deposits with longer-term maturities, mainly time deposits, are estimated using discounted cash flows applying either market rates or current rates for deposits of similar remaining maturities.

Repurchase agreements and other similar secured borrowing
The fair value of repurchase agreements approximates carrying amount as these balances are generally short dated.

Debt securities in issue
Fair values of other debt securities in issue are based on quoted prices where available or, where the instruments are short dated, carrying amount approximates fair value.

Subordinated liabilities
Fair values for dated and undated convertible and non-convertible loan capital are based on quoted market rates for the issuer concerned or issuers with similar terms and conditions.

Assets & liabilities included in disposal groups classified as held for sale
The fair value for the purposes of this disclosure has been prepared in accordance with the products held for sale, and valuation techniques used to determine the expected sales price of these assets and liabilities that will be achieved when the disposal group is sold.

17 Offsetting financial assets and financial liabilities

The Barclays Bank Group reports financial assets and financial liabilities on a net basis on the balance sheet only if there is a legally enforceable right to set-off the recognised amounts and there is intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. The following table shows the impact of netting arrangements on:

- All financial assets and liabilities that are reported net on the balance sheet.
- All derivative financial instruments and reverse repurchase and repurchase agreements and other similar secured lending and borrowing agreements that are subject to enforceable master netting arrangements or similar agreements, but do not qualify for balance sheet netting.

The 'Net amounts' presented in the table below are not intended to represent the Barclays Bank Group's actual exposure to credit risk, as a variety of credit mitigation strategies are employed in addition to netting and collateral arrangements.

Barclays Bank Group	Amounts subject to enforceable netting arrangements							
	Effects of offsetting on-balance sheet			Related amounts not offset				
	Gross amounts	Amounts offset[1]	Net amounts reported on the balance sheet	Financial instruments	Financial collateral[2]	Net amount	Amounts not subject to enforceable netting arrangements[3]	Balance sheet total[4]
As at 31 December 2024	£m	£m	£m	£m	£m	£m	£m	£m
Derivative financial assets	**333,711**	**(47,207)**	**286,504**	**(230,260)**	**(41,586)**	**14,658**	**5,852**	**292,356**
Reverse repurchase agreements and other similar secured lending[5]	**700,005**	**(556,219)**	**143,786**	**—**	**(143,347)**	**439**	**1,398**	**145,184**
Total assets	**1,033,716**	**(603,426)**	**430,290**	**(230,260)**	**(184,933)**	**15,097**	**7,250**	**437,540**
Derivative financial liabilities	**(318,990)**	**46,040**	**(272,950)**	**230,260**	**27,660**	**(15,030)**	**(6,381)**	**(279,331)**
Repurchase agreements and other similar secured borrowing[5]	**(737,053)**	**556,219**	**(180,834)**	**—**	**180,834**	**—**	**(4,587)**	**(185,421)**
Total liabilities	**(1,056,043)**	**602,259**	**(453,784)**	**230,260**	**208,494**	**(15,030)**	**(10,968)**	**(464,752)**
As at 31 December 2023								
Derivative financial assets	306,735	(55,781)	250,954	(198,633)	(39,927)	12,394	5,157	256,111
Reverse repurchase agreements and other similar secured lending[5]	677,255	(529,435)	147,820	—	(147,397)	423	2,414	150,234
Total assets	983,990	(585,216)	398,774	(198,633)	(187,324)	12,817	7,571	406,345
Derivative financial liabilities	(297,308)	54,241	(243,067)	198,633	27,930	(16,504)	(6,813)	(249,880)
Repurchase agreements and other similar secured borrowing[5]	(736,112)	529,435	(206,677)	—	206,677	—	(8,783)	(215,460)
Total liabilities	(1,033,420)	583,676	(449,744)	198,633	234,607	(16,504)	(15,596)	(465,340)

Notes
1. Amounts offset for derivative financial assets additionally includes cash collateral netted of £5,126m (2023: £7,527m). Amounts offset for derivative financial liabilities additionally includes cash collateral netted of £6,293m (2023: £9,067m). Settlement assets and liabilities have been offset amounting to £25,133m (2023: £29,297m).
2. Financial collateral of £41,586m (2023: £39,927m) was received in respect of derivative assets, including £28,953m (2023: £29,944m) of cash collateral and £12,633m (2023: £9,983m) of non-cash collateral. Financial collateral of £27,660m (2023: £27,930m) was placed in respect of derivative liabilities, including £23,109m (2023: £24,212m) of cash collateral and £4,551m (2023: £3,718m) of non-cash collateral. The collateral amounts are limited to net balance sheet exposure so as to not include over-collateralisation.
3. This column includes contractual rights of set-off that are subject to uncertainty under the laws of the relevant jurisdiction.
4. The balance sheet total is the sum of 'Net amounts reported on the balance sheet' that are subject to enforceable netting arrangements and 'Amounts not subject to enforceable netting arrangements'.
5. Reverse repurchase agreements and other similar secured lending of £145,184m (2023: £150,234m) is split by fair value £141,791m (2023: £149,131m) and amortised cost £3,393m (2023: £1,103m). Repurchase agreements and other similar secured borrowing of £185,421m (2023: £215,460m) is split by fair value £156,024m (2023: £186,906m) and amortised cost £29,397m (2023: £28,554m).

Derivative assets and liabilities

The 'Financial instruments' column identifies financial assets and liabilities that are subject to set off under netting agreements, such as the ISDA Master Agreement or derivative exchange or clearing counterparty agreements, whereby all outstanding transactions with the same counterparty can be offset and close-out netting applied across all outstanding transactions covered by the agreements if an event of default or other predetermined events occur.

Financial collateral refers to cash and non-cash collateral obtained, typically daily or weekly, to cover the net exposure between counterparties by enabling the collateral to be realised in an event of default or if other predetermined events occur.

Reverse repurchase and repurchase agreements and other similar secured lending and borrowing

The 'Financial instruments' column identifies financial assets and liabilities that are subject to set off under netting agreements, such as Global Master Repurchase Agreements and Global Master Securities Lending Agreements, whereby all outstanding transactions with the same counterparty can be offset and close-out netting applied across all outstanding transactions covered by the agreements if an event of default or other predetermined events occur.

Financial collateral typically comprises highly liquid securities which are legally transferred and can be liquidated in the event of counterparty default.

These offsetting collateral arrangements and other credit risk mitigation strategies used by the Barclays Bank Group are further explained in the Credit risk management section on page 66.

18 Property, plant and equipment

Accounting for property, plant and equipment

Property, plant and equipment is stated at cost, which includes direct and incremental acquisition costs less accumulated depreciation and provisions for impairment, if required. Subsequent costs are capitalised if these result in enhancement of the asset.

Depreciation is provided on the depreciable amount of items of property, plant and equipment on a straight-line basis over their estimated useful economic lives. Depreciation rates, methods and the residual values underlying the calculation of depreciation of items of property, plant and equipment are kept under review to take account of any change in circumstances including consideration on future Climate and Sustainability investments.

The Barclays Bank Group and Barclays Bank PLC use the following annual rates in calculating depreciation:

Annual rates in calculating depreciation	Depreciation rate
Freehold land	Not depreciated
Freehold buildings	2%-3.3%
Leasehold property	Over the remaining life of the lease
Costs of adaptation of freehold and leasehold property	6%-10%
Equipment installed in freehold and leasehold property	6%-10%
Computers and similar equipment	17%-33%
Fixtures and fittings and other equipment	9%-20%

Costs of adaptation and installed equipment are depreciated over the shorter of the life of the lease or the depreciation rates noted in the table above.

Investment property

The Barclays Bank Group and Barclays Bank PLC initially recognises investment property at cost, and subsequently at fair value at each balance sheet date, reflecting market conditions at the reporting date. Gains and losses on remeasurement are included in the income statement.

	Barclays Bank Group				
	Investment property £m	Property £m	Equipment £m	Right of use assets[1] £m	Total £m
Cost					
As at 1 January 2024	**2**	**1,540**	**942**	**803**	**3,287**
Additions	**9**	**70**	**58**	**12**	**149**
Disposals[2]	**(2)**	**(14)**	**(47)**	**(9)**	**(72)**
Exchange and other movements[3]	**—**	**28**	**(15)**	**237**	**250**
As at 31 December 2024	**9**	**1,624**	**938**	**1,043**	**3,614**
Accumulated depreciation and impairment					
As at 1 January 2024	**—**	**(778)**	**(690)**	**(557)**	**(2,025)**
Depreciation charge	**—**	**(42)**	**(73)**	**(51)**	**(166)**
Impairment charge	**—**	**—**	**—**	**—**	**—**
Disposals[2]	**—**	**14**	**40**	**9**	**63**
Exchange and other movements[3]	**—**	**(7)**	**(2)**	**69**	**60**
As at 31 December 2024	**—**	**(813)**	**(725)**	**(530)**	**(2,068)**
Net book value	**9**	**811**	**213**	**513**	**1,546**
Cost					
As at 1 January 2023	5	1,624	1,039	781	3,449
Additions	—	18	85	9	112
Disposals[2]	(3)	(12)	(186)	(3)	(204)
Exchange and other movements	—	(90)	4	16	(70)
As at 31 December 2023	2	1,540	942	803	3,287
Accumulated depreciation and impairment					
As at 1 January 2023	—	(782)	(775)	(513)	(2,070)
Depreciation charge	—	(47)	(78)	(52)	(177)
Impairment charge	—	—	—	(13)	(13)
Disposals[2]	—	9	185	3	197
Exchange and other movements	—	42	(22)	18	38
As at 31 December 2023	—	(778)	(690)	(557)	(2,025)
Net book value	2	762	252	246	1,262

Notes
1 Right of use (ROU) asset balances relate to Property Leases accounted in accordance with IFRS 16. Refer to Note 19 for further details.
2 Disposals pertain to fully depreciated assets which are not in use.
3 Exchange and other movements in Right of use (ROU) asset balances include modification related to a lease extension by ~91 years.

Property rentals of £8m (2023: £8m) have been included in other income within the Barclays Bank Group.

The fair value of investment property is determined by reference to current market prices for similar properties, adjusted as necessary for condition and location, or by reference to recent transactions updated to reflect current economic conditions. Discounted cash flow techniques may be employed to calculate fair value where there have been no recent transactions, using current external market inputs such as market rents and interest rates. Valuations are carried out by management with the support of appropriately qualified independent valuers.

19 Leases

Accounting for leases

When the Barclays Bank Group or Barclays Bank PLC are the lessee, they are required to recognise both:

- a lease liability, measured at the present value of remaining cash flows on the lease
- a right of use (ROU) asset, measured at the amount of the initial measurement of the lease liability, plus any lease payments made prior to commencement date, initial direct costs, and estimated costs of restoring the underlying asset to the condition required by the lease, less any lease incentives received.

Subsequently the lease liability will increase for the accrual of interest, resulting in a constant rate of return throughout the life of the lease, and reduce when payments are made. The right of use asset will amortise to the income statement over the life of the lease.

On the balance sheet, the ROU assets are included within property, plant and equipment and the lease liabilities are included within other liabilities.

The Barclays Bank Group and Barclays Bank PLC apply the recognition exemption in IFRS 16 for leases with a term not exceeding 12 months. For these leases the lease payments are recognised as an expense on a straight line basis over the lease term unless another systematic basis is more appropriate.

When the Barclays Bank Group or Barclays Bank PLC are the lessor, the lease must be classified as either a finance lease or an operating lease. A finance lease is a lease which confers substantially all the risks and rewards of the leased assets on the lessee. An operating lease is a lease where substantially all of the risks and rewards of the leased asset remain with the lessor.

As lessors

The Barclays Bank Group and Barclays Bank PLC do not have any material operating and finance leases as lessors.

As lessees

The Barclays Bank Group and Barclays Bank PLC lease various offices, branches and other premises under non-cancellable lease arrangements to meet their operational business requirements. In some instances, the Barclays Bank Group or Barclays Bank PLC will sublease property to third parties when it is no longer needed to meet business requirements. Currently, the Barclays Bank Group and Barclays Bank PLC do not have any material subleasing arrangements.

ROU asset balances relate to property leases only. Refer to Note 18 for the carrying amount of ROU assets.

The Barclays Bank Group and Barclays Bank PLC have not recognised any expenses related to short term leases during the current and previous year.

Lease liabilities	Barclays Bank Group	
	2024	2023
	£m	£m
As at 1 January	**280**	496
Interest expense	**29**	21
New leases	**11**	9
Disposals	**—**	(1)
Cash payments[1]	**(73)**	(265)
Exchange and other movements[2]	**295**	20
As at 31 December (see Note 21)	**542**	280

The table below sets out a maturity analysis of undiscounted lease liabilities, showing the lease payments after the reporting date.

Undiscounted lease liabilities maturity analysis	Barclays Bank Group	
	2024	2023
	£m	£m
Not more than one year	**70**	62
One to two years	**66**	55
Two to three years	**61**	49
Three to four years	**46**	43
Four to five years	**40**	28
Five to ten years	**130**	72
Greater than ten years	**3,550**	16
Total undiscounted lease liabilities as at 31 December	**3,963**	325

During the year, Barclays had a lease modification for property "New York, 745 7th Avenue" wherein there is an extension of lease term by ~91 years, resulting in increase in the above stated undiscounted lease liabilities.

In addition to the cash flows identified above, the Barclays Bank Group and Barclays Bank PLC are exposed to:

- Variable lease payments: This variability will typically arise from either inflation index instruments or market-based pricing adjustments.

  Currently, Barclays Bank Group has 38 leases (2023: 49 leases) out of the total 103 leases (2023: 94 leases) which have variable lease payment terms based on market based pricing adjustments. Of the gross cash flows identified above, £3,855m (2023: £229m) is attributable to leases with some degree of variability predominantly linked to market based pricing adjustments.

- Extension and termination options: The table above represents the Barclays Bank Group's and the Barclays Bank PLC's best estimate of future cash outflows for leases, including assumptions regarding the exercising of contractual extension and termination options. The above gross cash flows have been reduced by £9m (2023: £429m) and £9m (2023: £9m) respectively for leases where the Barclays Bank Group and the Barclays Bank PLC are highly expected to exercise an early termination option. The above gross cash flows have been increased by £3,638m, of which £1,859m (2023: £nil) and £14m (2023: £nil) respectively for leases where the Barclays Bank Group and the Barclays Bank PLC are highly expected to exercise an extension option.

  The Barclays Bank Group and Barclays Bank PLC do not have any restrictions or covenants imposed by the lessor on its property leases which restrict its businesses.

20 Goodwill and intangible assets

Accounting for goodwill and intangible assets

Goodwill

Goodwill arising on the acquisition of subsidiaries represents the excess of the fair value of the purchase consideration over the fair value of the Barclays Bank Group's share of the assets acquired and the liabilities and contingent liabilities assumed on the date of the acquisition.

Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. The test involves comparing the carrying value of the cash generating unit (CGU) including goodwill with the present value of the pre-tax cash flows, discounted at a rate of interest that reflects the inherent risks, of the CGU to which the goodwill relates, or the CGUs fair value if this is higher.

Intangible assets

Intangible assets are initially recognised when they are separable or arise from contractual or other legal rights, the cost can be measured reliably and, in the case of intangible assets not acquired in a business combination, where it is probable that future economic benefits attributable to the assets will flow from their use.

For internally generated intangible assets, only costs incurred during the development phase are capitalised. Expenditure in the research phase is expensed when it is incurred.

Intangible assets are stated at cost (which is, in the case of assets acquired in a business combination, the acquisition date fair value) less accumulated amortisation and provisions for impairment, if any, and are amortised over their useful lives in a manner that reflects the pattern to which they contribute to future cash flows, generally using the amortisation periods set out below:

Annual rates in calculating amortisation	Amortisation period
Goodwill	Not amortised
Internally generated software[1]	12 months to 6 years
Other software	12 months to 6 years
Customer lists	12 months to 25 years
Licences and other	12 months to 25 years

Note
1 Exceptions to the above period relate to useful lives of certain core banking platforms that are assessed individually and, if appropriate, amortised over longer periods ranging from 10 years to 15 years.

Intangible assets are reviewed for impairment when there are indications that impairment may have occurred. Intangible assets not yet available for use are reviewed annually for impairment.

		Intangible assets				
	Goodwill	Internally generated software	Other software	Customer lists	Licences and other	Total
	£m	£m	£m	£m	£m	£m
Barclays Bank Group						
Cost						
As at 1 January 2024	**335**	**1,266**	**73**	**1,477**	**128**	**3,279**
Additions	**263**	**366**	**1**	**—**	**66**	**696**
Disposals[1]	**—**	**(131)**	**(10)**	**—**	**—**	**(141)**
Exchange and other movements	**9**	**(162)**	**1**	**(315)**	**3**	**(464)**
As at 31 December 2024	**607**	**1,339**	**65**	**1,162**	**197**	**3,370**
Accumulated amortisation and impairment						
As at 1 January 2024	**(68)**	**(623)**	**(42)**	**(1,345)**	**(117)**	**(2,195)**
Disposals[1]	**—**	**131**	**10**	**—**	**—**	**141**
Amortisation charge	**—**	**(149)**	**(8)**	**(25)**	**(5)**	**(187)**
Impairment charge	**—**	**(2)**	**—**	**—**	**—**	**(2)**
Exchange and other movements	**—**	**(4)**	**(1)**	**305**	**(2)**	**298**
As at 31 December 2024	**(68)**	**(647)**	**(41)**	**(1,065)**	**(124)**	**(1,945)**
Net book value	**539**	**692**	**24**	**97**	**73**	**1,425**

	Goodwill	Internally generated software	Other software	Customer lists	Licences and other	Total
	£m	£m	£m	£m	£m	£m
Barclays Bank Group						
Cost						
As at 1 January 2023	345	1,477	91	1,562	956	4,431
Additions	—	310	23	—	4	337
Disposals[1]	—	(325)	(13)	—	(2)	(340)
Exchange and other movements	(10)	(196)	(28)	(85)	(830)	(1,149)
As at 31 December 2023	335	1,266	73	1,477	128	3,279
Accumulated amortisation and impairment						
As at 1 January 2023	(68)	(787)	(49)	(1,382)	(480)	(2,766)
Disposals[1]	—	325	13	—	2	340
Amortisation charge	—	(163)	(9)	(39)	(48)	(259)
Impairment charge	—	(40)	—	—	—	(40)
Exchange and other movements	—	42	3	76	409	530
As at 31 December 2023	(68)	(623)	(42)	(1,345)	(117)	(2,195)
Net book value	267	643	31	132	11	1,084

Note
1 Disposals pertain to fully amortised assets which are not in use.

In 2024, Goodwill has increased in the year by £263m due to the acquisition of Luxury Card's US. Exchange and other movements for the year ended 31 December 2024 includes the reclassification of a co-branded cards portfolio to assets held for sale of £338m and accumulated amortisation of £326m from intangibles to assets held for sale.

In 2023, the Barclays Bank Group reclassified assets with a total net book value of £412m recognised on balance sheet relating to sign-on bonus payments made to co-brand credit card partners from Intangible Assets (Licences and other) to Other Assets. This change in classification has been made to more appropriately reflect the nature of the assets.

The German Consumer Finance business moved to assets held for sale during 2023 which resulted in an impairment of Intangible assets of £32m.

Goodwill

Goodwill is allocated to business operations according to business segments as follows:

	Barclays Bank Group	
	2024	2023[1]
	£m	£m
Barclays Private Bank and Wealth Management	95	95
Barclays US Consumer Bank	444	172
Total net book value of goodwill	539	267

2024 impairment review

The 2024 impairment review was performed during Q4 2024, with the approach and results of this analysis set out below.

Determining the carrying value of CGUs

The carrying value for each CGU is the sum of the tangible equity, goodwill and intangible asset balances associated with that CGU.

The Barclays Bank Group manages the assets and liabilities of its CGUs with reference to the tangible equity of the respective businesses. That tangible equity is derived from the level of risk weighted assets (RWAs) and capital required to be deployed in the CGU and therefore reflects its relative risk, as well as the level of capital that management considers a market participant would be required to hold and retain to support business growth.

Goodwill is initially allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the acquisition that generated it. Goodwill is only reallocated if there is a change in its use or when reporting structures are altered in a way that changes the composition of one or more cash-generating units to which goodwill has been allocated. As a result of the changes in business operating segments announced in the 20 February 2024 Barclays PLC Investor Update the goodwill previously allocated to the Consumer, Cards & Payments CGU has been reallocated to the US Consumer Bank CGU with the 2023 comparatives re-presented.

Cash flows

The five-year cash flows used in the calculation of value in use are based on the formally agreed medium-term plans approved by the Board. These are prepared using macroeconomic assumptions which management considers reasonable and supportable, and reflect business agreed initiatives for the forecast period.

Discount rates

IAS 36 requires that the discount rate used in a value in use calculation reflects the pre-tax rate an investor would require if they were to choose an investment that would generate similar cash flows to those that the entity expects to generate from the asset. In determining the discount rate, management identified the cost of equity associated with market participants that closely resemble the Barclays Bank Group's CGUs. The cost of equity has been used as the discount rate in the impairment assessment and applied to the post tax cash flows of the CGU. This post-tax method incorporates the impact of changing tax rates on the cash flows and is expected to produce the same VIU result as a pre-tax method adjusted for varying tax rates. Using the resultant VIU the equivalent pre-tax discount rates have been calculated. The cost of equity rate used for all CGUs in this year’s calculation has been increased to reflect the relative volatility of Barclays PLC’s stock price versus the average of our peers. The range of equivalent pre-tax discount rates applicable across the CGUs range from 14.5% to 18.5% (2023: 14.7% to 17.2%).

Terminal growth rate

The terminal growth rate is used to estimate the effect of projecting cash flows to the end of an asset’s useful economic life. It is management’s judgement that the cash flows associated with the CGUs will grow in line with the major economies in which the Barclays Bank Group operates. The UK inflation rate is used as an approximation for the future growth rates. The terminal growth rate used is 2.0% (2023: 2.0%).

Outcome of goodwill and intangibles review

Based on management’s plans and assumptions the value in use exceeds the carrying value of the CGUs and no goodwill impairment has been indicated by the 2024 impairment review. The CGUs have been aligned to the changes in business operating segments announced in the 20 February 2024 Barclays PLC Investor Update and the 2023 comparatives re-presented.

Cash generating unit	Tangible equity	Goodwill	Intangibles	Carrying value	Value in use	Value in use exceeding carrying value 2024	Value in use exceeding carrying value 2023
	£m	£m	£m	£m	£m	£m	£m
Barclays Private Bank and Wealth Management	894	95	9	998	3,702	2,704	2,884
Barclays US Consumer Bank	2,763	415	458	3,636	3,989	353	1,175
Total	3,657	510	467	4,634	7,691	3,057	4,059

Sensitivity of key judgements

The CGUs are sensitive to possible adverse changes in the key assumptions that support the recoverable amount:

Cash flows: The medium-term plans used to determine the cash flows used in the VIU calculation rely on macroeconomic forecasts, including interest rates, GDP and unemployment, and forecast levels of customers activity. Interest rate assumptions impact planned cash flows from both customer income and structural hedge contributions and therefore cash flow expectations are highly sensitive to movements in the yield curve. The cash flows also contain assumptions with regard to the prudential and financial conduct regulatory environment which may be subject to change. A sensitivity analysis has been provided to illustrate the impact of a 10% reduction in cash flows.

Discount rate: The discount rate should reflect the market risk-free rate adjusted for the inherent risks of the business it is applied to. Management has identified discount rates for comparable businesses and consider these to be a reasonable estimate of a suitable market rate for the profile of the business unit being tested. The risk that these discount rates may not be appropriate is quantified below by showing the impact of a 100bps increase in the discount rate.

Terminal growth rate: The terminal growth rate is used to estimate the cash flows into perpetuity based on the expected longevity of the CGU's businesses. The terminal growth rate is sensitive to uncertainties in the macroeconomic environment. The risk that using inflation data may not be appropriate for its determination is quantified below and shows the impact of a 100bps decrease in the terminal growth rate is shown.

Allocated capital rate: Tangible equity is allocated based on the level of risk weighted assets (RWAs) and capital required to be deployed in the CGU which is dependent on the relative risk of businesses. The capital ratio used in determining the level of tangible equity allocated to the CGU and its capital cash flows could move over time as a result of a change to the prudential regulatory environment or the risk profile of the business. The impact of a 50bps increase in capital ratio is quantified below.

The sensitivity of the value in use to key judgements in the calculations for certain CGUs holding goodwill balances is set out below:

						Reduction in headroom				Change required to reduce headroom to zero			
Cash generating unit	Carrying value	Value in use	Value in use exceeding carrying value	Discount rate	Terminal growth rate	100bps increase in the discount rate	100bps decrease in terminal growth rate	50bps increase to allocated capital rate	10% reduction in forecasted cash flows	Discount rate	Terminal growth rate	Allocated Capital rate	Cash flows
	£m	£m	£m	%	%	£m	£m	£m	£m	%	%	%	%
Barclays US Consumer Bank	**3,636**	**3,989**	**353**	**14.5**	**2.0**	**(516)**	**(393)**	**(234)**	**(638)**	**0.7**	**(0.9)**	**0.8**	**(5.5)**

Other intangible assets

Determining the estimated useful lives of intangible assets (such as those arising from contractual relationships) requires an analysis of circumstances. The assessment of whether an asset is exhibiting indicators of impairment as well as the calculation of impairment, which requires the estimate of future cash flows and fair values less costs to sell, also requires the preparation of cash flow forecasts and fair values for assets that may not be regularly bought and sold.

Notes to the financial statements
Accruals, provisions, contingent liabilities and legal proceedings

The notes included in this section focus on the Barclays Bank Group's accruals, provisions and contingent liabilities. Provisions are recognised for present obligations arising as consequences of past events where it is probable that a transfer of economic benefit will be necessary to settle the obligation, and it can be reliably estimated. Contingent liabilities reflect potential liabilities that are not recognised on the balance sheet.

21 Other liabilities

	Barclays Bank Group	
	2024	2023
	£m	£m
Accruals and deferred income	**3,035**	2,695
Other creditors	**4,319**	5,969
Items in the course of collection due to other banks	**8**	40
Lease liabilities (refer to Note 19)	**542**	280
Other liabilities	**7,904**	8,984

22 Provisions

Accounting for provisions

Provisions are recognised for present obligations arising as consequences of past events where it is more likely than not that a transfer of economic benefit will be necessary to settle the obligation, which can be reliably estimated.

Critical accounting estimates and judgements

The financial reporting of provisions involves a significant degree of judgement and is complex. Identifying whether a present obligation exists and estimating the probability, timing, nature and quantum of the outflows that may arise from past events requires judgements to be made based on the specific facts and circumstances relating to individual events and often requires specialist professional advice. When matters are at an early stage, accounting judgements and estimates can be difficult because of the high degree of uncertainty involved. Management continues to monitor matters as they develop to re-evaluate on an ongoing basis whether provisions should be recognised, however there can remain a wide range of possible outcomes and uncertainties, particularly in relation to legal, competition and regulatory matters, and as a result it is often not practicable to make meaningful estimates even when matters are at a more advanced stage.

The amount that is recognised as a provision can also be very sensitive to the assumptions made in calculating it. This gives rise to a large range of potential outcomes which require judgement in determining an appropriate provision level. See Note 24 for more detail of legal, competition and regulatory matters.

	Redundancy and restructuring	Customer redress	Legal, competition and regulatory matters	Sundry provisions	Total
	£m	£m	£m	£m	£m
Barclays Bank Group					
As at 1 January 2024	**126**	**21**	**59**	**138**	**344**
Additions	**164**	**3**	**103**	**56**	**326**
Amounts utilised	**(168)**	**(5)**	**(100)**	**(8)**	**(281)**
Unused amounts reversed	**(34)**	**(8)**	**(5)**	**(19)**	**(66)**
Exchange and other movements	**(1)**	**2**	**1**	**(9)**	**(7)**
As at 31 December 2024	**87**	**13**	**58**	**158**	**316**
Undrawn contractually committed facilities and guarantees[1]					
As at 1 January 2024					**473**
Net change in expected credit loss provision and other movements					**(53)**
As at 31 December 2024					**420**
Total provisions					
As at 1 January 2024					**817**
As at 31 December 2024					**736**

Note
1 Undrawn contractually committed facilities and guarantees provisions are accounted for under IFRS 9. Further analysis of the movement in the expected credit loss provision is disclosed within the 'Movement in gross exposures and impairment allowance including provisions for loan commitments and financial guarantees' table on page 83 to 92.

Provisions expected to be recovered or settled within no more than 12 months after 31 December 2024 for Barclays Bank Group were £663m (2023: £717m) and for Barclays Bank PLC were £421m (2023: £458m).

Redundancy and restructuring
These provisions comprise the estimated cost of restructuring, including redundancy costs where an obligation exists. For example, when the Barclays Bank Group has a detailed formal plan for restructuring a business and has raised valid expectations in those affected by the restructuring by announcing its main features or starting to implement the plan.

Customer redress
Customer redress provisions comprise the estimated cost of making redress payments to customers, clients and counterparties for losses or damages associated with inappropriate judgement in the execution of the Barclays Bank Group's business activities.

Legal, competition and regulatory matters
The Barclays Bank Group is engaged in various legal proceedings, both in the UK and a number of other overseas jurisdictions, including the US. For further information in relation to legal proceedings and discussion of the associated uncertainties, please refer to Note 24.

Sundry provisions
This category includes provisions that do not fit into any of the other categories, such as fraud losses and dilapidation provisions.

Undrawn contractually committed facilities and guarantees
Impairment allowance under IFRS 9 considers both the drawn and the undrawn counterparty exposure. For retail portfolios, the total impairment allowance is allocated to the drawn exposure to the extent that the allowance does not exceed the exposure as ECL is not reported separately. Any excess is reported on the liability side of the balance sheet as a provision. For wholesale portfolios the impairment allowance on the undrawn exposure is reported on the liability side of the balance sheet as a provision. For further information, refer to the Credit Risk section for loan commitments and financial guarantees on pages 83 to 92.

23 Contingent liabilities and commitments

Accounting for contingent liabilities
Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events and present obligations where the transfer of economic resources is uncertain or cannot be reliably measured. Contingent liabilities are not recognised on the balance sheet but are disclosed unless the likelihood of an outflow of economic resources is remote.

The following table summarises the nominal principal amount of contingent liabilities and commitments which are not recorded on-balance sheet:

	Barclays Bank Group	
	2024	2023
	£m	£m
Guarantees and letters of credit pledged as collateral security	**16,814**	17,578
Performance guarantees, acceptances and endorsements	**9,751**	9,251
Total contingent liabilities and financial guarantees	**26,565**	26,829
Of which: Financial guarantees and letters of credit carried at fair value	***988***	*1,266*
Documentary credits and other short-term trade related transactions	**1,433**	2,352
Standby facilities, credit lines and other commitments	**352,344**	335,583
Total commitments[1]	**353,777**	337,935
Of which: Loan commitments carried at fair value	***15,350***	*15,203*

Expected credit losses held against contingent liabilities and commitments equal £420m (2023: £473m) for Barclays Bank Group.

24 Legal, competition and regulatory matters

The Barclays Bank Group faces legal, competition and regulatory challenges, many of which are beyond our control. The extent of the impact of these matters cannot always be predicted but may materially impact our operations, financial results, condition and prospects. Matters arising from a set of similar circumstances can give rise to either a contingent liability or a provision, or both, depending on the relevant facts and circumstances.

The recognition of provisions in relation to such matters involves critical accounting estimates and judgements in accordance with the relevant accounting policies applicable to Note 22, Provisions. We have not disclosed an estimate of the potential financial impact or effect on the Barclays Bank Group of contingent liabilities where it is not currently practicable to do so. Various matters detailed in this note seek damages of an unspecified amount. While certain matters specify the damages claimed, such claimed amounts do not necessarily reflect the Barclays Bank Group's potential financial exposure in respect of those matters.

Investigations into certain advisory services agreements and other proceedings

FCA proceedings

In 2008, Barclays Bank PLC and Qatar Holdings LLC entered into two advisory service agreements (the Agreements). The Financial Conduct Authority (FCA) conducted an investigation into whether the Agreements may have related to Barclays PLC's capital raisings in June and November 2008 (the Capital Raisings) and therefore should have been disclosed in the announcements or public documents relating to the Capital Raisings. In 2013, the FCA issued warning notices (the Warning Notices) finding that Barclays PLC and Barclays Bank PLC acted recklessly and in breach of certain disclosure-related listing rules, and that Barclays PLC was also in breach of Listing Principle 3. The financial penalty provided in the Warning Notices was £50m. Barclays PLC and Barclays Bank PLC contested the findings. In 2022, the FCA's Regulatory Decisions Committee (RDC) issued decision notices finding that Barclays PLC and Barclays Bank PLC breached certain disclosure-related listing rules. The RDC also found that in relation to the disclosures made in the Capital Raising of November 2008, Barclays PLC and Barclays Bank PLC acted recklessly, and that Barclays PLC breached Listing Principle 3. The RDC upheld the combined penalty of £50m on Barclays PLC and Barclays Bank PLC, the same penalty as in the Warning Notices. Barclays PLC and Barclays Bank PLC referred the RDC's findings to the Upper Tribunal for reconsideration. In November 2024, Barclays PLC and Barclays Bank PLC withdrew the reference to the Upper Tribunal and agreed a settlement with the FCA for a combined penalty of £40m without accepting the FCA's findings. This matter is now concluded.

Other proceedings

In 2023, Barclays Bank PLC received requests for arbitration from two Jersey special purpose vehicles connected to PCP International Finance Limited asserting claims in relation to the October 2008 capital raising. Barclays Bank PLC is defending these claims.

Civil actions related to LIBOR and other benchmarks

Various individuals and corporates in a range of jurisdictions have threatened or brought civil actions against the Barclays Bank Group and other banks in relation to the alleged manipulation of LIBOR and/or other benchmarks.

US civil actions related to LIBOR

Multiple civil actions have been filed in the US against the Barclays Bank Group and other banks alleging manipulation of USD LIBOR, Sterling LIBOR and the LIBOR benchmark that was administered by the Intercontinental Exchange Inc. and certain of its affiliates (ICE LIBOR).

With respect to USD LIBOR, two actions alleging that Barclays Bank PLC, Barclays Capital Inc. (BCI) and other financial institutions individually and collectively violated provisions of the US Sherman Antitrust Act (Antitrust Act), the US Commodity Exchange Act (CEA), the US Racketeer Influenced and Corrupt Organizations Act (RICO), the US Securities Exchange Act of 1934 and various state laws by manipulating USD LIBOR rates remain pending in the Southern District of New York (SDNY). Both seek unspecified damages. Barclays Bank PLC has moved for summary judgment in these actions, and briefing on that motion was completed in January 2025. Barclays Bank PLC has settled two other actions asserting substantially similar claims in 2023 and 2024. The financial impact of these settlements is not material to the Barclays Bank Group's operating results, cash flows or financial position.

With respect to Sterling LIBOR, consolidated class actions filed in the SDNY against Barclays Bank PLC, BCI and other Sterling LIBOR panel banks alleging, among other things, manipulation of the Sterling LIBOR rate in violation of the Antitrust Act, CEA and RICO, were dismissed in 2018. Oral argument on the plaintiffs' appeal of that dismissal was heard by the US Court of Appeals for the Second Circuit (Second Circuit) in April 2024.

With respect to ICE LIBOR, in August 2020, a group of individual plaintiffs in the US District Court for the Northern District of California on behalf of individual borrowers and consumers of loans and credit cards with variable interest rates linked to USD ICE LIBOR brought an action against Barclays Bank PLC and other financial institutions alleging Antitrust Act violations. The defendants' motion to dismiss the case was granted in 2022. The US Court of Appeals for the Ninth Circuit affirmed the dismissal in December 2024.

Non-US benchmarks civil actions

There remains one claim, issued in 2017, against Barclays Bank PLC and other banks in the UK in connection with alleged manipulation of LIBOR. Proceedings have also been brought in a number of other jurisdictions in Europe and Israel relating to alleged manipulation of LIBOR and EURIBOR.

Foreign exchange civil actions

Various individuals and corporates in a range of jurisdictions have threatened or brought civil actions against the Barclays Bank Group and other banks in relation to alleged manipulation of foreign exchange markets.

US retail basis civil action

In 2015, a putative class action was filed against several international banks, including Barclays PLC and BCI, on behalf of a proposed class of individuals who exchanged currencies on a retail basis at bank branches (Retail Basis Claims). The SDNY has ruled that the Retail Basis Claims are not covered by the settlement agreement in the consolidated FX action. The court subsequently dismissed all Retail Basis Claims against the Barclays Bank Group and all other defendants. The plaintiffs filed an amended complaint. The defendants' motion for summary judgment was granted in 2023, dismissing the plaintiffs' remaining claims. The plaintiffs appealed the decision and the dismissal was upheld by the appellate court in May 2024. The plaintiffs' motion for reconsideration was denied. The plaintiffs did not seek US Supreme Court review and the matter is now concluded.

Non-US FX civil actions

Legal proceedings have been brought or are threatened against Barclays PLC, Barclays Bank PLC, BCI and Barclays Execution Services Limited (BX) in connection with alleged manipulation of foreign exchange in the UK, a number of other jurisdictions in Europe, Israel, Brazil and Australia.

The above-mentioned proceedings include two purported class actions filed against Barclays PLC, Barclays Bank PLC, BX, BCI and other financial institutions in the UK Competition Appeal Tribunal (CAT) in 2019. The second class action has now been discontinued. The CAT refused to certify the remaining claim in 2022 and, in 2023, the Court of Appeal overturned the CAT's decision and found that the claim should be certified on an opt-out basis. Barclays and the other financial institutions involved have obtained permission to appeal this decision to the UK Supreme Court.

Metals-related civil actions

A US civil complaint alleging manipulation of the price of silver in violation of the CEA, the Antitrust Act and state antitrust and consumer protection laws was brought by a proposed class of plaintiffs against a number of banks, including Barclays Bank PLC, BCI and BX, and transferred to the SDNY. The complaint was dismissed against these Barclays entities and certain other defendants in 2018, and against the remaining defendants in 2023. The plaintiffs have appealed the dismissal of the complaint against all defendants.

Civil actions have also been filed in Canadian courts against Barclays PLC, Barclays Bank PLC, Barclays Capital Canada Inc. and BCI on behalf of proposed classes of plaintiffs alleging manipulation of gold and silver prices.

US residential mortgage related civil action

There remains one US Residential Mortgage-Backed Securities (RMBS) related civil action arising from unresolved repurchase requests submitted by Trustees for certain RMBS, alleging breaches of various loan-level representations and warranties (R&Ws) made by Barclays Bank PLC and/or a subsidiary acquired in 2007. Barclays' motion to dismiss the action was denied in 2023. The parties appealed the decision and, in January 2025, the appellate court reversed the lower court's decision and dismissed the action. The plaintiff has the right to request review by the New York State Court of Appeals.

Government and agency securities civil actions

Treasury auction securities civil actions

Consolidated putative class action complaints filed in US federal court against Barclays Bank PLC, BCI and other financial institutions under the Antitrust Act and state common law allege that the defendants (i) conspired to manipulate the US Treasury securities market and/or (ii) conspired to prevent the creation of certain platforms by boycotting or threatening to boycott such trading platforms. The court dismissed the consolidated action in 2021. The plaintiffs filed an amended complaint. The defendants' motion to dismiss the amended complaint was granted in 2022. The plaintiffs appealed this decision, and in February 2024 the appellate court affirmed the dismissal. The plaintiffs did not seek US Supreme Court review, thereby concluding the matter.

In addition, certain plaintiffs have filed a related, direct action against BCI and certain other financial institutions, alleging that defendants conspired to fix and manipulate the US Treasury securities market in violation of the Antitrust Act, the CEA and state common law. This action remains stayed.

Supranational, Sovereign and Agency bonds civil actions

Civil antitrust actions have been filed in the Federal Court of Canada in Toronto against Barclays Bank PLC, BCI, BX, Barclays Capital Securities Limited and Barclays Capital Canada Inc. and other financial institutions alleging that the defendants conspired to fix prices and restrain competition in the market for US dollar-denominated Supranational, Sovereign and Agency bonds.

The parties have reached a settlement, which has received final court approval and has been paid. The financial impact of the settlement is not material to the Barclays Bank Group's operating results, cash flows or financial position.

Variable Rate Demand Obligations civil actions

Civil actions have been filed against Barclays Bank PLC and BCI and other financial institutions alleging the defendants conspired or colluded to artificially inflate interest rates set for Variable Rate Demand Obligations (VRDOs). VRDOs are municipal bonds with interest rates that reset on a periodic basis, most commonly weekly. An action in state court has been filed by private plaintiffs on behalf of the state of California and the matter is in discovery. Three putative class action complaints have been consolidated in the SDNY. In the consolidated SDNY class action, certain of the plaintiffs' claims were dismissed in 2020 and 2022 and the plaintiffs' motion for class certification was granted in 2023, which means the case may proceed as a class action. The defendants are appealing this decision.

Odd-lot corporate bonds antitrust class action

In 2020, BCI, together with other financial institutions, were named as defendants in a putative class action in the US. The complaint alleges a conspiracy to boycott developing electronic trading platforms for odd-lots and price fixing. The plaintiffs demand unspecified money damages. The defendants' motion to dismiss was granted in 2021, which the plaintiffs appealed. In July 2024, the Second Circuit vacated the judgment and remanded the case to the SDNY, where the plaintiffs filed a second amended complaint in September 2024. The defendants have filed a motion to dismiss.

Credit Default Swap civil action

A putative antitrust class action is pending in New Mexico federal court against Barclays Bank PLC, BCI and various other financial institutions. The plaintiffs, the New Mexico State Investment Council and certain New Mexico pension funds, allege that the defendants conspired to manipulate the benchmark price used to value Credit Default Swap (CDS) contracts at settlement (i.e, the CDS final auction price). The plaintiffs allege violations of US antitrust laws and the CEA, and unjust enrichment under state law. The defendants' motion to dismiss was denied in 2023. In January 2024, the SDNY ruled that settlement in an earlier CDS antitrust litigation bars these plaintiffs from asserting claims based on conduct occurring before 30 June 2014. The plaintiffs have appealed to the Second Circuit.

Interest rate swap and credit default swap US civil actions

Barclays PLC, Barclays Bank PLC and BCI, together with other financial institutions that act as market makers for interest rate swaps (IRS), are named as defendants in several antitrust actions, including one putative class action and individual actions brought by certain swap execution facilities, which are consolidated in the SDNY. The complaints allege the defendants conspired to prevent the development of exchanges for IRS and demand unspecified money damages. The parties have reached a settlement of the class action, which received preliminary court approval and has been paid. The financial impact of the settlement is not material to the Barclays Bank Group's operating results, cash flows or financial position. The individual claims will proceed separately in the SDNY.

