Barclays PLC | Annual Report 2025

Welcome to Barclays

Creating positive outcomes for our stakeholders

Our Purpose	**Working together for a better financial future**
Our Vision	**The UK-centred leader in global finance**
Our Strategy	**A Simpler, Better and More balanced Barclays**

Our Values

Respect
We harness the power of inclusion and opportunity in our business, trust those we work with, and value everyone's contribution

Integrity
We operate with honesty, courage, transparency and fairness in all we do

Service
We act with empathy and humility, putting the people and businesses we serve at the centre of what we do

Excellence
We set high standards for what we do, championing innovation and using our energy, expertise and resources to make a positive difference

Stewardship
We are passionate about leaving things better than we found them

Customers and clients

Colleagues

Society

Investors

The Group at a glance

Our journey to a Simpler, Better, More balanced Barclays

Barclays supports individuals and small businesses through our consumer banking services, and larger businesses and institutions through our corporate and investment banking services. Barclays is diversified by business, geography and income type.

Financial headlines

£9.1bn	43.8p	11.3%
Profit before tax (PBT)	**Earnings per share** (EPS)	**Return on tangible equity** (RoTE)

Customers and clients

+25[1]

BUK Net Promoter Score, our highest score since we began tracking in 2013

Colleagues

89%

believe strongly in the goals and objectives of Barclays (2025)

Society

1.69m[Δ]

people upskilled by Barclays through LifeSkills in 2025

Investors

£3.7bn

total capital return to shareholders relating to 2025

Notes:
1 © Ipsos 2025, Financial Research Survey (FRS), as at December 2025 (see page 29 for more detail).
Δ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

In this year's report

Parts 1, 2 and 3 of Barclays PLC 2025 Annual Report together comprise Barclays PLC's annual accounts and report for the purposes of Section 423 of the Companies Act 2006.

Please note that throughout the document, graphical representation of component parts may not sum due to rounding.

Strategic report

The Barclays PLC Strategic report 2025 was approved by the Board of Directors on 9 February 2026 and signed on its behalf by the Chairman.

The Strategic report 2025 is not the Group's statutory accounts. It does not contain the full text of the Directors' report, and it does not contain sufficient information to allow as full an understanding of the results and state of affairs of the Group and of its policies and arrangements concerning Directors' remuneration as would be provided by the full Annual Report 2025.

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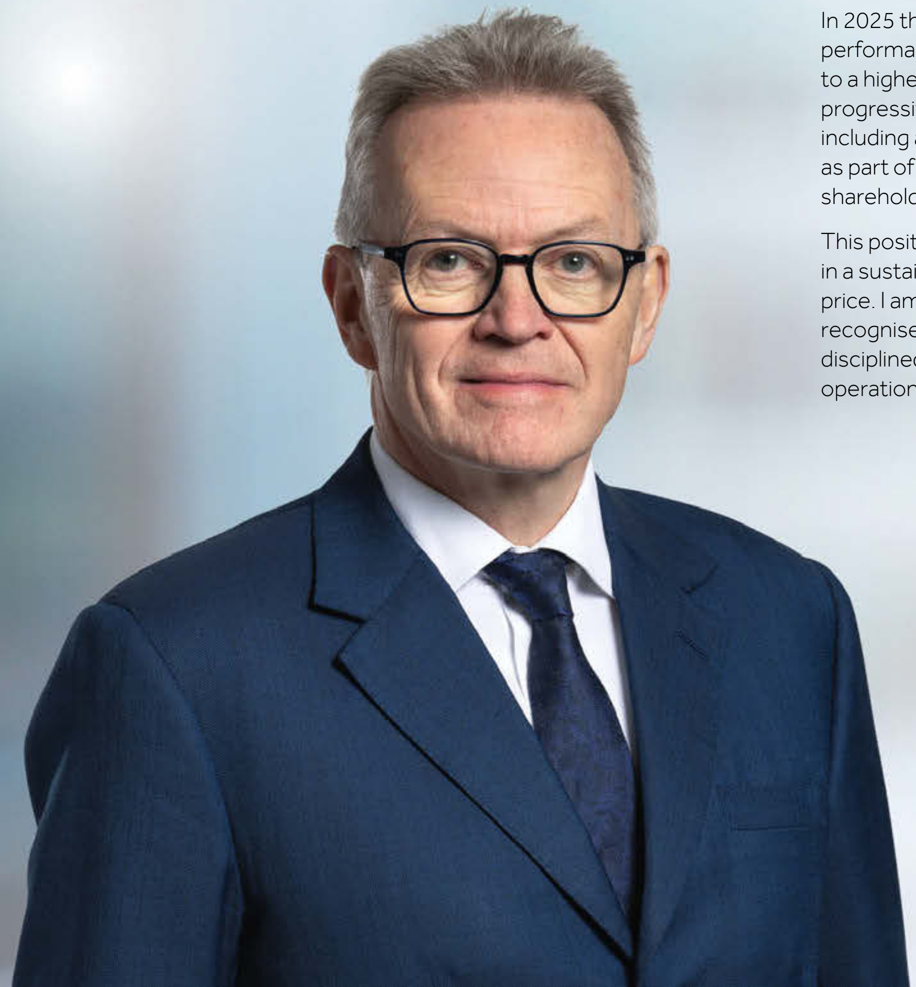
Note:

Δ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

Chairman's introduction

"In a changing external landscape we have continued to help customers manage their money, supported businesses to invest and grow and facilitated economic growth across our key markets."