In 2017, Tera Group Inc. (Tera) filed a separate civil antitrust action in the SDNY claiming that certain conduct alleged in the IRS cases also caused Tera to suffer harm with respect to the Credit Default Swaps market. In 2019, the court dismissed Tera's claims for unjust enrichment and tortious interference but denied motions to dismiss the antitrust claims. Tera filed an amended complaint in 2020. Barclays' motion to dismiss all claims was granted in 2023. Tera initially appealed this decision, but in September 2024, Tera declined to pursue its appeal against Barclays. In October 2024, the Second Circuit affirmed the dismissal against the remaining defendants, including Barclays, and the matter is now concluded.

BDC Finance L.L.C.

In 2008, BDC Finance L.L.C. (BDC) filed a complaint in the Supreme Court of the State of New York, demanding damages of $298m, alleging that Barclays Bank PLC had breached a contract in connection with a portfolio of total return swaps governed by an ISDA Master Agreement (the Master Agreement). Following a trial, the court ruled in 2018 that Barclays Bank PLC was not a defaulting party, which was affirmed on appeal. In 2021, the trial court entered judgment in favour of Barclays Bank PLC for $3.3m and as yet to be determined legal fees and costs. In 2022, the appellate court reversed the trial court's summary judgment decision in favour of Barclays Bank PLC and remanded the case to the lower court for further proceedings. The parties filed cross-motions on the scope of trial. In January 2024, the court ruled in Barclays' favour. In December 2024, the appellate court reversed the trial court's judgment.

Civil actions in respect of the US Anti-Terrorism Act

Eight civil actions, on behalf of more than 4000 plaintiffs, were filed in US federal courts in the US District Court in the Eastern District of New York (EDNY) and SDNY against Barclays Bank PLC and a number of other banks. The complaints generally allege that Barclays Bank PLC and those banks engaged in a conspiracy to facilitate US dollar-denominated transactions for the Iranian government and various Iranian banks, which in turn funded acts of terrorism that injured or killed the plaintiffs or the plaintiffs' family members. The plaintiffs seek to recover damages for pain, suffering and mental anguish under the provisions of the US Anti-Terrorism Act, which allow for the trebling of any proven damages.

The court granted the defendants' motions to dismiss three out of the six actions in the EDNY. The plaintiffs appealed in one action and the dismissal was affirmed, and judgment was entered, in 2023. The plaintiffs' motion to vacate the judgment is fully briefed. The other two dismissed actions in the EDNY were consolidated into one action. The plaintiffs in that action, and in one other action in the EDNY, filed amended complaints in 2023. The two other actions in the EDNY are currently stayed. Out of the two actions in the SDNY, the court granted the defendants' motion to dismiss the first action. That action is stayed, and the second SDNY action is stayed pending any appeal on the dismissal of the first.

Shareholder derivative action

In 2020, a purported Barclays shareholder filed a putative derivative action in New York state court against BCI and a number of current and former members of the Board of Directors of Barclays PLC and senior executives or employees of the Barclays Bank Group. The shareholder plaintiff filed the claim on behalf of nominal defendant Barclays PLC, alleging that the individual defendants harmed the company through breaches of their duties, including under the Companies Act 2006. The plaintiff seeks damages on behalf of Barclays PLC for the losses that Barclays PLC allegedly suffered as a result of these alleged breaches. An amended complaint was filed in 2021, which BCI and certain other defendants moved to dismiss. The motion to dismiss was granted in 2022. The plaintiff appealed the decision, and the dismissal was unanimously affirmed in 2023 by the First Judicial Department in New York. The plaintiff has appealed the First Judicial Department's decision to the New York Court of Appeals.

Derivative transactions civil action

In 2021, Vestia, a Dutch housing association, brought a claim against Barclays Bank PLC in the UK High Court in relation to a series of derivative transactions entered into with Barclays Bank PLC between 2008 and 2011, seeking damages of £329m. In May 2024, Barclays Bank PLC reached a settlement whereby Barclays paid €43.5m with no acknowledgement of liability. This matter is now closed.

Skilled person review in relation to historic timeshare loans and associated matters

Clydesdale Financial Services Limited (CFS), which trades as Barclays Partner Finance and houses Barclays' point-of-sale finance business, was required by the FCA to undertake a skilled person review in 2020 following concerns about historic affordability assessments for certain loans to customers in connection with timeshare purchases. The skilled person review was concluded in 2021. CFS complied fully with the skilled person review requirements, including carrying out certain remediation measures. CFS was not required to conduct a full back book review. Instead, CFS reviewed limited historic lending to ascertain whether its practices caused customer harm and is remediating any examples of harm. This work was substantially completed during 2023, utilising provisions booked to account for any remediations. The remaining provisions are expected to be utilised during early 2025. This matter is otherwise concluded.

Motor finance commission arrangements

In January 2024, the FCA appointed a skilled person to undertake a review of the historical use of discretionary commission arrangements and sales in the motor finance market across several firms. Barclays is co-operating fully with the FCA's skilled person review, the outcome of which is unknown. This review follows two final decisions by the UK Financial Ombudsman Service (FOS), including one upholding a complaint against CFS in relation to commission arrangements and disclosure in the sale of motor finance products, and a number of complaints and court claims, including some against CFS.

In April 2024, CFS filed a judicial review challenge in the High Court against the FOS's decision in relation to commission arrangements and disclosure in the sale of motor finance products. In December 2024, the High Court ruled against CFS. CFS has obtained permission to appeal.

Separately, in October 2024, the English Court of Appeal issued judgment against the lenders in three motor finance commissions cases. CFS is not a party to this litigation. The Supreme Court has agreed to hear an appeal of these cases, which will take place in April 2025. In light of this decision and onward appeal, the FCA has extended its pause on complaints to include all motor finance commissions, not just discretionary commission arrangements. CFS ceased operating in the motor finance market in late 2019. In 2020, CFS was transferred from Barclays Bank PLC to Barclays Principal Investments Ltd (BPIL), another subsidiary of Barclays PLC. Barclays Bank PLC has provided an intragroup indemnity to BPIL in respect of historic litigation and conduct matters relating to CFS.

Over-issuance of securities in the US

In 2022, executive management became aware that Barclays Bank PLC had issued securities materially in excess of the set amount under its US shelf registration statements.

In 2022, a purported class action claim was filed in the US District Court in Manhattan seeking to hold Barclays PLC, Barclays Bank PLC and former and current executives responsible for declines in the price of Barclays PLC's American depositary receipts, which the plaintiffs claim occurred as a result of alleged misstatements and omissions in its public disclosures. The defendants' motion to dismiss the case was granted in part and denied in part in February 2024.

The parties have reached a settlement in respect of such lawsuit, which has received preliminary court approval and has been paid. The financial impact of this settlement is not material to the Group's operating results, cash flows or financial position. In addition, holders of a series of ETNs have brought a purported class action in federal court in New York against Barclays PLC, Barclays Bank PLC, and former and current executives and board members in the US alleging, among other things, that Barclays' failure to disclose that these ETNs were unregistered securities misled investors and that, as a result, Barclays is liable for the holders' alleged losses following the suspension of further sales and issuances of such series of ETNs. The plaintiffs were granted leave to amend and filed a new complaint in March 2024. Barclays has filed a motion to dismiss.

In March 2024, a putative class action was filed in federal court in New York against Barclays PLC, Barclays Bank PLC and former and current executives. The plaintiff purports to bring claims on behalf of a class of short sellers, alleging that their short positions suffered substantial losses when Barclays suspended new issuances and sales of VXX ETNs as a result of the over-issuance of securities. Barclays has filed a motion to dismiss.

HM Revenue & Customs (HMRC) assessments concerning UK Value Added Tax

In 2018, HMRC issued notices that have the effect of either removing certain Barclays overseas subsidiaries that have operations in the UK from Barclays' UK VAT group or preventing them from joining it. Supplies between members of a UK VAT group are generally free from VAT. The notices had both retrospective and prospective effect. Barclays appealed HMRC's decisions to the First-Tier Tribunal (Tax Chamber) in relation to both the retrospective VAT assessments and the on-going VAT payments made since 2018. £181m of VAT (inclusive of interest) was assessed retrospectively by HMRC covering the periods 2014 to 2018, of which approximately £128m is expected to be attributed to Barclays Bank UK PLC and £53m to Barclays Bank PLC. This retrospectively assessed VAT was paid in 2018 and an asset, adjusted to reflect expected eventual recovery, is recognised. Since 2018 Barclays has paid, and recognised as an expense, VAT on intra-group supplies from the relevant subsidiaries to the members of the VAT group. In respect of the ongoing VAT payments, the court upheld HMRC's denial of the VAT grouping in August 2024. Barclays has appealed this decision to the Upper Tribunal.

FCA investigation concerning financial crime systems and controls and compliance with the Money Laundering Regulations 2007

The FCA is conducting a civil enforcement investigation into Barclays Bank UK PLC's and Barclays Bank PLC's compliance with the Money Laundering Regulations 2007 and the FCA's Principles of Business and Rules relating to anti-money laundering and financial crime systems and controls. The FCA's investigation focuses primarily on the historical oversight and management of certain customers with heightened risk. Barclays has been cooperating with the investigation.

UK bank levy

In November 2024, HMRC updated its published guidance on the treatment of beneficiary accounts for the purposes of the exclusion of protected deposits from the UK bank levy charge. HMRC's interpretation of the UK bank levy legislation differs from Barclays' interpretation of the legislation, which has been applied in Barclays' UK bank levy returns and which Barclays continues to consider is correct. In December 2024, HMRC wrote to notify Barclays of its intention to challenge this treatment. Engagement with HMRC is at an early stage and assessments have not yet been issued.

General

The Barclays Bank Group is engaged in various other legal, competition and regulatory matters in the UK, the US and a number of other overseas jurisdictions. It is subject to legal proceedings brought by and against the Barclays Bank Group which arise in the ordinary course of business from time to time, including (but not limited to) disputes in relation to contracts, securities, guarantees, debt collection, consumer credit, fraud, trusts, client assets, competition, data management and protection, intellectual property, money laundering, financial crime, employment, environmental and other statutory and common law issues.

The Barclays Bank Group is also subject to enquiries and examinations, requests for information, audits, investigations and legal and other proceedings by regulators, governmental and other public bodies in connection with (but not limited to) consumer protection measures, measures to combat money laundering and financial crime, compliance with legislation and regulation, wholesale trading activity and other areas of banking and business activities in which the Barclays Bank Group is or has been engaged. The Barclays Bank Group is cooperating with the relevant authorities and keeping all relevant agencies briefed as appropriate in relation to these matters and others described in this note on an ongoing basis.

At the present time, the Barclays Bank Group does not expect the ultimate resolution of any of these other matters to have a material adverse effect on its financial position. However, in light of the uncertainties involved in such matters and the matters specifically described in this note, there can be no assurance that the outcome of a particular matter or matters (including formerly active matters or those matters arising after the date of this note) will not be material to Barclays Bank PLC's results, operations or cash flows for a particular period, depending on, among other things, the amount of the loss resulting from the matter(s) and the amount of profit otherwise reported for the reporting period.

The notes included in this section focus on the Barclays Bank Group's loan capital and shareholders' equity including issued share capital, retained earnings, other equity balances and interests of minority shareholders in our subsidiary entities (non-controlling interests). For more information on capital management and how the Barclays Bank Group maintains sufficient capital to meet our regulatory requirements refer to pages 68 to 69.

25 Subordinated liabilities

Accounting for subordinated liabilities

Subordinated liabilities are measured at amortised cost using the effective interest method under IFRS 9, unless they are irrevocably designated at fair value through profit or loss at initial recognition because such designation eliminates or significantly reduces an accounting mismatch. Refer to Note 15 for details about accounting for liabilities designated at fair value through profit or loss.

	Barclays Bank Group	
	2024	2023
	£m	£m
At amortised cost		
As at 1 January	**35,903**	38,253
Issuances	**11,222**	5,986
Redemptions	**(5,067)**	(7,431)
Other	**(183)**	(905)
As at 31 December	**41,875**	35,903
Designated at fair value (Note 15)	**537**	579
Total subordinated liabilities	**42,412**	36,482

Issuances of £11,222m comprise £9,867m intra-group loans from Barclays PLC, £1,276m EUR 4.973% Fixed Rate Resetting Tier2 Subordinated Callable Notes issued to Barclays PLC and £79m USD Floating Rate Notes issued externally by a Barclays Bank PLC subsidiary.

Redemptions of £5,067m comprise £4,963m intra-group loans from Barclays PLC, £78m USD Floating Rate Notes and £26m JPY Floating Rate Notes issued externally by a Barclays Bank PLC subsidiary.

Other movements predominantly comprise foreign exchange movements and fair value hedge adjustments.

Subordinated liabilities include accrued interest and comprise undated and dated subordinated liabilities as follows:

	Barclays Bank Group	
	2024	2023
	£m	£m
Undated subordinated liabilities	**134**	143
Dated subordinated liabilities	**42,278**	36,339
Total subordinated liabilities	**42,412**	36,482

None of the Barclays Bank Group's subordinated liabilities are secured.

Undated subordinated liabilities[1]		Barclays Bank Group	
		2024	2023
	Initial call date	£m	£m
Barclays Bank PLC externally issued subordinated liabilities			
Undated Notes			
6.125% Undated Subordinated Notes	2027	**35**	35
Loans			
5.03% Reverse Dual Currency Undated Subordinated Loan (JPY 8,000m)	2028	**40**	44
5% Reverse Dual Currency Undated Subordinated Loan (JPY 12,000m)	2028	**59**	64
Total undated subordinated liabilities		**134**	143

Note
1 Instrument values are disclosed to the nearest million.

Undated subordinated liabilities

Undated subordinated liabilities are issued by Barclays Bank PLC for the development and expansion of their businesses and to strengthen their capital bases. The principal terms of the undated subordinated liabilities are described below:

Subordination

All undated subordinated liabilities rank behind the claims against the bank of depositors and other unsecured unsubordinated creditors and holders of dated subordinated liabilities.

Interest

All undated subordinated liabilities bear a fixed rate of interest until the initial call date.

After the initial call date, in the event that they are not redeemed, the 6.125% Undated Notes will bear interest at rates fixed periodically in advance for five-year periods based on market rates. After the initial call date, in the event that they are not redeemed, all other undated subordinated liabilities will bear interest at rates fixed periodically in advance based on market rates.

Payment of interest
Barclays Bank PLC is not obliged to make a payment of interest on its Undated Notes, Bonds and Loans if, in the preceding six months, a dividend has not been declared or paid on any class of shares of Barclays PLC or, in certain cases, any class of preference shares of Barclays Bank PLC. Interest not paid becomes payable in each case if such a dividend is subsequently paid or in certain other circumstances. During the year, Barclays Bank PLC paid interest on each of its Undated Notes, Bonds and Loans.

No payment of principal or any interest may be made unless Barclays Bank PLC satisfies a specified solvency test.

Repayment
All undated subordinated liabilities are repayable at the option of Barclays Bank PLC in whole at the initial call date and on any fifth anniversary after the initial call date. In addition, each issue of undated subordinated liabilities is repayable, at the option of Barclays Bank PLC, in whole for certain tax reasons, either at any time, or on an interest payment date. There are no events of default except non-payment of principal or mandatory interest. Any repayments require the prior consent of the PRA.

Other
All issues of undated subordinated liabilities are non-convertible.

Dated subordinated liabilities[1]			Barclays Bank Group	
			2024	2023
	Initial call date	Maturity date	£m	£m
Barclays Bank PLC externally issued subordinated liabilities				
5.75% Fixed Rate Subordinated Notes		2026	**279**	282
5.4% Reverse Dual Currency Subordinated Loan (JPY 15,000m)		2027	**76**	84
6.33% Subordinated Notes (GBP 50m)		2032	**45**	48
Subordinated Floating Rate Notes (EUR 68m)		2040	**56**	59
External issuances by other subsidiaries		2033	**623**	649
Barclays Bank PLC notes issued intra-group to Barclays PLC				
3.75% Fixed Rate Resetting Subordinated Callable Notes (SGD 200m)	2025	2030	**117**	117
5.20% Fixed Rate Subordinated Notes (USD 1,367m)		2026	**1,051**	1,019
1.125% Fixed Rate Resetting Subordinated Callable Notes (EUR 1,000m)	2026	2031	**810**	816
4.836% Fixed Rate Subordinated Callable Notes (USD 1,200m)	2027	2028	**920**	898
8.407% Fixed Rate Resetting Subordinated Callable Loan (GBP 1,000m)	2027	2032	**1,008**	1,030
5.088% Fixed-to-Floating Rate Subordinated Callable Notes (USD 1,300m)	2029	2030	**941**	931
4.973% Fixed Rate Resetting Tier2 Subordinated Callable Notes (EUR 1,500m)	2031	2036	**1,320**	—
7.437% Fixed Rate Resetting Subordinated Callable Notes (USD 2,000m)	2032	2033	**1,573**	1,609
5.262% Fixed Rate Resetting Subordinated Callable Notes (EUR 1,250m)	2033	2034	**1,130**	1,180
7.119% Fixed-to-Floating Rate Subordinated Callable Notes (USD 860m)	2033	2034	**655**	672
3.811% Fixed Rate Resetting Subordinated Callable Notes (USD 1,000m)	2041	2042	**586**	619
5.25% Fixed Rate Subordinated Notes (USD 827m)		2045	**408**	445
4.95% Fixed Rate Subordinated Notes (USD 1,250m)		2047	**556**	636
Floating Rate Subordinated Notes (USD 456m)		2047	**370**	365
Barclays Bank PLC intra-group loans from Barclays PLC				
Various Fixed Rate Subordinated Loans			**3,457**	5,632
Various Subordinated Floating Rate Loans			**334**	458
Various Fixed Rate Subordinated Callable Loans			**24,401**	17,841
Various Subordinated Floating Rate Callable Loans			**1,025**	370
Zero Coupon Callable Loans		2052	**537**	579
Total dated subordinated liabilities			**42,278**	36,339

Note
1 Instrument values are disclosed to the nearest million.

Dated subordinated liabilities
Dated subordinated liabilities are issued by Barclays Bank PLC and its subsidiaries for the development and expansion of their businesses and to strengthen their respective capital bases. The principal terms of the dated subordinated liabilities are described below:

Currency and maturity
In addition to the individual dated subordinated liabilities listed in the Barclays Bank Group table, the £29,754m (2023: £24,880m) of intra-group loans is made up of various fixed, fixed to floating rate, floating and zero coupon loans from Barclays PLC with notional amounts

denominated in USD 28,275m, EUR 7,230m, GBP 502m, JPY 159,700m, AUD 1,390m, NOK 220m, CAD 450m and CHF 260m, with maturities ranging from 2025 to 2052. Certain intra-group loans have a call date one year prior to their maturity.

Subordination
All dated subordinated liabilities, both externally issued and issued intra-group to Barclays PLC, rank behind the claims against Barclays Bank PLC of depositors and other unsecured unsubordinated creditors but before the claims of the undated subordinated liabilities and the holders of Barclays Bank PLC equity. The Barclays Bank PLC intra-group loans from Barclays PLC rank pari passu amongst themselves but ahead of the Barclays Bank PLC notes issued intra-group to Barclays PLC and the Barclays Bank PLC externally issued subordinated liabilities. The external dated subordinated liabilities issued by subsidiaries are similarly subordinated as the external subordinated liabilities issued by Barclays Bank PLC.

Interest
Interest on floating rate notes and loans is set by reference to market rates at the time of issuance and fixed periodically in advance, based on the related market rates.

Interest on fixed rate notes and loans is set by reference to market rates at the time of issuance and fixed until maturity.

Interest on fixed rate callable notes and loans is set by reference to market rates at the time of issuance and fixed until the call date or maturity as applicable. After the call date (where relevant), in the event that the notes or loans are not redeemed, the interest rate will be reset to either a fixed or floating rate until maturity based on market rates.

No interest is paid on zero coupon notes.

Repayment
Those subordinated liabilities with a call date are repayable at the option of Barclays Bank PLC on such call date in accordance with the conditions governing the respective debt obligations, some in whole or in part, and some only in whole, or otherwise on maturity. The remaining dated subordinated liabilities outstanding at 31 December 2024 are redeemable only on maturity, subject, in particular cases, to provisions allowing an early redemption in the event of certain changes in tax law or to certain changes in legislation or regulations.

Any repayments prior to maturity may require, in the case of Barclays Bank PLC, the prior consent of the PRA or BoE or, in the case of the overseas issues, the consent of the local regulator for that jurisdiction and of the PRA in certain circumstances.

There are no committed facilities in existence at the balance sheet date which permit the refinancing of debt beyond the date of maturity.

26 Ordinary shares, preference shares and other equity

Called up share capital, allotted and fully paid and other equity instruments

	Barclays Bank Group			Barclays Bank Group
	Ordinary share capital	Preference share capital	Total share capital	Other equity instruments
	£m	£m	£m	£m
As at 1 January 2024	**2,342**	**6**	**2,348**	**10,765**
AT1 securities issuance	**—**	**—**	**—**	**970**
AT1 securities redemption	**—**	**—**	**—**	**(2,131)**
As at 31 December 2024	**2,342**	**6**	**2,348**	**9,604**
As at 1 January 2023	2,342	6	2,348	10,691
AT1 securities issuance	—	—	—	2,499
AT1 securities redemption	—	—	—	(2,425)
As at 31 December 2023	2,342	6	2,348	10,765

Ordinary shares
The issued ordinary share capital of Barclays Bank PLC, as at 31 December 2024, comprised 2,342m (2023: 2,342m) ordinary shares of £1 each.

Preference shares

The issued preference share capital of Barclays Bank PLC, as at 31 December 2024, comprised 31,856 Euro Preference Shares of €100 each (2023: 31,856) and 58,133 US Dollar Preference Shares of $100 each (2023: 58,133).

Ordinary share capital and preference share capital constitutes 100% (2023: 100%) of total share capital issued.

Euro Preference Shares
140,000 Euro non-cumulative callable preference shares of €100 each (the Euro Preference Shares) were issued on 15 March 2005 for a consideration of €1,383.3m (£966.7m), of which the nominal value was €14m and the balance was share premium. The Euro Preference Shares entitled the holders thereof to receive Euro non-cumulative cash dividends out of distributable profits of Barclays Bank PLC, annually

at a fixed rate of 4.75% per annum on the amount of €10,000 per preference share until 15 March 2020, and since 15 March 2020 quarterly at a rate reset quarterly equal to 0.71% per annum above the Euro interbank offered rate for three-month Euro deposits. The board of directors of Barclays Bank PLC may resolve, in its absolute discretion, not to pay in full, or at all, the dividend on the Euro Preference Shares in respect of a particular dividend period.

The Euro Preference Shares are redeemable at the option of Barclays Bank PLC, in whole but not in part only, on each dividend payment date at €10,000 per share plus any dividends accrued for the then current dividend period to the date fixed for redemption.

US Dollar Preference Shares

100,000 US Dollar non-cumulative callable preference shares of $100 each (the US Dollar Preference Shares), represented by 100,000 American Depositary Shares, Series 1, were issued on 8 June 2005 for a consideration of $995.4m (£548.1m), of which the nominal value was $10m and the balance was share premium. The US Dollar Preference Shares entitle the holders thereof to receive US Dollar non-cumulative cash dividends out of distributable profits of Barclays Bank PLC, semi-annually at a fixed rate of 6.278% per annum on the amount of $10,000 per preference share until 15 December 2034, and thereafter quarterly at a rate reset quarterly equal to 1.55% per annum above the London interbank offered rate for three-month US Dollar deposits. The board of directors of Barclays Bank PLC may resolve, for any reason and in its absolute discretion, not to declare or pay in full or in part any dividends on the US Dollar Preference Shares in respect of a particular dividend period.

The US Dollar Preference Shares are redeemable at the option of Barclays Bank PLC, in whole but not in part only, on 15 December 2034, and on each dividend payment date thereafter at $10,000 per share plus any dividends accrued for the then current dividend period to the date fixed for redemption.

No redemption or purchase of any Euro Preference Shares and US Dollar Preference Shares (together, the Preference Shares) may be made by Barclays Bank PLC without the prior consent of the PRA and any such redemption will be subject to the Companies Act 2006 and the Articles of Barclays Bank PLC.

On a winding-up of Barclays Bank PLC or other return of capital (other than a redemption or purchase of shares of Barclays Bank PLC, or a reduction of share capital), a holder of Preference Shares will rank in the application of assets of Barclays Bank PLC available to shareholders: (1) junior to the holder of any shares of Barclays Bank PLC in issue ranking in priority to the Preference Shares; (2) equally in all respects with holders of other preference shares and any other shares of Barclays Bank PLC in issue ranking pari passu with the Preference Shares; and (3) in priority to the holders of ordinary shares and any other shares of Barclays Bank PLC in issue ranking junior to the Preference Shares.

Subject to such ranking, in such event, holders of the Preference Shares will be entitled to receive out of assets of Barclays Bank PLC available for distributions to shareholders, liquidating distributions in the amount of €10,000 per Euro Preference Share and $10,000 per US Dollar Preference Share, plus, in each case, an amount equal to the accrued dividend for the then current dividend period to the date of the commencement of the winding-up or other such return of capital.

If a dividend is not paid in full on any preference shares on any dividend payment date, then a dividend restriction shall apply. This dividend restriction will mean that neither Barclays Bank PLC nor Barclays PLC may (a) declare or pay a dividend (other than payment by Barclays PLC of a final dividend declared by its shareholders prior to the relevant dividend payment date, or a dividend paid by Barclays Bank PLC to Barclays PLC) on any of their respective ordinary shares, other preference shares or other share capital or (b) redeem, purchase, reduce or otherwise acquire any of their respective share capital, other than shares of Barclays Bank PLC held by Barclays PLC or a wholly owned subsidiary, until the earlier of: (1) the date on which Barclays Bank PLC next declares and pays in full a preference share dividend; and (2) the date on or by which all the preference shares are redeemed in full or purchased by Barclays Bank PLC.

Holders of the Preference Shares are not entitled to receive notice of, or to attend, or vote at, any general meeting of Barclays Bank PLC. Barclays Bank PLC is not permitted to create a class of shares ranking as regards participation in the profits or assets of Barclays Bank PLC in priority to the preference shares, save with the sanction of a special resolution of a separate general meeting of the holders of the Preference Shares (requiring a majority of not less than three-fourths of the holders of the Preference Shares voting at the separate general meeting) or with the consent in writing of the holders of three-fourths of the Preference Shares.

Except as described above, the holders of the Preference Shares have no right to participate in the surplus assets of Barclays Bank PLC.

Other equity instruments

Other equity instruments issued by Barclays Bank PLC of £14,311m (2023: £15,472m) include AT1 securities issued to Barclays PLC and borrowings of $6bn from a wholly-owned, indirect subsidiary of Barclays Bank PLC. As a result, the other equity instruments balance recorded by Barclays Bank Group is £9,604m (2023: £10,765m).

The borrowings of $6bn from a wholly-owned, indirect subsidiary of Barclays Bank PLC have been recorded as equity since, under their terms, interest payments are non cumulative and discretionary whilst repayment of principal is perpetually deferrable by Barclays Bank PLC. Should Barclays Bank PLC make a discretionary dividend payment on its ordinary shares in the six months preceding the date of an interest payment, it will be obliged to make that interest payment. In 2024, interest paid on these borrowings was £433m (2023: £439m).

Barclays PLC uses funds from its own market issuance of AT1 securities to purchase AT1 securities from the Barclays Bank Group. The AT1 securities are perpetual securities with no fixed maturity and are structured to qualify as AT1 instruments under prevailing capital rules applicable as at the relevant issue date.

In 2024, there were two issuances of AT1 instruments, in the form of Fixed Rate Resetting Perpetual Subordinated Contingent Convertible Securities, for £970m (2023: three issuances for £2,499m) which includes issuance costs of £10m (2023: £26m). There were two redemptions in 2024 totalling £2,131m (2023: two redemptions totalling £2,425m).

AT1 equity instruments

	Initial call date	2024 £m	2023 £m
AT1 equity instruments - Barclays Bank Group			
5.875% Perpetual Subordinated Contingent Convertible Securities	2024	—	623
8.000% Perpetual Subordinated Contingent Convertible Securities (USD2,000m)	2024	—	1,509
7.125% Perpetual Subordinated Contingent Convertible Securities	2025	**299**	299
6.375% Perpetual Subordinated Contingent Convertible Securities	2025	**495**	495
6.125% Perpetual Subordinated Contingent Convertible Securities (USD1,500m)	2025	**1,134**	1,134
8.875% Perpetual Subordinated Contingent Convertible Securities	2027	**1,237**	1,237
8.300% Perpetual Subordinated Contingent Convertible Securities (SGD450m)	2027	**263**	263
4.375% Perpetual Subordinated Contingent Convertible Securities (USD1,500m)	2028	**1,072**	1,072
7.300% Perpetual Subordinated Contingent Convertible Securities (SGD400m)	2028	**247**	247
9.250% Perpetual Subordinated Contingent Convertible Securities	2028	**866**	866
8.000% Perpetual Subordinated Contingent Convertible Securities (USD2,000m)	2029	**1,634**	1,634
9.625% Perpetual Subordinated Contingent Convertible Securities (USD1,750m)	2029	**1,386**	1,386
5.400% Perpetual Subordinated Contingent Convertible Securities (SGD600m)	2030	**352**	—
8.500% Perpetual Subordinated Contingent Convertible Securities	2030	**619**	—
		9,604	10,765

27 Reserves

Currency translation reserve

The currency translation reserve represents the cumulative gains and losses on the retranslation of net investments in foreign operations, net of the effects of hedging.

Fair value through other comprehensive income reserve

The fair value through other comprehensive income reserve represents the changes in the fair value of financial instruments accounted for at fair value through other comprehensive income investments since initial recognition.

Cash flow hedging reserve

The cash flow hedging reserve represents the cumulative gains and losses on effective cash flow hedging instruments that will be recycled to the income statement when the hedged transactions affect profit or loss.

Own credit reserve

The own credit reserve reflects the cumulative own credit gains and losses on financial liabilities at fair value. Amounts in the own credit reserve are not recycled to profit or loss in future periods.

Other reserves

Other reserves includes a merger reserve relating to inter-Barclays Group entity transfers, and redeemed ordinary and preference shares issued by the Barclays Bank Group.

	Barclays Bank Group	
	2024	2023
	£m	£m
Currency translation reserve	**3,690**	3,783
Fair value through other comprehensive income reserve	**(1,681)**	(1,207)
Cash flow hedging reserve	**(2,448)**	(2,895)
Own credit reserve	**(1,059)**	(240)
Other reserves	**196**	196
Total	**(1,302)**	(363)

The notes included in this section focus on the costs and commitments associated with employing our staff.

28 Staff costs

Accounting for staff costs

Deferred cash and share awards are made to employees to incentivise performance over the period employees provide services. To receive an award, an individual must have provided service over the vesting period and been employed on the scheduled vesting date or be considered an eligible leaver. The expense for deferred cash and share awards is recognised over the period employees' services contribute to the awards. The Barclays Bank Group considers it appropriate to recognise the expense over the vesting period including the financial year prior to the grant date.

The accounting policies for share-based payments and pensions and other post-retirement benefits are included in Note 29 and Note 30 respectively.

	2024	2023	2022
	£m	£m	£m
Performance costs	**1,436**	1,308	1,398
Salaries	**2,766**	2,921	2,637
Social security costs	**381**	374	352
Post-retirement benefits[1]	**329**	298	188
Other compensation costs	**237**	221	205
Total compensation costs[2]	**5,149**	5,122	4,780
Other resourcing costs			
Outsourcing	**198**	206	259
Redundancy and restructuring	**137**	176	45
Temporary staff costs	**16**	22	25
Other	**56**	65	83
Total other resourcing costs	**407**	469	412
Total staff costs	**5,556**	5,591	5,192

Notes
1 Post-retirement benefits charge includes £178m (2023: £180m; 2022: £140m) in respect of defined contribution schemes and £151m (2023: £118m; 2022: £48m) in respect of defined benefit schemes.
2 £324m (2023: £259m; 2022: £197m) of compensation cost was capitalised as internally generated software.

29 Share-based payments

Accounting for share-based payments

Employee incentives include awards in the form of shares and share options, as well as offering employees the opportunity to purchase shares on favourable terms. The cost of the employee services received in respect of the shares or share options granted is recognised in the income statement over the period that employees provide services. The overall cost of the award is calculated using the number of shares and options expected to vest and the fair value of the shares or options at the date of grant.

The number of shares and options expected to vest takes into account the likelihood that performance and service conditions included in the terms of the awards will be met. For other share-based payment schemes such as Sharesave and Sharepurchase, there are non-vesting conditions which must be met. Failure to meet the non-vesting condition is treated as a cancellation, resulting in an acceleration of recognition of the cost of the employee services.

The fair value of shares is the market price ruling on the grant date, in some cases adjusted to reflect restrictions on transferability. The fair value of options granted is determined using the Black-Scholes model to estimate the numbers of shares likely to vest. The model takes into account the exercise price of the option, the current share price, the risk-free interest rate, the expected volatility of the share price over the life of the option and other relevant factors. Market conditions that must be met in order for the award to vest are also reflected in the fair value of the award, as are any other non-vesting conditions – such as continuing to make payments into a share-based savings scheme.

The charge for the year arising from share based payment schemes was as follows:

	Charge for the year		
	2024	2023	2022
	£m	£m	£m
Share Value Plan and Deferred Share Value Plan	**287**	254	270
Others	**133**	144	153
Total equity settled	**420**	398	423
Cash settled	**9**	3	3
Total share based payments	**429**	401	426

The terms of the main current plans are as follows:

Share Value Plan (SVP)

SVP awards have been granted to participants in the form of a conditional right to receive Barclays PLC shares or provisional allocations of Barclays PLC shares which vest or are considered for release over a period of three, four, five or seven years. Participants do not pay to receive an award or to receive a release of shares. For awards granted before December 2017, the grantor may also make a dividend equivalent payment to participants on release of a SVP award. SVP awards are also made to eligible employees for recruitment purposes. All awards are subject to potential forfeiture in certain leaver scenarios.

Deferred Share Value Plan (DSVP)

The terms of the DSVP are materially the same as the terms of the SVP as described above, save that Executive Directors are not eligible to participate in the DSVP and the DSVP operates over market purchase shares only.

Other schemes

In addition to the SVP and DSVP, the Barclays PLC Group operates a number of other schemes settled in Barclays PLC Shares including Sharesave (both UK and Ireland), Sharepurchase (both UK and Overseas), and the Barclays PLC Group Long Term Incentive Plan. A delivery of upfront shares to 'Material Risk Takers' can be made as a Share Incentive Award (Holding Period) under the SVP.

Share option and award plans

The weighted average fair value per award granted, weighted average share price at the date of exercise/release of shares during the year, weighted average contractual remaining life, and number of options and awards outstanding (including those exercisable) at the balance sheet date were as follows:

	2024				2023			
	Weighted average fair value per award granted in year	Weighted average share price at exercise/ release during year	Weighted average remaining contractual life	Number of options/ awards outstanding	Weighted average fair value per award granted in year	Weighted average share price at exercise/ release during year	Weighted average remaining contractual life	Number of options/ awards outstanding
	£	£	in years	(000s)	£	£	in years	(000s)
SVP and DSVP[1,2]	**1.52**	**1.74**	**1**	**441,713**	1.49	1.68	1	435,820
Others[1,3]	**0.81-2.1**	**1.72-2.13**	**0-2**	**43,901**	0.31-1.69	1.42-1.69	0-2	51,363

SVP and DSVP are nil cost awards on which the performance conditions are substantially completed at the date of grant. Consequently, the fair value of these awards is based on the market value at that date.

Sharesave has a contractual life of 3 years and 5 years, the expected volatility is 30.31% for 3 years and 27.49% for 5 years. The risk free interest rates used for valuations are 4.09% and 3.97% for 3 years and 5 years respectively. The pure dividend yield rates used for valuations are 2.91% and 3.00% for 3 years and 5 years respectively. The repo rates used for valuations are (0.54)% and (0.61)% for 3 years and 5 years respectively. The inputs into the model such as risk free interest rate, expected volatility, pure dividend yield rates and repo rates are derived from market data.

Movements in options and awards

The movement in the number of options and awards for the major schemes and the weighted average exercise price of options was:

	SVP and DSVP[1,2]		Others[1,3]			
	Number (000s)		Number (000s)		Weighted average exercise price (£)	
	2024	2023	2024	2023	2024	2023
Outstanding at beginning of year/acquisition date	**435,820**	445,673	**51,363**	47,610	**1.05**	0.97
Transfers within the year[4]	**(2,528)**	214	**1,780**	9,700		
Granted in the year	**202,420**	208,395	**84,383**	100,831	**1.79**	1.17
Exercised/released in the year	**(171,810)**	(179,285)	**(90,721)**	(102,130)	**0.95**	0.88
Less: forfeited in the year	**(22,189)**	(39,177)	**(2,611)**	(4,112)	**1.20**	1.17
Less: expired in the year	**—**	—	**(293)**	(536)	**1.25**	1.47
Outstanding at end of year	**441,713**	435,820	**43,901**	51,363	**1.17**	1.05
Of which exercisable:	**—**	—	**4,956**	11,898	**1.23**	0.87

Notes
1 Options/award granted over Barclays PLC shares.
2 Weighted average exercise price is not applicable for SVP and DSVP awards as these are not share option schemes.
3 The number of awards within Others at the end of the year principally relates to Sharesave (number of awards exercisable at end of year was 828,340). The weighted average exercise price relates to Sharesave.
4 Awards of employees transferred between the Barclays Bank Group and the rest of the Barclays PLC Group.

Awards and options granted to employees and former employees of the Barclays Bank Group under the Barclays PLC Group share plans may be satisfied using new issue shares, treasury shares and market purchase shares of Barclays PLC. Awards granted to employees and former employees of the Barclays Bank Group under DSVP may only be satisfied using market purchase shares of Barclays PLC.

There were no significant modifications to the share based payments arrangements in 2024 and 2023.

As at 31 December 2024, the total liability arising from cash-settled share based payments transactions was £10m (2023: £4m).

30 Pensions and post-retirement benefits

Accounting for pensions and post-retirement benefits

The Barclays Bank Group operates a number of pension schemes and post-employment benefit schemes.

Defined contribution schemes – the Barclays Bank Group recognises contributions due in respect of the accounting period in the income statement. Any contributions unpaid at the balance sheet date are included as a liability.

Defined benefit schemes – the Barclays Bank Group recognises its obligations to members of each scheme at the period end, less the fair value of the scheme assets after applying the asset ceiling test.

Each scheme's obligations are calculated using the projected unit credit method. Scheme assets are stated at fair value as at the period end.

Changes in pension scheme liabilities or assets (remeasurements) that do not arise from regular pension cost, net interest on net defined benefit liabilities or assets, past service costs, settlements or contributions to the scheme are recognised in other comprehensive income. Remeasurements comprise experience adjustments (differences between previous actuarial assumptions and what has actually occurred), the effects of changes in actuarial assumptions, return on scheme assets (excluding amounts included in the interest on the assets) and any changes in the effect of the asset ceiling restriction (excluding amounts included in the interest on the restriction).

Post-employment benefit schemes – the cost of providing healthcare benefits to retired employees is accrued as a liability in the financial statements over the period that the employees provide services to the Barclays Bank Group, using a methodology similar to that for defined benefit pension schemes.

Pension schemes

UK Retirement Fund (UKRF)

The UKRF is the Barclays Bank Group's main scheme, representing 96% (2023: 96%) of the Barclays Bank Group's total retirement benefit obligations. Barclays Bank PLC is the principal employer of the UKRF. The UKRF was closed to new entrants on 1 October 2012, and comprises 10 sections, the two most significant of which are:

- Afterwork, which comprises a contributory cash balance defined benefit element, and a voluntary defined contribution element. The cash balance element is accrued each year and revalued until Normal Retirement Age in line with the increase in Retail Price Index (RPI) (up to a maximum of 5% p.a.). The main risks that the Barclays Bank Group runs in relation to Afterwork are limited although additional contributions are required if pre-retirement investment returns are not sufficient to provide for the benefits.
- The 1964 Pension Scheme. Most UK employees recruited before July 1997 built up benefits in this non-contributory defined benefit scheme in respect of service up to 31 March 2010. Pensions were calculated by reference to service and pensionable salary. From 1 April 2010, members became eligible to accrue future service benefits in either Afterwork or the Pension Investment Plan, a historic defined contribution section which is now closed to future contributions. The risks that the Barclays Bank Group runs in relation to the 1964 section are typical of final salary pension schemes, principally that investment returns fall short of expectations, that inflation exceeds expectations, and that retirees live longer than expected.

Barclays Pension Savings Plan (BPSP)

The BPSP is a defined contribution scheme providing benefits for all new UK hires from 1 October 2012. BPSP is not subject to the same investment return, inflation or life expectancy risks for the Barclays Bank Group that defined benefit schemes are. Members' benefits reflect contributions paid and the level of investment returns achieved.

Other

Apart from the UKRF and the BPSP, the Barclays Bank Group operates a number of smaller pension and long-term employee benefits and post-retirement healthcare plans globally, the largest of which are the US defined benefit and defined contribution schemes. Many of the schemes are funded, with assets backing the obligations held in separate legal vehicles such as trusts. Others are operated on an unfunded basis. The benefits provided, the approach to funding, and the legal basis of the schemes, reflect local environments.

Governance

The UKRF operates under trust law and is managed and administered on behalf of the members in accordance with the terms of the Trust Deed and Rules and all relevant legislation. The Corporate Trustee is Barclays Pension Funds Trustees Limited, a private limited company and a wholly owned subsidiary of Barclays Bank PLC. The Trustee is the legal owner of the assets of the UKRF which are held separately from the assets of the Barclays Bank Group.

The Trustee Board comprises six Management Directors selected by Barclays Bank PLC, of whom three are independent Directors with no relationship with the Barclays Bank Group (and who are not members of the UKRF), plus three Member Nominated Directors selected from eligible active, deferred or pensioner members who apply for the role.

The BPSP is a Group Personal Pension arrangement which operates as a collection of personal pension plans. Each personal pension plan is a direct contract between the employee and the BPSP provider (Legal & General Assurance Society Limited), and is regulated by the FCA.

Similar principles of pension governance apply to the Barclays Bank Group's other pension schemes, depending on local legislation.

Amounts recognised

The following tables include amounts recognised in the income statement and an analysis of benefit obligations and scheme assets for all Barclays Bank Group defined benefit schemes. The net position is reconciled to the assets and liabilities recognised on the balance sheet.

The tables include funded and unfunded post-retirement benefits. The income statement charge with respect to defined contribution schemes is disclosed as part of footnotes to Note 28 Staff costs.

Income statement (credit)/charge	2024	2023	2022
	£m	£m	£m
Current service cost	**150**	119	28
Net finance (income)/cost	**(157)**	(222)	(122)
Past service cost	**—**	—	20
Other movements	**1**	(1)	—
Total	**(6)**	(104)	(74)

Barclays Bank PLC is the principal employer of the UKRF and hence Scheme Assets and Defined Benefit Obligations relating to the UKRF are recognised within the Barclays Bank Group. Barclays Bank UK PLC and Barclays Execution Services Limited are participating employers in the UKRF and their share of the UKRF service cost is borne by them. Of the £168m current service cost in the table below, £5m relates to Barclays Bank UK PLC and £13m relates to Barclays Execution Services Limited. While the entire current service cost obligation is accounted for in the Barclays Bank Group, the income statement charge is accounted for across all the participating employers.

Balance sheet reconciliation	2024		2023	
	Barclays Bank Group Total	Of which relates to UKRF	Barclays Bank Group Total	Of which relates to UKRF
	£m	£m	£m	£m
Benefit obligation at beginning of the year	**(21,420)**	**(20,618)**	(20,801)	(19,990)
Current service cost	**(168)**	**(155)**	(151)	(141)
Interest costs on scheme liabilities	**(930)**	**(901)**	(959)	(929)
Remeasurement gain/(loss) - financial	**1,804**	**1,797**	(698)	(683)
Remeasurement gain/(loss) - demographic	**12**	**13**	311	310
Remeasurement (loss)/gain - experience	**(55)**	**(54)**	(264)	(260)
Employee contributions	**(6)**	**—**	(5)	(1)
Benefits paid	**1,226**	**1,189**	1,115	1,075
Exchange and other movements	**13**	**—**	32	1
Benefit obligation at end of the year	**(19,524)**	**(18,729)**	(21,420)	(20,618)
Fair value of scheme assets at beginning of the year	**24,914**	**24,234**	25,360	24,680
Interest income on scheme assets	**1,087**	**1,062**	1,181	1,155
Employer contribution	**37**	**22**	54	39
Remeasurement - return on scheme assets (less)/greater than discount rate	**(2,192)**	**(2,184)**	(532)	(548)
Employee contributions	**6**	**—**	5	1
Benefits paid	**(1,221)**	**(1,189)**	(1,115)	(1,075)
Exchange and other movements	**(8)**	**(17)**	(39)	(18)
Fair value of scheme assets at end of the year	**22,623**	**21,928**	24,914	24,234
Net surplus	**3,099**	**3,199**	3,494	3,616
Retirement benefit assets	**3,263**	**3,199**	3,667	3,616
Retirement benefit liabilities	**(164)**	**—**	(173)	—
Net retirement benefit assets	**3,099**	**3,199**	3,494	3,616

Included within the Barclays Bank Group's benefit obligation is £695m (2023: £694m) relating to overseas pensions and £99m (2023: £108m) relating to other post-employment benefits.

Barclays has considered the potential implications for the UKRF of the ruling and appeal in Virgin Media v NTL Pension Trustees II Ltd. Activity to date has not identified any relevant amendments to the UKRF (of the nature of that found to have been void in the Virgin Media case) that were not subject to actuarial confirmation. No material additional benefit obligation is expected.

As at 31 December 2024, the UKRF's scheme assets were in surplus versus IAS 19 obligations by £3,199m (2023: £3,616m). During 2024, the decrease in the UKRF surplus was driven by changes in market conditions. Defined benefit obligation reduced due to increases in underlying corporate bond yields, however assets reduced by a higher amount. The UKRF's hedging strategy is more aligned to the funding basis than the accounting basis.

The weighted average duration of the benefit payments reflected in the defined benefit obligation for the UKRF is 11 years (2023: 12 years). The UKRF expected benefits promised to date are projected to be paid out for in excess of 50 years, although 32% of the benefits are expected to be paid in the next 10 years; 33% in years 11 to 20 and 21% in years 21 to 30. The remainder of the benefits are expected to be paid beyond 30 years.

Of the £1,189m (2023: £1,075m) UKRF benefits paid out, £165m (2023: £122m) related to transfers out of the fund.

Where a scheme's assets exceed its obligation, an asset is recognised to the extent that it does not exceed the present value of future contribution holidays or refunds of contributions (the asset ceiling). In the case of the UKRF the asset ceiling is not applied as, in certain specified circumstances such as wind-up, the Barclays Bank Group expects to be able to recover any surplus. Similarly, a liability in respect of future minimum funding requirements is not recognised. The Trustee does not have a substantive right to augment benefits, nor do they have the right to wind-up the plan except in the dissolution of Barclays Bank PLC or termination of contributions by Barclays Bank PLC. The application of the asset ceiling to other plans and recognition of additional liabilities in respect of future minimum funding requirements are considered on an individual plan basis.

Critical accounting estimates and judgements

Actuarial valuation of the scheme's obligation is dependent upon a series of assumptions. Below is a summary of the main financial and demographic assumptions adopted for the UKRF.

Key UKRF financial assumptions	2024	2023
	% p.a.	% p.a.
Discount rate	**5.44**	4.49
Inflation rate (RPI)	**3.32**	3.17

The UKRF discount rate assumption for 2024 was based on a standard WTW RATE Link model. The RPI inflation assumption for 2024 was set by reference to the Bank of England's implied inflation curve. The inflation assumption incorporates a deduction of 20 basis points as an allowance for an inflation risk premium. The methodology used to derive the discount rate and inflation assumptions is consistent with that used at the prior year end.

The UKRF's post-retirement mortality assumptions are based on best estimates derived from an analysis in 2022 of the UKRF's own post-retirement mortality experience and taking account of recent evidence from published mortality surveys. An allowance has been made for future mortality improvements based on the 2023 core projection model published by the Continuous Mortality Investigation Bureau subject to a long-term trend of 1.25% per annum in future improvements (2023: 1.25% per annum). The table below shows how the assumed life expectancy, for members of the UKRF, has changed since last year:

Assumed life expectancy[1]	2024	2023
Life expectancy at 60 for current pensioners (years)		
– Males	**26.5**	26.5
– Females	**29.4**	29.3
Life expectancy at 60 for future pensioners currently aged 40 (years)		
– Males	**28.0**	28.0
– Females	**30.8**	30.7

Note:

1 The life expectancies disclosed are in respect of a population of the membership that represents c60% of the Defined Benefit Obligation of UKRF (excluding the Afterwork section which has no post-retirement mortality risk) with the remaining members having life expectancy at age 60 of between 26.3 years and 29.4 years.

Approximately, 70% of the longevity risk for current pensioners has been reinsured and the transactions will provide income to the UKRF if pensions are paid out for longer than expected. The contracts form part of the UKRF's investment portfolio.

Sensitivity analysis on actuarial assumptions

The sensitivity analysis has been calculated by valuing the UKRF liabilities using the amended assumptions shown in the table below and keeping the remaining assumptions the same as disclosed in the table above, except in the case of the inflation sensitivity where other assumptions that depend on assumed inflation have also been amended correspondingly. The difference between the recalculated liability figure and that stated in the balance sheet reconciliation table above is the figure shown. The selection of these movements to illustrate the sensitivity of the defined benefit obligation to key assumptions should not be interpreted as the Barclays Bank Group expressing any specific view of the probability of such movements happening.

Change in key assumptions	2024	2023
	(Decrease)/Increase in UKRF defined benefit obligation £bn	(Decrease)/Increase in UKRF defined benefit obligation £bn
Discount rate		
0.5% p.a. increase	**(1.0)**	(1.2)
0.25% p.a. increase	**(0.5)**	(0.6)
0.25% p.a. decrease	**0.5**	0.6
0.5% p.a. decrease	**1.1**	1.3
Assumed RPI		
0.5% p.a. increase	**0.7**	0.8
0.25% p.a. increase	**0.3**	0.4
0.25% p.a. decrease	**(0.4)**	(0.4)
0.5% p.a. decrease	**(0.7)**	(0.8)
Life expectancy at 60		
one year increase	**0.5**	0.6
one year decrease	**(0.5)**	(0.6)

Assets

A long-term investment strategy has been set for the UKRF, with its asset allocation comprising a mixture of gilts, bonds, property and other appropriate assets. This recognises that different asset classes are likely to produce different long-term returns and some asset classes may be more volatile than others. The long-term investment strategy ensures, among other aims, that investments are adequately diversified.

The value of the assets of the schemes and their percentage in relation to total scheme assets were as follows:

Analysis of scheme assets

	Barclays Bank Group Total				Of which relates to UKRF			
	Quoted	Unquoted[1]	Value	% of total fair value of scheme assets	Quoted	Unquoted[1]	Value	% of total fair value of scheme assets
	£m	£m	£m	%	£m	£m	£m	%
As at 31 December 2024								
Equities	121	—	121	0.5	—	—	—	—
Private equities	—	2,134	2,134	9.4	—	2,134	2,134	9.7
Bonds - fixed government	1,546	—	1,546	6.8	1,306	—	1,306	6.0
Bonds - index-linked government	8,234	—	8,234	36.4	8,214	—	8,214	37.5
Bonds - corporate and other	5,604	717	6,321	27.9	5,395	717	6,112	27.9
Property	19	1,238	1,257	5.6	—	1,238	1,238	5.6
Infrastructure	—	1,388	1,388	6.1	—	1,388	1,388	6.3
Hedge funds	9	1,390	1,399	6.2	—	1,390	1,390	6.3
Derivatives	(7)	(1,799)	(1,806)	(8.0)	(7)	(1,799)	(1,806)	(8.2)
Longevity reinsurance contracts	—	(117)	(117)	(0.5)	—	(117)	(117)	(0.5)
Cash and liquid assets[2]	(454)	2,529	2,075	9.2	(464)	2,529	2,065	9.4
Mixed investment funds	8	—	8	—	—	—	—	—
Other	7	56	63	0.4	—	4	4	—
Fair value of scheme assets	**15,087**	**7,536**	**22,623**	**100.0**	**14,444**	**7,484**	**21,928**	**100.0**
As at 31 December 2023								
Equities	116	—	116	0.5	—	—	—	—
Private equities	—	2,259	2,259	9.1	—	2,259	2,259	9.3
Bonds - fixed government	1,544	—	1,544	6.2	1,289	—	1,289	5.3
Bonds - index-linked government	9,400	—	9,400	37.7	9,383	—	9,383	38.8
Bonds - corporate and other	6,014	1,237	7,251	29.1	5,818	1,237	7,055	29.1
Property	17	1,197	1,214	4.9	—	1,197	1,197	4.9
Infrastructure	814	720	1,534	6.2	814	720	1,534	6.3
Hedge funds	11	1,309	1,320	5.3	—	1,309	1,309	5.4
Derivatives	25	(1,584)	(1,559)	(6.3)	25	(1,584)	(1,559)	(6.4)
Longevity reinsurance contracts	—	(131)	(131)	(0.5)	—	(131)	(131)	(0.5)
Cash and liquid assets[2]	(1,134)	3,036	1,902	7.6	(1,143)	3,036	1,893	7.8
Mixed Investment funds	12	—	12	—	—	—	—	—
Other	5	47	52	0.2	—	5	5	—
Fair value of scheme assets	16,824	8,090	24,914	100.0	16,186	8,048	24,234	100.0

Notes
1. Valuation of unquoted assets is provided by the underlying managers or qualified independent valuers. The valuation for some of the unquoted assets, in particular private equities, is based on valuations as at 30 September 2024 adjusted by cash flows, these being the latest available valuations as at the point of publication. All valuations are determined in accordance with relevant industry guidance. Barclays Bank Group does not believe these valuations will differ materially from the fair value, in the context of the overall UKRF asset size.
2. Cash and liquid assets for the UKRF consists of £404m (2023: £354m) cash, £80m (2023: £91m) receivables/payables, £2,529m (2023: £3,036m) pooled cash funds and £(948)m (2023: £(1,588)m) repurchase agreements.

Included within the fair value of UKRF scheme assets was nil (2023: nil) relating to shares in Barclays PLC and nil (2023: nil) relating to bonds issued by Barclays PLC or Barclays Bank PLC. The UKRF also invests in pooled investment vehicles which may hold shares or debt issued by Barclays PLC.

At 31 December 2024, 38% of the UKRF assets were invested in liability-driven investment strategies; primarily UK gilts as well as interest rate and inflation swaps. These swaps are used to better match the assets to its liabilities. The swaps are used to reduce the scheme's inflation and duration risks against its liabilities.

The UKRF employs derivative instruments, where appropriate, to match assets more closely to liabilities, or to achieve a desired exposure or return. The value of assets shown reflects the assets held by the UKRF, with any derivative holdings reflected on a fair value basis. The UKRF uses repurchase agreements and reverse repurchase agreements to achieve the Trustee's liability hedging objective. Investment managers are allowed to undertake repo transactions on the UKRF's existing gilt holdings to raise cash with which to buy additional gilts for efficient portfolio management; and reverse repo transactions to receive gilts and be paid a fee for providing cash.

The UKRF has a comprehensive and robust liquidity framework in place. The aim of the liquidity framework is to ensure that pension payments and other liquidity outflows are paid in due course, sufficient liquidity and collateral is maintained to achieve strategic allocation targets and that all liquidity outflows/collateral needs are covered without forced sale or strategic asset allocation changes.

The UKRF holds two longevity reinsurance contracts covering 70% of the current pensioner liabilities. The contracts provide income to the UKRF if pensions are paid out for longer than expected. At 31 December 2024, the combined value of the contracts was £(117)m (2023: £(131)m). The negative value reflects the estimated impact of changes in the reinsurance market, demographic assumptions and risk premia since the contracts were entered into by the UKRF.

For information on the UKRF Trustee's approach to Responsible Investment and Climate Risk, in the context of managing the UKRF, please refer to the UKRF Trustee website at https://epa.towerswatson.com/accounts/barclays/public/barclays-bank-responsible-investment-policy/.

Triennial valuation

The UKRF annual funding update as at 30 September 2024 showed a funding surplus of £1.75bn compared to £2.02bn as at 30 September 2023. The main reasons for the decrease were the impact of investment returns relative to liabilities and benefit accrual exceeding contributions received.

The main differences between the funding and accounting assumptions are a different approach to setting the discount rate and a more conservative life expectancy assumption for funding.

As part of the 2022 triennial valuation, the Trustee and Barclays Bank PLC agreed an annual adequacy test on a basis more prudent than the IAS 19 or funding bases. Should the UKRF be sufficiently funded on this basis, the regular employer contributions to the UKRF to fund future Afterwork accrual will not be required in the following calendar year. The test will be reviewed at the 2025 triennial valuation. The test was passed in September, so no regular employer contributions are required for 2025.

The next funding valuation of the UKRF is due to be completed in 2026 with an effective date of 30 September 2025.

Other support measures agreed which remain in place

Collateral – Barclays Bank PLC has entered into an agreement with the UKRF Trustee to provide collateral to cover at least 100% of any funding deficit with an overall cap of £9bn, to provide security if the UKRF is in a funding deficit. The collateral pool is currently zero reflecting the surplus funding position. The arrangement provides the UKRF Trustee with dedicated access to the pool of assets in the event of Barclays Bank PLC not paying any required deficit reduction contribution to the UKRF or in the event of Barclays Bank PLC's insolvency.

Participation – As permitted under the Financial Services and Markets Act 2000 (Banking Reform) (Pensions) Regulations 2015, currently Barclays Bank UK PLC is a participating employer in the UKRF and will remain so during a transitional phase as set out in a deed of participation. Barclays Bank PLC, a fellow subsidiary of Barclays PLC, is the principal employer of the UKRF. In the event of Barclays Bank PLC's insolvency during this period, provision has been made to require Barclays Bank UK PLC to become the principal employer of the UKRF. Barclays Bank PLC's Section 75 debt would be triggered by the insolvency (the debt would be calculated after allowing for the payment to the UKRF of any collateral above). To meet the requirements of the Financial Services and Markets Act 2000 (Banking Reform) (Pensions) Regulations 2015 it is Barclays' intention to sectionalise the UKRF in July 2025, creating two separate sections – the Barclays Bank Section and the Barclays UK Section (with Barclays Bank UK PLC participating in the Barclays UK Section only). This will not change the financial position of the UKRF from a consolidated Barclays PLC Group perspective, and members' benefits will be unchanged as a result of the actions Barclays is taking to meet its regulatory obligations.

Defined benefit contributions paid to the UKRF were £22m (2023: £39m).

There were nil (2023: nil) Section 75 contributions included within the Barclays Bank Group's contributions paid as no participating employers left the UKRF in 2024.

The Barclays Bank Group's expected contribution to the UKRF in respect of defined benefits in 2025 is £4m. In addition, the expected contribution to UK defined contribution schemes in 2025 is £3m to the UKRF and £67m to the BPSP.

The section presents information on the Barclays Bank Group's investments in subsidiaries, joint ventures and associates and its interests in structured entities. Detail is also given on securitisation transactions the Barclays Bank Group has entered into and arrangements that are held off-balance sheet.

31 Principal subsidiaries

The significant judgements used in applying this policy are set out below.

Accounting for investment in subsidiaries
In the individual financial statements of Barclays Bank PLC, investments in subsidiaries are stated at cost less impairment.

Investments in subsidiaries, the majority of which are engaged in banking related activities, are recorded on the balance sheet at historical cost less any impairment. At 31 December 2024 the historical cost of investments in subsidiaries was £23,009m (2023: £22,185m), and impairment allowances recognised against these investments totalled £2,262m (2023: £3,080m). The increase in the balance sheet value of £1,642m in the year was driven by an increase in the cost of investments in subsidiaries totalling £824m resulting from capital injections and AT1 issuances and a decrease in impairment of £818m driven by the reversal of £1bn impairment in Barclays Bank Ireland PLC. During the year, Barclays Bank PLC injected €50m (2023: €150m) of additional capital into its subsidiary Barclays Bank Ireland PLC by way of a subscription for ordinary shares. The capital injection in 2023 was fully impaired during the year ending 31 December 2023. As at the 31 December 2024, the cost of investment in Barclays Bank Ireland PLC is £3,521m being historical cost of £5,140m and accumlated impairment of £1,619m.

In May 2023, Barclays Bank PLC acquired the entire issued share capital of Barclays Asset Management Limited and Barclays Investment Solutions Limited, part of the Wealth & Investment Management business, along with certain other assets and liabilities, business guarantees and business contracts (together with the transfer of associated employees of Barclays Bank UK PLC) from Barclays Bank UK PLC. Consideration of £3 was paid by Barclays Bank PLC, which represented the fair value of the transferring businesses. Barclays Bank Group recognised the difference between the carrying value of the net assets acquired and the cash consideration paid directly in equity as a £124m merger reserve within Other reserves.

At the end of each reporting period an impairment review is undertaken in respect of investments in the ordinary shares of subsidiaries. Impairment is indicated where the investment exceeds the recoverable amount. The recoverable amount is calculated as a value in use (VIU) which is derived from the present value of future cash flows expected to be received from the investment. The VIU calculations use forecast profits based on financial budgets approved by management, covering a five-year period as an approximation of future cash flows discounted using a discount rate appropriate to the subsidiary being tested. A terminal growth rate is then applied to the cash flows thereafter, which is based upon expectations of future inflation rates.

The 2024 review resulted in the reversal of £1bn of impairment for Barclays Bank Ireland PLC due to an improved performance expectation, the impairment had originally been identified as part of the 2022 review. The 2023 review did not result in any change in the 2022 impairment position.

Principal subsidiaries of the Barclays Bank Group are set out below. This includes those subsidiaries that are most significant in the context of the Barclays Bank Group's business, results or financial position.

Company Name	Principal place of business or incorporation	Nature of business	Percentage of voting rights held %	Non-controlling interests - proportion of ownership interests %	Non-controlling interests - proportion of voting interests %
Barclays Bank Delaware	United States	Credit card issuer	100	—	—
Barclays Bank Ireland PLC	Ireland	Banking	100	—	—
Barclays Capital Inc.	United States	Securities dealing	100	—	—
Barclays Capital Securities Limited	United Kingdom	Securities dealing	100	—	—
Barclays Securities Japan Limited	Japan	Securities dealing	100	—	—
Barclays US LLC	United States	Holding company	100	—	—

The country of registration or incorporation is also the principal area of operation of each of the above subsidiaries.

Ownership interests are in some cases different to voting interests due to the existence of non-voting equity interests, such as preference shares.

Significant judgements and assumptions used to determine the scope of the consolidation
Determining whether the Barclays Bank Group has control of an entity is generally straightforward based on ownership of the majority of the voting capital. However, in certain instances, this determination will involve significant judgement, particularly in the case of structured entities where voting rights are often not the determining factor in decisions over the relevant activities. This judgement will involve assessing the purpose and design of the entity. It will also often be necessary to consider whether the Barclays Bank Group, or another involved party with power over the relevant activities, is acting as a principal in its own right or as an agent on behalf of others.

There is also often considerable judgement involved in the ongoing assessment of control over structured entities. In this regard, where market conditions have deteriorated such that the other investors' exposures to the structure's variable returns have been substantively eliminated, the Barclays Bank Group may conclude that the managers of the structured entity are acting as its agent and therefore will consolidate the structured entity.

An interest in equity voting rights exceeding 50% would typically indicate that the Barclays Bank Group has control of an entity. Until 25th October 2024 Palomino Limited was excluded from consolidation despite the Group holding 100% of the voting rights as it was managed by an external counter-party and the Group was not exposed to its variable returns. Following the termination of the management agreement, as from 26th October 2024 the entity is now fully consolidated.

Company name	Country of registration or incorporation	Percentage of voting rights held (%)	Equity shareholders' funds (£m)	Retained profit for the year (£m)
Palomino Limited	Cayman Islands	**100**	—	—

Interests relating to the entity are included in Note 32 for the year ended 31st December 2023.

Significant restrictions

As is typical for a group of its size and international scope, there are restrictions on the ability of the Barclays Bank Group to obtain distributions of capital, access the assets or repay the liabilities of certain members of the Barclays Bank Group due to the statutory, regulatory and contractual requirements of its subsidiaries and due to the protective rights of non-controlling interests. These are considered below.

Regulatory requirements

The Barclays Bank Group's principal subsidiary companies have assets and liabilities before intercompany eliminations of £515bn (2023: £524bn) and £490bn (2023: £500bn) respectively. Certain classes of these assets and liabilities are subject to prudential regulation and regulatory capital requirements in the countries in which the subsidiaries are regulated. These prudential and regulatory capital requirements require entities to maintain minimum capital levels which cannot be returned to the parent company, Barclays Bank PLC, on a going concern basis.

In order to meet capital requirements, subsidiaries may issue certain equity accounted and debt accounted financial instruments such as Tier 1 and Tier 2 capital instruments and other forms of subordinated liabilities. Refer to Note 25 and Note 26 for particulars of these instruments. These instruments may be subject to cancellation clauses or preference share restrictions that would limit the ability of the entity to repatriate the capital on a timely basis.

Liquidity requirements

Regulated subsidiaries of the Barclays Bank Group are required to meet PRA or local regulatory requirements pertaining to liquidity. These regulated subsidiaries include Barclays Capital Securities Limited (which is regulated for liquidity matters on a combined basis with Barclays Bank PLC under a Domestic Liquidity Sub-Group (DoLSub) arrangement), Barclays Bank Ireland PLC, Barclays Capital Inc. and Barclays Bank Delaware Inc. See page 120 for further details of liquidity requirements.

Statutory requirements

The Barclays Bank Group's subsidiaries are subject to statutory requirements not to make distributions of capital and unrealised profits and generally to maintain solvency. These requirements restrict the ability of subsidiaries to make remittances of dividends to Barclays Bank PLC, the parent, except in the event of a legal capital reduction or liquidation. In most cases the regulatory restrictions referred to above exceed the statutory restrictions.

Asset encumbrance

The Barclays Bank Group uses its financial assets to raise finance in the form of securitisations and through the liquidity schemes of central banks, as well as to provide security to the UK Retirement Fund. Once encumbered, the assets are not available for transfer around the Barclays Bank Group. The assets typically affected are disclosed in Note 35.

Other restrictions

The Barclays Bank Group is required to maintain cash balances with central banks and other regulatory authorities and these amounted to £2,317m (2023: £2,973m).

32 Structured entities

A structured entity is an entity in which voting or similar rights are not the dominant factor in deciding who controls the entity. An example is when voting rights may relate to administrative tasks only, with the relevant activities of the entity being directed by means of contractual arrangements. Structured entities are generally created to achieve a narrow and well-defined objective with restrictions around their ongoing activities.

Depending on the Barclays Bank Group's power over the activities of the entity and its exposure to and ability to influence its own returns, it may consolidate the entity. In other cases, it may sponsor or have exposure to such an entity but not consolidate it.

Consolidated structured entities

The Barclays Bank Group has contractual arrangements which may require it to provide financial support to the following types of consolidated structured entities:

- Securitisation vehicles: The Barclays Bank Group uses securitisation as a source of financing and a means of risk transfer. Where entities are controlled by the Barclays Bank Group, they are consolidated. Refer to Note 34 for further detail.
- Commercial paper (CP) conduits: These entities issue CP and use the proceeds to lend to clients as part of the Barclays Bank Group's multi-seller conduit programme. The Barclays Bank Group has provided £23.9bn (2023: £22.4bn) in contractual liquidity facilities to the CP conduits that the Barclays Bank Group consolidates. These amounts represent the maximum the conduits can lend externally. The amounts of CP conduit lending (drawn and undrawn) to unconsolidated structured entities can be seen in 'Other interests in unconsolidated structured entities' under multi-seller conduit programme in the 'Nature of interest' table.

- Tender Option Bond (TOB) trusts: During 2024, the Barclays Bank Group provided undrawn liquidity facilities of £4.0bn (2023: £3.7bn) to consolidated TOB trusts. These trusts invest in fixed income instruments issued by state, local or other municipalities in the United States, funded by long-term senior floating-rate notes and junior residual securities.

Unconsolidated structured entities

The term 'unconsolidated structured entities' refers to structured entities not controlled by the Barclays Bank Group, and are established either by Barclays Bank Group or a third party. An interest in a structured entity is any form of contractual or non-contractual involvement which creates variability in returns arising from the performance of the entity for the Barclays Bank Group. Such interests include holdings of debt or equity securities, derivatives that transfer financial risks from the entity to the Barclays Bank Group, lending, loan commitments, financial guarantees and investment management agreements.

Barclays Bank Group enters into transactions with unconsolidated structured entities in the normal course of business to facilitate customer transactions, to provide risk management services and for specific investment opportunities. This is predominantly within the Barclays Investment Bank business. Structured entities may take the form of funds, trusts, securitisation vehicles, and private investment companies. The largest transactions for Barclays Bank Group include loans and derivatives with hedge fund structures and special purpose entities, multi-seller conduit lending, holding notes issued by securitisation vehicles and facilitating customer requirements through funds.

The nature and extent of the Barclays Bank Group's interests in structured entities is summarised below:

Summary of interests in unconsolidated structured entities

	Secured financing £m	Short-term traded interests £m	Traded derivatives £m	Other interests £m	Total £m
As at 31 December 2024					
Assets					
Trading portfolio assets	—	23,941	—	—	23,941
Financial assets at fair value through the income statement	87,546	—	—	1,268	88,814
Derivative financial instruments	—	—	6,540	—	6,540
Financial assets at fair value through other comprehensive income	—	—	—	4,852	4,852
Loans and advances at amortised cost	—	—	—	46,554	46,554
Debt securities at amortised cost	—	—	—	15,438	15,438
Reverse repurchase agreements and other similar secured lending	3,145	—	—	—	3,145
Other assets	—	—	—	—	—
Total assets	90,691	23,941	6,540	68,112	189,284
Liabilities					
Derivative financial instruments	—	—	6,978	—	6,978
As at 31 December 2023					
Assets					
Trading portfolio assets	—	15,482	—	—	15,482
Financial assets at fair value through the income statement	74,551	—	—	1,099	75,650
Derivative financial instruments	—	—	5,685	—	5,685
Financial assets at fair value through other comprehensive income	—	—	—	838	838
Loans and advances at amortised cost	—	—	—	34,162	34,162
Debt securities at amortised cost	—	—	—	9,217	9,217
Reverse repurchase agreements and other similar secured lending	896	—	—	—	896
Other assets	—	—	—	130	130
Total assets	75,447	15,482	5,685	45,446	142,060
Liabilities					
Derivative financial instruments	—	—	6,173	—	6,173

Secured financing arrangements, short-term traded interests and traded derivatives are typically managed under Market risk management policies described in the Market risk management section which includes an indication of the change of risk measures compared to last year. For this reason, the total assets of these entities are not considered meaningful for the purposes of understanding the related risks and so have not been presented. Other interests include conduits and lending where the interest is driven by normal customer demand. As at 31 December 2024, Barclays Bank Group entered into transactions with approximately 5,000 (2023: 6,000) structured entities.

Secured financing
The Barclays Bank Group routinely enters into reverse repurchase contracts, margin lending, stock borrowing and similar arrangements on normal commercial terms where the counterparty to the arrangement is a structured entity. Due to the nature of these arrangements, especially the transfer of collateral and ongoing margining, the Barclays Bank Group is able to manage its variable exposure to the performance of the structured entity counterparty. The counterparties included in secured financing mainly include hedge fund limited structures, investment companies and special purpose entities.

Short-term traded interests

As part of its market making activities, the Barclays Bank Group buys and sells interests in structured vehicles, which are predominantly debt securities issued by asset securitisation vehicles. Such interests are typically held individually or as part of a larger portfolio for no more than 90 days. In such cases, the Barclays Bank Group typically has no other involvement with the structured entity other than the securities it holds as part of trading activities and its maximum exposure to loss is restricted to the carrying value of the asset.

Traded derivatives

The Barclays Bank Group enters into a variety of derivative contracts with structured entities which reference market risk variables such as interest rates, equities, foreign exchange rates and credit indices among other things. The main derivative types that are considered interests in structured entities include equity options, index-based and entity specific credit default swaps, and total return swaps. Interest rate swaps and foreign exchange derivatives that are not complex and which expose the Barclays Bank Group to insignificant credit risk by being senior in the payment waterfall of a securitisation and derivatives that are determined to introduce risk or variability to a structured entity are not considered to be an interest in an entity and have been excluded from the disclosures.

A description of the types of derivatives and the risk management practices are detailed in Note 13. The risk of loss may be mitigated through ongoing margining requirements as well as a right to cash flows from the structured entity which are senior in the payment waterfall. Such margining requirements are consistent with market practice for many derivative arrangements and in line with the Barclays Bank Group's normal credit policies.

Derivative transactions require the counterparty to provide cash or other collateral under margining agreements to mitigate counterparty credit risk. The Barclays Bank Group is mainly exposed to settlement risk on these derivatives which is mitigated through daily margining. Total notional contract amounts were £712,793m (2023: £335,552m).

Except for credit default swaps where the maximum exposure to loss is the swap notional amount, it is not possible to estimate the maximum exposure to loss in respect of derivative positions as the fair value of derivatives is subject to changes in market rates of interest, exchange rates and credit indices which by their nature are uncertain. In addition, the Barclays Bank Group's losses would be subject to mitigating action under its traded market risk and credit risk policies that require the counterparty to provide collateral in cash or other assets in most cases.

Other interests in unconsolidated structured entities

The Barclays Bank Group's interests in structured entities not held for the purposes of short-term trading activities are set out below, summarised by the nature of the interest and limited to significant categories, based on maximum exposure to loss.

Nature of interest

	Multi-seller conduit programme £m	Lending £m	Other £m	Total £m	Of which: Barclays Bank Group owned, not consolidated entities[1] £m
As at 31 December 2024					
Financial assets at fair value through the income statement	—	—	1,268	1,268	—
Financial assets at fair value through other comprehensive income	—	3,206	1,646	4,852	—
Loans and advances at amortised cost	11,103	35,451	—	46,554	—
Debt securities at amortised cost	—	—	15,438	15,438	—
Other assets	—	—	—	—	—
Total on-balance sheet exposures	11,103	38,657	18,352	68,112	—
Total off-balance sheet notional amounts	11,530	25,733	—	37,263	—
Maximum exposure to loss	22,633	64,390	18,352	105,375	—
Total assets of the entity	41,431	199,000	52,369	292,800	—
As at 31 December 2023					
Financial assets at fair value through the income statement	—	3	1,096	1,099	907
Financial assets at fair value through other comprehensive income	—	638	200	838	—
Loans and advances at amortised cost	8,903	25,259	—	34,162	—
Debt securities at amortised cost	—	—	9,217	9,217	—
Other assets	38	88	4	130	—
Total on-balance sheet exposures	8,941	25,988	10,517	45,446	907
Total off-balance sheet notional amounts	11,947	12,581	—	24,528	—
Maximum exposure to loss	20,888	38,569	10,517	69,974	907
Total assets of the entity	35,439	160,438	84,107	279,984	1,869

Note

1 Comprises of Barclays Bank Group owned, not consolidated structured entities per IFRS 10 Consolidated Financial Statements, and Barclays Bank Group sponsored entities. Refer to Note 31 Principal subsidiaries for more details on consolidation.

Maximum exposure to loss

Unless specified otherwise below, the Barclays Bank Group's maximum exposure to loss is the total of its on-balance sheet positions and its off-balance sheet arrangements, being loan commitments and financial guarantees. Exposure to loss is mitigated through collateral, financial guarantees, the availability of netting and credit protection held.

Multi-seller conduit programme

The Barclays Bank Group's multi-seller conduit programme engages in providing financing to various clients and holds whole or partial interests in pools of receivables or similar obligations. These instruments are protected from loss through over-collateralisation, seller guarantees, or other credit enhancements provided to the conduit entity. The Barclays Bank Group's off-balance sheet exposure included in the table above represents liquidity facilities that are provided to the conduit for the benefit of the holders of the commercial paper issued by the conduit and will only be drawn where the conduit is unable to access the commercial paper market. If these liquidity facilities are drawn, the Barclays Bank Group is protected from loss through over-collateralisation, seller guarantees, or other credit enhancements provided to the conduit.

Lending

The portfolio includes lending provided by the Barclays Bank Group to unconsolidated structured entities in the normal course of its lending business to earn income in the form of interest and lending fees and includes loans to structured entities that are generally collateralised by property, equipment or other assets. All loans are subject to the Barclays Bank Group's credit sanctioning process. Collateral arrangements are specific to the circumstances of each loan with additional guarantees and collateral sought from the sponsor of the structured entity for certain arrangements. During the year, the Barclays Bank Group incurred immaterial impairment against such facilities.

Other

This includes fair value loans with structured entities where the market risk is materially hedged with corresponding derivative contracts, interests in debt securities issued by securitisation vehicles and drawn and undrawn loan facilities to these entities. In addition, 'Other' includes investment funds with interests restricted to management fees based on the performance of the fund and trusts held on behalf of beneficiaries with interests restricted to unpaid fees.

Assets transferred to sponsored unconsolidated structured entities

The Barclays Bank Group is considered to sponsor another entity if; it had a key role in establishing that entity, it transferred assets to the entity, the Barclays name appears in the name of the entity or it provides guarantees on the entity's performance. As at 31 December 2024, assets transferred to sponsored unconsolidated structured entities were £890m (2023: £1,420m).

33 Investments in associates and joint ventures

There are no individually significant investments in joint ventures or associates held by Barclays Bank Group.

	2024			2023		
	Associates	Joint ventures	Total	Associates	Joint ventures	Total
	£m	£m	£m	£m	£m	£m
Equity accounted (Group)	14	—	14	22	—	22

	2024			2023		
	Associates	Joint ventures	Total	Associates	Joint ventures	Total
	£m	£m	£m	£m	£m	£m
Equity accounted (Parent)	12	—	12	12	—	12

Summarised financial information for the Barclays Bank Group's equity accounted associates and joint ventures is set out below. The amounts shown are the Barclays Bank Group's share of the net income of the investees for the year ended 31 December 2024, with the exception of certain undertakings for which the amounts are based on accounts made up to dates not earlier than three months before the balance sheet date.

	Associates			Joint ventures		
	2024	2023	2022	2024	2023	2022
	£m	£m	£m	£m	£m	£m
(Loss)/Profit from continuing operations	—	(4)	3	—	—	—
Other comprehensive income	—	—	—	—	—	—
Total comprehensive (loss)/income from continuing operations	—	(4)	3	—	—	—

34 Securitisations

Accounting for securitisations

The Barclays Bank Group uses securitisations as a source of finance and a means of risk transfer. Such transactions generally result in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities.

Securitisations may, depending on the individual arrangement, result in continued recognition of the securitised assets and the recognition of the debt securities issued in the transaction; lead to partial continued recognition of the assets to the extent of the Barclays Bank Group's continuing involvement in those assets or lead to derecognition of the assets and the separate recognition, as assets or liabilities, of any rights and obligations created or retained in the transfer. Full derecognition only occurs when the Barclays Bank Group transfers both its contractual right to receive cash flows from the financial assets, or retains the contractual rights to receive the cash flows, but assumes a contractual obligation to pay the cash flows to another party without material delay or reinvestment, and also transfers substantially all the risks and rewards of ownership, including credit risk, prepayment risk and interest rate risk.

In the course of its normal banking activities, the Barclays Bank Group makes transfers of financial assets, either where legal rights to the cash flows from the asset are passed to the counterparty or beneficially, where the Barclays Bank Group retains the rights to the cash flows but assumes a responsibility to transfer them to the counterparty. Depending on the nature of the transaction, this may result in derecognition of the assets in their entirety, partial derecognition or no derecognition of the assets subject to the transfer.

A summary of the main transactions, and the assets and liabilities and the financial risks arising from these transactions, is set out below:

Transfers of financial assets that do not result in derecognition

Securitisations

The Barclays Bank Group is party to securitisation transactions involving its credit card balances, personal and mortgage loans.

In these transactions, the assets, interests in the assets, or beneficial interests in the cash flows arising from the assets, are transferred to a special purpose entity, which then issues interest bearing debt securities to third party investors.

Securitisations may, depending on the individual arrangement, result in continued recognition of the securitised assets and the recognition of the debt securities issued in the transaction. Partial continued recognition of the assets to the extent of the Barclays Bank Group's continuing involvement in those assets can also occur or derecognition of the assets and the separate recognition, as assets or liabilities, of any rights and obligations created or retained in the transfer.

The following table shows the carrying amount of securitised assets that have not resulted in full derecognition, together with the associated liabilities, for each category of asset on the balance sheet:

	2024				2023			
	Assets		Liabilities		Assets		Liabilities	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
	£m	£m	£m	£m	£m	£m	£m	£m
Barclays Bank Group								
Loans and advances at amortised cost								
Credit cards, unsecured loans and other retail lending	**6,575**	**7,158**	**(1,575)**	**(1,579)**	6,317	6,863	(2,336)	(2,303)
Financial assets at FVTPL								
Mortgage Loans	**576**	**576**	**—**	**—**	452	452	—	—
Assets included in disposal groups classified as held for sale								
Personal Loans	**846**	**826**	**—**	**—**	—	—	—	—
Total	**7,997**	**8,560**	**(1,575)**	**(1,579)**	6,769	7,315	(2,336)	(2,303)

Balances included within loans and advances at amortised cost represent securitisations where substantially all the risks and rewards of the assets have been retained by Barclays Bank Group and balances included within Financial assets at FVTPL and Assets included in disposal groups classified as held for sale represent securitisations where the risks and rewards are neither substantially transferred nor retained.

The relationship between the transferred assets and the associated liabilities is that holders of notes may only look to cash flows from the securitised assets for payments of principal and interest due to them under the terms of their notes, although the contractual terms of their notes may be different to the maturity and interest of the transferred assets.

If the Barclays Bank Group transfers a financial asset but does not transfer or retain substantially all the risk and rewards of the asset and retains control over it, the transferred assets are recognised to the extent of Barclays Bank Group's continuing involvement. Total Financial assets of £11,951m (2023: £3,353m) were originally transferred in this manner and the carrying value of the assets representing continued involvement is included in the table above.

For transfers of assets in relation to repurchase agreements, see Note 35.

Continuing involvement in financial assets that have been derecognised

In some cases, the Barclays Bank Group may have transferred a financial asset in its entirety but may have continuing involvement in it. This arises in asset securitisations where loans and asset backed securities were derecognised as a result of the Barclays Bank Group's involvement with asset backed securities, residential mortgage backed securities and commercial mortgage backed securities. Continuing involvement largely arises from providing financing into these structures in the form of retained notes, which do not bear first losses.

The table below shows the potential financial implications of such continuing involvement:

	Continuing involvement[1]			Gain from continuing involvement	
	Carrying amount	Fair value	Maximum exposure to loss[2]	For the year ended	Cumulative to 31 December
Type of transfer	£m	£m	£m	£m	£m
2024					
Asset backed securities	**53**	**53**	**130**	**1**	**1**
Residential mortgage backed securities	**3,439**	**3,437**	**3,439**	**155**	**231**
Commercial mortgage backed securities	**377**	**334**	**377**	**3**	**21**
Total	**3,869**	**3,824**	**3,946**	**159**	**253**
2023					
Asset backed securities	2	2	2	—	3
Residential mortgage backed securities	1,158	1,156	1,158	57	75
Commercial mortgage backed securities	392	341	392	3	19
Total	1,552	1,499	1,552	60	97

Notes
1 Assets which represent the Barclays Bank Group's continuing involvement in derecognised assets are recorded in Loans and advances at amortised cost and Debt securities at FVTPL.
2 Maximum exposure to loss includes notional value of undrawn loan commitment, if any.

35 Assets pledged, collateral received and assets transferred

Assets are pledged or transferred as collateral to secure liabilities under repurchase agreements, securitisations and stock lending agreements or as security deposits relating to derivatives. Assets transferred are non-cash assets transferred to a third party that do not qualify for derecognition from the Barclays Bank Group's balance sheet, for example because the Barclays Bank Group retains substantially all the exposure to those assets under an agreement to repurchase them in the future for a fixed price.

Where non-cash assets are pledged or transferred as collateral for cash received, the asset continues to be recognised in full, and a related liability is also recognised on the balance sheet. Where non-cash assets are pledged or transferred as collateral in an exchange for non-cash assets, the transferred asset continues to be recognised in full, and there is no associated liability as the non-cash collateral received is not recognised on the balance sheet. The Barclays Bank Group is unable to use, sell or pledge the transferred assets for the duration of the transaction and remains exposed to interest rate risk and credit risk on these pledged assets. Unless stated, the counterparty's recourse is not limited to the transferred assets.

Collateralised transactions, such as securities lending and borrowing, repurchase and derivative transactions are conducted in accordance with standard terms which are customary in the market.

The following table summarises the nature and carrying amount of the assets pledged as security:

	Barclays Bank Group	
	2024	2023
	£m	£m
Cash collateral	**72,415**	70,007
Loans and advances at amortised cost	**41,205**	46,902
Trading portfolio assets	**107,249**	117,696
Financial assets at fair value through the income statement	**5,729**	9,847
Financial assets at fair value through other comprehensive income	**20,420**	24,118
Assets pledged	**247,018**	268,570

The following table summarises the transferred financial assets and the associated liabilities. The transferred assets represents the gross carrying value of the assets pledged and the associated liabilities represents the IFRS balance sheet value of the related liability recorded on the balance sheet.