Nigel Higgins
Group Chairman



We continue to make good progress. I am pleased that our shareholders have recognised the strength of Barclays' strategy, the disciplined execution and our commitment to operational excellence.

It has been two years since we set out a clear plan to make Barclays a 'Simpler, Better and More balanced bank', targeting higher returns and forging long-term value for shareholders. We continue to make good progress. In 2025 the team delivered a strong financial performance, meeting targets, and operating to a higher standard. Such progress has enabled progressively higher shareholder returns, including a total payout of £3.7bn for the year, as part of our plan to return at least £10bn to shareholders in the 2024–26 period[1].

This positive momentum has been reflected in a sustained improvement in our share price. I am pleased that our shareholders have recognised the strength of Barclays' strategy, the disciplined execution and our commitment to operational excellence.

We have listened closely to shareholders who wish to understand the ambition for Barclays beyond 2026. Performance over the past two years has raised confidence in Barclays' future potential and so we are setting out new financial targets to 2028. The Board is ambitious for Barclays and believes the organisation is in a strong position to raise the level of returns further, supported by a target Group RoTE of greater than 14% by 2028. As you read Venkat's letter and the rest of this report you will find more details on our new targets.

The underlying macro themes of 2025 look set to persist in 2026: a low pace of growth, particularly this side of the Atlantic; the opportunities and disruption arising from technological advances; a fragmenting global policy and business environment; and a deepening of societal tensions.

Note:
1 This multi-year plan, including planned dividend of £2bn for 2026, is subject to supervisory and Board approval, anticipated financial performance and our published CET1 range of 13-14%.

Chairman's introduction (continued)

Facts and figures

43.8p
Earnings per share
2024: 36.0p

8.6p
Dividend
2024: 8.4p

£3.7bn
Total capital return in relation to 2025
2024: £3.0bn

$260.7bn^Δ
Sustainable and Transition Financing facilitated to date towards the target of $1trn by 2030

Note:
Δ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

In 2025 Barclays performed well in navigating this landscape. We continued to help customers manage their money and supported businesses to invest and grow. In 2025 we lent £3bn to small businesses in the UK and supported 146,000 mortgage completions, including 50,000 first-time buyers, increases of 36% and 42% respectively on 2024. Meanwhile, our Investment Bank raised $3.3trn in 2025 to help finance global industries, an increase of 7% on the previous year, and our US Consumer Bank helped extend $27bn in credit to our cardmembers in the US[1], also up 7% on 2024.

Barclays' diversified business model should continue to be a source of stability over the long term for the Group. Our diversification helps provide resilience to changing economic environments and enables us to play an enduring role facilitating economic growth within, and across, multiple countries. Our transatlantic strength means we can connect clients to capital, ideas and partnerships that drive progress in both markets, including facilitating commerce and investment through the UK-US investment corridor.

As we have seen through 2025 with rapid advances in AI, technology continues to be a major force of change in the global economy, bringing both opportunity and risk. Barclays is adopting AI responsibly, harnessing it as a lever to enhance efficiency in routine banking tasks and to facilitate more precise and responsive customer service. At the same time, we pay close heed to emerging technology threats, including increasingly sophisticated cyberattacks which place pressure on operational resilience. The Board remains vigilant, prioritising the safety and security of Barclays, our customers, clients, and colleagues whilst striving for greater efficiency and better customer service.

This year has also seen us clarify and reaffirm our efforts to support our customers, clients, colleagues and the economies we serve amidst a changing external landscape. We published the Barclays Transition Update, setting out how we are financing our customers' and clients' transition, as we balance our ambition to be a net zero bank by 2050, and shareholder expectations. In 2025 we facilitated $98.5bn^Δ in Sustainable and Transition Financing, alongside our ongoing support for scaling climate technologies while continuing to navigate a non-linear policy environment. We also generated just under £0.6bn in revenue from sustainable and transition-related activity, reinforcing our commercial strategy.

We are guided by our Values, with an abiding commitment to be a fair and inclusive organisation. In April 2025, we announced a change to focus on 'Inclusion and Opportunity' in our ongoing effort to promote and embed a workplace of respect and equality of opportunity. This means that we foster an inclusive workplace at Barclays which recognises and rewards merit.