	Barclays Bank Group	
	Transferred assets	Associated liabilities
	£m	£m
At 31 December 2024		
Derivatives	**74,307**	**(74,307)**
Repurchase agreements	**60,564**	**(40,173)**
Securities lending arrangements	**104,450**	**—**
Other	**7,697**	**(7,271)**
	247,018	**(121,751)**
At 31 December 2023		
Derivatives	77,102	(77,102)
Repurchase agreements	69,740	(41,916)
Securities lending arrangements	115,909	—
Other	5,819	(5,188)
	268,570	(124,206)

For repurchase agreements the difference between transferred assets and associated liabilities is predominantly due to IFRS netting. Included within Other are agreements where a counterparty's recourse is limited to the transferred assets. The relationship between the gross transferred assets and the associated liabilities is that holders of notes may only look to cash flows from the securitised assets for payments of principal and interest due to them under the terms of their notes.

	Carrying value		Fair value		
	Transferred assets	Associated liabilities	Transferred assets	Associated liabilities	Net position
	£m	£m	£m	£m	£m
Barclays Bank Group					
2024					
Recourse to transferred assets only	**6,575**	**(1,575)**	**7,158**	**(1,579)**	**5,579**
2023					
Recourse to transferred assets only	6,769	(2,336)	7,315	(2,303)	5,012

The Barclays Bank Group has an additional £3.8bn (2023: £2.7bn) of loans and advances within its asset backed funding programmes that can readily be used to raise additional secured funding and are available to support future issuances.

Collateral held as security for assets

Under certain transactions, including reverse repurchase agreements and stock borrowing transactions, the Barclays Bank Group is allowed to resell or re-pledge the collateral held. Collateralised transactions, such as securities lending and borrowing, repurchase and derivative transactions are conducted in accordance with standard terms which are customary in the market.

The fair value at the balance sheet date of collateral accepted and re-pledged to others was as follows:

	Barclays Bank Group	
	2024	2023
	£m	£m
Fair value of securities accepted as collateral	**1,317,237**	1,207,312
Of which fair value of securities re-pledged/transferred to others	**1,193,809**	1,105,760

The notes included in this section focus on related party transactions, Auditors' remuneration, Barclays Bank PLC (the Parent company) disclosure and Directors' remuneration disclosure. Related parties include any subsidiaries, associates, joint ventures and Key Management Personnel.

36 Related party transactions and Directors' remuneration

Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions, or one other party controls both.

Parent company

The parent company, which is also the ultimate parent company, is Barclays PLC, which holds 100% of the issued ordinary shares of Barclays Bank PLC. The largest group in which the results of Barclays Bank PLC are consolidated is headed by Barclays PLC, 1 Churchill Place London E14 5HP. The consolidated financial statements of Barclays PLC Group are available to the public and may be obtained from Barclays Corporate Secretariat, 1 Churchill Place London E14 5HP.

Subsidiaries

Transactions between Barclays Bank PLC and its subsidiaries also meet the definition of related party transactions. Where these are eliminated on consolidation, they are not disclosed in the Barclays Bank Group's financial statements. A list of the Barclays Bank Group's principal subsidiaries is shown in Note 31.

Fellow subsidiaries

Transactions between the Barclays Bank Group and other subsidiaries of the parent company also meet the definition of related party transactions.

Other entities

The Barclays Bank Group provides banking services to Barclays Bank Group pension funds (principally the UK Retirement Fund) and other entities, providing loans, overdrafts, interest and non-interest bearing deposits and current accounts to these entities as well as other services. Barclays Bank Group companies also provide investment management and custodian services to the Barclays Bank Group pension schemes. All of these transactions are conducted on the same terms as third party transactions. Summarised financial information for the Barclays Bank Group's investments in associates and joint ventures is set out in Note 33.

Amounts included in the Barclays Bank Group's financial statements, in aggregate, by category of related party entity are as follows:

	Parent	Fellow subsidiaries	Pension funds	Other related parties
	£m	£m	£m	£m
For the year ended and as at 31 December 2024				
Total income	**(1,994)**	**172**	**(1)**	**54**
Operating expenses	**(92)**	**(4,361)**	**—**	**—**
Total assets	**1,338**	**6,753**	**—**	**1,104**
Total liabilities	**44,678**	**8,588**	**176**	**64**
For the year ended and as at 31 December 2023				
Total income	(1,712)	164	1	52
Operating expenses	(89)	(4,157)	(1)	—
Total assets	1,338	7,710	—	1,254
Total liabilities	37,862	7,483	144	154
For the year ended and as at 31 December 2022				
Total income	(751)	199	3	(2)
Operating expenses	(69)	(3,459)	(1)	—

Total liabilities include derivatives transacted on behalf of the pensions funds of £100m (2023: £77m).

Key Management Personnel

Key Management Personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of Barclays Bank PLC (directly or indirectly) and comprise the Directors and Officers of Barclays Bank PLC, certain direct reports of the Chief Executive Officer and the heads of major business units and functions.

The Barclays Bank Group provides banking services to Key Management Personnel and persons connected to them. Transactions during the year and the balances outstanding were as follows:

Loans outstanding	2024 £m	2023 £m
As at 1 January	**10.8**	—
Loans issued during the year[1]	—	11.1
Loan repayments during the year[2]	—	(0.3)
As at 31 December	**10.8**	10.8

Notes
1 Includes loans issued to existing Key Management Personnel and new or existing loans issued to newly appointed Key Management Personnel.
2 Includes loan repayments by existing Key Management Personnel and loans to former Key Management Personnel.

No allowances for impairment were recognised in respect of loans to Key Management Personnel (or any connected person).

Deposits outstanding	2024 £m	2023 £m
As at 1 January	**7.5**	2.0
Deposits received during the year[1]	**48.3**	32.7
Deposits repaid during the year[2]	**(46.3)**	(27.2)
As at 31 December	**9.5**	7.5

Notes
1 Includes deposits received from existing Key Management Personnel and new or existing deposits received from newly appointed Key Management Personnel.
2 Includes deposits repaid by existing Key Management Personnel and deposits of former Key Management Personnel.

Total commitments outstanding
Total commitments outstanding refer to the total of any undrawn amounts on credit card and/or overdraft facilities provided to Key Management Personnel. Total commitments outstanding as at 31 December 2024 were £0.1m (2023: £0.1m).

All loans to Key Management Personnel (and persons connected to them) were made in the ordinary course of business; were made on substantially the same terms, including interest rates and collateral, as those prevailing at the same time for comparable transactions with other persons; and did not involve more than a normal risk of collectability or present other unfavourable features.

Remuneration of Key Management Personnel

Total remuneration awarded to Key Management Personnel below represents salaries, short term benefits and pensions contributions received during the year and awards made as part of the latest remuneration decisions in relation to the year. Costs recognised in the income statement reflect the accounting charge for the year included within operating expenses. The difference between the values awarded and the recognised income statement charge principally relates to the recognition of costs for deferred awards. Figures are provided for the period that individuals met the definition of Key Management Personnel.

	2024 £m	2023 £m	2022 £m
Salaries and other short-term benefits	**42.9**	46.1	44.2
Pension costs	**0.2**	0.2	0.2
Other long-term benefits	**10.8**	10.8	12.1
Share-based payments	**21.9**	16.3	16.5
Employer social security charges on emoluments	**7.2**	8.2	7.5
Costs recognised for accounting purposes	**83.0**	81.6	80.5
Employer social security charges on emoluments	**(7.2)**	(8.2)	(7.5)
Other long-term benefits – difference between awards granted and costs recognised	**5.3**	2.1	0.1
Share-based payments – difference between awards granted and costs recognised	**2.6**	4.5	4.2
Total remuneration awarded	**83.7**	80.0	77.3

Notes to the financial statements
Other disclosure matters

Disclosure required by the Companies Act 2006
The following information regarding the Barclays Bank PLC Board of Directors is presented in accordance with the Companies Act 2006:

	2024 £m	2023 £m	2022 £m
Aggregate emoluments[1]	8.3	7.2	7.1
Amounts paid under LTIPs[2]	—	—	0.4
	8.3	7.2	7.5

Notes
1 The aggregate emoluments include amounts paid for the 2024 year. In addition, deferred share awards for 2024 with a total value at grant of £1.8m (2023: £1.5m, 2022: £2.3m) will be made to Directors which will only vest subject to meeting certain conditions.
2 The figure above for "Amounts paid under LTIPs" for 2024 relates to tranches of prior year LTIP awards that were released to Directors during the year.

There were no pension contributions paid to defined contribution schemes on behalf of Directors (2023: £nil, 2022: £nil). There were no notional pension contributions to defined contribution schemes.

As at 31 December 2024, there were no Directors accruing benefits under a defined benefit scheme (2023: nil, 2022: nil).

The aggregate amount of compensation payable to departing officers in respect of loss of office was £7,398 (2023: £30,519, 2022: £2,253,304).

Of the figures in the table above, the amounts attributable to the highest paid Director in respect of qualifying services are as follows:

	2024 £m	2023 £m	2022 £m
Aggregate emoluments[1]	4.3	3.6	3.6
Amounts paid under LTIPs	—	—	—
	4.3	3.6	3.6

Note
1 The aggregate emoluments include amounts paid for the 2024 year. In addition, a deferred share award for 2024 with a value at grant of £1.1m (2023: £1m, 2022: £1.5m) will be made to the highest paid Director which will only vest subject to meeting certain conditions.

There were no actual pension contributions paid to defined contribution schemes on behalf of the highest paid Director (2023: £nil, 2022: £nil). There were no notional pension contributions to defined contribution schemes (2023: £nil, 2022: £nil).

Advances and credit to Directors and guarantees on behalf of Directors
In accordance with Section 413 of the Companies Act 2006, the total amount of advances and credits made available in 2024 to persons who served as Directors during the year was £nil (2023: £0.1m). The total value of guarantees entered into on behalf of Directors during 2024 was £nil (2023: £nil).

37 Disposals of subsidiaries

There were no disposals of subsidiaries in 2024 or 2023. During 2022, Barclays Bank PLC sold its direct ownership of subsidiaries Capton Investments Limited and Hawkins to Roder Investment No 1 Limited and Roder investment No 2 Limited recording gains of £43m and £75m respectively.

38 Auditor's remuneration

Auditor's remuneration is included within consultancy, legal and professional fees in administration and general expenses and comprises:

	2024 £m	2023 £m	2022 £m
Audit of the Barclays Bank Group's annual accounts	**23**	22	20
Other services:			
Audit of the Barclays Bank PLC subsidiaries[1]	**19**	18	18
Other audit related fees[2]	**10**	8	8
Other services	**5**	1	1
Total Auditor's remuneration	**57**	49	47

Notes
1 Comprises the fees for the statutory audit of the subsidiaries both inside and outside UK and fees for the work performed by associates of KPMG in respect of the consolidated financial statements of Barclays Bank PLC.
2 Comprises services in relation to statutory and regulatory filings. These include audit services for the review of the interim financial information under the Listing Rules of the UK listing authority.

Audit scope changes are finalised following the completion of the audit and recognised when agreed. The 2024 audit fee includes £nil (2023: £1m, 2022: £2m) relating to the previous year's audit.

Under SEC regulations, the remuneration of our auditors is required to be presented as follows: audit fees £46m (2023: £43m, 2022: £41m), audit-related fees £6m (2023: £5m, 2022: £5m), tax fees £nil (2023: £nil, 2022: £nil), and all other fees £5m (2023: £1m, 2022: £1m).

39 Assets and liabilities included in disposal group classified as held for sale

Accounting for non-current assets held for sale and associated liabilities

The Barclays Bank Group applies IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Non-current assets (or disposal groups) are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction rather than continuing use. In order to be classified as held for sale, the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary, and the sale must be highly probable. Non-current assets (or disposal groups) held for sale are measured at the lower of carrying amount and fair value less cost to sell. Assets and liabilities classified as held for sale are presented separately in the consolidated balance sheet.

Management judgement is required in determining whether the IFRS 5 held for sale classification criteria are met, in particular whether the sale is highly probable and expected to qualify for recognition as a completed sale within 12 months of classification. This assessment requires consideration of how committed management is to the sales plan, the likelihood of obtaining regulatory or other external approvals which is often required for sales of banking operations and how committed the buyer is to complete the sales transaction within the agreed timelines.

Barclays Bank Ireland PLC agreed the sale of its German consumer finance business (comprising credit cards, unsecured personal loans and deposits), currently within Head Office. Barclays has recorded a £9m loss for the disposal group within Head Office for FY24. After the balance sheet date, Barclays announced it had completed the sale as part of our ambition to simplify Barclays and support our focus our key businesses.

Barclays has decided not to bid to become the sole issuer for a co-branded card portfolio in USCB, leading to its transfer in H1 2026. This portfolio held within USCB is expected to be sold at a premium. The extension to the 1 year sale period is aligned to the signed contractual arrangements in place to allow the transition of the portfolio in a controlled and effective manner.

The perimeter of the disposal group has been accounted for in line with the requirements of IFRS5 as at 31 December 2024. A detailed analysis of the disposal group is presented below. The 2024 disposal group includes the German Consumer Finance Business within Head Office and the US Cards portfolio within USCB. The 2023 Disposal Group includes the German Consumer Finance Business:

As at 31 December	2024 £m	2023 £m
Assets included in disposal groups classified as held for sale		
Loans and advances to customers	**9,544**	3,855
Intangible assets	**25**	15
Property, plant and equipment	**24**	24
Other assets	**260**	22
Total assets classified as held for sale	**9,854**	3,916
Liabilities included in disposal groups classified as held for sale		
Deposits from customers	**3,647**	3,077
Other liabilities	**77**	83
Provisions	**2**	4
Total liabilities classified as held for sale	**3,726**	3,164
Net assets classified as held for sale	**6,128**	752

40 Post balance sheet event

Barclays Bank Ireland PLC, a wholly owned subsidiary of Barclays Bank PLC, agreed the sale of its German consumer finance business (comprising credit cards, unsecured personal loans and deposits), currently within Head Office. Barclays has recorded a £9m loss for the disposal group within Head Office for FY24. After the balance sheet date, Barclays announced it had completed the sale as part of our ambition to simplify Barclays and support our focus on our key businesses.

41 Related Undertakings

The Barclays Bank PLC's corporate structure consists of a number of related undertakings, comprising subsidiary undertakings, joint ventures, associated undertakings and significant holdings. A full list of these related undertakings is set out below, together with the country of incorporation, registered office (or principal place of business) and the identity and percentage of each share class held by Barclays Bank PLC. The information is provided as at 31 December 2024.

The entities are grouped by the countries in which they are incorporated. The profits earned by the activities of these entities are in some cases taxed in countries other than the country of incorporation for example where the entity carries on business through a branch in a territory outside of its country of incorporation. Barclays Bank PLC Country Snapshot provides details of where Barclays Bank PLC carries on its business, where its profits are subject to tax and the taxes it pays in each country it operates in.

Notes

A	Directly held by Barclays Bank PLC
B	Partnership Interest
C	Membership Interest
D	Preference Shares
E	A Preference Shares
F	B Preference Shares
G	Ordinary/Common Shares in addition to other shares
H	A Ordinary Shares
I	B Ordinary Shares
J	C Ordinary Shares
K	F Ordinary Shares
L	First Preference Shares, Second Preference Shares
M	Registered Address not in country of incorporation
N	USD Linked Ordinary Shares
O	Capital Contribution Shares
P	Redeemable Class B Shares
Q	Non-Redeemable Ordinary Shares
R	Class A Shares
S	Class B Shares
T	Class C Shares
U	Class D Shares
V	Class E Shares
W	First Class Common Shares, Second Class Common Shares
X	Redeemable Class A Shares
Y	Not Consolidated
Z	Euro Tracker 1 Shares, GBP Tracker 1 Shares, and USD Tracker 1 Shares

Wholly owned subsidiaries	Note
Unless otherwise stated, the undertakings below are wholly owned and included in the consolidation and the share capital held by the Group comprises ordinary and/or common shares, which are held by subsidiaries of the Group. Unless otherwise stated, the Group holds 100% of the nominal value of each share class.	

United Kingdom

1 Churchill Place, London, E14 5HP

Wholly owned subsidiaries	Note
Aequor Investments Limited	
Alynore Investments Limited Partnership	B
Ardencroft Investments Limited	A
B D & B Investments Limited	
B.P.B. (Holdings) Limited	A
Barclays Aldersgate Investments Limited	A
Barclays Asset Management Limited	A
Barclays Capital Asia Holdings Limited	A
Barclays Capital Nominees (No.2) Limited	
Barclays Capital Nominees (No.3) Limited	A
Barclays Capital Nominees Limited	A
Barclays Capital Securities Client Nominee Limited	A
Barclays Capital Securities Limited	A, D, G
Barclays CCP Funding LLP	B
Barclays Direct Investing Nominees Limited	
Barclays Directors Limited	A
Barclays Executive Schemes Trustees Limited	A
Barclays Financial Planning Nominee Company Limited	
Barclays Group Holdings Limited	A
Barclays International Holdings Limited	A
Barclays Investment Management Limited	A
Barclays Investments Solutions Limited	A
Barclays Long Island Limited	A
Barclays Nominees (George Yard) Limited	A, Y
Barclays OCIO Services Limited	A
Barclays Pension Funds Trustees Limited	A
Barclays Private Bank	
Barclays Services (Japan) Limited	A
Barclays Shea Limited	A
Barclays Term Funding Limited Liability Partnership	B
Barclays Wealth Nominees Limited	A
Barclayshare Nominees Limited	
Barcosec Limited	A
Barsec Nominees Limited	A
BB Client Nominees Limited	A
Chapelcrest Investments Limited	
Cornwall Home Loans Limited	A
Dorset Home Loans Limited	A
Durlacher Nominees Limited	A
Eagle Financial and Leasing Services (UK) Limited	A
Finpart Nominees Limited	A
Foltus Investments Limited	
Hawkins Funding Limited	
Heraldglen Limited	G, L
Isle of Wight Home Loans Limited	A
J.V. Estates Limited	A
Kirsche Investments Limited	A
Leonis Investments LLP	B
Long Island Assets Limited	
Maloney Investments Limited	
Menlo Investments Limited	A
Mercantile Credit Company Limited	A
Mercantile Leasing Company (No.132) Limited	A
MK Opportunities LP	B
Naxos Investments Limited	A
Northwharf Nominees Limited	A
Oak Pension Asset Management Limited	Y
Real Estate Participation Management Limited	
Real Estate Participation Services Limited	
Relative Value Investments UK Limited Liability Partnership	B
Relative Value Trading Limited	
Roder Investments No. 1 Limited	A, G, Z
Roder Investments No. 2 Limited	A, G, Z
RVT CLO Investments LLP	B
Surety Trust Limited	A
Swan Lane Investments Limited	
US Real Estate Holdings No.1 Limited	
US Real Estate Holdings No.2 Limited	
US Real Estate Holdings No.3 Limited	
US Real Estate Holdings No.4 Limited	A
US Real Estate Holdings No.5 Limited	A
US Real Estate Holdings No.6 Limited	A
Water Street Investments Limited	Y
Wedd Jefferson (Nominees) Limited	A
Westferry Investments Limited	A
Woolwich Qualifying Employee Share Ownership Trustee Limited	A
Zeban Nominees Limited	A

C/O Teneo Financial Advisory Limited, 3rd Floor, The Colmore Building, 20 Colmore Circus Queensway, Birmingham, West Midlands, B4 6AT

Wholly owned subsidiaries	Note
Barclays Nominees (Branches) Limited (In Liquidation	
Barclays Capital Finance Limited	

1-4 , Clyde Place Lane, Glasgow, G5 8DP

Wholly owned subsidiaries	Note
R.C. Greig Nominees Limited	

9, allée Scheffer, Luxembourg, L-2520

Wholly owned subsidiaries	Note
Barclays Blossom Finance Limited Partnership	B, M
Barclays Claudas Investments Partnership	B, M
Barclays Pelleas Investments Limited Partnership	B, M

Argentina

Marval, O'Farrell & Mairal, Av. Leandro N.

Wholly owned subsidiaries	Note
Compañia Regional del Sur S.A.	A

Brazil

Av. Brigadeiro Faria Lima, No.4.440, 12th Floor, Bairro Itaim Bibi, Sao Paulo, CEP, 04538-132

Wholly owned subsidiaries	Note
Barclays Brasil Assessoria Financeira Ltda	A
BNC Brazil Consultoria Empresarial Ltda	A

Canada

333 Bay Street, Suite 4910, Toronto ON M5H 2R2

Wholly owned subsidiaries	Note
Barclays Capital Canada Inc.	

Stikeman Elliot LLP, 199 Bay Street, 5300 Commerce Court West, Toronto ON M5L 1B9

Wholly owned subsidiaries	Note
Barclays Corporation Limited	A

Cayman Islands

PO Box 309, Ugland House, George Town, Grand Cayman, KY1-1104

Wholly owned subsidiaries	Note
Alymere Investments Limited	E, F, G
Analytical Trade UK Limited	A
Barclays Capital (Cayman) Limited	A
Barclays Securities Financing Limited	E, F, G
Barclays US Holdings Limited	A, D, G
Braven Investments No.1 Limited	
Calthorpe Investments Limited	
Capton Investments Limited	
Claudas Investments Limited	A, G, P, X
Claudas Investments Two Limited	
Gallen Investments Limited	
Hornbeam Limited	Y
Mintaka Investments No. 4 Limited	
Palomino Limited	A
Pelleas Investments Limited	A
Pippin Island Investments	A
Razzoli Investments Limited	A, D, G
RVH Limited	A, D, G

France

34-36 avenue de Friedland, 75008, Paris

Barclays ADF SA	A

Germany

Stuttgarter Straße 55-57, 73033 Göppingen

Holding Stuttgarter Straße GmbH (In Liquidation)	

Guernsey

P.O. Box 33, Dorey Court, Admiral Park, St. Peter Port, GY1 4AT

Barclays UKRF ICC Limited	Y
Barclays UKRF No.1 IC Limited	Y
Barclays UKRF No.2 IC Ltd	Y

Hong Kong

Level 41,Cheung Kong Center, 2 Queen's Road, Central

Barclays Capital Asia Limited	A

India

Nirlon Knowledge Park, Level 9, Block B-6, Off Western Express Highway, Goregaon (East), Mumbai, 400063

Barclays Securities (India) Private Limited	
Barclays Wealth Trustees (India) Private Limited	

Wholly owned subsidiaries	Note
Barclays Investments & Loans (India) Private Limited	A, D, G

5th to 12th Floor (Part), Building G2, Gera Commerzone SEZ, Survey No.65, Kharadi, Pune, 411014

Barclays Global Service Centre Private Limited	

Ireland

One Molesworth Street, Dublin 2, D02RF29

Barclays Administration Germany Limited	
Barclays Bank Ireland Public Limited Company	A
Barclays Europe Client Nominees Designated Activity Company	
Barclays Europe Firm Nominees Designated Activity Company	
Barclays Europe Nominees Designated Activity Company	

25-28 North Wall Quay, Dublin1, D01H104

Erimon Home Loans Ireland Limited	A

70 Sir John Rogerson's Quay, Dublin 2

Barclays Finance Ireland Limited	

Isle of Man

Eagle Court, Circular Road, Douglas, IM1 1AD, Isle of Man

Barclays Nominees (Manx) Limited	A, Y
Barclays Private Clients International Limited	A, H, I

2nd Floor, St Georges Court, Upper Church Street, Douglas, IM1 1EE

Barclays Holdings (Isle of Man) Limited (In Liquidation)	A

Japan

10-1, Roppongi 6-chome, Minato-ku, Tokyo

Barclays Funds and Advisory Japan Limited	
Barclays Securities Japan Limited	G, E

Jersey

28 Esplanade, St Helier, JE2 3QA, Jersey

Barclays Services Jersey Limited	A

5 Espalanade, St Helier, JE2 3QA

Barclays Wealth Management Jersey Limited	A

Wholly owned subsidiaries	Note
13 Library Place, St Helier, JE4 8NE	
Barclays Nominees (Jersey) Limited	A, Y
Barclaytrust Channel Islands Limited	A, Y
Estera Trust (Jersey) Limited, 13-14 Esplanade, St Helier, JE1 1EE, Jersey	
MK Opportunities GP Ltd	A

Luxembourg

9, allée Scheffer, L-2520

Barclays Bedivere Investments S.à r.l.	G, H, I
Barclays Bordang Investments S.à r.l.	R, S,
Barclays Cantal Investments S.à r.l.	R, S
Barclays Capital Luxembourg S.à r.l.	
Barclays Treasury Luxembourg S.à r.l.	
Barclays Claudas Investments S.à r.l.	
Barclays International Luxembourg Dollar Holdings S.à r.l.	
Barclays Lamorak Investments S.à r.l.	Q
Barclays Luxembourg GBP Holdings S.à r.l.	Q
Barclays Luxembourg Global Funding S.à r.l.	
Barclays Luxembourg Holdings S.à r.l.	G, N
Barclays Luxembourg Holdings SSC	B

68-70 Boulevard de la Petrusse, L-2320

Adler Toy Holding Sarl	

10 rue du Château d'Eau, Leudelange, Grand Duchy of Luxembourg L-3364

BPM Management GP SARL	A

Mauritius

C/O Rogers Capital Corporate Services Limited, 3rd Floor, Rogers House, No.5 President John Kennedy Street, Port Louis

Barclays Capital Mauritius Limited (In Liquidation)	A
Barclays Capital Securities Mauritius Limited	A

Wholly owned subsidiaries	Note
Fifth Floor Ebene Esplanade, 24 Bank Street, Cybercity 72201 Ebene	
Barclays Mauritius Overseas Holdings Limited	A

Mexico

Paseo de la Reforma 505, Torre Mayor Floor 41, Colona Cuauhtémoc, 06500, Mexico City	
Barclays Bank Mexico, S.A.	I, K
Barclays Capital Casa de Bolsa, S.A. de C.V.	I, K
Grupo Financiero Barclays Mexico, S.A. de C.V.	A, I, K

Monaco

31 Avenue de la Costa, Monte Carlo BP 339	
Barclays Private Asset Management (Monaco) S.A.M	

Saudi Arabia

3rd Floor Al Dahna Center, 114 Al-Ahsa Street, PO Box 1454, Riyadh 11431	
Barclays Saudi Arabia (In Liquidation)	A

Singapore

10 Marina Boulevard, #25-01 Marina Bay Financial Centre, Tower 2, 018983	
Barclays Merchant Bank (Singapore) Ltd.	

Spain

Calle Jose, Abascal 51, 28003, Madrid	
Barclays Tenedora De Inmuebles SL.	A
BVP Galvani Global, S.A.U. (In Liquidation)	A

Switzerland

Chemin de Grange Canal 18-20, PO Box 3941, 1211, Geneva	
Barclays Bank (Suisse) SA	
BPB Holdings SA	

Taiwan

19F-1, No. 7, Xinyi Road, Sec. 5, Taipei, 11049, Taiwan	
Barclays Securities Taiwan Limited	A

United States

Wholly owned subsidiaries	Note
Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808	
Analytical Trade Holdings LLC	
Barclays Asset Backed Depositor LLC	C
Barclays Bank Delaware	D, G
Barclays Capital Derivatives Funding LLC	C
Barclays Capital Equities Trading GP	B
Barclays Capital Holdings Inc.	E, F, G
Barclays Capital Real Estate Finance Inc.	
Barclays Capital Real Estate Holdings Inc.	
Barclays Capital Real Estate Inc.	
Barclays Commercial Mortgage Securities LLC	C
Barclays Dryrock Funding LLC	C
Barclays Financial LLC	C
Barclays Group US Inc.	G, D
Barclays Lifestyles LLC	C
Barclays Oversight Management Inc.	
Barclays Receivables LLC	C
Barclays Services Corporation	
Barclays Services, LLC	C
Barclays STBT Inc.	
Barclays US CCP Funding LLC	C
Barclays US LLC	C
Barclays US Investments Inc.	
BCAP LLC	C
Lagalla Investments LLC	C
Long Island Holding A LLC	C
Marbury Holdings LLC	C
Preferred Liquidity, LLC	C, H
Procella Investments No.2 LLC	C
Procella Investments No.3 LLC	C
Relative Value Holdings, LLC	
Surrey Funding Corporation	
Sussex Purchasing Corporation	
Sutton Funding LLC	C
US Secured Investments LLC	O
Verain Investments LLC	C
Wilmington Riverfront LLC	C
100 Bank Street, Suite 630, Burlington, Vermont 05401	
Barclays Insurance U.S. Inc.	
80 State Street, Albany, NY,	
Barclays Equity Holdings Inc.	
Corporation Service Company Goodwin Square, 225 Asylum Street 20th Floor Hartford CT 06103	
Barclays Capital Inc.	
Corporation Service Company, 2626, Glenwood Ave, Suite 550, Raleigh, NC, 27608	
Barclays US GPF Inc.	
Equifirst Corporation (In Liquidation, dissolved with State of North Carolina)	
Rodney Square North, 1100, North Market Street,	
Barclays Dryrock Issuance Trust	
125 S West Street, Wilmington, Delaware, 19801	
Curve Investments GP	B

Unless otherwise stated, the undertakings below are included in the consolidation and the share capital held by Barclays Bank PLC comprises ordinary and/or common shares, which are held by subsidiaries of Barclays Bank PLC. The percentage of the nominal value of each share class held by Barclays Bank PLC is provided below.

Other Related Undertakings	%	Note
United Kingdom		
1 Churchill Place, London, E14 5HP		
PSA Credit Company Limited (In Liquidation)	100.00	H, J, Y
Barclays Secured Funding (LM)	20.00	
50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ		
Equistone Founder Partner III L.P.	20.00	B, Y
Enigma, Wavendon Business Park Milton Keynes, MK178LX		
Intelligent Processing Solutions Limited	19.50	Y
Cayman Islands		
PO Box 309GT, Ugland House, South Church Street, Grand Cayman KY1-1104		
Newman Holdings Limited (In Liquidation)	96.48	D, Y
Korea, Republic of		
18th Floor, Daishin Finance Centre, 343, Samil-daero, Jung-go, Seoul		
Woori BC Pegasus Securitization Specialty Co. Ltd	70.00	W

Luxembourg

9, allee Scheffer, L-2520		
Barclays Alzin Investments S.à r.l.	100.00	R,S, U
Preferred Funding S.à r.l.	100.00	F
Preferred Investments S.à r.l.	33.00	P

United States

1415 Louisiana Street, Suite 1600, Houston, TX 77002-0000		
Sabine Oil & Gas Holdings, Inc.(In Liquidation)	22.12	Y

42 Barclays Bank PLC (the Parent company)

Income Statement

Barclays Bank PLC

For the year ended 31 December	2024 £m	2023 £m	2022 £m
Interest and similar income	**25,624**	24,474	10,576
Interest and similar expense	**(23,492)**	(21,990)	(8,278)
Net interest income	**2,132**	2,484	2,298
Fee and commission income	**3,220**	3,006	2,949
Fee and commission expense	**(923)**	(1,149)	(850)
Net fee and commission income	**2,297**	1,857	2,099
Other income	**6,233**	4,908	7,446
Total income	**10,662**	9,249	11,843
Staff costs	**(2,027)**	(1,918)	(1,699)
Infrastructure costs	**(67)**	(246)	(145)
Administration and general expenses	**(3,648)**	(3,664)	(3,186)
UK regulatory levies	**(242)**	(149)	(150)
Litigation and conduct	**(156)**	(30)	(1,340)
Operating expenses	**(6,140)**	(6,007)	(6,520)
Impairment of investments in subsidiaries	**811**	(166)	(2,533)
Profit on disposal of subsidiaries, associates and joint ventures	**48**	(1)	119
Profit before impairment	**5,381**	3,075	2,909
Credit impairment releases/(charges)	**(216)**	(98)	(165)
Profit before tax	**5,165**	2,977	2,744
Taxation	**(200)**	(111)	40
Profit after tax	**4,965**	2,866	2,784
Attributable to:			
Equity holders of the parent	**3,740**	1,619	1,802
Other equity instrument holders	**1,225**	1,247	982
Total equity holders of the parent	**4,965**	2,866	2,784
Profit after tax	**4,965**	2,866	2,784

The Parent company financials on pages 159 to 162 form part of this note.

Barclays Bank PLC (the Parent company)

Statement of comprehensive income	2024	2023	2022
For the year ended 31 December	£m	£m	£m
Profit after tax	**4,965**	2,866	2,784
Other comprehensive income/(loss) that may be recycled to profit or loss:			
Currency translation reserve			
Currency translation differences[1]	**148**	(572)	1,149
Fair value through other comprehensive income reserve movement relating to debt securities			
Net (losses)/gains from changes in fair value	**(841)**	1,140	(6,383)
Net (gains)/losses transferred to net profit on disposal	**(134)**	(102)	68
Net losses/(gains) relating to (release of) impairment	**1**	(2)	8
Net gains/(losses) due to fair value hedging	**331**	(850)	4,626
Tax	**180**	(54)	449
Cash flow hedging reserve			
Net (losses)/gains from changes in fair value	**(1,285)**	2,443	(6,733)
Net gains/(losses) transferred to net profit	**1,807**	1,006	470
Tax	**(146)**	(966)	1,707
Other comprehensive income/(loss) that may be recycled to profit or loss	**61**	2,043	(4,639)
Other comprehensive (loss)/income not recycled to profit or loss:			
Retirement benefit remeasurements	**(420)**	(1,175)	(791)
Own credit	**(1,084)**	(975)	1,973
Tax	**428**	608	(138)
Other comprehensive (loss)/income not recycled to profit or loss	**(1,076)**	(1,542)	1,044
Other comprehensive (loss)/income for the year	**(1,015)**	501	(3,595)
Total comprehensive income/(loss) for the year	**3,950**	3,367	(811)
Attributable to:			
Equity holders of the parent	**3,950**	3,367	(811)
Total comprehensive income/(loss) for the year	**3,950**	3,367	(811)

Note
1 There were no CTR recycling events during 2024, 2023 & 2022.

Dividends paid to the Parent company totalled £1,803m (2023: £529m, 2022: £1,862m).

Additional unaudited information

Additional shareholder information

Articles of Association

Barclays Bank PLC (the "Company") is a public limited company registered in England and Wales under company number 01026167 (formerly called Barclays Bank International Limited, a company incorporated under the name The Colonial Bank by the Colonial Bank Act 1925 and which changed its name on 15 September 1925 to Barclays Bank (Dominion, Colonial and Overseas) and further changed its name on 22 September 1954 to Barclays Bank D.C.O. and on 1 October 1971 to Barclays Bank International Limited) was incorporated under the Companies Acts 1948 to 1967 as a limited company on 4 October 1971 and changed its name on 1 January 1985 to Barclays Bank PLC. The objects of the Company are unrestricted.

The Articles of Association were adopted by Special Resolution at the Company's Annual General Meeting on 12 June 2024, in substitution for and to the exclusion of Articles adopted on 30 April 2010 and amended on 8 June 2021.

The following is a summary and explanation of the current Articles of Association, which are available for inspection.

Directors

(i) The minimum number of Directors (excluding alternate Directors) is five. There is no maximum limit. There is no age limit for Directors. A director shall not be required to hold any shares in the Company by way of qualification.

(ii) Excluding executive remuneration and any other entitlement to remuneration for extra services (including service on board committees) under the Articles, a Director is entitled to a fee at a rate determined by the Board but the aggregate fees paid to all Directors shall not exceed £3,000,000 per annum or such higher amount as may be approved by an ordinary resolution of the Company. Each Director is entitled to reimbursement for all reasonable travelling, hotel and other expenses properly incurred by him/her in or about the performance of his/her duties.

(iii) A Director may hold any other office of the Company on such terms as the Board shall determine.

(iv) No director shall be required to retire from office at any annual general meeting by rotational retirement.

(v) The Board has the power to appoint additional Directors or to fill a casual vacancy amongst the Directors. Any Director so appointed holds office until the next AGM, when he/she may offer himself/herself for reappointment.

(vi) The Board may appoint any Director to any executive position or employment in the Company on such terms as they determine.

(vii) The Company may by ordinary resolution remove a Director before the expiry of his/her period of office (without prejudice to a claim for damages for breach of contract or otherwise) and may by ordinary resolution appoint another person who is willing to act to be a Director in his/her place.

(viii) A Director may appoint either another Director or some other person approved by the Board to act as his/her alternate with power to attend Board meetings and generally to exercise the functions of the appointing Director in his/her absence (other than the power to appoint an alternate).

(ix) The Board may authorise any matter in relation to which a Director has, or can have, a direct interest that conflicts, or possibly may conflict with, the Company's interests. Only Directors who have no interest in the matter being considered will be able to authorise the relevant matter and they may impose limits or conditions when giving authorisation if they think this is appropriate.

(x) A Director may hold positions with or be interested in other companies and, subject to legislation applicable to the Company and the FCA's requirements, may contract with the Company or any other company in which the Company is interested. A Director may not vote or count towards the quorum on any resolution concerning any proposal in which he/she (or any person connected with him/her) has a material interest (other than by virtue of his/her interest in securities of the Company) or if he/she has a duty which conflicts or may conflict with the interests of the Company, unless the resolution relates to any proposal:

   (a) to indemnify a Director or provide him/her with a guarantee or security in respect of money lent by him/her to, or any obligation incurred by him/her or any other person for the benefit of (or at the request of), the Company (or any other member of the Group);

   (b) to indemnify or give security or a guarantee to a third party in respect of a debt or obligation of the Company (or any other member of the Group) for which the Director has personally assumed responsibility;

   (c) to obtain insurance for the benefit of Directors;

   (d) involving the acquisition by a Director of any securities of the Company (or any other member of the Group) pursuant to an offer to existing holders of securities or to the public;

   (e) concerning any other company in which the Director is interested as an officer or creditor or Shareholder but, broadly, only if he/she (together with his/her connected persons) is directly or indirectly interested in less than 1% of either any class of the issued equity share capital or of the voting rights of that company; and

   (f) concerning any other arrangement for the benefit of employees of the Company (or any other member of the Group) under which the Director benefits or stands to benefit in a similar manner to the employees concerned and which does not give the Director any advantage which the employees to whom the arrangement relates would not receive.

Classes of Shares

The Articles of Association describe the following classes of shares: Ordinary Shares, Euro, US Dollar and Sterling Preference Shares (collectively, the "Preference Shares") and Series 1 Sterling Preference Shares. A description of the outstanding classes of shares in the Company as at 31 December 2024, being Ordinary Shares, Dollar Preference shares and Euro Preference Shares is included in Note 26 to the Financial Statements (Ordinary shares, preference shares and other equity).

Dividends

Subject to the provisions of the Articles and applicable legislation, the Company in general meeting may declare dividends on the Ordinary Shares by ordinary resolution, but any such dividend may not exceed the amount recommended by the Board. The Board may also pay interim or final dividends if it appears they are justified by the Company's financial position.

Each Preference Share confers the right to a preferential dividend ("Preference Dividend") payable in such currency at such rates (whether fixed or calculated by reference to or in accordance with a specified procedure or mechanism), on such dates and on such other terms as may be determined by the Board prior to allotment thereof.

The Preference Shares rank in regard to payment of dividends in priority to the holders of Ordinary Shares and any other class of shares in the Company ranking junior to the Preference Shares.

Dividends may be paid on the Preference Shares if, in the opinion of the Board, the Company has sufficient distributable profits, after payment in full or the setting aside of a sum to provide for all dividends payable on (or in the case of shares carrying a cumulative right to dividends, before) the relevant dividend payment date on any class of shares in the Company ranking pari passu with or in priority to the relevant series of Preference Shares as regards participation in the profits of the Company.

If the Board considers that the distributable profits of the Company available for distribution are insufficient to cover the payment in full of Preference Dividends, Preference Dividends shall be paid to the extent of the distributable profits on a pro rata basis.

Notwithstanding the above, the Board may, at its absolute discretion, determine that any Preference Dividend which would otherwise be payable may either not be payable at all or only payable in part.

If any Preference Dividend on a series of Preference Shares is not paid, or is only paid in part, for the reasons described above, holders of Preference Shares will not have a claim in respect of such non-payment.

If any dividend on a series of Preference Shares is not paid in full on the relevant dividend payment date, a dividend restriction shall apply. The dividend restriction means that, subject to certain exceptions, neither the Company nor Barclays Bank may (a) pay a dividend on, or (b) redeem, purchase, reduce or otherwise acquire, any of their respective ordinary shares, other preference shares or other share capital ranking equal or junior to the relevant series of Preference Shares until the earlier of such time as the Company next pays in full a dividend on the relevant series of Preference Shares or the date on which all of the relevant series of Preference Shares are redeemed.

All unclaimed dividends payable in respect of any share may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. If a dividend is not claimed after 12 years of it becoming payable, it is forfeited and reverts to the Company. However, The Company shall be indebted to the member or other person entitled to the shares for the net proceeds of any shares sold by the Company for a period of six years following the date of such sale.

Subject to applicable legislation and the rights of the other shareholders, any share may be issued on terms that it is, at the option of the Company or the holder of such share, redeemable. The Directors are authorised to determine the terms, conditions and manner of redemption of any such shares under the Articles of Association.

Calls on capital

The Directors may make calls upon the members in respect of any monies unpaid on their shares. A person upon whom a call is made remains liable even if the shares in respect of which the call is made have been transferred. Interest will be chargeable on any unpaid amount called at a rate determined by the Board (of not more than 20% per annum).

If a member fails to pay any call in full (following notice from the Board that such failure will result in forfeiture of the relevant shares), such shares (including any dividends declared but not paid) may be forfeited by a resolution of the Board, and will become the property of the Company. Forfeiture shall not absolve a previous member for amounts payable by him/her (which may continue to accrue interest).

The Company also has a lien over all partly paid shares of the Company for all monies payable or called on that share and over the debts and liabilities of a member to the Company. If any monies which are the subject of the lien remain unpaid after a notice from the Board demanding payment, the Company may sell such shares.

Annual and other general meetings

The Company is required to hold an AGM in addition to such other general meetings as the Directors think fit. The type of the meeting will be specified in the notice calling it. Under the Companies Act 2006, the AGM must be held within six months of the accounting reference date. A general meeting may be convened by the Board on requisition in accordance with the applicable legislation.

In the case of an AGM, a minimum of 21 clear days' notice is required. The notice must be in writing and must specify the place, the day and the hour of the meeting, and the general nature of the business to be transacted. A notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as such. The accidental failure to give notice of a general meeting or the non-receipt of such notice will not invalidate the proceedings at such meeting.

Subject as noted above, all Shareholders are entitled to attend and vote at general meetings. The Articles do, however, provide that arrangements may be made for simultaneous attendance at a satellite meeting place or, if the meeting place is inadequate to accommodate all members and proxies entitled to attend, another meeting place may be arranged to accommodate such persons other than that specified in the notice of meeting, in which case Shareholders may be excluded from the principal place. The Articles also allow for a hybrid meeting, whereby Shareholders may attend by electronic means or physically.

Holders of Preference Shares have no right to receive notice of, attend or vote at, any general meetings of the Company as a result of holding Preference Shares.

Notices

Save where the articles expressly require otherwise, a document or information may be sent by the Company in hard copy form, electronic form, by being made available on a website, or by another means agreed with the recipient, in accordance with the provisions set out in the Companies Act 2006. Accordingly, a document or information may only be sent in electronic form to a person who has agreed to receive it in that form or, in the case of a company, who has been deemed to have so agreed pursuant to applicable legislation. A document or information may only be sent by being made available on a website if the recipient has agreed to receive it in that form or has been deemed to have so agreed pursuant to applicable legislation, and has not revoked that agreement.

In respect of joint holdings, documents or information shall be sent to the joint holder whose name stands first in the register.

A member who (having no registered address within the UK) has not supplied an address in the UK at which documents or information may be sent in hard copy form, or an address to which notices, documents or information may be sent or supplied by electronic means, is not entitled to have documents or information sent to him/her.

The Company may choose to send notice in hard copy form alone to some or all members and/or choose not to send notice to a particular member where it considers this necessary or appropriate to deal with legal, regulatory or practical problems in, or under the laws of, any territory. In addition, the Company may cease to send notices to any member who has been sent documents on two consecutive occasions over a period of at least 12 months and when each of those documents is returned undelivered or notification is received that they have not been delivered.

Capitalisation of profits

The Company may, by ordinary resolution, upon the recommendation of the Board capitalise all or any part of an amount standing to the credit of a reserve or fund to be set free for distribution provided that amounts from the share premium account, capital redemption reserve or any profits not available for distribution should be applied only in paying up unissued shares to be allotted to members credited as fully paid and no unrealised profits shall be applied in paying up debentures of the Company or any amount unpaid on any share in the capital of the Company.

Indemnity

Subject to applicable legislation, every current and former Director or other officer of the Company (other than any person engaged by the company as auditor) shall be indemnified by the Company against any liability in relation to the Company, other than (broadly) any liability to the Company or a member of the Group, or any criminal or regulatory fine.

Variation of Rights

The rights attached to any class of shares may be varied either with the consent in writing of the holders of at least 75% in nominal value of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. The rights of shares shall not (unless expressly provided by the rights attached to such shares) be deemed varied by the creation of further shares ranking equally with them or subsequent to them.

Limitations on foreign shareholders

There are no restrictions imposed by the Articles of Association or (subject to the effect of any economic sanctions that may be in force from time to time) by current English laws which relate only to non-residents of the UK and which limit the rights of such non-residents to hold or (when entitled to do so) vote the ordinary shares.

Special rights

There are no persons holding securities that carry special rights with regard to the control of the company.

Taxation of UK holders

The following is a summary of certain UK tax issues which are likely to be material to the holding and disposal of Preference Shares of Barclays Bank PLC or ADSs representing such Preference Shares (the "**Shares**").

It is based on the current laws of England and Wales, UK tax law and the practice of His Majesty's Revenue and Customs ("**HMRC**"), each of which may be subject to change, possibly with retrospective effect and in particular it does not contemplate any changes in law announced, but not yet enacted, as part of the UK government's Autumn Budget on 30 October 2024 (the "**Budget**"). It is a general guide for information purposes and should be treated with appropriate caution. It is not intended as tax advice and it does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser, holder or disposer of Shares. In particular, save where expressly stated to the contrary, this summary deals with shareholders who are resident and, in the case of individuals, domiciled in (and only in) the UK for UK tax purposes, who hold their Shares as investments (other than under an individual savings account) and who are the absolute beneficial owners of their Shares and any dividends paid on them.

The statements are not addressed to: (i) shareholders who own (or are deemed to own) 10% or more of the voting power of Barclays Bank PLC; (ii) shareholders who hold Shares as part of hedging transactions; (iii) investors who have (or are deemed to have) acquired their Shares by virtue of an office or employment; and (iv) shareholders who hold Shares in connection with a trade, profession or vocation carried on in the UK (whether through a branch or agency or, in the case of a corporate shareholder, through a permanent establishment, or otherwise). It does not discuss the tax treatment of classes of shareholder subject to special rules, such as dealers in securities.

Persons who are in any doubt as to their tax position should consult their professional advisers. Persons who may be liable to taxation in jurisdictions other than the UK in respect of their acquisition, holding or disposal of Shares are particularly advised to consult their professional advisers as to whether they are so liable.

(i)Taxation of dividends

In accordance with UK law, Barclays Bank PLC pays dividends on the Shares without any deduction or withholding for or on account of any taxes imposed by the UK government or any UK taxing authority.

The total dividends (including any dividends paid by Barclays Bank PLC) paid to a UK resident individual shareholder in a tax year (the "**Total Dividend Income**") will generally form part of that shareholder's total income for UK income tax purposes, and will be subject to UK income tax at the rates discussed below.

For dividends paid on or after 6 April 2016, the rate of UK income tax applicable to the Total Dividend Income will depend on the amount of the Total Dividend Income and the UK income tax band(s) that the Total Dividend Income falls within when included as part of the shareholder's total income for UK income tax purposes for that tax year.

For the tax year from 6 April 2024 to 5 April 2025 (inclusive), a nil rate of UK income tax applies to the first £500 of Total Dividend Income received by an individual shareholder in that tax year (the "**Nil Rate Amount**"). For the 2023-2024 tax year, the Nil Rate Amount was £1,000. For the 2018-2019, 2019-2020, 2020-2021, 2021-2022 and 2022-2023 tax years, the Nil Rate Amount was £2,000. For the 2016-2017 and 2017-2018 tax years, the Nil Rate Amount was £5,000.

Where the Total Dividend Income received by an individual shareholder in a tax year exceeds the relevant Nil Rate Amount for that tax year, the excess amount (the "**Remaining Dividend Income**") will, at the date hereof, be subject to UK income tax at the following current rates:

(a) at the rate of 8.75% on any portion of the Remaining Dividend Income that falls within the basic tax band;

(b) at the rate of 33.75% on any portion of the Remaining Dividend Income that falls within the higher tax band; and

(c) at the rate of 39.35% on any portion of the Remaining Dividend Income that falls within the additional tax band.

In determining the tax band the Remaining Dividend Income falls within for a tax year, the individual shareholder's Total Dividend Income for the tax year in question (including the portion comprising the Nil Rate Amount) will be treated as the top slice of the shareholder's total income for UK income tax purposes.

Subject to special rules for small companies, UK resident shareholders within the charge to UK corporation tax will not generally be subject to UK corporation tax on the dividends paid on the Shares, provided the dividend falls within an exempt class and certain conditions are met.

(ii)Taxation of capital gains

The disposal of Shares may, depending on the shareholder's circumstances, give rise to a liability to UK tax on chargeable capital gains.

Where Shares are sold, a liability to UK tax may result if the proceeds from that sale exceed the sum of the base cost of the Shares sold and any other allowable deductions such as share dealing costs and, in certain circumstances, indexation relief (discussed further below). For this purpose, current legislation permits the market valuation at 31 March 1982 to be substituted for the original cost of shares purchased before that date, subject to certain exceptions for shareholders within the charge to UK corporation tax. Shareholders other than those within the charge to UK corporation tax should note that, following the Finance Act 2008, no indexation allowance will be available. Following the Finance Act 2018, shareholders within the charge to UK corporation tax may be eligible for indexation allowance for the period of ownership of their Shares up to December 2017, but no indexation allowance will be available in respect of the period of ownership starting on or after 1 January 2018.

Chargeable capital gains may also arise from the gifting of Shares to connected parties such as relatives (although not spouses or civil partners) and family trusts.

The calculations required to compute chargeable capital gains may be complex. Shareholders are advised to consult their personal financial adviser for further information regarding a possible tax liability in respect of their holdings of shares.

(iii)Stamp duty and stamp duty reserve tax

Dealings in Shares will generally be subject to UK stamp duty or stamp duty reserve tax (although see the comments below as regards ADSs in the section 'Taxation of US holders – UK stamp duty and stamp duty reserve tax'). Any document effecting the transfer on sale of Shares will generally be liable to stamp duty at 0.5% of the consideration paid for that transfer (rounded up to the next £5). An unconditional agreement to transfer Shares, or any interest therein, will generally be subject to stamp duty reserve tax at 0.5% of the consideration given. Such liability to stamp duty reserve tax will be cancelled, or a right to a repayment (generally with interest) in respect of the stamp duty reserve tax liability will arise, if the agreement is completed by a duly stamped transfer within six years of the agreement having become unconditional. Both stamp duty and stamp duty reserve tax are normally the liability of the transferee.

Paperless transfers of Shares within CREST are liable to stamp duty reserve tax rather than stamp duty.

Stamp duty reserve tax on transactions settled within the CREST system or reported through it for regulatory purposes will be collected by CREST.

Special rules apply to certain categories of person, including intermediaries, market makers, brokers, dealers and persons connected with depositary arrangements and clearance services.

(iv)Inheritance tax

An individual may be liable to inheritance tax on the transfer of Shares. Where an individual is so liable, inheritance tax may be charged on the amount by which the value of his or her estate is reduced as a result of any transfer by way of gift or other gratuitous transaction made by them or treated as made by them.

Taxation of US Holders

The following is a summary of certain US federal income tax considerations and certain UK tax considerations to the purchase, ownership, and disposition of Preference Shares of Barclays Bank PLC or ADSs representing such Preference Shares (the "**Shares**") that are likely to be relevant for US Holders (as defined below) who own the Shares as capital assets for tax purposes. This discussion is not a comprehensive analysis of all the potential US or UK tax consequences that may be relevant to US Holders and does not discuss particular tax consequences that may be applicable to US Holders who may be subject to special tax rules such as banks, brokers or dealers in securities or currencies, traders in securities that elect to use a mark-to-market method of accounting for securities holdings, financial institutions, tax-exempt organisations, regulated investment companies, life insurance companies, entities or arrangements that are treated as partnerships for US federal income tax purposes (or partners therein), holders that own or are treated as owning 10% or more of the stock of Barclays Bank PLC measured either by voting power or value, holders that hold Shares as part of a straddle or a hedging or conversion transaction, holders that purchase or sell Shares as part of a wash sale, holders whose functional currency is not the US Dollar, or holders who are resident, or who are carrying on a trade, in the UK. The summary also does not address state or local taxes or any aspect of US federal taxation other than US federal income taxation (such as the estate and gift tax, any alternative minimum tax or the Medicare tax on net investment income). Investors are advised to consult their tax advisers regarding the tax implications of their particular holdings, including the consequences under applicable state and local law, and in particular whether they are eligible for the benefits of the Treaty (as defined below).

This discussion is based on the Internal Revenue Code of 1986, as amended (the "**IRC**"), its legislative history, existing and proposed regulations, published rulings and court decisions, and on the Double Taxation Convention between the UK and the US as entered into force in March 2003 (the "Treaty"), and, in respect of UK tax, the Estate and Gift Tax Convention between the UK and the US as entered into force on 11 November 1979 (the "Estate and Gift Tax Convention"), the current UK tax law and the practice of HMRC, all of which are subject to change (including as a result of the Budget), possibly on a retroactive basis. This discussion is based in part upon the representations of the ADR Depositary and the assumption that each obligation of the Deposit Agreement and any related agreement will be performed in accordance with its terms.

A "US Holder" is a beneficial owner of Shares that is a citizen or resident of the United States or a US domestic corporation or that otherwise is subject to US federal income taxation on a net income basis in respect of such Shares and that is fully eligible for benefits under the Treaty.

In general, the holders of ADRs evidencing ADSs will be treated as owners of the underlying Preference Shares for the purposes of the Treaty, the Estate and Gift Tax Convention, and the IRC. Generally, exchanges of shares for ADRs and ADRs for shares will not be subject to US federal income tax or to UK capital gains tax.

Taxation of dividends

Subject to the PFIC rules discussed below, the gross amount of any distribution of cash or property with respect to the Shares (including any amount withheld in respect of UK taxes) that is paid out of Barclays Bank PLC's current or accumulated earnings and profits (as determined for US federal income tax purposes) will be includible in a US Holder's taxable income as ordinary dividend income on the day such US Holder receives the dividend, in the case of Preference Shares, or the date the Depositary receives the dividends, in the case of ADRs, and will not be eligible for the dividends-received deduction allowed to corporations under the IRC.

Dividends paid by Barclays Bank PLC to an individual with respect to the Shares will generally be subject to taxation at a preferential rate if the dividends are "qualified dividend income". Subject to certain exceptions for short-term positions, dividends paid on the Shares will be treated as qualified dividend income if (i) the Shares are readily tradable on an established securities market in the United States or Barclays Bank PLC is eligible for the benefits of a comprehensive tax treaty with the United States that the US Treasury determines is satisfactory for purposes of this provision and that includes an exchange of information program, and (ii) Barclays Bank PLC was not a PFIC (as defined below) in the year of the distribution or the immediately preceding taxable year. The US Treasury has determined that the Treaty meets the requirements for reduced rates of taxation, and Barclays Bank PLC believes that it is eligible for the benefits of the Treaty. Based on its audited financial statements and relevant market and shareholder data, Barclays Bank PLC believes that it was not treated as a PFIC for US federal income tax purposes with respect to its 2023 or 2024 taxable years. In addition, based on its audited financial statements and current expectations regarding the value and nature of its assets, the sources and nature of its income, and relevant market and shareholder data, Barclays Bank PLC does not anticipate becoming a PFIC for its current taxable year or in the foreseeable future.

Dividends paid by Barclays Bank PLC to a US Holder with respect to the Shares will not be subject to UK withholding tax. For foreign tax credit purposes, dividends will generally be income from sources outside the US and will generally be "passive" income for purposes of computing the foreign tax credit allowable to a US Holder.

The amount of the dividend distribution includable in income will be the US Dollar value of the distribution, determined at the spot Pound Sterling/US Dollar rate on the date the dividend distribution is includable in income, regardless of whether the payment is in fact converted into US Dollars. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date the dividend payment is includable in income to the date the payment is converted into US Dollars will be treated as ordinary income or loss and, for foreign tax credit limitation purposes, from sources within the US, and will not be eligible for the special tax rates applicable to qualified dividend income.

Distributions in excess of current or accumulated earnings and profits, as determined for US federal income tax purposes, will be treated as a return of capital to the extent of the US Holder's basis in the Shares and thereafter as capital gain. Because Barclays Bank PLC does not currently maintain calculations of earnings and profits for US federal income tax purposes, US Holders should expect that distributions with respect to the Shares will generally be treated as dividends.

Taxable sale or other disposition of Shares

Subject to the PFIC rules discussed below, upon a sale or other taxable disposition of the Shares, US Holders generally will not be subject to UK tax, but will realise gain or loss for US federal income tax purposes in an amount equal to the difference between the US Dollar value of the amount realised on the disposition and the US Holder's adjusted tax basis in the Shares, as determined in US Dollars. Such gain or loss will be capital gain or loss, and will generally be long-term capital gain or loss if the Shares have been held for more than one year.

Long-term capital gain of a noncorporate US Holder is generally taxed at preferential rates. The gain or loss will generally be income or loss from sources within the United States for foreign tax credit limitation purposes. The deductibility of capital losses is subject to limitations.

Taxation of passive foreign investment companies (PFICs)

Based on its audited financial statements and relevant market and shareholder data, Barclays Bank PLC believes that it was not treated as a PFIC for US federal income tax purposes with respect to its 2023 or 2024 taxable years. In addition, based on its audited financial statements and current expectations regarding the value and nature of its assets, the sources and nature of its income, and relevant market and shareholder data, Barclays Bank PLC does not anticipate becoming a PFIC for its current taxable year or in the foreseeable future. This conclusion is a factual determination that is made annually and thus may be subject to change. In general, Barclays Bank PLC will be a PFIC with respect to a US Holder if, for any taxable year in which a US Holder holds the Shares, either (i) at least 75% of the gross income of Barclays Bank PLC for the taxable year is passive income, or (ii) at least 50% of the value, generally determined on the basis of a quarterly average, of Barclays Bank PLC’s assets is attributable to assets that produce or are held for the production of passive income (including cash). With certain exceptions, a US Holder’s Shares will be treated as stock of a PFIC if Barclays Bank PLC was a PFIC at any time during such holder’s holding period in its Shares.

If Barclays Bank PLC were to be treated as a PFIC with respect to a US Holder, unless such US Holder elected to be taxed annually on a mark-to-market basis with respect to its Shares, gain and certain "excess distributions" would be treated as having been realised ratably over a US Holder’s holding period for the Shares and generally would be taxed at the highest tax rate in effect for each such year to which the gain was allocated, together with an interest charge in respect of the tax attributable to each such year.

UK stamp duty and stamp duty reserve tax

No obligation to pay UK stamp duty will arise on the transfer on sale of an ADS, provided that any instrument of transfer is not executed in, and remains at all times outside, the UK. No UK stamp duty reserve tax is payable in respect of an agreement to transfer an ADS. For the UK stamp duty and stamp duty reserve tax implications of dealings in Preference Shares, see the section ‘Taxation of UK holders – (iii) Stamp duty and stamp duty reserve tax‘ above.

UK estate and gift tax

Under the Estate and Gift Tax Convention, Shares held by an individual US holder who is US domiciled for the purposes of the Estate and Gift Tax Convention and who is not for such purposes a UK national generally will not, provided any US federal estate or gift tax chargeable has been paid, be subject to UK inheritance tax on the individual’s death or on a lifetime transfer of Shares, except in certain cases where the Shares are comprised in a settlement (unless the settlor was US domiciled and not a UK national at the time of the settlement), are part of the business property of a UK permanent establishment of an enterprise, or pertain to a UK fixed base of an individual used for the performance of independent personal services. In cases where the Shares are subject to both UK inheritance tax and US federal estate or gift tax, the Estate and Gift Tax Convention generally provides a credit against US federal tax liability for the amount of any inheritance tax paid in the UK.

Foreign Financial Asset Reporting

Certain US Holders that own "specified foreign financial assets" with an aggregate value in excess of US$50,000 on the last day of the taxable year or US$75,000 at any time during the taxable year are generally required to file an information statement along with their tax returns, currently on Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-US financial institution, as well as securities issued by a non-US issuer that are not held in accounts maintained by financial institutions. The understatement of income attributable to "specified foreign financial assets" in excess of US$5,000 extends the statute of limitations with respect to the tax return to six years after the return was filed. US Holders who fail to report the required information could be subject to substantial penalties. US Holders are encouraged to consult with their own tax advisors regarding the possible application of these rules, including the application of the rules to their particular circumstances.

Backup Withholding and Information Reporting

Dividends paid on, and proceeds from the sale or other disposition of, the Shares to a US Holder generally may be subject to the information reporting requirements of the IRC and may be subject to backup withholding unless the US Holder provides an accurate taxpayer identification number and makes any other required certification or otherwise establishes an exemption. Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a US Holder will be allowed as a refund or credit against the US Holder’s US federal income tax liability, provided the required information is furnished to the US Internal Revenue Service ("IRS") in a timely manner.

A holder that is not a US Holder may be required to comply with certification and identification procedures in order to establish its exemption from information reporting and backup withholding.

FATCA Risk Factor

In certain circumstances, payments on shares or ADSs may be subject to US withholding taxes on "passthru payments", starting on the date that is two years after the date on which final regulations defining this concept are adopted in the United States. Under the "Foreign Account Tax Compliance Act" (or "FATCA"), as well as intergovernmental agreements between the United States and other countries and implementing laws in respect of the foregoing, certain US-source payments (including dividends and interest) and certain payments made by, and financial accounts held with, entities that are classified as financial institutions under FATCA are subject to a special information reporting and withholding tax regime. Regulations implementing withholding in respect of "passthru payments" under FATCA have not yet been adopted or proposed. The United States has entered into an intergovernmental agreement regarding the implementation of FATCA with the UK (the "UK IGA"). Under the UK IGA, as currently drafted, it is not expected that Barclays Bank PLC will be required to withhold tax under FATCA on payments made with respect to the shares or ADSs. However, significant aspects of when and how FATCA will apply remain unclear, and no assurance can be given that withholding under FATCA will not become relevant with respect to payments made on or with respect to the shares or ADSs in the future. Holders should consult their own tax advisers regarding the potential impact of FATCA.

The Barclays Group has registered with the Internal Revenue Service ("IRS") for FATCA. The Global Intermediary Identification Number (GIIN) for Barclays Bank PLC in the United Kingdom is E1QAZN.00001.ME.826 and it is a Reporting Model 1 FFI. The GIINs for other parts of the Barclays Group or Barclays branches outside of the UK may be obtained from your usual Barclays contact on request. The IRS list of registered Foreign Financial Institutions is publicly available on the IRS website.

Exchange controls and other limitations affecting security holders

Other than certain economic sanctions which may be in force from time to time, there are currently no UK laws, decrees or regulations which would affect the transfer of capital or remittance of dividends, interest and other payments to holders of Barclays securities who are not residents of the UK. There are also no restrictions under the Articles of Association of Barclays Bank PLC, or (subject to the effect of any such economic sanctions) under current UK laws, which relate only to non-residents of the UK, and which limit the right of such non-residents to hold Barclays securities or, when entitled to vote, to do so.

Documents on display

It is possible to read and copy documents that have been filed by Barclays Bank PLC with the US Securities and Exchange Commission via commercial document retrieval services, and from the website maintained by the US Securities and Exchange Commission at **www.sec.gov**.

Disclosure controls and procedures

The Chief Executive, C.S. Venkatakrishnan, and the Chief Financial Officer, Aunoy Banerjee, conducted with Barclays Bank Group Management an evaluation of the effectiveness of the design and operation of the Barclays Bank Group's disclosure controls and procedures of Barclays Bank PLC as at 31 December 2024, which are defined as those controls and procedures designed to ensure that information required to be disclosed in reports filed or submitted under the US Securities Exchange Act of 1934 is recorded, processed, summarised and reported within the time periods specified in the US Securities and Exchange Commission's rules and forms. As of the date of the evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures were effective.

Section 13(r) to the US Securities Exchange Act of 1934 (Iran sanctions and related disclosure)

Section 13(r) of the U.S. Securities Exchange Act of 1934 as amended (the "Exchange Act") requires each SEC reporting issuer to disclose in its annual and, if applicable, quarterly reports whether it or any of its affiliates have knowingly engaged in certain activities, transactions or dealings relating to Iran or with the Government of Iran or certain designated natural persons or entities involved in terrorism or the proliferation of weapons of mass destruction during the period covered by the report. The requirement includes disclosure of activities not prohibited by U.S. or other law, even if conducted outside the U.S. by non-U.S. companies or affiliates in compliance with local law. Pursuant to Section 13(r) of the Exchange Act, we note the following in relation to activity that occurred in 2024, the reporting period covered by this annual report. For completeness, we also include activity that we became aware of in 2024, even if such activity occurred prior to the reporting period. Except as noted below, Barclays intends to continue the activities described. Barclays does not allocate profits at the level of these activities, which in any event would not be significant, and we therefore report only gross revenue where measurable. Barclays attributed revenue of approximately GBP 16,780 in relation to the activities disclosed below.

Legacy Guarantees

Between 1992 and 2006, Barclays entered into several guarantees for the benefit of Iranian banks in connection with the supply of goods and services by Barclays customers to Iranian buyers (the "Iranian guarantees"). These were counter guarantees issued to Iranian banks to support guarantees issued by these banks to the Iranian buyers. The Iranian banks and a number of the Iranian buyers were either subsequently designated as Specially Designated Nationals and Blocked Persons ("SDNs") by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") or are owned by the Government of Iran. In addition, between 1993 and 2005, Barclays entered into similar guarantees for the benefit of a Syrian bank that was subsequently designated pursuant to the Weapons of Mass Destruction Proliferators Sanctions Regulations ("WMDPSR") in August 2011 (the "WMDPSR guarantees").

These guarantees were issued either on:

(i) an "extend or pay" basis, which means that, although the guarantee is of limited duration on its face, until there is full performance under the contract to provide goods and services, the terms of the guarantee require Barclays to maintain the guarantee or pay the beneficiary bank the full amount of the guarantee; or

(ii) the basis that Barclays' obligations can be discharged only with the consent of the beneficiary counterparty.

Barclays is not able to exit its obligations under the above guarantees unilaterally, and thus it maintains a limited legacy portfolio of these guarantees, which complied with applicable laws and regulations at the time they were entered into. Barclays intends to terminate the guarantees where an agreement can be reached with the counterparty, in accordance with applicable laws and regulations. Barclays attributed no revenue in 2024 in relation to the Iranian guarantees and revenue of approximately GBP 15,330 in 2024 in relation to the WMDPSR guarantees.

Lease Payments

Barclays is party to a long-term lease, entered in 1979, with the National Iranian Oil Company ("NIOC"), pursuant to which Barclays rents part of NIOC House in London. The lease is for 60 years, contains no early termination clause, and has 15 years remaining. Barclays makes lease payments in GBP to the bank account of a solicitor that represents an entity owned by the Government of Iran. The payments are made in accordance with applicable laws and regulations. Barclays attributed no revenue in 2024 in relation to this activity

Local Clearing Systems

Banks based in the United Arab Emirates ("UAE"), including certain Iranian banks designated pursuant to the Global Terrorism Sanctions Regulations ("GTSR") and/or Government of Iran-owned banks, participate in the various banking payment and settlement systems used in the UAE (the "UAE Clearing Systems"). Barclays, by virtue of its banking activities in the UAE, participates in the UAE Clearing Systems, in accordance with applicable laws and regulations. To mitigate the risk of engaging in transactions in which participant Iranian SDN and/or

Government of Iran-owned banks may be involved, Barclays has implemented restrictions relating to its involvement in the UAE Clearing Systems. Barclays attributed no revenue in 2024 in relation to this activity.

Other Activity

Barclays maintains a customer relationship with a UK-incorporated medical manufacturing company. In 2024, Barclays processed a payment, for the benefit of our customer, relating to the export of medical devices to privately owned entities in Türkiye. The end users of these medical devices include hospitals, medical universities, or clinics that may be owned or controlled by, or affiliated with, the Government of Iran. The payments were made in accordance with applicable laws and regulations, and all payments were received from the privately owned entities in Türkiye, or their affiliates; no payments were received directly from any SDN or entity owned or controlled by, or affiliated with, the Government of Iran. Although OFAC has issued general licenses relating to the sale of medical devices to Iran, including the Government of Iran, these licenses do not apply to sales of non-U.S. origin items by non-U.S. persons. Barclays attributed revenue of approximately GBP 5 in 2024 in relation to this activity.

In 2024, Barclays processed payments to the embassy of the Government of Iran in the UK in relation to persons paying fees for renewing or replacing passports, visa applications, and other administrative matters. The payments were processed in accordance with applicable laws and regulations. Barclays attributed no revenue in 2024 in relation to this activity.

Barclays holds accounts for several UK-resident individuals employed by a UK-based SDN entity that is ultimately owned by the Government of Iran. Payments are received in GBP from a UK-based payment services company and are credited to the customers' accounts with Barclays. The payments are processed in accordance with applicable laws and regulations. No payments are received directly from any entity owned by the Government of Iran or any SDN. Barclays attributed no revenue in 2024 in relation to this activity.

In 2024, on behalf of certain customers in the UK, Barclays processed indirect payments from various UK-based offices of Iranian SDNs, Government of Iran-owned entities, and SDNs designated pursuant to the GTSR (the "entities"). The payments were for general business expenses, including rent, salary payments, tax payments, office maintenance, utility payments, and business travel expenses. A UK accounting firm remitted the payments on behalf of the entities, and all the payments were processed in accordance with applicable laws and regulations. Barclays attributed revenue of approximately GBP 70 in 2024 in relation to this activity.

In 2023, Barclays exited three customers in the UK. Barclays held the funds from the accounts of these customers in internal accounts whilst awaiting disposal instructions. However, in 2024, before the former customers provided disposal instructions, two of the former customers were designated as SDNs pursuant to the GTSR. The third former customer was controlled by one of the SDNs. Barclays froze these funds in internal accounts in accordance with applicable laws and regulations. Barclays attributed revenue of approximately GBP 5 in relation to this activity.

In 2024, a Barclays customer who held two credit facilities in Germany was designated as an SDN pursuant to the WMDPSR. Barclays blocked the credit facilities, exited the relationship, and wrote off the outstanding debt. Barclays attributed no revenue in 2024 in relation to this activity.

In 2024, a cardholder of a corporate credit card issued by Barclays to a customer in the UK was designated as an SDN pursuant to the GTSR. Barclays blocked the credit card and exited the customer relationship. Several transactions were processed after the cardholder was designated, but before Barclays had identified the match. Barclays attributed revenue of approximately GBP 30 in 2024 in relation to this activity.

In 2024, Barclays identified that a customer in the UK had been designated as an SDN pursuant to the WMDPSR in 2021. The customer had an account that was closed in July 2021 and a corporate credit card that was closed in July 2022. A number of payments were made using the credit card, and one payment was made on the account, after the customer was designated, but before Barclays had identified the match. Barclays attributed revenue of approximately GBP 1,340 in 2021 and 2022 in relation to this activity.

Frozen Accounts

Barclays, and several Barclays customers, continue to hold funds belonging to various SDNs and Government of Iran-owned entities in internal blocked and sundry accounts, some of which are interest bearing. These accounts are held in accordance with applicable laws and regulations. Barclays attributed no revenue in 2024 in relation to this activity.

Insider trading policies

The Barclays Group has adopted insider trading policies and procedures governing the purchase, sale, and other dealings in securities issued by members of the Barclays Group by directors, senior management and certain employees that are designed to promote compliance with applicable insider trading laws, rules and regulations. These policies and procedures are included in the Barclays Group Securities Dealing Code, which is filed as Exhibit 11.2 to this annual report on Form 20-F.

The Barclays Group monitors inside information as defined under the Market Abuse Regulation 2014/596 (as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended) ("MAR") as part of its compliance with MAR and as part of its disclosure controls and procedures, and imposes restrictions on trading in its own securities for its own account when it has undisclosed inside information. The Barclays Group also generally refrains from trading in its own securities for its own account during its regular closed periods.

Consolidated income statement commentary

The Barclays Bank Group's profit before tax increased 12% to £4,747m primarily driven by the performance across the Investment Bank. In USCB, profitability improved from a lower impairment charge and income growth from higher balances. UKCB and PBWM incurred lower profits from lower liquidity pool income and higher investment spend, to support business growth ambitions. Head office profitability was impacted by the loss on sale of the performing Italian mortgage portfolio in Q224 (£220m), the loss on disposal from the German consumer finance business and Litigation and Conduct charges relating to historical motor finance commission arrangements in Q424.

Income statement commentary

The Barclays Bank Group has a diverse income profile across businesses and geographies including a significant presence in the US. The appreciation of average GBP against USD adversely impacted income and profits, and positively impacted total operating expenses.

Refer to Note 2 Segmental Reporting for the Barclays Bank Group results by reporting segments.

2024 compared to 2023

- Total income increased 4% to £19,037m (FY23: £18,268m)
  - IB income increased 7% to £12,192m (FY23: £11,422m)
    - Global Markets income increased 4% to £7,773m driven by Equities income, partially offset by lower income in Fixed Income, Currencies and Commodities (FICC). Equities income increased from elevated client activity in Derivatives and Cash products, and growth in Prime financing balances, additionally supported by a £125m fair value gain on Visa B shares in Q124. FICC income decreased reflecting lower client activity in Macro and the non-repeat of the inflation benefit from prior year, partially offset by strong performance in Securitised products
    - Banking fees and underwriting income increased 26% to £2,581m, reflecting an increase in the fee pool and an increased market share[1]
    - International Corporate Bank income decreased 4% to £1,838m driven by lower liquidity pool income, as higher income from growth in deposit balances was offset by margin compression in deposit products including the impact of customers migrating to higher interest returning products. Corporate lending income was broadly stable
  - UKCB income was broadly stable at £1,856m (FY23: £1,861m) as increased deposit income from higher average deposit balances was largely offset by lower liquidity pool income
  - USCB income increased 2% to £3,351m (FY23: £3,281m). Net interest income (NII) increased reflecting underlying growth in cards balances. Net fee, commission and other income remained stable driven by higher purchases and account growth[2]
  - PBWM income increased 9% to £1,341m (FY23: £1,235m), driven by client assets and liabilities balances growth and the transfer of WM&I from Barclays UK[3]. Net interest income was broadly flat, as the impact from higher deposits balances was offset by lower liquidity pool income. Net fee, commission and other income increased due to higher investment balances and transactional activity
  - Head Office income decreased 37% to £297m (FY23: £469m income), mainly driven by the £220m loss on sale of the performing Italian retail mortgage portfolio and the impact of the disposal of the German consumer finance business
- Total operating expenses increased 2% to £12,673m (FY23: £12,463m), mainly driven by UK regulatory levies and litigation and conduct costs, including a provision relating to historical motor finance commission arrangements in Head Office. Operating expenses excluding UK regulatory levies and litigation and conduct costs remained broadly flat as the impact of inflation, higher performance costs, and the transfer of WM&I, was offset by efficiency savings and the non-repeat of prior year structural cost actions in Head office
- Credit impairment charges were £1,617m (FY23: £1,578m), informed by the anticipated higher delinquencies in US cards, partially offset by the impact of credit risk management actions and methodology enhancements. US cards 30 and 90 day arrears were 3.0%[4] (Q423: 2.9%) and 1.6%[4] (Q423: 1.5%) respectively. The USCB total coverage ratio increased to 11.4% (December 2023: 10.1%), primarily driven by the reclassification of co-branded card portfolio to assets held for sale, excluding which the coverage was 9.8%
- The effective tax rate (ETR) was 21% (FY23: 15.7%). The 2024 ETR includes tax relief on payments made under Additional Tier 1 (AT1) instruments and on holdings of inflation-linked government bonds

Notes
1 Data source: Dealogic for the period covering 1 January 2024 to 31 December 2024.
2 Includes Barclays accounts and those serviced for third parties.
3 WM&I was transferred in May 2023.
4 Including assets held for sale.

Income statement commentary

2023 compared to 2022

- Total income was broadly flat at £18,268m (FY22: £18,194m)
  - IB income decreased 7% to £11,422m (FY22: £12,220m) and decreased 4% excluding a £292m impact from prior year hedging arrangements related to the Over-issuance of Securities[1]. Global Markets income decreased due to lower volatility and client activity. Banking fees and underwriting income decreased due to the reduced fee pool across the industry[2]. This was partially offset by higher International Corporate Bank income reflecting improved deposit margin in the higher rate environment, lower costs of hedging and lower fair value losses on leverage finance lending net of mark to market gains on related hedge
  - UKCB income increased 8% to £1,861m (FY22: £1,718m) with NII increased from improved margins. Net fee, commission, trading and other income increased as a result of higher interest rate environment
  - PBWM income increased 20% to £1,235m (FY22: £1,033m) due to the transfer of WM&I from Barclays UK, client balance growth and improved deposit margins in the higher rate environment
  - USCB income increased 23% to £3,281m (FY22: £2,659m) reflecting higher cards balances and improved margins, including the Gap Inc. portfolio acquisition in Q222
  - Head Office income decreased 17% to £469m (FY22: £564m) which primarily reflected hedge accounting losses
- Total operating expenses broadly flat at £12,463m (FY22: £12,398m). Operating expenses, excluding UK regulatory levies of £149m and litigation and conduct costs of £44m, increased 13% reflecting higher investment spend to support growth, the impact of inflation, structural cost actions and the transfer of the WM&I business from Barclays UK, partially offset by efficiency savings
- Credit impairment charges increased to £1,578m (FY22: £933m), driven by higher delinquencies in US cards, which was anticipated and led to higher coverage ratios

Notes

1 2022 included £292m of income gain related to hedging arrangements to manage the risks of the rescission offer in relation to the Over-issuance of Securities, impacting Equities within Global Markets and Investment Bank.

2 Data source: Dealogic for the period covering 1 January to 31 December 2023.

Balance sheet commentary

Consolidated balance sheet commentary

2024 compared to 2023

Total assets

Total assets increased by £33.4bn to £1,218.5bn.

Cash and balances at central banks decreased £9.3bn to £180.4bn primarily driven by a change in the composition of the liquidity pool from cash and deposits at central banks to debt securities.

Loans and advances at amortised cost to banks and customers decreased £1.4bn to £144.8bn driven by the £6.0bn reclassification of balances to assets held for sale, partially offset by higher lending in Global Markets.

Trading portfolio assets decreased £8.3bn to £166.2bn and Financial assets at fair value through the income statement decreased £12.4bn to £191.8bn as increases in client activity and underlying growth in financing balances were more than offset by balance sheet efficiencies and increased netting opportunities.

Derivative financial instrument assets increased £36.2bn to £292.4bn. In addition to increased client activity, increased mark-to-market on FX derivatives was driven by USD appreciation in Q4'24, partially offset by a reduction in interest rate derivatives due to an increase in the USD and GBP forward rate curves.

Cash collateral and settlement balances increased £10.3bn to £114.0bn.

Total liabilities

Total liabilities increased £34.6bn to £1,159.3bn.

Deposits at amortised cost to banks and customers increased £17.6bn to £319.4bn driven by deposit growth in International Corporate Bank and Private Bank and Wealth Management.

Debt securities in issue decreased £9.9bn to £35.8bn driven by maturities.

Subordinated liabilities increased £6.0bn to £41.9bn driven by redemptions.

Trading portfolio liabilities decreased £1.6bn to £56.2bn and Financial liabilities designated at fair value decreased £18.8bn to £279.8bn driven by driven by balance sheet efficiencies and increased netting opportunities

Derivative financial instruments increased £29.5bn to £279.3bn. In addition to increased client activity, increased mark-to-market on FX derivatives was driven by USD appreciation in Q4'24, partially offset by a reduction in interest rate derivatives due to an increase in the USD and GBP forward rate curves.

Cash collateral and settlement balances increased £11.6bn to £104.6bn.

Total shareholders' equity

Total shareholders' equity decreased £1.3bn to £59.2bn.

Other equity instruments decreased £1.2bn to £9.6bn, due to two redemptions (£0.6bn and $2bn) partially offset by issuance of two AT1 instruments (£0.6bn and SGD 0.6bn). AT1 securities are perpetual subordinated contingent convertible securities structured to qualify as AT1 instruments under prevailing capital rules applicable as at the relevant issue date.

Other reserves decreased by £0.9bn to £1.3bn, due to an increase in the cumulative loss in the own credit reserve of £0.8bn to a £1.1bn loss which principally reflects the tightening of credit spreads and an increase in the cumulative loss in fair value through other comprehensive income reserve of £0.5bn to a £1.7bn loss, driven by a decrease in EUR asset swap spreads. This was partially offset by a gain in the cash flow hedging reserve of £0.5bn to a £2.5bn accumulated loss driven by accumulated losses transferred to the income statement and a loss from fair value movements on interest rate swaps as major interest rate forward curves increased.

Retained earnings increased £0.8bn to £48.6bn, mainly due to profits of £3.0bn, offset by dividends of £1.8bn, remeasurement of Pension assets and liabilities of £0.3bn and issue and redemption of other equity instruments of £0.1bn.

Additional financial disclosure

Deposits

Average deposits at amortised cost, average interest rate paid - split by type and UK vs Non-UK

The following tables present average deposits at amortised cost and their associated interest expense by deposit type split into UK & Non-UK, and is based on the location of the customer.

Barclays Bank Group For the year ended 31 December 2024	Average deposits at amortised cost £m	Interest expense £m	Average interest rate %
UK			
Non- interest bearing current and demand account	**24,753**	—	—
Interest bearing current and demand account	**63,925**	**1,123**	**1.8**
Savings and time deposits[1]	**69,626**	**3,147**	**4.5**
Total UK	**158,304**	**4,270**	**2.7**
Non-UK			
Non- interest bearing current and demand account	**9,559**	—	—
Interest bearing current and demand account	**32,875**	**913**	**2.8**
Savings and time deposits[1,2]	**122,800**	**5,330**	**4.3**
Total Non-UK	**165,234**	**6,243**	**3.8**
Total Deposits at amortised cost	**323,538**	**10,513**	**3.2**

Barclays Bank Group For the year ended 31 December 2023	Average deposits at amortised cost £m	Interest expense £m	Average interest rate %
UK			
Non- interest bearing current and demand account	34,895	—	—
Interest bearing current and demand account	39,428	437	1.1
Savings and time deposits[1]	82,358	3,447	4.2
Total UK	156,681	3,884	2.5
Non-UK			
Non- interest bearing current and demand account	15,605	—	—
Interest bearing current and demand account	14,893	85	0.6
Savings and time deposits[1]	120,345	4,772	4.0
Total Non-UK	150,843	4,857	3.2
Total Deposits at amortised cost	307,524	8,741	2.8

Barclays Bank Group For the year ended 31 December 2022	Average deposits at amortised cost £m	Interest expense £m	Average interest rate %
UK			
Non- interest bearing current account	45,336	—	—
Interest bearing current account	38,015	219	0.6
Savings and time deposits[1]	78,460	1,069	1.4
Total UK	161,811	1,288	0.8
Non-UK			
Non- interest bearing current account	18,465	—	—
Interest bearing current account	16,137	167	1.0
Savings and time deposits[1]	103,677	1,649	1.6
Total Non-UK	138,279	1,816	1.3
Total Deposits at amortised cost	300,090	3,104	1.0

Notes

1 For information on term deposits please refer to the Barclays Bank Annual Report contractual maturity of financial assets and liabilities note.

2. Average deposits includes held for sale balances generating interest expense.

As at 31st December 2024, deposits at amortised cost in offices in the United Kingdom received from non-residents amounted to £42,280m (2023: £48,515m).

Uninsured other time deposits

Uninsured deposits are presented on an approximate basis based on Barclays Bank Group's deposits less those eligible for the deposit insurance schemes. The maturity for uninsured deposits is based on the residual maturity.

Barclays Bank Group	2024 £m	2023 £m
3 months or less	**82,001**	121,529
3 to 6 months	**25,521**	20,075
6 to 12 months	**12,019**	19,113
12 months and over	**4,171**	3,772
Total	**123,712**	164,489

As at 31 December 2024, £433m (2023: £1,134m) of U.S. time deposits were in excess of the Federal Deposit Insurance Corporation insurance limit.

Of the total deposits at amortised cost, there are uninsured deposits of £248,543m (2023: £237,837m) which are not insured through the UK Financial Services Compensation Scheme (FSCS) or other similar deposits schemes.

Additional financial disclosure

Contractual obligations

Contractual obligations include debt securities and purchase obligations.

Contractual obligations

	Payments due by period				
	Less than one year	Between one to three years	Between three to five years	After five years	Total
Barclays Bank Group	£m	£m	£m	£m	£m
As at 31 December 2024					
Long-term debt[1]	28,768	12,700	9,594	43,636	94,698
Purchase obligations	204	178	88	25	495
Total	**28,972**	**12,878**	**9,682**	**43,661**	**95,193**
As at 31 December 2023					
Long-term debt[1]	37,898	14,482	9,334	33,077	94,791
Purchase obligations	34	17	10	10	71
Total	**37,932**	**14,499**	**9,344**	**33,087**	**94,862**

Note
1. Long-term debt has been prepared to reflect cash flows on an undiscounted basis, which includes interest payments.

Net cash flows from derivatives used to hedge long-term debt amount to £(2.0)bn (2023: £(1.5)bn).