The challenge of lifting and sustaining global economic growth is perhaps the most significant of those we collectively face, and certainly one of those challenges to which Barclays can contribute positively the most. In our home market, the UK, I am proud of our policy engagement over the past year to help facilitate the Government's ambition to revitalise UK capital markets and our leading work to break down barriers to retail investing, helping consumers plan for a better financial future. We also continue to focus on the prospect of diverging capital requirements between our major markets. While the Mansion House reforms, announced earlier in the year, will help reduce some of the unnecessary regulatory burdens that hamper economic growth in the UK, there is still further to go to ensure a level playing field with other regimes, most notably the US. Strong UK banks play a vital role lending into the real economy and offer other strategic national advantages. We will continue to be chief proponents for the domestic and international competitiveness of the UK banking sector, and by extension that of London as a financial centre.

Note:
1 Includes new card accounts opened in 2025 (excluding American Airlines) and credit line increases in 2025.

Chairman's introduction (continued)

There are also critical opportunities for co-operation with other jurisdictions to enhance growth and competitiveness. The UK-US Transatlantic Taskforce for Markets of the Future is a welcome platform to do so with respect to capital markets and digital assets. As part of this we must push for alignment and interoperability across regulatory frameworks for digital assets, recognising that a fragmented system would slow innovation in the UK, reduce client adoption and affect the notable commercial opportunities we see in this area.

A word here on the challenge of low growth more broadly. Too often this challenge is met with laudable analysis, but timidity in practice. While there are clearly no silver bullets to the deep-rooted problems holding back growth in the UK and Europe in particular, we will continue to make constructive recommendations to catalyse progress and we welcome ambitious, consistent and long-term policy making in the same spirit. In the UK and Europe, we should persevere with exploring better ways of reconciling the need for growth, a drive for efficiency, and the fundamental values which underpin our societies.

Barclays' focus on lifting up the economies we serve is also illustrated by initiatives like our LifeSkills programme. In 2025, we expanded Barclays LifeSkills through a new partnership with National Numeracy, while our various sponsorships continue to have a positive and lasting impact on society. Over 90% of schools now offer equal access for girls to football at school, a national target Barclays helped reach three years ahead of schedule. We have also maintained our long-standing support for the arts, helping the sector deliver wide-ranging economic and societal benefits.

Banks thus seek to contribute to economic growth and to society more broadly in a mutually reinforcing fashion. These are not incompatible objectives despite the sometimes binary objections we face with respect to Barclays' support for the defence and energy sectors. As we have made clear, the defence industry is not only vital to national security but is also a critical part of the UK economy, supporting jobs, growth and exports, and we will continue to finance defence within the guidelines we have set out.

Our track record of supporting energy security – through helping finance our customers' and clients' transition – is another real-world illustration of the duality of our objectives. Further, while we will continue to welcome constructive dialogue and engage with a variety of viewpoints with respect to our role as a bank, attacks on Barclays' buildings and intimidation towards our staff is wholly unacceptable. Our colleagues' safety and wellbeing remain our utmost priority.

Turning to the Board's activity, throughout 2025 we conducted extensive engagement across the globe, including visits to our strategic sites in India, Delaware, and Glasgow. We all visited the West Coast of America to deepen our grasp of the culture of change driving the AI revolution. Such engagement continues to prove invaluable to our oversight of Barclays' strategy, and ensuring the organisation's preparedness, diverse perspectives and accountability to shareholders.

I would like to thank my Board colleagues for their valuable contributions this last year. In 2025, both Diane Schueneman and Tim Breedon stepped down from the Board and in May 2026, Mary Francis will retire from the Board after her tenure of over nine years. The Board is extremely grateful to each of Diane, Tim and Mary for their significant contributions, continuity of oversight and guidance to management through a period of significant change for Barclays. I would also like to extend my personal thanks to each of them. We also welcomed new appointments to the Board: Diony Lebot and Mary Mack bring additional and deep expertise across many areas of business, including Europe and consumer banking, respectively. Brian Shea has assumed the role of BX[1] Board Chair, and his expertise in technology and transformation will be exceptionally valuable in the next phase of Barclays' strategy.

On behalf of the Board, I would like to thank all Barclays colleagues for their dedication, service and ongoing commitment to drive ever-higher standards of operation. The year ahead will bring opportunities and challenges as we work towards our new targets, continue to adapt to the changing world around us, and strive to fulfil Barclays' full potential into the future.

I look forward to discussing Barclays' performance and progress further at the AGM in May.

Nigel Higgins
Group Chairman

Note:
1 Barclays Execution Services Limited ('BX') (our Group-wide service company).

Chief Executive's review

"I am confident we can deliver sustainably strong future performance by continuing to be Simpler, Better and More balanced."

C. S. Venkatakrishnan
Group Chief Executive

Since February 2024 we have delivered higher and more consistent returns across each of our five divisions and the Group. I am proud of what we have achieved together and ambitious for what comes next for Barclays.

In February 2024, we announced a three-year plan to improve Barclays' operational and financial performance. Two years on, we have delivered higher and more consistent returns across each of our five divisions and the Group.