Further information on the contractual maturity of the Barclays Bank Group's assets, liabilities, contingent liabilities and commitments is given in the Liquidity risk section.

Contractual obligations

	Payments due by period				
	Less than one year	Between one to three years	Between three to five years	After five years	Total
Barclays Bank PLC	£m	£m	£m	£m	£m
As at 31 December 2024					
Long-term debt[1]	9,321	11,746	8,720	38,779	68,566
Purchase obligations	30	19	—	—	49
Total	**9,351**	**11,765**	**8,720**	**38,779**	**68,615**
As at 31 December 2023					
Long-term debt[1]	21,182	12,271	9,158	28,679	71,290
Purchase obligations	6	6	—	—	12
Total	**21,188**	**12,277**	**9,158**	**28,679**	**71,302**

Note
1 Long-term debt has been prepared to reflect cash flows on an undiscounted basis, which includes interest payments.

Net cash flows from derivatives used to hedge long-term debt amount to £(2.1)bn (2023: £(1.7)bn).

Further information on the contractual maturity of the Barclays Bank PLC's assets, liabilities, contingent liabilities and commitments is given in the Liquidity risk section.

Additional financial disclosure

Securities

Investment securities include debt securities reported at amortised cost and financial assets at fair value through other comprehensive income.

Investment in debt securities principally include government securities held as part of the liquidity risk management within the Treasury and Capital Risk framework. In addition, the Group holds as investments in corporate securities.

Maturities and yield of investment debt securities

Barclays Bank Group	Maturing within one year		Maturing after one but within five years		Maturing after five but within ten years		Maturing after ten years		Total	
	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield
As at 31 December 2024	£m	%	£m	%	£m	%	£m	%	£m	%
Debt securities at amortised cost	3,489	2.6%	27,314	3.8%	4,603	3.5%	14,821	4.0%	50,227	3.8%
Financial assets at fair value through other comprehensive income	2,691	3.7%	16,108	2.9%	20,318	3.1%	8,610	2.7%	47,727	3.0%
Total book value	6,180		43,422		24,921		23,431		97,954	

The above table is only for debt securities held at the reporting date and does not include associated hedges.

Additional financial disclosure

Average balance sheet

Average balances are based upon monthly averages. UK and Non-UK is based on the location of the office where the transactions are recorded

Assets		2024		
Barclays Bank Group		Average balance	Net interest[1]	Rate
		£m	£m	%
Cash and balances at central banks	UK	80,989	3,668	4.5
Cash and balances at central banks	Non-UK	120,834	5,899	4.9
Cash and balances at central banks	**Total**	**201,823**	**9,567**	**4.7**
Loans and advances at amortised cost	UK	67,749	2,892	4.3
Loans and advances at amortised cost	Non-UK	86,212	6,616	7.7
Loans and advances at amortised cost[2,5]	**Total**	**153,961**	**9,508**	**6.2**
Debt securities at amortised cost	UK	34,959	1,302	3.7
Debt securities at amortised cost	Non-UK	9,968	435	4.4
Debt securities at amortised cost	**Total**	**44,927**	**1,737**	**3.9**
Cash collateral	UK	47,807	1,403	2.9
Cash collateral	Non-UK	25,299	623	2.5
Cash collateral	**Total**	**73,106**	**2,026**	**2.8**
Reverse repurchase agreements	UK	1,655	47	2.8
Reverse repurchase agreements	Non-UK	772	28	3.6
Reverse repurchase agreements	**Total**	**2,427**	**75**	**3.1**
Fair value through other comprehensive income	UK	48,866	2,072	4.2
Fair value through other comprehensive income	Non-UK	4,817	263	5.5
Fair value through other comprehensive income	**Total**	**53,683**	**2,335**	**4.3**
Other[3]		**—**	**532**	**—**
Total interest earning assets with interest recognise in interest income		**529,927**	**25,780**	**4.9**
Less: interest and similar expense			**(19,035)**	
Net interest income			**6,745**	
Other assets[4]		776,617		
Total		**1,306,544**		
Percentage of total average interest earning assets with interest recognise in interest income for offices outside the UK		**47%**		

Notes:

1 Negative interest paid on assets is immaterial for 2024 (2023: £53m, 2022: £416m) which is presented within net interest.

2 Loans and advances at amortised cost include all doubtful lending. Interest receivable on such lending has been included to the extent to which either cash payments have been received or interest has been accrued in accordance with the income recognition policy of the Barclays Bank Group.

3 Other principally includes interest expense relating to hedging activity and interest income on pensions.

4 The interest on Trading portfolio assets, Derivative financial instruments and Financial assets at fair value through the income statement are recognise principally in net trading income and the average balances for these assets are included in Other assets.

5 Average loans and advances include held for sale balances generating interest income.

Additional unaudited information
Additional financial disclosure

Assets		2023		
Barclays Bank Group		Average balance	Net interest[1]	Rate
		£m	£m	%
Cash and balances at central banks	UK	78,548	3,101	3.9
Cash and balances at central banks	Non-UK	133,302	5,279	4.0
Cash and balances at central banks	**Total**	211,850	8,380	4.0
Loans and advances at amortised cost	UK	68,109	2,622	3.8
Loans and advances at amortised cost	Non-UK	87,236	5,232	6.0
Loans and advances at amortised cost[2]	**Total**	155,345	7,854	5.1
Debt securities at amortised cost	UK	29,043	1,597	5.5
Debt securities at amortised cost	Non-UK	4,808	222	4.6
Debt securities at amortised cost	**Total**	33,851	1,819	5.4
Cash collateral	UK	51,205	1,295	2.5
Cash collateral	Non-UK	25,880	692	2.7
Cash collateral	**Total**	77,085	1,987	2.6
Reverse repurchase agreements	UK	700	22	3.1
Reverse repurchase agreements	Non-UK	1,247	55	4.4
Reverse repurchase agreements	**Total**	1,947	77	4.0
Fair value through other comprehensive income	UK	45,340	3,646	8.0
Fair value through other comprehensive income	Non-UK	3,458	162	4.7
Fair value through other comprehensive income	**Total**	48,798	3,808	7.8
Other[3]			283	
Total interest earning assets with interest recognise in interest income		528,876	24,208	4.6
Less: interest and similar expense			(17,555)	
Net interest income			6,653	
Other assets[4]		765,497		
Total		1,294,373		
Percentage of total average interest earning assets with interest recognise in interest income for offices outside the UK		48%		

Notes
1 Negative interest paid on assets is immaterial for 2024 (2023: £53m, 2022: £416m) which is presented within net interest.
2 Loans and advances at amortised cost include all doubtful lending. Interest receivable on such lending has been included to the extent to which either cash payments have been received or interest has been accrued in accordance with the income recognition policy of the Barclays Bank Group.
3 Other principally includes interest expense relating to hedging activity and interest income on pensions.
4 The interest on Trading portfolio assets, Derivative financial instruments and Financial assets at fair value through the income statement are recognise principally in net trading income and the average balances for these assets are included in Other assets.

Additional unaudited information

Additional financial disclosure

Assets		2022		
Barclays Bank Group		Average balance	Net interest[1]	Rate
		£m	£m	
Cash and balances at central banks	UK	67,386	850	1.3
Cash and balances at central banks	Non-UK	137,155	1,057	0.8
Cash and balances at central banks	**Total**	204,541	1,907	0.9
Loans and advances at amortised cost	UK	69,013	2,128	3.1
Loans and advances at amortised cost	Non-UK	81,015	4,291	5.3
Loans and advances at amortised cost[2]	**Total**	150,028	6,419	4.3
Debt securities at amortised cost	UK	23,953	931	3.9
Debt securities at amortised cost	Non-UK	3,258	104	3.2
Debt securities at amortised cost	Total	27,211	1,035	3.8
Cash collateral	UK	57,514	365	0.6
Cash collateral	Non-UK	23,592	24	0.1
Cash collateral	**Total**	81,106	389	0.5
Reverse repurchase agreements	UK	607	17	2.8
Reverse repurchase agreements	Non-UK	2,383	10	0.4
Reverse repurchase agreements	**Total**	2,990	27	0.9
Fair value through other comprehensive income	UK	41,150	1,392	3.4
Fair value through other comprehensive income	Non-UK	4,447	101	2.3
Fair value through other comprehensive income	**Total**	45,597	1,493	3.3
Other[3]			93	—
Total interest earning assets with interest recognise in interest income		511,473	11,363	2.2
Less: interest and similar expense			(5,965)	
Net interest income			5,398	
Other assets[4]		782,759		
Total		1,294,232		
Percentage of total average interest earning assets with interest recognise in interest income for offices outside the UK		49%		

Notes
1 Negative interest paid on assets is immaterial for 2024 (2023: £53m, 2022: £416m) which is presented within net interest.
2 Loans and advances at amortised cost include all doubtful lending. Interest receivable on such lending has been included to the extent to which either cash payments have been received or interest has been accrued in accordance with the income recognition policy of the Barclays Bank Group.
3 Other principally includes interest expense relating to hedging activity and interest income on pensions.
4 The interest on Trading portfolio assets, Derivative financial instruments and Financial assets at fair value through the income statement are recognise principally in net trading income and the average balances for these assets are included in Other assets.

Additional financial disclosure

Liabilities

Barclays Bank Group		Average balance £m (2024)	Net interest[1] £m (2024)	Rate % (2024)
Interest bearing deposits at amortised cost	UK	**174,867**	5,636	3.2
Interest bearing deposits at amortised cost	Non-UK	**114,359**	4,877	4.3
Interest bearing deposits at amortised cost	**Total**	**289,226**	10,513	3.6
Cash collateral	UK	**45,229**	1,419	3.1
Cash collateral	Non-UK	**25,327**	766	3.0
Cash collateral	**Total**	**70,556**	2,185	3.1
Debt securities in issue	UK	**14,111**	794	5.6
Debt securities in issue	Non-UK	**30,457**	2,053	6.7
Debt securities in issue	**Total**	**44,568**	2,847	6.4
Subordinated liabilities	UK	**38,077**	2,940	7.7
Subordinated liabilities	Non-UK	**668**	50	7.5
Subordinated liabilities	**Total**	**38,745**	2,990	7.7
Repurchase agreements	UK	**30,279**	295	1.0
Repurchase agreements	**Non-UK**	**1,673**	123	7.4
Repurchase agreements	**Total**	**31,952**	418	1.3
Other[2]		—	82	—
Total interest bearing liabilities with interest recognise in interest expense		**475,047**	19,035	4.0
Other liabilities and Shareholders' equity[3]		**831,497**		
Total		**1,306,544**		
Percentage of total average interest bearing liabilities with interest recognise in interest expense for offices outside the UK		**36%**		

Notes
1 Negative interest paid on assets is immaterial for 2024 (2023: £53m, 2022: £416m) which is presented within net interest.
2 Other principally includes interest expense relating to hedging activity and interest income on pensions.
3 The interest on Trading portfolio liabilities, Derivative financial instruments and Financial liabilities at fair value through the income statement are recognise principally in net trading income and the average balances for these liabilities are included in Other liabilities.

Additional financial disclosure

Liabilities		2023		
Barclays Bank Group		Average balance	Net interest[1]	Rate
		£m	£m	%
Interest bearing deposits at amortised cost	UK	162,350	5,000	3.1
Interest bearing deposits at amortised cost	Non-UK	94,674	3,741	4.0
Interest bearing deposits at amortised cost	**Total**	257,024	8,741	3.4
Cash collateral	UK	44,383	1,406	3.2
Cash collateral	Non-UK	25,678	800	3.1
Cash collateral	**Total**	70,061	2,206	3.1
Debt securities in issue	UK	21,856	1,032	4.7
Debt securities in issue	Non-UK	36,272	1,952	5.4
Debt securities in issue	**Total**	58,128	2,984	5.1
Subordinated liabilities	UK	36,568	2,653	7.3
Subordinated liabilities	Non-UK	607	44	7.2
Subordinated liabilities	**Total**	37,175	2,697	7.3
Repurchase agreements	UK	19,371	586	3.0
Repurchase agreements	Non-UK	1,899	73	3.8
Repurchase agreements	**Total**	21,270	659	3.1
Other[2]			268	
Total interest bearing liabilities with interest recognise in interest expense		443,658	17,555	4.0
Other liabilities and Shareholders' equity[3]		850,715		
Total		1,294,373		
Percentage of total average interest bearing liabilities with interest recognise in interest expense for offices outside the UK		36%		

Notes
1 Negative interest paid on assets is immaterial for 2024 (2023: £53m, 2022: £416m) which is presented within net interest.
2 Other principally includes interest expense relating to hedging activity and interest income on pensions.
3 The interest on Trading portfolio liabilities, Derivative financial instruments and Financial liabilities at fair value through the income statement are recognise principally in net trading income and the average balances for these liabilities are included in Other liabilities.

Additional unaudited information

Additional financial disclosure

Liabilities		2022		
Barclays Bank Group		Average balance	Net interest[1]	Rate
		£m	£m	%
Interest bearing deposits at amortised cost	UK	153,385	1,992	1.3
Interest bearing deposits at amortised cost	Non-UK	82,904	1,037	1.3
Interest bearing deposits at amortised cost	**Total**	236,289	3,029	1.3
Cash collateral	UK	50,430	302	0.6
Cash collateral	Non-UK	22,610	31	0.1
Cash collateral	**Total**	73,040	333	0.5
Debt securities in issue	UK	26,332	606	2.3
Debt securities in issue	Non-UK	37,234	800	2.1
Debt securities in issue	**Total**	63,566	1,406	2.2
Subordinated liabilities	UK	32,664	943	2.9
Subordinated liabilities	Non-UK	527	23	4.4
Subordinated liabilities	**Total**	33,191	966	2.9
Repurchase agreements	UK	10,036	41	0.4
Repurchase agreements	Non-UK	2,982	9	0.3
Repurchase agreements	**Total**	13,018	50	0.4
Other[2]			181	—
Total interest bearing liabilities with interest recognise in interest expense		419,104	5,965	1.4
Other liabilities and Shareholders' equity[3]		875,128		
Total		1,294,232		
Percentage of total average interest bearing liabilities with interest recognise in interest expense for offices outside the UK		35%		

Notes
1 Negative interest paid on assets is immaterial for 2024 (2023: £53m, 2022: £416m) which is presented within net interest.
2 Other principally includes interest expense relating to hedging activity and interest income on pensions.
3 The interest on Trading portfolio liabilities, Derivative financial instruments and Financial liabilities at fair value through the income statement are recognise principally in net trading income and the average balances for these liabilities are included in Other liabilities.

Additional unaudited information

Additional financial disclosure

Changes in total interest – volume and rate analysis

The following tables allocate changes in interest between changes in volume and changes in interest rates for the last two years. Volume and rate variances have been calculated on the movement in the average balances and the change in the interest rates on average interest earning assets and average interest bearing liabilities. Where variances have arisen from changes in both volumes and interest rates, these have been allocated proportionately between the two.

Interest income

Barclays Bank Group		2024/2023 Change due to increase/(decrease) in:			2023/2022 Change due to increase/(decrease) in:		
		Total change £m	Volume £m	Rate £m	Total change £m	Volume £m	Rate £m
Cash and balances at central banks	UK	567	98	469	2,251	163	2,088
Cash and balances at central banks	Non-UK	620	(527)	1,147	4,222	(31)	4,253
Cash and balances at central banks	**Total**	1,187	(429)	1,616	6,473	132	6,341
Loans and advances at amortised cost	UK	270	(14)	284	494	(28)	522
Loans and advances at amortised cost	Non-UK	1,384	(62)	1,446	941	345	596
Loans and advances at amortised cost	**Total**	1,654	(76)	1,730	1,435	317	1,118
Debt securities at amortised cost	UK	(295)	284	(579)	666	226	440
Debt securities at amortised cost	Non-UK	213	226	(13)	118	60	58
Debt securities at amortised cost	**Total**	(82)	510	(592)	784	286	498
Cash collateral	UK	108	(90)	198	930	(44)	974
Cash collateral	Non-UK	(69)	(16)	(53)	668	2	666
Cash collateral	**Total**	39	(106)	145	1,598	(42)	1,640
Reverse repurchase agreements	UK	25	27	(2)	5	3	2
Reverse repurchase agreements	Non-UK	(27)	(18)	(9)	45	(7)	52
Reverse repurchase agreements	**Total**	(2)	9	(11)	50	(4)	54
Fair value through other comprehensive income	UK	(1,574)	265	(1,839)	2,254	155	2,099
Fair value through other comprehensive income	Non-UK	101	72	29	61	(26)	87
Fair value through other comprehensive income	**Total**	(1,473)	337	(1,810)	2,315	129	2,186
Other interest and similar income		248	—	248	190	—	190
Total interest receivable		1,571	245	1,326	12,845	818	12,027

Additional unaudited information

Additional financial disclosure

Interest expense								
Barclays Bank Group		2024/2023 Change due to increase/(decrease) in:			2023/2022 Change due to increase/(decrease) in:		
		Total change	Volume	Rate	Total change	Volume	Rate
		£m	£m	£m	£m	£m	£m
Interest bearing deposits at amortised cost	UK	635	396	239	3,008	123	2,885
Interest bearing deposits at amortised cost	Non-UK	1,136	823	313	2,704	167	2,537
Interest bearing deposits at amortised cost	**Total**	1,771	1,219	552	5,712	290	5,422
Cash collateral liabilities	UK	13	27	(14)	1,104	(40)	1,144
Cash collateral liabilities	Non-UK	(34)	(11)	(23)	769	5	764
Cash collateral liabilities	**Total**	(21)	16	(37)	1,873	(35)	1,908
Debt securities in issue	UK	(238)	(411)	173	426	(118)	544
Debt securities in issue	Non-UK	101	(344)	445	1,152	(22)	1,174
Debt securities in issue	**Total**	(137)	(755)	618	1,578	(140)	1,718
Subordinated liabilities	UK	287	112	175	1,710	126	1,584
Subordinated liabilities	Non-UK	6	4	2	21	3	18
Subordinated liabilities	**Total**	293	116	177	1,731	129	1,602
Repurchase agreements	UK	(291)	228	(519)	545	69	476
Repurchase agreements	Non-UK	50	(10)	60	64	(4)	68
Repurchase agreements	**Total**	(241)	218	(459)	609	65	544
Other interest expense		(186)	—	(186)	87	—	87
Total interest payable		1,479	814	665	11,590	309	11,281

Additional unaudited information

Additional financial disclosure

Credit risk additional disclosure

This section of the report contains supplementary information that is more detailed or contains longer histories than the data presented in the Risk review section.

Potential Problem Loans

Potential problem loans are those loans for which serious doubt exists as to the ability of the borrower to continue to comply with repayment terms in the near future.

The loans and advances at amortised cost by product disclosure in the credit risk section includes gross exposure and associated impairment allowance for assets classified as Stage 2, but not past due i.e. assets satisfying the criteria for a Significant Increase in Credit Risk, but which are still complying with repayment terms.

A financial asset is subject to forbearance when it is modified due to the credit distress of the borrower. A modification made to the terms of an asset due to forbearance will typically be assessed as a non-substantial modification that does not result in derecognition of the original loan, except in circumstances where debt is exchanged for equity. Both performing and non-performing forbearance assets are classified as Stage 3 except where it is established that the concession granted has not resulted in diminished financial obligation and that no other regulatory definition of default criteria has been triggered, in which case the asset is classified as Stage 2. The minimum probationary period for non-performing forbearance is 12 months and for performing forbearance, 24 months. Hence, a minimum of 36 months is required for non-performing forbearance to move out of a forborne state.

In order to assess asset credit quality, 12-month PDs are used to map assets into strong, satisfactory, higher risk or credit impaired. A credit risk profile by internal PD grade for gross loans and advances at amortised cost and allowance for ECL is shown in the credit risk section, analysing each of these categories by stage.

Wholesale accounts that are deemed to contain heightened levels of risk are recorded on graded watchlists comprising four categories, graded in line with the perceived severity of the risk attached to the lending, and its probability of default. Where a counterparty's financial health gives grounds for concern, it is immediately placed into the appropriate category. Once an account has been placed on a watchlist, the exposure is monitored and, where appropriate, exposure reductions are effected.

Impairment

Loans and Advances at fair value are not subject to ECL under IFRS 9 and are excluded from the disclosure below.

Allocation of the Allowance for Credit Losses	Barclays Bank Group			
Balance at end of period applicable to:	Amount		% of loans in each category to total loans	
	2024	2023	2024	2023
As at 31 December	£m	£m		
Loans and Advances at amortised cost to Banks	9	10	5.8 %	6.0 %
Loans and Advances at amortised cost to Customers	3,411	4,007	92.0 %	93.5 %
Financial Assets at Fair Value through Other Comprehensive Income	2	2	2.2 %	0.5 %
Loans and Advances[1]	3,422	4019	100 %	100 %

Net Charge offs during the period to average loans outstanding[2]			
Barclays Bank Group	Amount		
	2024	2023	2022
As at 31 December	£m	£m	£m
Loans and Advances at amortised cost to Banks			
Net charge off	—	—	—
Average loans	8,819	9,978	10,225
Ratio %	— %	— %	— %
Loans and Advances at amortised cost to Customers			
Net charge off	1,227	815	750
Average loans	145,142	145,367	139,710
Ratio %	0.8 %	0.6 %	0.5 %
Financial Assets at Fair Value through Other Comprehensive Income			
Net charge off	—	—	—
Average loans	1,784	346	221
Ratio	— %	— %	— %

Additional unaudited information

Additional financial disclosure

Consolidated Basis	Barclays Bank Group	
Allowance for Credit losses to total loans outstanding	Amount	
	2024	2023
As at 31 December	£m	£m
Allowance for credit losses	**3,422**	4,019
Total loans outstanding	**151,530**	150,988
Ratio	**2.3 %**	2.7 %

Notes
1 Total Loans outstanding excludes Debt Securities at amortised cost.
2 Average loans and advances include held for sale balances.

Additional unaudited information

Additional financial disclosure

Maturity analysis of Gross loans and advances

Traded Loans are included in the 'on demand' column at their fair value. Liquidity risk on these items is not managed on the basis of contractual maturity since these items are not held for settlement according to such maturity and will frequently be settled before contractual maturity at fair value.

Maturity analysis of Gross loans and advances

Barclays Bank Group	Less than 1 year	One to Five Years	Five to fifteen years	Over fifteen years	Total
As at 31 December 2024	£m	£m	£m	£m	£m
Loans and Advances at Amortised cost to banks	8,789	—	—	—	8,789
Loans and Advances at Amortised cost to Customers	43,306	69,551	20,785	5,817	139,459
Financial Assets at Fair Value Through Other Comprehensive Income	74	1,786	1,423	—	3,283
Loans and Advances at Fair Value through Profit and Loss	38,921	3,580	886	795	44,182
Traded loans	13,470	—	—	—	13,470
Total Gross loans and advances	**104,560**	**74,917**	**23,094**	**6,612**	**209,183**
	Less than 1 year	One to Five Years	Five to fifteen years	Over fifteen years	Total
As at 31 December 2023	£m	£m	£m	£m	£m
Loans and Advances at Amortised cost to banks	9,034	—	—	—	9,034
Loans and Advances at Amortised cost to customers	41,942	69,771	22,239	7,232	141,184
Financial Assets at Fair Value Through Other Comprehensive Income	78	286	407	—	771
Loans and Advances at Fair Value through Profit and Loss	39,823	4,121	793	683	45,420
Traded loans	12,653	—	—	—	12,653
Total Gross loans and advances	103,530	74,178	23,439	7,915	209,062

Interest rate sensitivity of gross loans and advances. Maturity > 1 year

	2024			2023		
Barclays Bank Group	Fixed rate	Variable rate	Total	Fixed rate	Variable rate	Total
As at 31 December	£m	£m	£m	£m	£m	£m
Loans and Advances at Amortised cost to banks	—	—	—	—	—	—
Loans and Advances at Amortised cost to customers	10,774	85,379	96,153	13,077	86,165	99,242
Financial Assets at Fair Value Through Other Comprehensive Income		3,209	3,209	—	693	693
Loans and Advances at Fair Value through Profit and Loss	1,751	3,510	5,261	1,178	4,419	5,597
Gross loans and advances	**12,525**	**92,098**	**104,623**	14,255	91,277	105,532

Notional principal amounts of credit derivatives

	Barclays Bank Group	
	2024	2023
As at 31 December	£m	£m
Credit derivatives held or issued for trading purposes[1]	1,537,115	1,448,350

Note

1 Includes credit derivatives held as economic hedges which are not designated as hedges for accounting purposes.

Performance Review

Overview

Barclays Bank PLC (BBPLC or the Company) is a wholly-owned subsidiary of Barclays PLC. The consolidation of Barclays Bank PLC and its subsidiaries is referred to as the Barclays Bank Group. The term Barclays refers to either Barclays PLC (BPLC) or, depending on the context, the Barclays Group. The term Barclays Group refers to BPLC together with its subsidiaries.

Barclays Bank PLC is the non ring-fenced bank within the Barclays Group. The Barclays Bank Group contains the Barclays UK Corporate Bank (UKCB), Barclays Private Bank and Wealth Management (PBWM), Barclays Investment Bank (IB) and Barclays US Consumer Bank (USCB) businesses. Barclays Bank PLC offers customers and clients a range of products and services spanning consumer and wholesale banking and is supported by the Barclays Group-wide service company, Barclays Execution Services Limited (BX), which provides technology, operations and functional services to businesses across the Barclays Group.

Barclays Bank PLC is focused on delivering for customers and clients around the world. Our diversified business portfolio provides balance, resilience and exciting opportunities. Barclays Bank PLC has strong global market positions and continues to invest in people and technology with the aim of delivering sustainable returns.

Our structure

The 2023 Barclays Bank Group results comprised the reporting segments Corporate and Investment Bank (CIB), Consumer, Cards and Payments (CC&P) and Head Office. In February 2024, Barclays set out an updated business structure. Through our four divisions, UKCB, PBWM, IB and USCB in addition to Head Office, we are organised and operate in a simpler way, delivering greater accountability and transparency, supporting synergies and reflecting the way we serve our customers and clients.

UK Corporate Bank
The UK Corporate Bank (UKCB) offers a range of Corporate Lending and Transaction Banking services to clients with an annual revenue of more than £6.5m through to FTSE350 companies.

- Corporate Lending: Offers a range of term, revolving, and overdraft facilities to clients across the UK, with financing solutions tailored to specific industry sectors
- Transaction Banking: Provides cash management, trade and working capital solutions, risk management solutions and payment services internationally

Private Banking and Wealth Management
Private Banking and Wealth Management (PBWM) comprises PBWM UK and PBWM International.

- Private Banking UK is a full-service proposition for clients with investible assets of £3m+
- Private Banking International is a full-service proposition for clients with investible assets of £5m+ internationally[1], with a focus on clients in the Europe, Middle East and Asia wealth corridors
- UK Affluent is for UK clients with £250k to £3m of investible assets
- UK Digital Investing is for UK self-directed investors, with investment starting from just £1

Investment Bank
Investment Bank (IB) provides money managers, financial institutions, governments, supranational organisations and corporate clients with advisory, finance and risk management services.

- Barclays' Global Markets division provides institutional investors, sovereigns and corporates with a full range of execution services, ideas and risk management solutions across asset classes (Equities, Credit, Rates, FX and Securitised Products). The Research team provides institutional investors with data-driven analysis, actionable insights and access to our analysts across global sectors, markets and economies
- Barclays' Investment Banking division partners with companies, governments and financial institutions worldwide to provide expert advice, innovative solutions and access to capital. It includes the International Corporate Bank, which provides the world's largest businesses with wholesale lending and sophisticated treasury solutions - supported by deep industry knowledge and local, on-the-ground specialists

Note
1 For India, the Private Bank proposition is available for clients with wealth of £3m+.

US Consumer Bank
US Consumer Bank (USCB) is a leading co-branded credit card issuer and financial services partner in the United States.

- Barclays USCB has 20 million customers and partnerships with more than 20 of America's leading brands across the airline, travel, retail and affinity sectors.
- We provide co-branded credit cards, small business credit cards, instalment loans, point-of-sale finance, online savings accounts and certificates of deposits.

Head Office

Head Office provides centralised services across the Barclays Bank Group. Head Office also contains inorganic transactions announced as part of the FY23 Investor Update.

The world in which we operate

Barclays Bank PLC is driven by a common Purpose: working together for a better financial future. To do so, we must be strong as an institution, prepared for the future, and able to navigate different market conditions and evolving trends.

We regularly review our operating environment for emerging trends, and adapt to address them. We are cognisant of those relevant to our industry and have identified three areas we need to be aware of in the execution of our strategy. We continue to make good progress in addressing them:

- The impact of technology on banking products and services
- The role of capital markets as the principal drivers of global growth
- The transition towards a low-carbon economy

We reflect the environment in which we operate in the development of our strategy and evolution of our operating model. Barclays' three-year plan, for which Barclays Bank Group is part of, is designed to withstand volatility and uncertainty, and help us to continue to meet the needs of our wider stakeholders - including customers, clients, regulators and shareholders.

We actively navigate risk and uncertainty, and are vigilant to deliver for our stakeholders as the environment evolves.

Focus areas

UKCB

a. Driving productivity and seamless digital delivery, simplifying and improving client experience
b. Growing broad-based income through deeper client relationships with products and solutions which address their needs
c. Growing share of lending and attracting new clients

PBWM

a. Moving to a simplified business structure, aligned to market opportunity in the UK and internationally, as well as reinvesting cost efficiencies to support growth
b. Strengthening the proposition across the UK wealth continuum and the International Private Bank
c. Growing assets under management to increase the relative contribution of non-interest income, to deliver high-quality recurring revenue

IB

a. Monetising our deep client relationships while maintaining prudent risk management
b. In Global Markets, sustaining momentum in our businesses with Top 5 market share, growing our next focus businesses and continue scaling more stable financing income
c. In Investment Banking, maintaining our historical strength in Debt Capital Markets (DCM) while growing share in Advisory and Equity Capital Markets (ECM) with Financial Sponsor and Corporate clients, and together with the International Corporate Bank, driving growth via coordinated coverage of our clients' Treasury functions

USCB

a. Scaling and diversifying by growing existing partnerships and winning new partners
b. Investing in digitisation to deliver operational efficiencies and enhanced customer experience
c. Improving net interest margin by optimising pricing and credit mix, while reducing funding costs
d. Selective risk transfer to optimise use of the balance sheet

Year in review

UKCB

The UK Corporate Bank has been described as the 'beating heart' of Barclays, given the role it has played in serving clients in the UK for over 330 years and its ability to join together the different aspects of the organisation to deliver for businesses and institutions. Our strong franchise and long-lasting client relationships are reflected in our financial performance, with the UK Corporate Bank delivering a Profit Before Tax of £734m.

In 2024, we focused on laying the foundations for transformation with investment in online digitalisation, strategic hiring in line with market opportunity and deepening connections with clients.

Against a challenging backdrop, we are pleased with the progress made. We have been proactive in our client outreach, attracting 550 new clients and issuing communications to clients affirming our support and willingness to lend, totalling more than £4.2bn. This focus enabled us to achieve total loan growth of £1bn for the year, after adjusting for perimeter changes with International Corporate Banking.

We are deepening relationships with our clients by developing and improving products and services to better meet their needs. In 2024, we completed the implementation and migration of our end-to-end global trade finance solution, Trade360, in the UK. This platform provides clients with greater connectivity and visibility into their trade transactions, allowing them to optimise working capital efficiency, funding and risk mitigation. Using cloud-based functionality for corporate banking clients, we can offer an improved user experience through easy access and real-time integration with essential information, combined with the latest trade solutions as industry-wide digitisation continues to accelerate.

We also enhanced our cash management client experience, reducing the average time it takes for clients to open additional accounts. We made improvements to our Virtual Account Management tool, where clients can manage large-scale virtual account operations and achieve comprehensive cash management. Additionally, we've increased the number of client interactions that can be self-served, enabling more clients to easily access the support they need.

We have enhanced our client experience through the streamlining of processes and a focus on digitisation. This includes faster client onboarding times, such as our new fast-track process for UK-domiciled clients with simple ownership structures.

PBWM

Private Bank and Wealth Management's vision is to be the investment partner of choice for our clients, their families and the next generation. The strength of our business is reflected in our 2024 performance, with Assets Under Management (AUM) growing 14% and PBWM delivering a Profit Before Tax of £373m.

Investing is a fundamental part of wealth creation and growth, and in the UK there is an opportunity to support savers to become investors. Barclays' digital investing service, Smart Investor, is embedded in the Barclays app and has over 331,000 active customers, providing them access to 8,500 different securities and funds including ready-made investments. Over the past year, we have focused on improving our digital investing proposition.

The scaling and enhancement of Smart Investor is a strategic priority for Private Bank and Wealth Management as part of Barclays' three-year plan.

Our research indicates that a number of people in the UK may benefit from financial advice but are not receiving it. To address this need, we have built the foundations of a new UK Affluent proposition to provide advice to our customers and clients at each stage of their personal financial journey. It aims to deliver scalable and accessible financial planning which is fairly priced and transparently constructed. It will be fully integrated within the Barclays app – making it seamless for our customers to access the advice they need alongside their day-to-day banking requirements. The UK Affluent service is currently being piloted and will be launched in 2025.

We have focused on providing a best-in-class offering for our Private Bank clients. We continued to enhance our personalised service and improve the products we offer, including enhancing our ability to offer credit against investments and expanding our alternative offerings with the launch of new Private Markets solutions.

Across all of our businesses, we have automated processes and digitised services to improve our operations. For instance, in Europe, we increased automation in our banking offering to improve operations and controls, and significantly reduce processing times.

IB

Barclays has a top-tier Investment Bank with a strong global ranking. Our market share in Investment Banking has improved, and we maintained our #6 Dealogic global fee share ranking - the highest of any non-US domiciled bank. Though there is still work to do, we are making progress, and this is reflected in the £582m increase in Profit Before Tax to £3,938m.

With 2024 marked by episodes of both optimism and risk aversion, the Investment Bank continued to help clients navigate a complex landscape shaped by economic data, geopolitical events and policy change – delivering strategic solutions through our diversified portfolio of products and services. Through the year, we continued to grow income with a focus on more stable income streams which along with greater efficiency resulted in positive jaws for the year.

In Global Markets, our synergies between sales, trading, financing, and with our partners in Investment Banking, give us the opportunity to drive a more cohesive and trusted relationship with clients and deliver a fuller suite of products and services, delivering revenue growth of 4%. We have made strong progress with improved performance in the three focus businesses in Markets, while sustaining momentum in financing within Markets.

In Investment Banking, we delivered revenue growth year on year, and improved overall global fee share by 30bps to 3.3%[1] versus 2023. In 2024, we maintained our traditional strengths in Debt Capital Markets (DCM), consisting of Investment Grade and Leveraged Finance while making progress in rebalancing our footprint towards Advisory and Equity Capital Markets (ECM).

While corporate banking revenues were down, driven by lower liquidity pool income and margin compression on deposits, we made progress in developing our international offering and improved our digital offering to meet the increasingly sophisticated needs of our clients.

Note
1 Dealogic for the period 1 January 2024 to 31 December 2024

USCB

The US is the world's largest credit card market, and growing. With a c.2-3% share[1] of the total market and partnerships with 20 major brands, the USCB has a significant opportunity. In 2024, we delivered a Profit Before Tax of £408m, up from £167m in 2023.

We are focused on building lasting partnerships with leading US brands. This year, we launched a new co-branded card programme with Breeze Airways and extended our current partnership agreements with Hawaiian Airlines, Frontier and RCI. While we made a strategic decision not to bid to become American Airlines' sole card issuer from 2026, we were selected as the new issuing partner for the General Motors card programme, which will launch in the first half of 2025. Our acquisition of Luxury Card, a global leader in the premium credit card market, supports our objective to optimise and diversify our broader card portfolio and bring more aspirational experiences to its cardmembers.

We have continued to expand our online retail deposits business. In 2024 we launched Barclays Tiered Savings product, which features tiered pricing and the ability to earn higher rates with higher balances while our customers' savings grow.

We added c.three million new customers organically in 2024 – and we strive to provide them all with a world-class experience. We have made various improvements to our customer journeys, using digitisation and automation to help us serve customers in a way that works for them – including the digitisation of letters and improved telephony with AWS Connect.

We have also integrated a formerly separate deposits mobile app into the Barclays US app so our customers can access all their accounts in one place. And with investments in Digital Day One, customers no longer need to wait to receive a physical card before registering for our digital environment, allowing them to have access to digital on day one.

Head Office

On 24 April 2024, Barclays announced a transaction under which Barclays Bank Ireland PLC, a subsidiary of Barclays Bank PLC, intended to dispose of its performing Italian retail mortgage portfolio. The sale completed in Q224, generating a loss on disposal of £220m. In addition, on 22 October 2024 Barclays agreed the sale of its non-performing Italian retail mortgage portfolio, with the sale of the vast majority of loans completing during Q424 and the small residual amount of loans is expected to complete later in Q125. The transaction generated a small pre-tax loss of 26m. Barclays remains in discussion with respect to the disposal of the remaining Swiss-Franc linked Italian retail mortgage portfolio. Should the sale occur, it is expected to generate a further small loss on sale.

On 4 July 2024, Barclays Bank Ireland PLC, a wholly owned subsidiary of Barclays Bank PLC, agreed the sale of its German consumer finance business (comprising credit cards, unsecured personal loans and deposits) to BAWAG P.S.K., a wholly-owned subsidiary of BAWAG Group AG, for a small premium to net assets. When including disposal costs and accounting adjustments as required by IFRS 5 (Non-current Assets Held for Sale and Discontinued Operations), Barclays Bank PLC has recorded a £9m loss for the disposal group. After the balance sheet date, in Q125, the completed sale was announced.

In light of recent legal and regulatory developments in the UK, including the Court of Appeal judgment in October 2024 against other lenders in three motor finance commissions cases (subject to appeal to the Supreme Court, which is scheduled to be heard in early April 2025), and the ongoing FCA review into historical motor finance commission arrangements and sales, Clydesdale Financial Services Limited (CFS) has recognised a provision in relation to historical motor finance commission arrangements. Taking into account the information currently available, Barclays has estimated the potential impact of these matters by taking into account the potential basis for and timing of redress, which complaints may be valid or invalid, and the potential level of such complaints. All these assumptions are subject to significant uncertainty and will be monitored and updated if any significant new information becomes available. The legal and regulatory outcomes and the nature, extent and timing of any remediation action if required remain uncertain and, as a result the ultimate financial impact could differ materially to the amount provided. The FCA plans to set out the next steps of its review in May 2025. Under the FCA's rules, Barclays' obligation to respond to motor finance commission complaints is paused until after 4 December 2025. Barclays ceased operating in the motor finance market in late 2019. In 2020, CFS was transferred from Barclays Bank PLC to Barclays Principal Investments Ltd (BPIL), another subsidiary of Barclays PLC. Barclays Bank PLC has provided an intragroup indemnity to BPIL in respect of historic litigation and conduct matters relating to CFS.

Looking ahead

UKCB

We remain committed to support the delivery of Barclays' three-year plan through a continued drive to grow lending; building deeper client relationships; and continued investment in our digital capabilities to enhance our client's experience.

PBWM

We are focused on improving efficiencies across our business, strengthening our propositions and growing our assets under management to drive a more balanced income profile across net interest income and fees.

A continued focus is to deepen the relationships we have with our existing clients and continue to grow our assets and liabilities. We will do this by being more consistent with the way we collaborate with clients across the wider firm.

Our priorities for the year ahead include further improvements to our UK Digital Investing proposition, launching our new UK Affluent proposition, and continuing to improve our proposition and digital experience in the Private Bank - both in the UK and internationally. We are also focused on progressing our plans to establish a new Private Bank booking centre in Singapore. We remain committed to improving our underlying technology infrastructure and digital client experience.

Note
1 Market share is estimated using reported Ending Net Receivables compared to the consumer credit market in the US.

IB

Our goal in the Investment Bank is to continue to improve returns to deliver in line with Group RoTE in 2026 and leverage our strength in the UK to consolidate our position as a leading global investment bank.

We aim to achieve this through high single-digit compound annual growth rate (CAGR) income growth, disciplined cost management and increase in capital efficiency.

USCB

As we continue to deliver on Barclays' strategic plan, we will work closely with our card partners to drive organic growth in existing programmes, while actively pursuing new partnership opportunities with a focus in the retail segment - which will improve through-the-cycle risk-adjusted margins.

In our digital deposits business, our aim is that continued investment in our products and new co-branded marketing programmes will drive growth that will enable us to reduce funding costs. Ongoing, programmatic investments in the digitisation of our customer experience, as well as in tools and automation to assist our colleagues, will further drive improvements in overall cost efficiency. We will continue to explore risk transfer transactions as a mechanism for reducing capital consumption.

Glossary of terms

'Advanced Internal Ratings Based (A-IRB)' See 'Internal Ratings Based (IRB)'.

'Acceptances and endorsements' Acceptances are an undertaking by a bank to pay a bill of exchange drawn on a customer, for which reimbursement by the customer is normally immediate. Endorsements are to change the payee of a bill of exchange but with no change to the bank's liability.

'Additional Tier 1 (AT1) capital' A type of capital as defined in CRR largely comprising eligible non-common equity capital securities and any related share premium.

'Additional Tier 1 (AT1) securities' Non-common equity securities that are eligible as AT1 capital.

'Advanced Measurement Approach (AMA)' An approach used to quantify required capital for operational risk. Under the AMA, banks are allowed to develop their own empirical model to quantify the required capital for operational risk. Banks can only use this approach subject to approval from their applicable local regulators.

'Agency Bonds' Bonds issued by state and / or government agencies or government-sponsored entities.

'Agency Mortgage-Backed Securities' Mortgage-Backed Securities issued by government-sponsored entities.

'All price risk (APR)' An estimate of all the material market risks, including rating migration and default, for the correlation trading portfolio.

'American Depository Receipts (ADR)' A negotiable certificate that represents the ownership of depository shares in a non-US company (e.g. Barclays) trading on US financial markets.

'Americas' Geographic segment comprising the US, Canada and countries where Barclays operates within Latin America.

'Annual Earnings at Risk (AEaR)' A measure of the potential change in Net Interest Income (NII) due to interest rate movement over a one-year period.

'Annualised cumulative weighted average lifetime PD' The Probability of Default (PD) over the remaining life of the asset, expressed as an annual rate, reflecting a range of possible economic scenarios.

'Application scorecards' Algorithm based decision-making tools used to aid business decisions and manage credit risk based on available customer data at the point of application for a product.

'Arrears' Customers are said to be in arrears when they are behind in fulfilling their obligations with the result that an outstanding loan is unpaid or overdue. Such customers are also said to be in a state of delinquency. When a customer is in arrears, their entire outstanding balance is said to be delinquent, meaning that delinquent balances are the total outstanding loans on which payments are overdue.

'Asia' Geographic segment comprising countries where Barclays operates within Asia and the Middle East.

'Asset Backed Commercial Paper (ABCP)' Typically short-term notes secured on specified assets issued by consolidated special purpose entities for funding purposes.

'Asset Backed Securities (ABS)' Securities that represent an interest in an underlying pool of referenced assets. The referenced pool can comprise any assets which attract a set of associated cash flows but are commonly pools of residential or commercial mortgages and, in the case of a Collateralised Debt Obligation (CDO), the referenced pool may be ABS or other classes of assets.

'Asset swap spreads' The difference between the yield of the bond and the fixed rate leg of the corresponding interest rate swap. Primarily used to measure the credit risk associated with a bond.

'Attributable profit' Profit after tax that is attributable to ordinary equity holders of Barclays adjusted for the after tax amounts of capital securities classified as equity.

'Average allocated tangible equity (for businesses)' Calculated as the average of the previous month's period end allocated tangible equity and the current month's period end allocated tangible equity. The average allocated tangible equity for the period is the average of the monthly averages within that period.

'Average tangible shareholders' equity (for Barclays Group)' Calculated as the average of the previous month's period end tangible shareholders' equity and the current month's period end tangible shareholders' equity. The average tangible shareholders' equity for the period is the average of the monthly averages within that period.

'Average UK leverage ratio' In accordance with the PRA rulebook, calculated as the average capital measure based on the last day of each month in the quarter divided by the average exposure measure for the quarter, where the average exposure is based on each day in the quarter.

'Back testing' Includes a number of techniques that assess the continued statistical validity of a model by simulating how the model would have predicted recent experience.

'Balance weighted Loan to Value (LTV) ratio' In the context of the credit risk disclosures on secured home loans, a means of calculating marked to market LTVs derived by calculating individual LTVs at account level and weighting it by the balances to arrive at the average position. Balance weighted LTV ratio is calculated using the following formula: LTV = ((loan 1 balance x Marked to market (MTM) LTV% for loan 1) + (loan 2 balance x MTM LTV% for loan 2) + ...) / total outstanding balances in portfolio.

'Bank of England (BoE)' The central bank of the United Kingdom with devolved responsibility for managing monetary policy and to oversee regulation of the UK's financial sector. The BoE prudentially regulates and supervises financial services firms through the PRA.

'Bank of England levy scheme' a new levy scheme which commenced on 1 March 2024 replacing the Cash Ratio Deposit scheme as a means of funding the BoE's monetary policy and financial stability operations.

'Barclays' or 'Barclays Group' or 'Group' Barclays PLC, together with its subsidiaries.

'Barclaycard Consumer UK' One of three segments within Barclays UK comprising the UK Barclaycard business.

'Barclays Africa' or 'Absa' or 'Absa Group Limited' Absa Group Limited (formerly Barclays Africa Group Limited), which was previously a subsidiary of the Barclays Group. As a consequence of its disposals of shares in April 2022 and September 2022, the Barclays Group has now exited its shareholding in Absa Group Limited.

'Barclays Bank Group' Barclays Bank PLC, together with its subsidiaries.

'Barclays Bank UK Group' Barclays Bank UK PLC, together with its subsidiaries.

'Barclays Execution Services' or 'BX' or 'Group Service Company' Barclays Execution Services Limited, the Group-wide service company providing technology, operations and functional services to businesses across the Barclays Group.

'Barclays Investment Bank (IB)' The Barclays Group's investment bank which consists of origination led and returns focused Global Markets and Investment Banking businesses.

'Barclays Private Bank and Wealth Management (PBWM)' This division serves UK and international private banking clients providing a range of investment, banking and lending products alongside expert advice. It also serves UK wealth management and UK digital investing clients offering a range of financial services.

'Barclays Operating Businesses' The core Barclays businesses comprising Barclays UK (which consists of the UK Personal Banking; UK Business Banking and the Barclaycard Consumer UK businesses), UKCB, PBWM, IB and USCB.

'Barclays UK' This segment broadly represents businesses that sit within the UK ring-fenced bank entity, Barclays Bank UK PLC, and comprises Personal Banking, Business Banking and Barclaycard Consumer UK.

'Barclays UK Corporate Bank (UKCB)' This division brings together lending, trade and working capital, liquidity, payments and FX solutions for UK corporate clients with an annual turnover from £6.5 million and higher, excluding those clients that form part of the FTSE 350, which are included within the IB.

'Barclays US Consumer Bank (USCB)' This is a co-branded credit card issuer and financial services partner in the United States for travel, entertainment, retail and affinity institutions. It offers co-branded, small business and private label credit cards, installment loans, online savings accounts and certificates of deposits.

'Basel 3' or 'Basel III' The third of the Basel Accords, setting minimum requirements and standards that apply to internationally active banks. Basel 3 is a set of measures developed by the BCBS aiming to strengthen the regulation, supervision and risk management of banks.

'Basel 3.1' This refers to the revision of BCBS standards to complete the BCBS' post global financial crisis reforms. Basel 3.1 introduces changes to how to calculate capital requirements for all risk types, for both standardised and internal model approaches.

'Basel Committee on Banking Supervision (BCBS)' or 'The Basel Committee' A forum for regular cooperation on banking supervisory matters which develops global supervisory standards for the banking industry. Its 45 members are officials from central banks or prudential supervisors from 28 jurisdictions.

'Basic Indicator Approach (BIA)' An approach used to quantify required capital for operational risk. Under the BIA, banks are required to hold regulatory capital for operational risk equal to 15% of the annual average, calculated over a rolling three-year period, of the relevant income indicator for the bank as whole.

'Basis point(s)' or 'bp(s)' One hundredth of a per cent (0.01%); 100 basis points is 1%. The measure is used for quoting movements in interest rates, yields on securities and for other purposes.

'Basis risk' Index/tenor risk that arises when floating rate products are linked to different interest rate indices, which are imperfectly correlated, especially under stressed market conditions.

'Behavioural scorecards' Algorithm-based decision tools used to aid business decisions and manage credit risk based on existing customer data derived from account usage.

'Board' The board of directors of the relevant Barclays Group entity.

'Book quality' In the context of the Capital Risk section of the Barclays PLC Annual Report (or equivalent section in quarterly or half yearly results), changes in RWAs caused by factors such as underlying customer behaviour or demographics leading to changes in risk profile.

'Book size' In the context of the Capital Risk section of the Barclays PLC Annual Report (or equivalent section in quarterly or half yearly results), changes in RWAs driven by business activity, including net originations or repayments.

'Business Banking' One of three segments within Barclays UK. Includes Business Banking services for UK clients with an annual turnover of typically up to £6.5 million, as well as the Education, Social Housing and Local Authority (ESHLA) portfolio.

'Business Growth Fund (BGF)' An independent company established by the UK's largest banks, including Barclays, to help young, fast-growing businesses by providing long-term growth capital. Barclays holds an associate interest in BGF.

'Business scenario stresses' Multi-asset scenario analysis of extreme, but plausible, events that may impact the market risk exposures of the IB.

'Buy to let mortgage' A mortgage whereby the intention of the customer is to let the property at origination.

'Capital Conservation Buffer (CCB)' A capital buffer of 2.5% of a bank's total exposures that needs to be met with an additional amount of Common Equity Tier 1 capital above the 4.5% minimum requirement for Common Equity Tier 1 set out in CRR. Its objective is to conserve a bank's capital by ensuring that banks build up surplus capital outside periods of stress which can be drawn down if losses are incurred.

'Capital ratios' Key financial ratios measuring the bank's capital adequacy or financial strength expressed as a percentage of RWAs.

'Capital Requirements Directive (CRD)' Directive 2013/36/EU (as amended), which accompanies the CRR and which prescribes further prudential standards including capital buffers and "Pillar 2A" capital requirements. CRD was implemented before Brexit. In the EU, further amendments to CRD are made by CRD VI, which member states must transpose by January 2026.

'Capital Requirements Directive IV (CRD IV)' The Fourth Capital Requirements Directive, comprising an EU amending Directive and an accompanying Regulation (CRR) that together prescribe EU capital adequacy and liquidity requirements, and which implements Basel 3 in the European Union.

'Capital Requirements Directive V (CRD V)' The Fifth Capital Requirements Directive, comprising an EU amending Directive and an accompanying amending Regulation (CRR II) that together prescribe EU capital adequacy and liquidity requirements, and which implements enhanced Basel 3 proposals in the European Union.

'Capital Requirements Directive VI (CRD VI)' The Sixth Capital Requirements Directive, comprising an EU amending Directive and an accompanying amending Regulation (CRR III) that together prescribe EU capital adequacy and liquidity requirements, and which implements enhanced Basel 3 proposals in the European Union

'Capital Requirements Regulation (CRR)' Refers to EU CRR and/or UK CRR as the context requires.

'Capital Requirements Regulation II (CRR II)' Regulation (EU) 2019/876, amending Regulation (EU) No 575/2013 (CRR). This is a component of the EU Risk Reduction Measure package. The requirements set out in CRR II were introduced between 27 June 2019 and 28 June 2023. Following a consultation process in 2021 the PRA finalized their implementation of the CRR II package through Policy Statement 22/21. The finalized requirements were implemented in the UK through the PRA rulebook with effect from 1 January 2022.

'Capital Requirements Regulation III (CRR III)' Regulation (EU) 2019/876, amending Regulation (EU) No 575/2013 (CRR). This is a component of the EU Risk Reduction Measure package. The requirements set out in CRR II were introduced between 27 June 2019 and 28 June 2023. Following a consultation process in 2021 the PRA finalized their implementation of the CRR II package through Policy Statement 22/21. The finalized requirements were implemented in the UK through the PRA rulebook with effect from 1 January 2022.

'Capital requirements on the underlying exposures (KIRB)' An approach available to banks when calculating RWAs for securitisation exposures. This is based upon the RWA amounts that would be calculated under the IRB approach for the underlying pool of securitised exposures in the programme, had such exposures not been securitised.

'Capital resources' Common Equity Tier 1, Additional Tier 1 capital and Tier 2 capital that are eligible to satisfy regulatory capital requirements. Referred to as 'own funds' within EU and UK regulatory texts.

'Capital risk' The risk that the Barclays Group has an insufficient level or composition of capital to support its normal business activities and to meet its regulatory capital requirements under normal operating environments or stressed conditions (both actual and as defined for internal planning or regulatory testing purposes). This includes the risk from the Barclays Group's pension plans.

'Cash Ratio Deposit scheme' A scheme that previously funded the BoE's monetary policy and financial stability functions, until it was replaced with the BoE levy scheme on 1 March 2024.

'Central Counterparty' or 'Central Clearing Counterparties (CCPs)' A clearing house mediating between the buyer and the seller in a financial transaction, such as a derivative contract or repurchase agreement (Repo). Where a Central Counterparty is used, a single bi-lateral contract between the buyer and seller is replaced with two contracts, one between the buyer and the CCP and one between the CCP and the seller. The use of CCPs allows for greater oversight and improved credit risk mitigation in over-the-counter (OTC) markets.

'Charge-off' In the retail segment this refers to the point in time when collections activity changes from the collection of arrears to the recovery of the full balance. This is normally when six payments are in arrears.

'Client Assets' Assets managed or administered by the Barclays Group on behalf of its clients including assets under management (AUM), custody assets, assets under administration and client deposits.

'Client assets and liabilities' Customer deposits, lending and invested assets.

'Climate Risk' The risk of financial loss arising from climate change through, physical risks and risks associated with transitioning to a lower carbon economy. Climate Risk focuses on the Financial and Operational Risks associated with climate change.

'CLOs and other insured assets' Highly-rated CLO positions wrapped by monolines, non-CLOs wrapped by monolines and other assets wrapped with Credit Support Annex (CSA) protection.

'Clydesdale Financial Services Limited (CFS)' This houses Barclays' point-of-sale finance business and trades as Barclays Partner Finance.

'Collateralised Debt Obligation (CDO)' A security issued by a third party which references Asset Backed Securities and/or certain other related assets purchased by the issuer. CDOs may feature exposure to sub-prime mortgage assets through the underlying assets.

'Collateralised Loan Obligation (CLO)' A security backed by repayments from a pool of commercial loans.

'Collateralised Mortgage Obligation (CMO)' A security backed by mortgages. A special purpose entity receives income from the mortgages and passes them on to investors in the security.

'Combined Buffer Requirement (CBR)' The total Common Equity Tier 1 capital required to meet the combined requirements of the Capital Conservation Buffer, the GSII Buffer, the counter-cyclical buffer, and the O-SII buffer if applicable to a firm.

'Commercial paper (CP)' Typically short-term notes issued by entities, including banks, for funding purposes.

'Commercial real estate (CRE)' Commercial real estate includes office buildings, medical centres, hotels, retail stores, shopping centres, farm land, multifamily housing buildings, warehouses, garages, industrial properties and other similar properties. Commercial real estate loans are loans backed by a package of commercial real estate. Note: for the purposes of the Credit Risk section, the UK CRE portfolio includes property investment, development, trading and housebuilders but excludes social housing contractors.

'Commissions and other incentives' Includes commission-based arrangements, guaranteed incentives and Long Term Incentive Plan awards.

'Committee of Sponsoring Organizations of the Treadway Commission Framework (COSO)' A joint initiative of five private sector organisations dedicated to the development of frameworks and providing guidance on enterprise risk management, internal control and fraud deterrence.

'Commodity derivatives' Exchange traded and over-the-counter (OTC) derivatives based on an underlying commodity (e.g. metals, precious metals, oil and oil related products, power and natural gas).

'Commodity risk' Measures the impact of changes in commodity prices and volatilities, including the basis between related commodities (e.g. Brent vs. WTI crude prices).

'Common Equity Tier 1 (CET1) capital' The highest quality form of regulatory capital under CRR that comprises common shares issued and related share premium, retained earnings and other reserves, less specified regulatory adjustments.

'Common Equity Tier 1 (CET1) ratio' A measure of CET1 capital expressed as a percentage of RWAs.

'Compensation: income ratio' The ratio of compensation expense over total income. Compensation represents total staff costs less non-compensation items (consisting of outsourcing, staff training, redundancy costs and retirement costs).

'Compliance Risk' The risk of poor outcomes for, or harm to, customers, clients and markets, arising from the delivery of the firm's products and services (also known as 'Conduct Risk') and the risk to Barclays, its clients, customers or markets from a failure to comply with the laws, rules and regulations applicable to the firm (also known as Laws, Rules and Regulations Risk 'LRR Risk').

'Comprehensive Capital Analysis and Review (CCAR)' An annual exercise, required by and evaluated by the Federal Reserve, through which the largest banks' holding companies operating in the US assess whether they have sufficient capital to continue operations through periods of economic and financial stress and have robust capital-planning processes that account for their unique risks.

'Comprehensive Risk Capital Charge (CRCC)' An estimate of all the material market risks, including rating migration and default, for the correlation trading portfolio.

'Comprehensive Risk Measure (CRM)' An estimate of all the material market risks, including rating migration and default, for the correlation trading portfolio. Also referred to as All Price Risk (APR) and Comprehensive Risk Capital Charge (CRCC).

'Constant Currency Basis' Excluding the impact of foreign currency conversion to GBP when comparing financial results in two different financial periods.

'Coronavirus Business Interruption Loan Scheme (CBILS)' A loan scheme by the British Business Bank (BBB) to support UK based small and medium-sized businesses (turnover of up to £45 million) adversely impacted by COVID-19. The CBILS scheme provided loans of up to £5 million which are backed by an 80% UK Government (BBB) guarantee. The UK Government will pay interest and fees for the first 12 months on behalf of the borrowers, subject to terms and conditions. This scheme ended on 31 March 2021.

'Coronavirus Large Business Interruption Loan Scheme (CLBILS)' A loan scheme by the British Business Bank (BBB) to support UK based medium-sized businesses (turnover above £45 million, but with no access to Covid Corporate Finance Facility (CCFF)) adversely impacted by COVID-19. The CLBILS scheme provided loans of up to £200 million which are backed by an 80% UK Government (BBB) guarantee. This scheme ended on 31 March 2021.

'Correlation risk' Refers to the change in marked to market value of a security when the correlation between the underlying assets changes over time.

'Cost of Equity' The rate of return targeted by the equity holders of a company.

'Cost: income jaws' Relationship between the percentage change movement in operating expenses relative to total income.

'Cost: income ratio' Total operating expenses divided by total income.

'Countercyclical Capital Buffer (CCyB)' A capital buffer that requires banks to have an additional cushion of Common Equity Tier 1 capital with which to absorb potential losses, enhancing their resilience and contributing to a stable financial system.

'Countercyclical leverage ratio buffer (CCLB)' A macroprudential capital buffer that has applied to specific PRA regulated institutions since 2018 and is calculated at 35% of any risk weighted countercyclical capital buffer set by the Financial Policy Committee (FPC). The CCLB applies in addition to the minimum of 3.25% and any G-SII additional leverage ratio buffer that applies.

'Counterparty credit risk (CCR)' The risk that a counterparty to a transaction could default before the final settlement of a transaction's cash flows. In the context of RWAs, a component of RWAs that represents the risk of loss from derivatives, repurchase agreements and similar transactions as a result of the default of the counterparty.

'Coverage ratio' This represents the percentage of impairment allowance reserve against the gross exposure.

'Covered bonds' Debt securities backed by a portfolio of mortgages that are segregated from the issuer's other assets solely for the benefit of the holders of the covered bonds.

'Covid Corporate Financing Facility (CCFF)' BoE scheme to support liquidity among larger investment grade firms which make a material UK contribution, helping to bridge COVID-19 disruption to their cash flows. The BoE provided liquidity by purchasing short-term debt in the form of commercial paper from corporates. Barclays acted as dealer. This scheme closed for new purchases of commercial paper with effect from 23 March 2021.

'Credit conversion factor (CCF)' A factor used to estimate the risk from off-balance sheet commitments for the purpose of calculating the total Exposure at Default (EAD) used to calculate RWAs.

'Credit default swaps (CDS)' A contract under which the protection seller receives premiums or interest-related payments in return for contracting to make payments to the protection buyer in the event of a defined credit event. Credit events normally include bankruptcy, payment default on a reference asset or assets, or downgrades by a rating agency.

'Credit derivatives (CDs)' An arrangement whereby the credit risk of an asset (the reference asset) is transferred from the buyer to the seller of the protection.

'Credit impairment charges' Impairment charges on loans and advances to customers and banks and impairment charges on fair value through other comprehensive income assets and reverse repurchase agreements.

'Credit market exposures' Assets and other instruments relating to commercial real estate and leveraged finance businesses that have been significantly impacted by the deterioration in the global credit markets. The exposures include positions subject to fair value movements in the Income Statement, positions that are classified as loans and advances, and available for sale and other assets.

'Credit quality step' An indicator of credit risk. In the context of the Standardised Approach to calculating credit risk RWAs, a "credit quality assessment scale" maps the credit assessments of a recognised credit rating agency or export credit agency to certain "credit quality steps" that determine the risk weight to be applied to an exposure.

'Credit rating' An evaluation of the creditworthiness of an entity seeking to enter into a credit agreement.

'Credit risk' The risk of loss to Barclays from the failure of clients, customers or counterparties, including sovereigns, to fully honour their obligations to Barclays, including the whole and timely payment of principal, interest, collateral and other receivables. In the context of RWAs, it is the component of RWAs that represents the risk of loss in loans and advances and similar transactions resulting from the default of the counterparty.

'Credit risk mitigation' A range of techniques and strategies used to actively mitigate credit risks to which the bank is exposed. These can be broadly divided into three types: collateral, netting and set-off, and risk transfer.

'Credit spread' The premium over the benchmark or risk-free rate required by the market to accept a lower credit quality.

'Credit Valuation Adjustment (CVA)' The difference between the risk-free value of a portfolio of trades and the market value which takes into account the counterparty's risk of default. The CVA therefore represents an estimate of the adjustment to fair value that a market participant would make to incorporate the credit risk of the counterparty due to any failure to perform contractual agreements.

'Customer assets' Represents loans and advances to customers. Average balances are calculated as the sum of all daily balances for the year to date divided by number of days in the year to date.

'Customer deposits' Money deposited by all individuals and companies that are not credit institutions. Such funds are recorded as liabilities in the Barclays Group's balance sheet under "deposits at amortised cost" (Customer liabilities).

'Customer liabilities' See 'Customer deposits'.

'Daily Value at Risk (DVaR)' An estimate of the potential loss which might arise from market movements under normal market conditions if the current positions were to be held unchanged for one business day, measured to a specified confidence level.

'Debit Valuation Adjustment (DVA)' The opposite of Credit Valuation Adjustment (CVA). It is the difference between the risk-free value of a portfolio of trades and the market value which takes into account the Barclays Group's risk of default. The DVA, therefore, represents an estimate of the adjustment to fair value that a market participant would make to incorporate the credit risk of the Barclays Group due to any failure to perform contractual obligations. The DVA decreases the value of a liability to take into account a reduction in the remaining balance that would be settled should the Barclays Group default or not perform any contractual obligations.

'Debt buybacks' Purchases of the Barclays Group's issued debt securities, including equity accounted instruments, leading to their de-recognition from the balance sheet.

'Debt securities in issue' Transferable securities evidencing indebtedness of the Barclays Group. These are liabilities of the Barclays Group and include certificates of deposit and commercial paper.

'Default grades' The Barclays Group classifies ranges of default probabilities into a set of 21 intervals called default grades, in order to distinguish differences in the Probability of Default (PD) risk.

'Default fund contributions' The contribution made by members of a Central Counterparty (CCP). All members are required to contribute to this fund in advance of using a CCP. The default fund can be used by the CCP to cover losses incurred by the CCP where losses are greater than the margins provided by a defaulting member.

'Delinquency' See 'Arrears'.

'Derivatives netting' Adjustments applied across asset and liability marked to market derivative positions pursuant to legally enforceable bilateral netting agreements and eligible cash collateral received in derivative transactions that meet the requirements of BCBS 270 (Basel III leverage ratio framework and disclosure requirements).

'Diversification effect' Reflects the fact that the risk of a diversified portfolio is smaller than the sum of the risks of its constituent parts. It is measured as the sum of the individual asset class Daily Value at Risk (DVaR) estimates less the total DVaR.

'Dodd-Frank Act (DFA)' The US Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as amended.

'Domestic Liquidity Sub-Group Arrangement (DoLSub)' An intra-group capital and liquidity support agreement that secures certain regulatory permissions authorised by the PRA.

'Economic Value of Equity (EVE)' A measure of the potential change in value of expected future cash flows due to an adverse interest rate movement, based on existing balance sheet run-off profile.

'Education, Social Housing and Local Authority (ESHLA) or (ESHLA portfolio)' A Barclays UK portfolio primarily consisting of long dated fixed rate loans extended to counterparties in the UK Education, Social Housing and Local Authority sectors.

'Effective Expected Positive Exposure (EEPE)' The weighted average over time of effective expected exposure. The weights are the proportion that an individual exposure represents of the entire exposure horizon time interval.

'Effective interest rate (EIR)' As defined in IFRS 9 Financial Instruments, effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

'Eligible liabilities' Liabilities and capital instruments that are eligible to meet MREL that do not already qualify as Own funds.

'Encumbrance' The use of assets to secure liabilities, such as by way of a lien or charge.

'Enterprise Risk Management Framework (ERMF)' The Barclays Group's risk management responsibilities are laid out in the Enterprise Risk Management Framework, which describes how Barclays identifies and manages risk. The framework identifies the principal risks faced by the Barclays Group, sets out risk appetite requirements, sets out roles and responsibilities for risk management, and sets out risk committee structure.

'Equities' Trading businesses encompassing Cash Equities, Equity Derivatives & Equity Financing, part of IB.

'Equity and stock index derivatives' Derivatives whose value is derived from equity securities. This category includes equity and stock index swaps and options (including warrants, which are equity options listed on an exchange). The Barclays Group also enters into fund-linked derivatives, being swaps and options whose underlyings include mutual funds, hedge funds, indices and multi-asset portfolios. An equity swap is an agreement between two parties to exchange periodic payments, based upon a notional principal amount, with one side paying fixed or floating interest and the other side paying based on the actual return of the stock or stock index. An equity option provides the buyer with the right, but not the obligation, either to purchase or sell a specified stock, basket of stocks or stock index at a specified price or level on or before a specified date.

'Equity risk' In the context of trading book capital requirements, the risk of change in market value of an equity investment.

'Equity structural hedge' An interest rate hedge in place to reduce earnings volatility of the overnight / short-term equity investment and to smooth the income over a medium/long term.

'EU CRR' Regulation (EU) No 575/2013 as amended. EU CRR prescribes prudential requirements including minimum capital requirements, for EU banks and certain other entities. EU CRR was amended by CRR III as part of the EU's implementation of Basel 3.1. The amendments entered into force in January 2025, other than those relating to market risk, whose entry into force was delayed until January 2026 by a Delegated Act of the European Commission.

'EU Risk Reduction Measure package' A collection of amending Regulations and Directives that update core EU regulatory texts and which came into force on 27 June 2019.

'Euro Interbank Offered Rate (EURIBOR)' A benchmark interest rate at which banks can borrow funds from other banks in the European interbank market.

'Europe' Geographic segment comprising countries in which Barclays operates within the EU (excluding the UK), Northern Continental and Eastern Europe.

'European Banking Authority (EBA)' The EBA is an independent EU Authority which works to ensure effective and consistent prudential regulation and supervision across the European banking sector. Its overall objectives are to maintain financial stability in the EU and to safeguard the integrity, stability, efficiency and orderly functioning of the banking sector.

'European Securities and Markets Authority (ESMA)' An independent European Supervisory Authority with the remit of enhancing the protection of investors and reinforcing stable and well-functioning financial markets in the European Union.

'Eurozone' Represents the 20 European Union countries that have adopted the Euro as their common currency. The 20 countries are Austria, Belgium, Croatia, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Slovakia, Slovenia and Spain.

'Expected Credit Losses (ECL)' A present value measure of the credit losses expected to result from default events that may occur during a specified period of time. ECLs must reflect the present value of cash shortfalls, and the unbiased and probability weighted assessment of a range of outcomes.

'Expected Losses' A regulatory measure of anticipated losses for exposures captured under an Internal Ratings Based credit risk approach for capital adequacy calculations. It is measured as the Barclays Group's modelled view of anticipated losses based on Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD), with a one-year time horizon.

'Expert lender models' Models of risk measures that are used for parts of the portfolio where the risk drivers are specific to a particular counterparty, but where there is insufficient data to support the construction of a statistical model. These models utilise the knowledge of credit experts that have in depth experience of the specific customer type being modelled.

'Exposure' Generally refers to positions or actions taken by a bank, or consequences thereof, that may put a certain amount of a bank's resources at risk.

'Exposure at Default (EAD)' The estimation of the extent to which the Barclays Group may be exposed to a customer or counterparty in the event of, and at the time of, that customer's or counterparty's default. At default, the customer may not have drawn the loan fully or may already have repaid some of the principal, so that exposure may be less than the approved loan limit.

'External Credit Assessment Institutions (ECAI)' Institutions whose credit assessments may be used by credit institutions for the determination of risk weight exposures according to UK CRR or EU CRR (as the case may be).

'External ratings based approach / internal assessment approach (SEC-ERBA / IAA)' This is a method to calculate risk-weighted exposure amounts for securitisation positions. Under the SEC-ERBA approach, regulatory capital is assigned to securitisation tranches on the basis of their external credit rating. The SEC-ERBA approach can also be used for unrated ABCP exposures where the institution has the regulatory permission to use the Internal Assessment Approach (IAA) to assign a credit rating to the unrated ABCP exposure.

'Exchange-traded notes (ETNs)' Unsecured debt securities that track an underlying index of securities and trade on a stock exchange.

'FVOCI' Fair value through other comprehensive income.

'Federal Housing Finance Agency (FHFA)' An independent federal agency in the United States that oversees the secondary mortgage market and regulates Fannie Mae and Freddie Mac, as well as 11 Federal Home Loan banks. The FHFA also sets the Housing Price Index (HPI) in the United States.

'Federal Reserve Board (FRB)' The Board of Governors of the Federal Reserve System, commonly known as the Federal Reserve Board, is responsible for – amongst other things – setting monetary policy in the US.

'FICC' Represents Macro (including rates and currency), Credit and Securitised products, part of IB.

'Financial crime risk' The risk that the Group and its associated persons (employees or third parties) commit or facilitate financial crime, and/or the Group's products and services are used to facilitate financial crime. Financial crime undermines market integrity and may result in: harm to clients, customers, counterparties or employees; diminished confidence in financial products and services; damage to the Group's reputation; regulatory breaches; and/or financial penalties.

'Financial Policy Committee (FPC)' The BoE's Financial Policy Committee identifies, monitors and takes action to remove or reduce systemic risks with a view to protecting and enhancing the resilience of the UK financial system. The FPC also has a secondary objective to support the economic policy of the UK Government.

'Financial Conduct Authority (FCA)' The statutory body responsible for conduct of business regulation and supervision of UK authorised firms. The FCA also has responsibility for the prudential regulation of firms that do not fall within the PRA's scope.

'Financial Services Compensation Scheme (FSCS)' The UK's scheme for the compensation of customers of authorised financial services firms that are unable to pay claims.

'Financial collateral comprehensive method (FCCM)' A counterparty credit risk exposure calculation approach which applies volatility adjustments to the market value of exposure and collateral when calculating RWA values.

'Financial Stability Board (FSB)' An international body that monitors and makes recommendations about the global financial system. It promotes international financial stability by coordinating national financial authorities and international standard-setting bodies as they work toward developing strong regulatory, supervisory and other financial sector policies. It fosters a level playing field by encouraging coherent implementation of these policies across sectors and jurisdictions.

'Fitch' A credit rating agency, including Fitch Ratings Inc. and its affiliated entities.

'Forbearance Programmes' Forbearance programmes assist customers in financial difficulty through agreements to accept less than contractual amounts due where financial distress would otherwise prevent satisfactory repayment within the original terms and conditions of the contract. These agreements may be initiated by the customer, Barclays or a third party and include approved debt counselling plans, minimum due reductions, interest rate concessions and switches from capital and interest repayments to interest-only payments.

'Foreclosures in Progress' The process by which a bank initiates legal action against a customer with the intention of terminating a loan agreement whereby the bank may repossess the property used as collateral for the loan subject to applicable law and recover amounts it is owed.

'Foreign exchange derivatives' The Barclays Group's principal exchange rate-related contracts are forward foreign exchange contracts, currency swaps and currency options. Forward foreign exchange contracts are agreements to buy or sell a specified quantity of foreign currency, usually on a specified future date at an agreed rate. Currency swaps generally involve the exchange, or notional exchange, of equivalent amounts of two currencies and a commitment to exchange interest periodically until the principal amounts are re-exchanged on a future date. Currency options provide the buyer with the right, but not the obligation, either to purchase or sell a fixed amount of a currency at a specified exchange rate on or before a future date. As compensation for assuming the option risk, the option writer generally receives a premium at the start of the option period.

'Foreign exchange risk' In the context of DVaR, the impact of changes in foreign exchange rates and volatilities.

'Foundation Internal Ratings Based (F-IRB)' See 'Internal Ratings Based (IRB)'.

'FTSE 350' The Financial Times Stock Exchange index comprising the 350th largest companies by capitalisation listed on the London Stock Exchange.

'Full time equivalent (FTE)' Full time equivalent units are the on-job hours paid for employee services divided by the number of ordinary-time hours normally paid for a full-time staff member when on the job (or contract employees where applicable).

'Fully loaded' When a measure is presented or described as being on a fully loaded basis, it is calculated without applying the transitional provisions set out in Part Ten of UK CRR or EU CRR (as the case may be).

'Funded credit protection' A technique of credit risk mitigation where the reduction of the credit risk on the exposure of an institution derives from the right of that institution, in the event of the default of the counterparty or on the occurrence of other specified credit events relating to the counterparty, to liquidate, or to obtain transfer or appropriation of, or to retain certain assets or amounts, or to reduce the amount of the exposure to, or to replace it with the amount of the difference between the amount of the exposure and the amount of a claim on the institution.

'FY23 Investor Update' An event held in connection with Barclays resegmentation of businesses which was announced on 20 February 2024 and is part of its strategy to become Simpler, Better and more Balanced. Introducing the new segments of Barclays UK, Barclays UK Corporate, Barclays Private Bank and Wealth Management, Barclays Investment Bank, Barclays US Consumer Bank and Head Office.

'Gains on acquisitions' The amount by which an acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities, recognised in a business combination, exceeds the cost of the combination.

'General Data Protection Regulation (GDPR)' GDPR (Regulation (EU) 2016/679) is a regulation intended to strengthen and unify data protection for all individuals within the European Union. GDPR forms part of UK law pursuant to the European Union (Withdrawal) Act 2018, as amended.

'General market risk' The risk of a price change in a financial instrument due to a change in the level of interest rates or owing to a broad equity market movement unrelated to any specific attributes of individual securities.

'Global markets' Offers clients a full range of liquidity, risk management and financing solutions, ideas and content tailored to their investment and risk management needs, including execution capabilities across the spectrum of financial products.

'Global Systemically Important Banks (G-SIBs or G-SIIs)' Global financial institutions whose size, complexity and systemic interconnectedness, mean that their distress or failure would cause significant disruption to the wider financial system and economic activity. The Financial Stability Board and the BCBS publish a list of global systemically important banks.

'G-SII additional leverage ratio buffer (G-SII ALRB)' A macroprudential buffer that applies to G-SIBs and other major domestic UK banks and building societies, including banks that are subject to ring-fencing requirements. The G-SII ALRB will be calibrated as 35% (on a phased basis) of the combined buffers that apply to the bank.

'G-SII Buffer' Common Equity Tier 1 capital required to be held to ensure that G-SIBs build up surplus capital to compensate for the systemic risk that such institutions represent to the financial system.

'Grandfathering' In the context of capital resources, the phasing in of the application of instrument eligibility rules which allows formerly compliant capital instruments to be included in regulatory capital subject to certain thresholds which decrease over the transitional period.

'Gross charge-off rates' Represents the balances charged-off to recoveries in the reporting period, expressed as a percentage of average outstanding balances excluding balances in recoveries. Charge-off to recoveries generally occurs when the collections focus switches from the collection of arrears to the recovery of the entire outstanding balance, and represents a fundamental change in the relationship between the bank and the customer. This is a measure of the proportion of customers that have gone into default during the period.

'Gross Domestic Product (GDP)' Measures the total value of goods and services produced in a country within a specific time period.

'Gross write-off rates' Expressed as a percentage and represent balances written off in the reporting period divided by gross loans and advances held at amortised cost at the balance sheet date.

'Gross new lending' New lending advanced to customers during the period.

'Guarantee' Unless otherwise described, an undertaking by a third party to pay a creditor should a debtor fail to do so. It is a form of credit substitution.

'Head Office' Comprises head office central support, central treasury operations, Barclays Execution Services assets and legacy businesses. In addition to these existing elements, as part of the resegmentation announced at the FY23 Investor Update on 20 February 2024, Head Office now also includes the German consumer finance business, which is currently accounted for as held for sale, and the merchant acquiring component of the Payments business.

'High-Net-Worth' Businesses that provide banking and other services to high-net worth customers.

'High-quality liquid assets (HQLA)' Comprise eligible and unencumbered cash or assets that can be converted into cash at little or no loss of value in private markets, to meet liquidity needs arising from a liquidity stress scenario or event. Please refer to 'Level 1 assets' and 'Level 2 assets'.

'High Risk' In retail banking, 'High Risk' is defined as the subset of up-to-date customers who, either through an event or observed behaviour, exhibit potential financial difficulty. Where appropriate, these customers are proactively contacted to assess whether assistance is required.

'Home loan' A loan to purchase a residential property. The property is then used as collateral to guarantee repayment of the loan. The borrower gives the lender a lien against the property and the lender can foreclose on the property if the borrower does not repay the loan per the agreed terms. Also known as a residential mortgage.

'IHC' or 'US IHC' The intermediate US holding company Barclays US LLC, which holds most of Barclays' subsidiaries and assets in the US.

'Identified Impairment (II)' Specific impairment allowances for financial assets, estimated individually.

'IFRS' International Financial Reporting Standards.

'IFRS 9 transitional arrangements' Following the application of IFRS 9 as of 1 January 2018, transitional arrangements under which Article 473a of UK CRR or EU CRR (as applicable) permits institutions to phase-in the impact on capital and leverage ratios of the impairment requirements under the new accounting standard.

'Impairment Allowances' A provision held on the balance sheet as a result of the raising of a charge against profit for expected losses in the lending book. An impairment allowance may either be identified or unidentified, and individual or collective.

'Income' Total income, unless otherwise specified.

'Incremental Risk Charge (IRC)' An estimate of the incremental risk arising from rating migrations and defaults for traded debt instruments beyond what is already captured in specific market risk VaR for the non-correlation trading portfolio.

'Independent Validation Unit (IVU)' The function within Barclays responsible for independent review, challenge and approval of all models.

'Individual liquidity guidance (ILG)' Guidance given to a bank about the amount, quality and funding profile of liquidity resources that the PRA has asked the bank to maintain.

'Inflation risk' In the context of DVaR, the impact of changes in inflation rates and volatilities on cash instruments and derivatives.

'Inorganic activity' Refers to certain inorganic transactions announced as part of the FY23 Investor Update designed to improve Group RoTE beyond 2024. In FY24 this included the £220m loss on sale of the performing Italian retail mortgage portfolio, the £9m loss on disposal from the German consumer finance business and the £26m loss on sale of the non-performing Italian retail mortgage portfolio.

'Insurance Risk' The risk of the Barclays Group's aggregate insurance premiums received from policyholders under a portfolio of insurance contracts being inadequate to cover the claims arising from those policies.

'Interchange' Income paid to a credit card issuer for the clearing and settlement of a sale or cash advance transaction.

'Interest-only home loans' Under the terms of these loans, the customer makes payments of interest only for the entire term of the mortgage, although customers may make early repayments of the principal within the terms of their agreement. The customer is responsible for repaying the entire outstanding principal on maturity, which may require the sale of the mortgaged property.

'Interest rate derivatives' Derivatives linked to interest rates. This category includes interest rate swaps, collars, floors options and swaptions. An interest rate swap is an agreement between two parties to exchange fixed rate and floating rate interest by means of periodic payments based upon a notional principal amount and the interest rates defined in the contract. Certain agreements combine interest rate and foreign currency swap transactions, which may or may not include the exchange of principal amounts. A basis swap is a form of interest rate swap, in which both parties exchange interest payments based on floating rates, where the floating rates are based upon different underlying reference indices. In a forward rate agreement, two parties agree a future settlement of the difference between an agreed rate and a future interest rate, applied to a notional principal amount. The settlement, which generally occurs at the start of the contract period, is the discounted present value of the payment that would otherwise be made at the end of that period.

'Interest rate risk' The risk of interest rate volatility adversely impacting the Barclays Group's NIM. In the context of the calculation of market risk DVaR, measures the impact of changes in interest (swap) rates and volatilities on cash instruments and derivatives.

'Interest rate risk in the banking book (IRRBB)' The risk that the Barclays Group is exposed to capital or income volatility because of a mismatch between the interest rate exposures of its (non-traded) assets and liabilities.

'Internal Assessment Approach (IAA)' One of three types of calculation that a bank with permission to use the Internal Ratings Based (IRB) approach may apply to securitisation exposures. It consists of mapping a bank's internal rating methodology for credit exposures to those of an External Credit Assessment Institution (ECAI) to determine the appropriate risk weight based on the ratings based approach. Its applicability is limited to ABCP programmes related to liquidity facilities and credit enhancement.

'Internal Capital Adequacy Assessment Process (ICAAP)' It describes how the Barclays Group identifies, manages and qualifies the risks to which it is exposed, in pursuit of its business strategy. It assesses whether the quality and quantity of capital is available to absorb capital losses for the risks the firm undertakes. The capital adequacy is assessed on a point of time basis and on a forward looking basis taking into account baseline and stressed economic capital conditions.

'Internal Model Approach (IMA)' In the context of RWAs, a method for calculating RWAs where the exposure amount has been derived via the use of a regulator approved internal market risk model.

'Internal Model Method (IMM)' In the context of RWAs, a method for calculating RWAs where the exposure amount has been derived via the use of a regulator approved internal counterparty credit risk model.

'Internal Ratings Based (IRB)' An approach under the UK CRR or EU CRR framework that relies on the bank's internal models to derive the risk weights. The IRB approach is divided into two alternative applications, Advanced and Foundation:

- Advanced Internal Ratings Based (A-IRB): the bank uses its own estimates of Probability of Default (PD), Loss Given Default (LGD) and credit conversion factor to model a given risk exposure.

- Foundation Internal Ratings Based (F-IRB): the bank applies its own PD as for A-IRB, but it uses standard parameters for the LGD and the credit conversion factor. The Foundation IRB approach is specifically designed for wholesale credit exposures. Hence retail, equity, securitisation positions and non-credit obligations asset exposures are treated under standardised or A-IRB.

'Internal Ratings Based approach (SEC-IRBA)' This is a method to calculate risk-weighted exposure amounts for securitisation positions. Under this method, an institution must be able to model regulatory capital requirements for underlying exposures in the securitisation as if these had not been securitised ('KIRB'), subject to certain other inputs and criteria.

'International Corporate Bank' provides lending, trade & working capital, liquidity, payments and FX solutions to multinational companies and financial institutions globally and to FTSE350 companies in the UK.

'Invested assets' Assets under management and supervision.

'Investment Banking' Provides clients with strategic advice on mergers and acquisitions (M&A), corporate finance, financial risk management and equity and debt issuance. As part of its International Corporate Bank offering it also provides lending, trade & working capital, liquidity, payments and FX solutions to multinational companies and financial institutions globally and to FTSE 350 companies in the UK.

'Investment Banking Fees' In the context of IB analysis of total income, fees generated from origination activity businesses – including financial advisory, debt and equity underwriting.

'Investment grade' A debt security, treasury bill or similar instrument with a credit rating of AAA to BBB as measured by external credit rating agencies.

'IPO' Initial Public Offering.

'IRB Roadmap' Contains several EBA technical standards and sets of guidelines developed with the intent to reduce unwarranted variability across firms in IRB Risk-Weighted Assets for Credit Risk. The PRA required UK firms to implement these changes from 1 January 2022.

'ISDA Master Agreement' The most commonly used master contract for over-the-counter (OTC) derivative transactions internationally. It is part of a framework of documents, designed to enable OTC derivatives to be documented fully and flexibly. The framework consists of a master agreement, a schedule, confirmations, definitions booklets, and a credit support annex. The ISDA Master Agreement is published by the International Swaps and Derivatives Association (ISDA).

'Key Risk Scenarios (KRS)' Key Risk Scenarios are a summary of the extreme potential risk exposure for each key risk in each business and function, including an assessment of the potential frequency of risk events, the average size of losses and three extreme scenarios. The Key Risk Scenario assessments are a key input to the Advanced Measurement Approach (AMA) calculation of regulatory and economic capital requirements.

'Large exposure' A large exposure is defined as the total exposure of a bank to a counterparty or group of connected clients, whether in the banking book or trading book or both, which in aggregate equals or exceeds 10% of the bank's eligible capital.