We have achieved all our financial targets for 2025. Our RoTE was 11.3%, in line with our upgraded target[1] of >11%, with all five divisions generating a double-digit RoTE. Group income was £29.1bn, up 9% year-on-year, with stable income streams[2] comprising 74% of the total Group income. We controlled costs well, achieving £700m of gross cost savings in 2025, exceeding our full year target of circa £500m.

We are delivering higher shareholder distributions, with a total payout of £3.7bn for 2025, up 25% year-on-year, and on track to return at least £10bn to shareholders from 2024 to 2026[3]. Our CET1 ratio of 14.3% and our announced quarterly buybacks, commencing in Q325, reflect the consistency of Barclays' capital generation.

This progress is reflected in the Barclays share price, which is up 219% since our Investor Update in February 2024[4], trading above tangible book value.

Our 2025 performance has resulted from disciplined execution of our plan to make Barclays Simpler, Better and More balanced. We eliminated our remaining non-core businesses, selling our stake in Entercard, and commenced a long-term strategic partnership with Brookfield Asset Management to transform our payment acceptance business.

Facts and figures

11.3%
Statutory return on tangible equity (RoTE)
2024: 10.5%

£29.1bn
Total income
2024: £26.8bn

14.3%
Common equity tier 1 (CET1)
2024: 13.6%

52bps
Loan loss rate (LLR)
2024: 46bps

Notes:
1 Set out alongside Q3 2025 results.
2 Financing, Retail and Corporate.
3 This multi-year plan, including planned dividend of £2bn for 2026, is subject to supervisory and Board approval, anticipated financial performance and our published CET1 range of 13-14%.
4 Reflecting period 19 February 2024 until 31 December 2025.

Chief Executive's review (continued)

We are creating a better Barclays by delivering operational improvements across each of our businesses, driving greater capital productivity and cost efficiency, and in turn supporting structurally higher and more consistent Group returns.

We are also rebalancing the Group, successfully deploying £20bn of risk-weighted assets (RWAs) into the three-highest returning UK businesses since 2024, and keeping RWAs in the Investment Bank stable for the fourth consecutive year.

We are intent on delivering world-class service to our customers and clients and are pleased to report increased satisfaction scores across the Group. We are improving digital applications, reducing service complexity and processing times, although there is always more to do. We have grown UK lending, with strong net mortgage growth, higher card balances, and business lending up 18% year-on-year through our UK Corporate Bank. Client assets and liabilities have grown by 9% in Private Bank and Wealth Management, and our Investment Bank continues to broaden and deepen relationships with our biggest clients. In the US Consumer Bank, we improved core retail deposit growth by 20% year-on-year, integrated the General Motors partnership and announced the acquisition of Best Egg, a direct-to-consumer personal loan platform.

We remain well capitalised and highly liquid. Our CET1 ratio has risen to 14.3%, from 13.6% in 2024, and our Liquidity Coverage Ratio is 170%. This strength allows us to support customers in a range of economic and business environments.

We continue to be highly vigilant about the risk environment. Markets have benefited from a relatively benign credit environment over almost two decades. Recent market lending spreads arguably do not price the increasing uncertainty arising from the rearrangement of global political and economic relationships.

In these circumstances Barclays is helped by its diversification across business and geography and a commitment to close and careful risk management.

We are growing our presence in key markets, including the US, where we helped raise and lend a total of $2.3trn in financing and capital for clients in 2025[1]. This year we also announced our expansion into Saudi Arabia, a fast-growing market for institutional clients.

The momentum of our progress over the past two years has raised my expectations for Barclays. Therefore, alongside our full year results, one year ahead of plan, we are setting out new three-year financial and business performance targets to 2028.

2028 targets[2]

>14%
Statutory RoTE

>£15bn[3]
with capacity to support investment and growth
Total payout 2026-2028

c.50%
Investment Bank RWAs
% of Group

I am confident we can deliver sustainably stronger future performance by continuing to be Simpler, Better and More balanced. We will strive to be leaders in each of our business segments, running profitable and efficient operations, delivering high-quality products to our customers with compelling service quality.

Across the Group, we are investing in advanced technology, data analytics and AI, improving operational efficiency and customer service. At the same time, we are modernising our core platforms to simplify and strengthen business processes, improving our agility, scalability and resilience.

Our people drive our success. Their commitment and dedication to consistent excellence generates our performance and fuels our ambition. I believe that all colleagues should participate in our performance. For a second successive year, we will therefore grant each employee an award of shares, this year worth approximately £500 each.[4]

Barclays also reaches into our communities, with initiatives to boost grassroots sports, improve skills for young people and foster business entrepreneurship. I am inspired by the spirited and energetic participation of our colleagues in educational, social, cultural, charitable and development activities across the world.

I am proud of what we have achieved together to date at Barclays, and ambitious for what comes next.

C. S. Venkatakrishnan
Group Chief Executive

Our Priorities

Simpler
Simpler business
Simpler organisation
Simpler operations

Better
Better financial returns
Better customer experience and outcomes

More balanced
More balanced allocation of RWAs
Diversify sources of income growth

Notes:
1 Based on Debt Capital Markets, Equity Capital Markets, and Leveraged Finance.
2 Our targets and guidance are based on management's current expectations as to the macroeconomic environment and the business and are subject to change.
3 This multi-year plan, including planned dividend of £2bn for 2026, is subject to supervisory and Board approval, anticipated financial performance and our published CET1 ratio target range of 13-14%.
4 Except for employees at Managing Director grades and Material Risk Takers, for whom a portion of normal compensation is typically delivered in shares The award is worth c.£500 based on closing share price on 5 February 2026.

Our strategy

Within this section we review Barclays in the current environment, provide an overview of core strengths and capabilities of the business, and set out our strategy to drive improved performance.

Our business environment

The world in which we operate

Barclays 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.

Broader considerations in our operating environment

In the development of our strategy and the evolution of our operating model, we regularly review and reflect on the changing environment in which we operate. Our plan is designed to remain resilient amid ongoing volatility and uncertainty, while meeting the needs of our wider stakeholders – including customers, clients, regulators, and shareholders.

Geopolitical

- Ongoing geopolitical conflicts
- Rising protectionism and influence on trade flows
- Political polarisation

Macroeconomic

- Economic uncertainty and subsequent volatility
- Disintermediation of existing markets
- Demographic and immigration trends
- Focus on defence spending

Climate

- Energy transition and security
- Changing climate cycles and associated physical risks

Technology

- Adoption of AI and increasing cyber security threats
- Customer expectations regarding digital experience and resilience
- Traction of crypto and digital assets

Regulatory

- Regulatory divergence
- Implementation of capital regulations

Our business model

Working together for a better financial future

Our universal banking model enables us to create synergies across the organisation and deliver long-term value for our stakeholders.

We deploy our resources...

We draw on tangible and intangible assets to drive long-term, sustainable value creation. We invest and maintain our resources to ensure we can continue to provide maximum value to our customers and clients.

Our people, Purpose, Values and Mindset
Our people are our organisation. We deliver success through a Purpose-driven culture.

Our brand
Our brand equity instils trust, lowers the cost of acquiring customers and clients, and helps retain them for longer.

Technology and infrastructure
Our AI-enabled technology and infrastructure capabilities enhance customer experience and support strong resilience.

Operations and governance
Our risk management, governance and controls help ensure customer and client outcomes are delivered in the right way.

...to serve a broad range of customer and client needs...

We provide a comprehensive offering through UK consumer, corporate and wealth and private banking franchises, a leading investment bank and a specialist US consumer bank.

Lending
We lend to customers and clients to support their needs.

Protecting
We ensure the assets of our clients and customers are safe.

Investing and advising
We help our customers and clients invest.

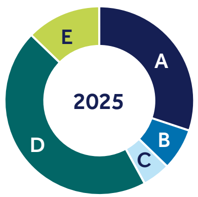
Moving
We facilitate transactions and move money around the world.

Connecting
We connect companies seeking funding.

...deliver sustainably higher returns...

We seek growth and stability of income, delivering cost efficiencies, prudent risk management, and efficient allocation of our resources.

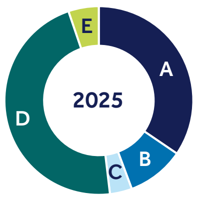
Total income by business (£m)



Excludes Head Office.

A	Barclays UK	8,708
B	Barclays UK Corporate Bank	2,064
C	Barclays Private Bank and Wealth Management	1,380
D	Barclays Investment Bank	13,055
E	Barclays US Consumer Bank	3,681

Profit before tax (PBT) by business (£m)



Excludes Head Office.

A	Barclays UK	3,413
B	Barclays UK Corporate Bank	970
C	Barclays Private Bank and Wealth Management	375
D	Barclays Investment Bank	4,614
E	Barclays US Consumer Bank	515

...and provide positive outcomes for our stakeholders.

Our diversified model positively impacts our stakeholders and provides the resilience and consistency needed to deliver value for them.

Customers and clients
Supporting our customers and clients to achieve their goals with our products and services.

Colleagues
Providing employment to c.93,000 colleagues globally and helping them develop as professionals.

Society
Providing support to our communities, and access to social and environmental financing to address societal needs.

Investors
Delivering attractive and sustainable shareholder returns on the foundation of a strong balance sheet.

Technology

Supercharging our strategy through technology

We're investing in modern tools and smarter systems so we can deliver better and more personal experiences for our customers and clients, while strengthening our resiliency and reducing complexity and cost.

Innovating for customers and clients

For customers and businesses, our investment translates into real benefits.