'Legal risk' or 'LRR risk' The risk of loss or imposition of penalties, damages or fines from the failure of the firm to meet applicable laws, rules and regulations or contractual requirements or to assert or defend its intellectual property rights.

'Lending' In the context of IB analysis of total income, lending income includes NII, gains or losses on loan sale activity, and risk management activity relating to the loan portfolio.

'Letters of credit' A letter typically used for the purposes of international trade guaranteeing that a debtor's payment to a creditor will be made on time and in full. In the event that the debtor is unable to make payment, the bank will be required to cover the full or remaining amount of the purchase.

'Level 1 assets' High-quality liquid assets (HQLA) under local rules implementing the Basel Committee's Liquidity Coverage Ratio (LCR), including cash, central bank reserves and higher quality government securities.

'Level 2 assets' High-quality liquid assets (HQLA) under local rules implementing the Basel Committee's Liquidity Coverage Ratio (LCR), comprising Level 2A assets, including, e.g. lower quality government securities, covered bonds and corporate debt securities, and Level 2B assets, including, e.g. lower rated corporate bonds, Residential Mortgage-Backed Securities and equities that meet certain conditions.

'Lifetime expected credit losses' An assessment of expected losses associated with default events that may occur during the life of an exposure, reflecting the present value of cash shortfalls over the remaining expected life of the asset.

'Lifetime Probability' The likelihood of accounts entering default during the expected remaining life of the asset.

'Liquidity Coverage Ratio (LCR)' The ratio of the stock of high-quality liquid assets (HQLA) to expected net cash outflows over the next 30 days. HQLA should be unencumbered, liquid in markets during a time of stress and, ideally, be central bank eligible. These include cash and claims on central governments and central banks.

'Liquidity Pool' The Barclays Group liquidity pool comprises cash at central banks and highly liquid collateral specifically held by the Barclays Group as a contingency to enable the bank to meet cash outflows in the event of stressed market conditions.

'Liquidity Risk' The risk that the Barclays Group is unable to meet its contractual or contingent obligations, or that it does not have the appropriate amount, tenor and composition of funding and liquidity to support its assets.

'Liquidity risk appetite (LRA)' The level of liquidity risk that the Barclays Group chooses to take in pursuit of its business objectives and in meeting its regulatory obligations.

'Liquidity Risk Management Framework (the Liquidity Framework)' The Liquidity Risk Management Framework incorporates liquidity policies, systems and controls that the Barclays Group has implemented to manage liquidity risk within tolerances approved by the Board and regulatory agencies.

'Litigation and conduct charges' or 'Litigation and conduct' Litigation and conduct charges include regulatory fines, litigation settlements and conduct-related customer redress.

'Loan loss rate (LLR)' Quoted in basis points and represents total impairment charges divided by total gross loans and advances held at amortised cost (including portfolios reclassified to assets held for sale) at the balance sheet date.

'Loan to deposit ratio' or 'Loan: deposit ratio' Loans and advances at amortised costs divided by deposits at amortised cost.

'Loan to value (LTV) ratio' Expresses the amount borrowed against an asset (i.e. a mortgage) as a percentage of the appraised value of the asset. The ratios are used in determining the appropriate level of risk for the loan and are generally reported as an average for new mortgages or an entire portfolio. Also see 'Marked to market (MTM) LTV ratio'.

'London Interbank Offered Rate (LIBOR)' A benchmark interest rate at which banks can borrow funds from other banks in the London interbank market, currently phased out.

'Loss Given Default (LGD)' The percentage of Exposure at Default (EAD) that will not be recovered following default. LGD comprises the actual loss (the part that is not expected to be recovered), together with the economic costs associated with the recovery process.

'Management VaR' A measure of the potential loss of value arising from unfavourable market movements at a specific confidence level, if current positions were to be held unchanged for a predefined period. IB uses Management VaR with a two-year equally weighted historical period, at a 95% confidence level, with a one day holding period.

'Mandatory break clause' In the context of counterparty credit risk, a contract clause that means a trade will be ended on a particular date.

'Marked to market approach' A counterparty credit risk exposure calculation approach which uses the current marked to market value of derivative positions as well as a potential future exposure add-on to calculate an exposure to which a risk weight can be applied. This is also known as the Current Exposure Method.

'Marked to market (MTM) LTV ratio' The loan amount as a percentage of the current value of the asset used to secure the loan. Also see 'Balance weighted Loan to Value (LTV) ratio' and 'Valuation weighted Loan to Value (LTV) ratio'.

'Market risk' The risk of loss arising from potential adverse changes in the value of the Barclays Group's assets and liabilities from fluctuations in market variables including, but not limited to, interest rates, foreign exchange, equity prices, commodity prices, credit spreads, implied volatilities and asset correlations.

'Master netting agreement' An agreement that provides for a single net settlement of all financial instruments and collateral covered by the agreement in the event of the counterparty's default, bankruptcy or insolvency, resulting in a reduced exposure.

'Master trust securitisation programme' A securitisation structure where a trust is set up for the purpose of acquiring a pool of receivables. The trust issues multiple series of securities backed by these receivables.

'Material Risk Takers (MRTs)' Categories of staff whose professional activities have or are deemed to have a material impact on Barclays' risk profile, as determined in accordance with the European Banking Authority regulatory technical standard on the identification of such staff.

'Maximum Distributable Amount (MDA)' The MDA is a factor representing the available distributable profit of an institution whilst remaining in excess of its Combined Buffer Requirement (CBR). UK and EU regulations place restrictions on a bank's dividend, AT1 securities coupon and variable compensation decisions depending on its proximity to meeting the buffer.

'Medium-Term Notes (MTNs)' Corporate notes (or debt securities) continuously offered by a company to investors through a dealer. Investors can choose from differing maturities, ranging from under 1 year to 30 years. They can be issued on a fixed or floating coupon basis or with an exotic coupon; with a fixed maturity date (non-callable) or with embedded call or put options or early repayment triggers. MTNs are most generally issued as senior, unsecured debt.

'Methodology and policy' In the context of the Capital Risk section of the Barclays PLC Annual Report (or equivalent section in quarterly or half yearly results), the effect on RWAs of methodology changes driven by regulatory policy changes.

'MiFID II' Refers to either the Markets in Financial Instruments Directive 2014/65/EC and the Markets in Financial Instruments Regulation 600/2014 (as amended), which together are European Union laws that provide harmonised regulation for investment services across the member states of the European Economic Area, or these rules and regulations as they form part of UK law pursuant to the European Union (Withdrawal) Act 2018 (as amended), as applicable.

'Minimum requirement for own funds and eligible liabilities (MREL)' A European Union-wide requirement under the Bank Recovery and Resolution Directive for all European banks and investment banks to hold a minimum level of equity and/or loss absorbing eligible liabilities to ensure the operation of the bail-in tool to absorb losses and recapitalise an institution in resolution or these rules and regulations as they form part of UK law pursuant to the European Union (Withdrawal) Act 2018 (as amended), as applicable. An institution's MREL requirement is set by its resolution authority.

'Model risk' The risk of the potential adverse consequences from financial assessments or decisions based on incorrect or misused model outputs and reports.

'Model updates' In the context of the Capital Risk section of the Barclays PLC Annual Report (or equivalent section in quarterly or half yearly results), changes in RWAs caused by model implementation, changes in model scope or any changes required to address model malfunctions.

'Model validation' Process through which models are independently challenged, tested and verified to prove that they have been built, implemented and used correctly, and that they continue to be fit-for-purpose.

'Modelled VaR' In the context of RWAs, market risk calculated using Value at Risk (VaR) models laid down by the CRR and supervised by the PRA.

'Money market funds' Investment funds typically invested in short-term debt securities.

'Monoline derivatives' Derivatives with a monoline insurer such as credit default swaps referencing the underlying exposures held.

'Moody's' A credit rating agency, including Moody's Investors Service, Inc. and its affiliated entities.

'Mortgage Servicing Rights (MSR)' A contractual agreement in which the right to service an existing mortgage is sold by the original lender to another party that specialises in the various functions involved with servicing mortgages.

'Multilateral development banks' Financial institutions created for the purposes of development, where membership transcends national boundaries.

'Net asset value per share' Calculated by dividing shareholders' equity, excluding non-controlling interests and other equity instruments, by the number of issued ordinary shares.

'Net Interest Income (NII)' The difference between interest income on assets and interest expense on liabilities.

'Net Interest Margin (NIM)' Annualised NII divided by the sum of average customer assets.

'Net investment income' Changes in the fair value of financial instruments designated at fair value, dividend income and the net result on disposal of available for sale assets.

'Net Stable Funding Ratio (NSFR) The ratio of available stable funding to required stable funding over a one-year time horizon, assuming a stressed scenario. The ratio is required to be over 100%. Available stable funding would include items such as equity capital, preferred stock with a maturity of over one year, or liabilities with a maturity of over one year. The required amount of stable funding is calculated as the sum of the value of the assets held and funded by the institution, multiplied by a specific required stable funding factor assigned to each particular asset type, added to the amount of potential liquidity exposure multiplied by its associated required stable funding factor.

'Net trading income' Gains and losses arising from trading positions which are held at fair value, in respect of both market-making and customer business, together with interest, dividends and funding costs relating to trading activities.

'Net write-off rate' Expressed as a percentage and represents balances written off in the reporting period less any post write-off recoveries divided by gross loans and advances held at amortised cost at the balance sheet date.

'Net written credit protection' In the context of leverage exposure, the net notional value of credit derivatives protection sold and credit derivatives protection bought.

'New bookings' The total of the original balance on accounts opened in the reporting period, including any applicable fees and charges included in the loan amount.

'Non-asset backed debt instruments' Debt instruments not backed by collateral, including government bonds, US agency bonds, corporate bonds, commercial paper, certificates of deposit, convertible bonds, corporate bonds and issued notes.

'Non-Model Method (NMM)' In the context of RWAs, a method for calculating RWAs where the exposure amount has been derived through the use of standardised rules, as opposed to an internal model.

'Non-Traded Market Risk' The risk that the current or future exposure in the banking book (i.e. non-traded book) will impact the bank's capital and/or earnings due to adverse movements in Interest or foreign exchange rates.

'Non-Traded VaR' Reflects the volatility in the value of the fair value through other comprehensive income (FVOCI) investments in the liquidity pool which flow directly through capital via the FVOCI reserve. The underlying methodology to calculate non-traded VaR is similar to Traded Management VaR, but the two measures are not directly comparable. The Non-Traded VaR represents the volatility to capital driven by the FVOCI exposures. These exposures are in the banking book and do not meet the criteria for trading book treatment.

'Notch' A single unit of measurement in a credit rating scale.

'Notional amount' The nominal or face amount of a financial instrument, such as a loan or a derivative, that is used to calculate payments made on that instrument.

'Open Banking' The Payment Services Directive (PSD2) and the Open API standards and data sharing remedy imposed by the UK Competition and Markets Authority following its Retail Banking Market Investigation Order.

'Operating leverage' Operating expenses compared to total income less credit impairment charges and other provisions.

'Operational risk' The risk of loss to the Barclays Group from inadequate or failed processes or systems, human factors or due to external events (e.g. fraud) where the root cause is not due to credit or market risks.

'Operational Riskdata eXchange Association (ORX)' The Operational Riskdata eXchange Association (ORX) is a not-for-profit industry association dedicated to advancing the measurement and management of operational risk in the global financial services industry. Barclays is a member of ORX.

'Origination led' Focus on high-margin, low-capital fee-based activities and related hedging opportunities.

'O-SII Buffer' CET1 capital required to be held under the UK and EU regimes to ensure that Other Systemically Important Institutions (O-SIIs) build up surplus capital to compensate for the systemic risk that such institutions represent to the financial system.

'Other systemically important institutions (O-SII)' Other systemically important institutions are institutions that are deemed to create risk to financial stability due to their systemic importance.

'Over-issuance of Securities' Over-issuance of securities under Barclays Bank PLC's US shelf registration statements on Form F-3 filed with the US Securities and Exchange Commission in 2018 and 2019.

'Over-the-counter (OTC) derivatives' Derivative contracts that are traded (and privately negotiated) directly between two parties. They offer flexibility because, unlike standardised exchange-traded products, they can be tailored to fit specific needs.

'Overall capital requirement' The overall capital requirement is the sum of capital required to meet the total of a Pillar 1 requirement, a Pillar 2A requirement, a Global Systemically Important Institution (G-SII) buffer, a Capital Conservation Buffer (CCB) and a Countercyclical Capital Buffer (CCyB).

'Own credit' The effect of changes in the Barclays Group's own credit standing on the fair value of financial liabilities.

'Owner occupied mortgage' A mortgage where the intention of the customer was to occupy the property at origination.

'Own funds' The sum of Tier 1 and Tier 2 capital.

'Own funds and eligible liabilities ratio' A risk-based ratio representing the own funds and eligible liabilities of the institution expressed as a percentage of total RWAs.

'Partner profit share' Payments made to partners based on the financial performance of the credit card portfolios.

'Past due items' Refers to loans where the borrower has failed to make a payment when due under the terms of the loan contract.

'Payment Protection Insurance (PPI) redress' Provision for the settlement of PPI mis-selling claims and related claims management costs.

'Period end allocated tangible equity' Allocated tangible equity is calculated as 13.5% (2023: 13.5%) of RWAs for each business, adjusted for capital deductions, excluding goodwill and intangible assets, reflecting assumptions the Barclays Group uses for capital planning purposes. Head Office allocated tangible equity represents the difference between the Barclays Group's tangible shareholders' equity and the amounts allocated to businesses.

'Period end tangible shareholder's equity' Shareholders' equity attributable to ordinary shareholders of the parent, adjusted for the deduction of intangible assets and goodwill.

'Pension Risk' The risk of the Barclays Group's earnings and capital being adversely impacted by the Barclays Group's defined benefit obligations increasing or the value of the assets backing these defined benefit obligations decreasing due to changes in both the level and volatility of prices.

'Performance costs' The accounting charge recognised in the period for performance awards. For deferred incentives and long-term incentives, the accounting charge is spread over the relevant periods in which the employee delivers service.

'Personal Banking' One of three segments within Barclays UK. The business within the UK that offers retail solutions to help customers with their day-to-day banking needs.

'Pillar 1 requirements' The minimum regulatory capital requirements to meet the sum of credit (including counterparty credit), market risk, operational risk, settlement risk and CVA.

'Pillar 2A requirements' The additional regulatory capital requirement to meet risks not captured under Pillar 1 requirements. These requirements are the outcome of the bank's Internal Capital Adequacy Assessment Process (ICAAP) and the complementary supervisory review and evaluation carried out by the regulator.

'Post-Model Adjustment (PMA)' In the context of Basel models, a PMA is a short-term increase in regulatory capital applied at portfolio level to account for model input data deficiencies, inadequate model performance or changes to regulatory definitions (e.g. definition of default) to ensure the model output is accurate, complete and appropriate.

'Potential Future Exposure (PFE) on derivatives' A regulatory calculation in respect of the Barclays Group's potential future credit exposure on both exchange traded and OTC derivatives, calculated by assigning a standardised percentage (based on the underlying risk category and residual trade maturity) to the gross notional value of each contract.

'PRA waivers' PRA approvals which modify or waive existing rules. Waivers are specific to an organisation and require applications being submitted to and approved by the PRA.

'Primary securitisations' The issuance of securities (bonds and commercial papers) for fund-raising.

'Primary Stress Tests' In the context of Traded Market Risk, Stress Testing provides an estimate of potentially significant future losses that might arise from extreme market moves or scenarios. Primary Stress Tests apply stress moves to key liquidity risk factors for each of the major trading asset classes.

'Prime Services' Involves financing of fixed income and equity positions using Repo and stock lending facilities. The Prime Services business also provides brokerage facilitation services for hedge fund clients offering execution and clearance facilities for a variety of asset classes.

'Principal' In the context of a loan, the amount borrowed, or the part of the amount borrowed which remains unpaid (excluding interest).

'Private equity investments' Investments in equity securities in operating companies not quoted on a public exchange. Investment in private equity often involves the investment of capital in private companies or the acquisition of a public company that results in the delisting of public equity. Capital for private equity investment is raised by retail or institutional investors and used to fund investment strategies such as leveraged buyouts, venture capital, growth capital, distressed investments and mezzanine capital.

'Principal Risks' The principal risks affecting the Barclays Group, as described in the Risk Review section of the Barclays PLC Annual Report.

'Pro-cyclicality' Movements in financial variables (including capital requirements) following natural fluctuations in the economic cycle, where the subsequent impact on lending or other market behaviours acts as an amplification of the economic cycle by the financial sector.

'Probability of Default (PD)' The likelihood that a loan will not be repaid and will fall into default. PD may be calculated for each client who has a loan (normally applicable to wholesale customers/clients) or for a portfolio of clients with similar attributes (normally applicable to retail customers). To calculate PD, Barclays assesses the credit quality of borrowers and other counterparties and assigns them an internal risk rating. Multiple rating methodologies may be used to inform the rating decision on individual large credits, such as internal and external models, rating agency ratings, and for wholesale assets, market information such as credit spreads. For smaller credits, a single source may suffice such as the result from an internal rating model.

'Product structural hedge' An interest rate hedge put in place to reduce earnings volatility on product balances with instant access (such as non-interest bearing current accounts and managed rate deposits) and to smoothen the income over a medium/long term.

'Profit before impairment' Calculated by excluding credit impairment charges or releases from profit before tax.

'Properties in Possession held as 'Loans and Advances to Customers'' Properties in the UK and Italy where the customer continues to retain legal title but where the bank has enforced the possession order as part of the foreclosure process to allow for the disposal of the asset or the court has ordered the auction of the property.

'Properties in Possession held as 'Other Real Estate Owned'' Properties in South Africa where the bank has taken legal ownership of the title as a result of purchase at an auction or similar and treated as 'Other Real Estate Owned' within other assets on the bank's balance sheet.

'Proprietary trading' When a bank, brokerage or other financial institution trades on its own account, at its own risk, rather than on behalf of customers, so as to make a profit for itself.

'Prudential Regulation Authority (PRA)' The PRA is part of the BoE and regulates and supervises banks, building societies, insurers and a small number of significant investment banks in the UK.

'Prudential Valuation Adjustment (PVA)' A calculation which adjusts the accounting values of positions held on the balance sheet at fair value to comply with regulatory valuation standards, which place greater emphasis on the inherent uncertainty around the value at which a trading book position could be exited.

'Public benchmark' Unsecured medium term notes issued in public syndicated transactions.

'Qualifying central bank claims' An amount calculated in line with the PRA policy statement allowing banks to exclude claims on the central bank from the calculation of the leverage exposure measure, as long as these are matched by liabilities denominated in the same currency and of identical or longer maturity. Prior to 1 January 2022, banks were only permitted to exclude claims on the central bank which were matched by deposits (rather than liabilities).

'Qualifying Revolving Retail Exposure (QRRE)' In the context of the IRB approach to credit risk RWA calculations, an exposure meeting the criteria set out in Article 154.4 of UK CRR and EU CRR (as applicable). It includes most types of credit card exposure.

'Rates' In the context of IB income analysis, trading revenue relating to government bonds and interest rate derivatives.

'Re-aging' The returning of a delinquent account to up-to-date status without collecting the full arrears (principal, interest and fees).

'Real Estate Mortgage Investment Conduits (REMICs)' An entity that holds a fixed pool of mortgages and that is separated into multiple classes of interests for issuance to investors.

'Recovery book' Represents the total amount of exposure which has been transferred to recovery units who set and implement strategies to recover the Barclays Group's exposure.

'Recovery book Impairment Coverage Ratio' Impairment allowance held against recoveries balances expressed as a percentage of balance in recoveries.

'Recovery book proportion of outstanding balances' Represents the amount of recoveries (gross month-end customer balances of all accounts that have charged-off) as at the period end compared to total outstanding balances. The size of the recovery book would ultimately have an impact on the overall impairment requirement on the portfolio. Balances in recovery will decrease if assets are written-off, amounts are collected, or assets are sold to a third party (i.e. debt sale).

'Regulatory capital' The amount of capital that a bank holds to satisfy regulatory requirements.

'Renegotiated loans' Loans are generally renegotiated either as part of an ongoing customer relationship or in response to an adverse change in the circumstances of the borrower. In the latter case, renegotiation can result in an extension of the due date of payment or repayment plans under which the Barclays Group offers a concessionary rate of interest to genuinely distressed borrowers. This will result in the asset continuing to be overdue, and individually impaired if the renegotiated payments of interest and principal will not recover the original carrying amount of the asset. In other cases, renegotiation will lead to a new agreement, which is treated as a new loan.

'Repurchase agreement (Repo)' or 'Reverse repurchase agreement (Reverse repo)' Arrangements that allow counterparties to use financial securities as collateral for an interest bearing cash loan. The borrower agrees to sell a security to the lender subject to a commitment to repurchase the asset at a specified price on a given date. For the party selling the security (and agreeing to repurchase it in the future), it is a Repurchase agreement or Repo; for the counterparty to the transaction (buying the security and agreeing to sell in the future), it is a Reverse repurchase agreement or Reverse repo.

'Reputation risk' The risk that an action, transaction, investment or event will reduce trust in the Barclays Group's integrity and competence by clients, counterparties, investors, regulators, employees or the public.

'Residential Mortgage-Backed Securities (RMBS)' Securities that represent interests in a group of residential mortgages. Investors in these securities have the right to cash received from future mortgage payments (interest and/or principal).

'Residual maturity' The remaining contractual term of a credit obligation associated with a credit exposure.

'Restructured loans' Comprises loans where, for economic or legal reasons related to the debtor's financial difficulties, a concession has been granted to the debtor that would not otherwise be considered. Where the concession results in the expected cash flows discounted at the original effective interest rate being less than the loan's carrying value, an impairment allowance will be raised.

'Retail Loans' Loans to individuals or small and medium sized enterprises rather than to financial institutions and larger businesses. It includes both secured and unsecured loans such as mortgages and credit card balances, as well as loans to certain smaller business customers, typically with exposures up to £3 million or with an annual turnover of up to £5 million.

'Return on average Risk Weighted Assets (RoRWA)' Statutory profit after tax as a proportion of average RWAs.

'Return on average tangible shareholders' equity (RoTE)' (for Barclays Group) Annualised Group attributable profit, as a proportion of average shareholders' tangible equity.

'Return on average tangible shareholders' equity (RoTE)' (for businesses) Annualised business attributable profit, as a proportion of that business's average allocated tangible equity.

'Risk appetite' The level of risk that Barclays is prepared to accept whilst pursuing its business strategy, recognising a range of possible outcomes as business plans are implemented.

'Risk weighted assets (RWAs) / Risk weighted exposure amounts (RWEAs)' A measure of a bank's assets adjusted for their associated risks. Risk weightings are established in accordance with the Basel framework as implemented in local law.

'Risks not in VaR (RNIVS)' Refers to all the key market risks which are not captured or not well captured within the VaR model framework.

'RWA Flow / movements in RWAs'

Book size/Asset size

Credit risk and counterparty risk (including CVA)

This represents RWA movements driven by changes in the size and composition of underlying positions, measured using EAD values for existing portfolios over the period. This includes, but is not exclusive to:

- new business and maturing loans
- changes in product mix and exposure growth for existing portfolios
- book size reductions owing to risk mitigation and write-offs.

Market risk

This represents RWA movements owing to the changes in risk level i.e. trading positions and volumes driven by business activity.

Book quality/Asset quality

Credit risk and counterparty risk (including CVA)

This represents RWA movements driven by changes in the underlying credit quality and recoverability of portfolios and reflected through model calibrations or realignments where applicable. This includes, but is not exclusive to:

- PD migration and LGD changes driven by economic conditions
- ratings migration for standardised exposures

Market risk

This is the movement in RWAs owing to changing risk levels in the trading book caused by fluctuations in market conditions.

Model updates

Credit risk and counterparty risk (including CVA)

This is the movement in RWAs as a result of both internal and external model updates. This includes, but is not exclusive to:

- updates to existing model inputs driven by both internal and external review
- model enhancements to improve models performance

Market risk

This is the movement in RWAs reflecting change in model scope, changes to market data levels, volatilities, correlations, liquidity and ratings used as input for the internal modelled RWA calculations.

Methodology and policy

Credit risk and counterparty risk (including CVA)

This is the movement in RWAs as a result of both internal and external methodology, policy and regulatory changes. This includes, but is not exclusive to:

- updates to RWA calculation methodology, communicated by the regulator
- the implementation of credit risk mitigation to a wider scope of portfolios

Market risk

This is the movement in RWAs as a result of both internal and external methodology, policy and regulatory changes for market risk.

Acquisitions and disposals

This is the movement in RWAs as a result of the disposal or acquisition of business operations impacting the size of banking and trading portfolios.

Foreign exchange movements

This is the movement in RWAs as a result of changes in the exchange rate between the functional currency of the Barclays business area or portfolio and our presentational currency for consolidated reporting. It should be noted that foreign exchange movements shown in RWA flow or movements in RWAs tables do not include the impact of foreign exchange for the counterparty credit risk or market risk RWAs.

Other

This is the movement in RWAs driven by items that cannot be reasonably assigned to the other driver categories. In relation to market risk RWAs, this includes changes in measurement that are not driven by methodology, policy or model updates.

'Sarbanes-Oxley requirements' The Sarbanes-Oxley Act 2002 (SOX), which was introduced by the government of the United States to safeguard against corporate governance scandals.

'Second Lien' Debt that is issued against the same collateral as higher lien debt but that is subordinate to such higher lien debt. In the case of default, compensation for this debt will only be received after the first lien has been repaid and thus represents a riskier investment than the first lien.

'Secondary Stress Tests' Secondary stress tests are used in measuring potential losses arising from illiquid market risks that cannot be hedged or reduced within the time period covered in Primary Stress Tests.

'Secured Overnight Financing Rate (SOFR)' A broad measure of the cost of borrowing cash overnight collateralised by US Treasury securities in the repurchase agreement (Repo) market.

'Securities Financing Transactions (SFT)' In the context of RWAs, any of the following transactions: a repurchase transaction, a securities or commodities lending or borrowing transaction, or a margin lending transaction whereby cash collateral is received or paid in respect of the transfer of a related asset.

'Securities Financing Transactions adjustments' In the context of leverage ratio, a regulatory add-on calculated as exposure less collateral, taking into account master netting agreements.

'Securities lending arrangements' Arrangements whereby securities are legally transferred to a third party subject to an agreement to return them at a future date. The counterparty generally provides collateral against non-performance in the form of cash or other assets.

'Securitisation' Typically, a process by which debt instruments, such as mortgage loans or credit card balances, are aggregated into a pool, which is used to back new securities. A company sells these pools of assets to a special purpose vehicle (SPV) which then issues securities backed by the assets. This allows the credit quality of the assets to be separated from the credit rating of the original borrower.

'Set-off clauses' In the context of counterparty credit risk, contract clauses that allow Barclays to set off amounts owed to us by a counterparty against amounts owed by us to the counterparty.

'Settlement balances' Receivables or payables recorded between the date (the trade date) a financial instrument (such as a bond) is sold, purchased or otherwise closed out, and the date the asset is delivered by or to the entity (the settlement date) and cash is received or paid.

'Settlement Netting' Netting approach used in the calculation of the leverage exposure measure whereby firms may calculate their exposure value of regular way purchases and sales awaiting settlement.

'Settlement risk' The risk that settlement in a transfer system will not take place as expected, usually owing to a party defaulting on one or more settlement obligations.

'Significant Increase in Credit Risk (SICR)' Barclays assesses when a significant increase in credit risk has occurred based on quantitative and qualitative assessments.

'Slotting' Slotting is internal Barclays terminology for what is known as "Specialised Lending" in the IRB approach. A standard set of rules is required to be used in credit risk RWA calculations, based upon an assessment of factors such as the financial strength of the counterparty. The requirements for the application of the Specialised Lending approach are detailed in Article 153.5 of the UK CRR and EU CRR (as applicable).

'Small and Medium-Sized Enterprises (SME)' An enterprise which employs fewer than 250 persons and which has an annual turnover which does not exceed EUR 50 million, and / or an annual balance sheet total not exceeding EUR 43 million. Within the SME category, a small enterprise is defined as an enterprise which employs fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 10 million. This is defined in accordance with Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium sized enterprises.

'Software intangibles benefit' A benefit introduced as part of the EU response package to the COVID-19 pandemic and subsequently reversed in the UK. Since 1 January 2022, software assets are fully deducted from CET 1 capital.

'Sovereign exposure(s)' Exposures to central governments, including holdings in government bonds and local government bonds.

'Special purpose entity' A subsidiary created by a parent company to isolate financial risk. Its legal status as a separate company makes its obligations secure even if the parent company goes bankrupt.

'Specific market risk' A risk that is due to the individual nature of an asset and can potentially be diversified or the risk of a price change in an investment due to factors related to the issuer or, in the case of a derivative, the issuer of the underlying investment.

'Spread risk' Measures the impact of changes to the swap spread, i.e. the difference between swap rates and government bond yields.

'Stage 1' This represents financial instruments where the credit risk of the financial instrument has not increased significantly since initial recognition. Stage 1 financial instruments are required to recognise a 12 month expected credit loss allowance.

'Stage 2' This represents financial instruments where the credit risk of the financial instrument has increased significantly since initial recognition. Stage 2 financial instruments are required to recognise a lifetime expected credit loss allowance.

'Stage 3' This represents financial instruments where the financial instrument is considered impaired. Stage 3 financial instruments are required to recognise a lifetime expected credit loss allowance.

'Standard & Poor's' A credit rating agency, including S&P Global Inc. and its affiliated entities.

'Standardised Approach (SEC-SA)' This is a method to calculate risk-weighted exposure amounts for securitisation positions. Under this method, an institution must be able to calculate regulatory capital requirements per standardised approach for underlying exposures in the securitisation as if these had not been securitised ('KSA'), subject to certain other inputs and criteria.

'Standby facilities, credit lines and other commitments' Agreements to lend to a customer in the future, subject to certain conditions. Such commitments are either made for a fixed period, or have no specific maturity but are cancellable by the lender subject to notice requirements.

'Statutory' Line items of income, expense, profit or loss, assets, liabilities or equity stated in accordance with the requirements of the UK Companies Act 2006 and the requirements of IFRS.

'Statutory return on average shareholders' equity' Statutory profit after tax attributable to ordinary shareholders as a proportion of average shareholders' equity.

'STD' / 'Standardised Approach' A method of calculating RWAs that relies on a mandatory framework set by the regulator to derive risk weights based on counterparty type and a credit rating provided by an External Credit Assessment Institute.

'Sterling Over Night Index Average (SONIA)' Reflects bank and building societies' wholesale overnight funding rates in the sterling unsecured market administrated and calculated by the BoE.

'Stress Testing' A process which involves identifying possible future adverse events or changes in economic conditions that could have unfavourable effects on the Barclays Group (either financial or non-financial), assessing the Barclays Group's ability to withstand such changes, and identifying management actions to mitigate the impact.

'Stressed Value at Risk (SVaR)' An estimate of the potential loss arising from a 12-month period of significant financial stress calibrated to 99% confidence level over a 10-day holding period.

'Structural cost actions (SCA)' Cost actions taken to improve future financial performance.

'Structural FX' Foreign currency positions taken to hedge against the adverse effect of exchange rates on capital ratios. Under Article 352(2) of UK CRR the PRA may permit banks to exclude such Structural FX positions from the calculation of its market risk RWAs. On 15 December 2021 the PRA issued Barclays this permission, taking effect from 31 December 2021. Any FX positions that are in excess of what is required to hedge the adverse effects of exchange rates on the bank's capital ratio are not in scope of this exemption and will therefore be captured under the standardised market risk approach.

'Structural hedge' or 'hedging' An interest rate hedge in place to reduce earnings volatility and to smooth the income over a medium/long term on positions that exist within the balance sheet and do not re-price in line with market rates. See also 'Equity structural hedge' and 'Product structural hedge'.

'Structural model of default' A model based on the assumption that an obligor will default when its assets are insufficient to cover its liabilities.

'Structured credit' Includes the legacy structured credit portfolio primarily comprising derivative exposures and financing exposures to structured credit vehicles.

'Structured entity' An entity in which voting or similar rights are not the dominant factor in deciding control. Structured entities are generally created to achieve a narrow and well defined objective with restrictions around their ongoing activities.

'Structured finance or structured notes' A structured note is an investment tool that pays a return linked to the value or level of a specified asset or index and sometimes offers capital protection if the value declines. Structured notes can be linked to equities, interest rates, funds, commodities and foreign currency.

'Sub-prime' Sub-prime is defined as loans to borrowers typically having weakened credit histories that include payment delinquencies and potentially more severe problems such as court judgments and bankruptcies. They may also display reduced repayment capacity as measured by credit scores, high debt-to-income ratios, or other criteria indicating heightened risk of default.

'Subordinated liabilities' Liabilities which, in the event of insolvency or liquidation of the issuer, are subordinated to the claims of depositors and other creditors of the issuer.

'Supranational bonds' Bonds issued by an international organisation, where membership transcends national boundaries (e.g. the European Union or World Trade Organisation).

'Synthetic Securitisation Transactions' Securitisation transactions effected through the use of derivatives.

'Tangible Net Asset Value (TNAV)' Shareholders' equity excluding non-controlling interests adjusted for the deduction of intangible assets and goodwill.

'Tangible Net Asset Value per share' Calculated by dividing shareholders' equity, excluding non-controlling interests and other equity instruments, less goodwill and intangible assets, by the number of issued ordinary shares.

'Tangible shareholders' equity' Shareholders' equity excluding non-controlling interests and other equity instruments adjusted for the deduction of intangible assets and goodwill.

'Term premium' Additional interest required by investors to hold assets with a longer period to maturity.

'The Fundamental Review of the Trading Book (FRTB)' A comprehensive suite of capital rules developed by the BCBS as part of Basel III and applicable to banks' wholesale trading activities.

'The Standardised Approach (TSA)' An approach used to quantify required capital for operational risk. Under TSA, banks are required to hold regulatory capital for operational risk equal to the annual average, calculated over a rolling three-year period, of the relevant income indicator (across all business lines), multiplied by a supervisory defined percentage factor by business lines.

'The three lines of defence' The three lines of defence operating model enables Barclays to separate risk management activities between those client facing areas of the Barclays Group and associated support functions responsible for identifying risk, operating within applicable limits and escalating risk events (first line); colleagues in Risk and Compliance who establish the limits, rules and constraints under which the first line operates and monitor their performance against those limits and constraints (second line); and, colleagues in Internal Audit who provide assurance to the Board and Executive Management over the effectiveness of governance, risk management and control over risks (third line). The Legal function does not sit in any of the three lines, but supports them all. The Legal function is, however, subject to oversight from Risk and Compliance with respect to its own Operational and Compliance Risks, as well as with respect to the Legal Risk to which Barclays is exposed.

'Through-the-cycle' A long-run average through a full economic cycle.

'Tier 1 capital' The sum of the Common Equity Tier 1 (CET1) capital and Additional Tier 1 (AT1) capital.

'Tier 1 capital ratio' The ratio which expresses Tier 1 capital as a percentage of RWAs under UK CRR or EU CRR (as applicable).

'Tier 2 (T2) capital' A type of capital as defined in UK CRR or EU CRR (as applicable) principally composed of capital instruments, subordinated loans and share premium accounts where qualifying conditions have been met.

'Tier 2 (T2) securities' Securities that are treated as Tier 2 (T2) capital.

'Total balances on forbearance programmes coverage ratio' Impairment allowance held against forbearance balances expressed as a percentage of balance in forbearance.

'Total capital ratio' Total regulatory capital as a percentage of RWAs.

'Total Loss Absorbing Capacity (TLAC)' A standard published by the FSB which is applicable to G-SIBs and requires a G-SIB to hold a prescriptive minimum level of instruments and liabilities that should be readily available for bail-in within resolution to absorb losses and recapitalise the institution. See also 'Minimum requirement for own funds and eligible liabilities (MREL)'.

'Total outstanding balance' In retail banking, total outstanding balance is defined as the gross month-end customer balances on all accounts, including accounts charged off to recoveries.

'Total return swap' An instrument whereby the seller of protection receives the full return of the asset, including both the income and change in the capital value of the asset. The buyer of the protection in return receives a predetermined amount.

'Traded Market Risk' The risk of a reduction to earnings or capital due to volatility of trading book positions.

'Trading book' All positions in financial instruments and commodities held by an institution either with trading intent, or in order to hedge positions held with trading intent.

'Traditional Securitisation Transactions' Securitisation transactions in which an underlying pool of assets generates cash flows to service payments to investors.

'Transitional' When a measure is presented or described as being on a transitional basis, it is calculated in accordance with the transitional provisions set out in UK CRR, or EU CRR (as applicable).

'Treasury and Capital Risk' This comprises of Liquidity Risk, Capital Risk and Interest Rate Risk in the banking book.

'Twelve month expected credit losses' The portion of the lifetime ECL arising if default occurs within 12 months of the reporting date (or shorter period if the expected life is less than 12 months), weighted by the probability of said default occurring.

'Twelve month PD' The likelihood of accounts entering default within 12 months of the reporting date.

'Unencumbered' Assets not used to secure liabilities or not otherwise pledged.

'United Kingdom (UK)' Geographic segment where Barclays operates comprising the UK.

'UK bank levy' A levy that applies to UK banks, building societies and the UK operations of foreign banks. The levy is payable based on a portion of the UK chargeable equity and liabilities of the bank on its balance sheet date.

'UK CRR' Regulation (EU) No 575/2013, as amended, as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended. UK CRR prescribes prudential requirements, including minimum capital requirements, for UK banks and certain other entities.

'UK leverage exposure' Calculated as per the PRA rulebook, where the exposure calculation also includes the FPC's recommendation to allow banks to exclude claims on the central bank from the calculation of the leverage exposure measure, as long as these are matched by liabilities denominated in the same currency and of identical or longer maturity. Prior to 1 January 2022, banks were only permitted to exclude claims on the central bank which were matched by deposits (rather than liabilities).

'UK leverage ratio' As per the PRA rulebook, means a bank's Tier 1 capital divided by its total exposure measure, with this ratio expressed as a percentage. From 1 January 2022, UK banks are subject to a single UK leverage ratio requirement.

'UK regulatory levies' Comprises the BoE levy scheme and the UK bank levy.

'Unfunded credit protection' A technique of credit risk mitigation where the reduction of the credit risk on the exposure of an institution derives from the obligation of a third party to pay an amount in the event of the default of the borrower or the occurrence of other specified credit events.

'US Partner Portfolio' Barclays co-branded credit card programmes with companies across various sectors including but not limited to travel, entertainment and retail.

'US Residential Mortgage-Backed Securities' Securities that represent interests in a group of US residential mortgages.

'Valuation weighted Loan to Value (LTV) ratio' In the context of credit risk disclosures on secured home loans, a means of calculating marked to market LTVs derived by comparing total outstanding balance and the value of total collateral we hold against these balances.

Valuation weighted Loan to Value ratio is calculated using the following formula: LTV = total outstandings in portfolio/total property values of total outstandings in portfolio.

'Value at Risk (VaR)' A measure of the potential loss of value arising from unfavourable market movements at a specific confidence level and within a specific timeframe.

'Weighted off balance sheet commitments' Regulatory add-ons to the leverage exposure measure based on credit conversion factors used in the Standardised Approach to credit risk.

'Wholesale loans' or 'wholesale lending' Lending to larger businesses, financial institutions and sovereign entities.

'WM&I' The Wealth Management & Investments business, which was transferred from Barclays UK to PBWM on 1 May 2023.

'Working Group on Sterling Risk-Free Reference Rates (RFRWG)' A group mandated with catalysing a broad-based transition to using SONIA 'Sterling Overnight Index Average (SONIA)' as the primary sterling interest rate benchmark in bond, loan and derivatives markets.

'Write-off (gross)' The point where it is determined that an asset is irrecoverable, or it is no longer considered economically viable to try to recover the asset or it is deemed immaterial or full and final settlement is reached and the shortfall written off. In the event of write-off, the customer balance is removed from the balance sheet and the impairment allowance held against the asset is released. Net write-offs represent gross write-offs less post write-off recoveries.

'Wrong-way risk' Arises in a trading exposure when there is significant correlation between the underlying asset and the counterparty, which in an event of default would lead to a significant mark to market loss. When assessing the credit exposure of a wrong-way trade, analysts take into account the correlation between the counterparty and the underlying asset as part of the sanctioning process.

EXHIBIT INDEX

Exhibit	Description
1.1	Articles of Association of Barclays Bank PLC (incorporated by reference to the Form 6-K (Film No. 241039728) filed with the SEC on June 13, 2024)
2.1	Long Term Debt Instruments: Barclays Bank PLC is not party to any single instrument relating to long-term debt pursuant to which a total amount of securities exceeding 10% of its total assets (on a consolidated basis) is authorised to be issued. Barclays Bank PLC hereby agrees to furnish to the Securities and Exchange Commission (the "Commission"), upon its request, a copy of any instrument defining the rights of holders of its long-term debt or the rights of holders of the long-term debt of any of its subsidiaries for which consolidated or unconsolidated financial statements are required to be filed with the Commission.
2.2	Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934
4.1	Barclays Bank PLC Directors Deferred Compensation Plan (incorporated by reference to the Barclays Bank PLC Registration Statement on Form S-8 (File no. 333-149301) filed on February 19, 2008)
4.2	Barclays Bank PLC Senior Management Deferred Compensation Plan (incorporated by reference to the Barclays Bank PLC Registration Statement on Form S-8 (File no. 333-149302) filed on February 19, 2008).
4.3	Barclays Bank PLC 1999 Barclays Bank PLC Deferred Compensation Plan (incorporated by reference to the Barclays Bank PLC Registration Statement on Form S-8 (File no. 333-112796) filed on February 13, 2004).
4.4	Barclays Bank PLC U.S. Senior Management Deferred Compensation Plan (incorporated by reference to the Barclays Bank PLC Registration Statement on Form S-8 (File no. 333-112797) filed on February 13, 2004).
11.2	Barclays Group Securities Dealing Code
12.1	Certifications filed pursuant to 17 CFR 240. 13(a)-14(a)
13.1	Certifications filed pursuant to 17 CFR 240. 13(a) and 18 U.S.C 1350(a) and 1350(b)
15.1	Consent of KPMG LLP for incorporation by reference of reports in certain securities registration statements of Barclays Bank PLC.
97.1	Compensation Recovery Policy (incorporated by reference to the 2023 Form 20-F, as amended, filed with the SEC on February 21, 2024)
99.1	A table setting forth the issued share capital of Barclays Bank Group's total shareholders' equity, indebtedness and contingent liabilities as at 31 December 2024.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Schema Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Schema Definition Linkbase
101.LAB	XBRL Taxonomy Extension Schema Label Linkbase
101.PRE	XBRL Taxonomy Extension Schema Presentation Linkbase

Signatures

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorised the undersigned to sign this annual report on its behalf.

Date February 13, 2025

Barclays Bank PLC
(Registrant)

By /s/ Aunoy Banerjee

Aunoy Banerjee, Chief Financial Officer