From more intuitive digital experiences that make everyday banking simple, to faster onboarding so new customers can get started without delay, stronger fraud protection to keep accounts safe, and richer market insights to help businesses grow.

Technology, including AI, is enabling us to deliver seamless, connected services that anticipate customer and client needs and provide faster, more personalised, more intuitive services.

AI Help Hub Assistant

In Barclays UK, our newly introduced AI-powered Help Hub Assistant supports colleagues in delivering exceptional customer service. This conversational tool gives colleagues instant access to accurate information as they support customers in-the-moment.

Empowering our colleagues

Our teams have access to modern tools like Copilot and the Barclays AI platform to help them make better decisions, collaborate more effectively across regions and focus on higher value activities.

We're also fostering a culture of experimentation and collaboration. Through hackathons, demos and other interactive events we've reached over 20,000 colleagues, empowering them to experiment to deliver scalable solutions that drive sustainable growth and value for our customers and clients.

AI for colleagues

M365 Copilot is Microsoft's AI-powered assistant and we have c.100,000 licences for colleagues across the bank to help improve productivity and encourage innovation. In addition, we're investing in our Barclays AI platform, which provides a common set of services for the responsible development, deployment and operation of AI solutions.

Technology is at the heart of Barclays' ambition to be Simpler, Better and More balanced

Modernising our technology

We're focused on consolidating and simplifying our estate by investing in enterprise-wide platforms across infrastructure, data and digital.

This focus on common platform adoption is supported by decommissioning legacy platforms to reduce technology debt, complexity and cost, whilst strengthening resilience.

Hybrid cloud strategy

Our hybrid cloud strategy - where we use both internal and external services - helps to build resilience, reliability, agility, and improved operational performance across our technology. Today, we have almost 90% of our estate in the cloud. This hybrid multi-cloud environment provides flexibility, scalability and the control needed for future growth, underpinning our data, AI and digital-platform capabilities.

Driving innovation through partnerships

We're working with leading technology partners, including Amazon Web Services, Microsoft, GitLab and Databricks, to harness data, digital and AI.

These collaborations also shape thinking on AI, innovation and industry standards; for example, in November 2025 Barclays was recognised as one of the inaugural Frontier Firms – an initiative by Harvard Business School and Microsoft that brings together organisations putting AI at the heart of their transformation strategy.

AI for engineers

Through our partnerships we're embracing AI across our software development tools to enable developers to plan, develop and deploy new technologies at pace and responsibly. Across Barclays, 19,000 developers have access to AI tools, with early-stage adoption already delivering productivity gains of c.15%.

Our plan and targets

Delivering our next three-year plan

We have a clear plan to deliver a better run, more strongly performing and sustainably higher returning Barclays.

Our Purpose — Working together for a better financial future

Our Vision — The UK-centred leader in global finance

Our Priorities

We want Barclays to be renowned for excellent operational performance, highly satisfied customers and clients, strong liquidity, capital and risk management, and predictable, attractive shareholder returns. We have built strong foundations and have a clear plan to achieve these objectives and deliver further value for shareholders by 2028. Over the next three years we are accelerating momentum towards making Barclays Simpler, Better and More balanced.

Simpler

Simpler business

Five focused businesses

Digital and AI enabling revenue growth and efficiencies

Simpler organisation

Standardised, modernised, harmonised processes

Simpler operations

Resilient, reliable, secure systems

Better

Better financial returns

Continue to improve performance across all our businesses

Improving mix towards UK businesses

Better customer experience and outcomes

Improving customer experience across businesses

Deepening relationships in corporates and retail

More balanced

More balanced allocation of RWAs

Capital allocation to our highest returning businesses

UK lending growth to diversify sources of net interest income

Capital discipline in Investment Bank

Diversify sources of income growth

Invest in fee-based income growth

	Statutory RoTE	Total payout	Investment Bank RWAs		Income	Cost: income ratio	Loan loss rate
2028 targets[1]	>14%	Total payout 2026-2028: >£15bn[2] with capacity to support investment and growth	c.50% % of Group	Supporting targets	>5% CAGR 2025-2028	Low 50s%	50-60bps through the cycle
2026 targets[1]	>12%	Total payout 2024-2026: At least £10bn[2,3] incl. planned £2bn dividend for 2026	Mid 50s%[4] % of Group	Supporting targets	c.£31bn	High 50s%	50-60bps through the cycle
2025 actuals	11.3%	Total payout 2025: £3.7bn	55% % of Group	Supporting actuals	£29.1bn	61%	52bps

Continue to target a 13-14% CET1 ratio range

Notes:

1 Our targets and guidance are based on management's current expectations as to the macroeconomic environment and the business and are subject to change.

2 This multi-year plan, including planned dividend of £2bn for 2026, is subject to supervisory and Board approval, anticipated financial performance and our published CET1 range of 13%-14%.

3 Progressive increase in 2026 total capital returns versus 2025.

4 Updated to reflect IRB model migration and Basel 3.1 now expected in 2027.

2025 divisional review

We report performance across our five operating divisions throughout the year. The following pages review how each performed in 2025.

- Barclays UK
- Barclays UK Corporate Bank
- Barclays Private Bank and Wealth Management
- Barclays Investment Bank
- Barclays US Consumer Bank

Group overview

A diversified structure promoting synergies

Our five business areas deliver greater accountability and transparency for our shareholders while supporting synergies across the Group that allow us to better serve our customers and clients.

Barclays PLC

Barclays UK

Our ring-fenced UK retail banking division, trusted by over 20 million customers. Barclays UK includes Retail Banking which helps customers with their day-to-day banking needs, and Business Banking which serves business clients from start-ups to companies with up to £6.5m annual turnover.

Barclays UK Corporate Bank

Providing financial and advisory capabilities to power the UK's mid to large corporates with over £6.5m annual turnover through to FTSE350 companies. Barclays UK Corporate Bank has a relationship with over a quarter of UK corporates.

Barclays Private Bank and Wealth Management

Our Private Bank offers a full-service proposition supporting clients in the wealth hubs and corridors across the UK, Europe, Middle East and Asia. Our UK wealth offering provides a range of financial planning and advice services, as well as our digital investing service, Smart Investor[1].

Barclays Investment Bank

Incorporates leading Global Markets and Investment Banking franchises operating at scale, including International Corporate Banking, serving multinational corporate and institutional clients globally.

Barclays US Consumer Bank

Offering co-branded partner cards, deposit accounts and personal loans. With more than 25 million customers, we work with some of America's leading brands across the airline, travel, retail and affinity sectors.

Head Office[2]

2025 RWA allocation

Barclays UK	24%
Barclays UK Corporate Bank	7%
Barclays Private Bank and Wealth Management	2%
Barclays US Consumer Bank	8%
Head Office	4%
Barclays Investment Bank	**55%**

Notes:
1 Smart Investor will be known as Barclays Direct Investing.
2 Head Office provides centralised services across the Group.

2025 divisional review

Barclays UK

Barclays UK consists of Retail Banking and Business Banking.

Our business

- Retail Banking offers retail solutions to help customers with their day-to-day banking needs, including current accounts, savings accounts, mortgages and unsecured lending, such as credit cards and loans.
- Business Banking serves business clients, from high-growth start-ups to SMEs, with banking solutions and specialist advice.

Focus areas

- Improving customer experience.
- Creating opportunities to deepen relationships with our customers and clients.
- Growing lending market share.
- Delivering operational efficiencies to facilitate investment in growth.

Measuring where we are

£8.7bn
Income
2024: £8.3bn

£3.4bn
Profit before tax
2024: £3.6bn

£4.9bn
Operating expenses
2024: £4.3bn

20.7%
Return on tangible equity
2024: 23.1%

Year in review

Barclays UK is one of the country's leading financial brands. We are committed to putting customers first – powered by the expertise and passion of our people, and strengthened by technology. Our multi-brand proposition - which includes Barclaycard, Tesco Bank, Kensington Mortgages and relationships with Amazon and IAG Loyalty (to offer Avios benefits) - reflects the broad range of solutions we offer customers. Our 2025 performance demonstrates Barclays UK's strength, delivering a RoTE of 20.7%.

Customers and clients remain at the heart of everything we do. This year, we enhanced experiences and deepened relationships. We extended opening hours across 86 branches, adding c.33,500 hours per year of in-branch availability to support customers at times that work for them. A significant increase in our channel transactional Net Promoter Score (tNPS) - which measures customer satisfaction across our retail colleague-led channels - since 2023 reflects the high level of support our colleagues give our customers. This now stands at +61 for branch servicing.

Technology and digitisation play an important role in helping us better serve our customers and clients. Within Barclays UK, a significant amount of innovation is driven by our teams, leading to faster response times provided by the tools and technology our colleagues use every day.

We also used technology to make it easier for our customers to save. We redesigned our Savings Hub, making it simpler to find and choose the right products. Our customers can now digitally provide instructions on maturing bonds through the app in just a few minutes.

Note:
1 Three month rolling average for December 2025.

Delivering a better customer experience

Transforming the mortgage journey

In 2025, we launched a new platform to more than 26,000 UK mortgage brokers that has reduced application processing times from 45 minutes to around just 15. Since August 2025, this improvement has helped over c.23,000 customers complete their mortgage faster. Mortgage broker NPS has risen to +55[1], from +8 in December 2024, further demonstrating its impact.

Growing mortgage lending is a key part of our three-year plan, and this innovation shows how technology is helping us deliver better experiences for customers, while strengthening controls and streamlining processes.

2025 divisional review (continued)

A key focus for Barclays UK is to grow lending to individuals and businesses, and we have continued to make progress.

We are making our mortgage application process simpler and helping more customers achieve home ownership. We relaunched Mortgage Boost, enabling customers to support family members to get onto the property ladder beyond just helping with a deposit – another option alongside our Family Springboard offering. Ahead of the 1 April 2025 stamp duty changes, we processed over 14,000 completions in March alone. In total, we supported 146,000 mortgage completions, the highest since 2021 and an increase of 42% on 2024.

Loans acquisitions have increased 4% year-on-year driven by more relevant, in-the-moment marketing and improved decisioning capabilities.

For the second year running, we have onboarded over one million new Barclaycard customers and provided existing customers with improved journeys and capabilities, including the option to switch to the Amazon Barclaycard.

One year since the Tesco Bank acquisition, we are making good progress on the integration and have grown credit card and personal loan balances by continuing to offer value to customers through Clubcard.

Business Banking contributed to the UK business landscape by lending £3bn to small businesses. We also celebrated 10 years of Eagle Labs, which has supported almost 20,000 businesses that have collectively secured over £5bn in investment and created more than 50,000 jobs[1] over the course of a decade.

Improving customer satisfaction

Premier NPS

Premier NPS, which measures the satisfaction of our Premier customers, reached +37 in 2025[2], our highest since we began tracking Premier NPS in 2016 and up from +21 in 2024.

This reflects our commitment to providing excellent service and personalised experiences that our customers value. In 2025, we've enhanced our proposition for Premier customers, who now have access to an expanded range of Premier fixed rate savings products (ISAs and bonds).

We also launched Barclays Experiences this year in our app, providing a platform offering exclusive benefits such as concerts, theatre tickets and family activities to Premier customers. This has been used by nearly 180,000 customers.

We invested in our servicing, improving the availability and quality of the Premier-specific telephony service, and are piloting access to new financial confidence training to help customers better manage their money.

Looking ahead

We remain focused on improving our products and services to deliver a world-class experience for customers and clients. We will continue to enhance how customers interact with us, making banking simpler and more intuitive across personal and business channels. Technology, AI and innovation will play a key role, helping us to streamline processes, strengthen resilience, offer a better experience on our digital channels and support colleagues in providing exceptional service.

We see opportunities to grow retail deposits and lending, and business banking by deepening engagement and relationships, and building stronger propositions. In particular, we are focused on growing our Premier customer base. Completing the Tesco Bank integration will allow us to broaden our reach and create greater value for customers. We are also committed to helping people manage their money better to achieve their goals, and are focused on building people's financial confidence across the UK.

"Our efforts to enhance customer and client service have helped improve NPS scores - with Barclays UK NPS reaching +25[2], the highest since we started tracking."

Vim Maru
CEO, Barclays UK

Notes:
1 Source: Beahurst, for businesses supported by Eagle Labs between December 2015 to September 2025.
2 © Ipsos 2025, Financial Research Survey (FRS) (see page 29 for more detail).

2025 divisional review (continued)

UK Corporate Bank

UK Corporate Bank 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.

Our business

- Corporate Lending: Offers a range of term, revolving and overdraft facilities to medium and large-sized corporates across the UK, with financing solutions tailored to specific industries and sectors.
- Transaction Banking: Provides cash management, trade and working capital solutions, risk management solutions and payment services internationally.

Focus areas

- Driving productivity and seamless digital delivery, simplifying and improving client experience.
- Growing broad-based income through deeper client relationships with products and solutions which address their needs.
- Growing share of lending and attracting new clients.

Measuring where we are

£2.1bn **Income** 2024: £1.8bn	**£1.0bn** **Profit before tax** 2024: £0.7bn
£1.1bn **Operating expenses** 2024: £1.0bn	**18.9%** **Return on tangible equity** 2024: 16.0%

Year in review

Barclays UK Corporate Bank serves over 13,000 businesses across the UK, playing an important role in joining together the different aspects of the organisation to deliver for clients.

In 2025, the UK Corporate Bank delivered robust income growth of 16% underpinned by a strong deposit franchise and growing debt balances. RoTE was 18.9%, and we maintained a disciplined cost-to-income ratio, ensuring operational efficiency.

Throughout the year, we responded proactively to a competitive market. By adapting to evolving client needs and maintaining our focus on providing lending to help our clients to invest, we positively repositioned ourselves among peers and grew lending market share by 1%[1].

In 2025, we attracted c.580 new to bank clients who drove c.50% of the increase in lending compared to 2024.

This focus enabled us to achieve total loan growth of £4.6bn for the year. Despite our growth in lending, our loan loss rate remains well within our stated risk appetite and guidance.

Our willingness to lend plays a crucial role in giving UK businesses the confidence to invest in their workforce and technology, helping in turn to unlock economic growth.

We made strides in enhancing client experience by advancing our digital capabilities and streamlining processes. Clients now have more opportunities to self-serve through digital channels, including our 'Client Chat' capability, which resolves a significant number of queries at first contact. In 2025, c.50% of client interactions were self-served, compared to c.40% in 2024.

Supporting clients

Corinthia hotels

Barclays has deepened its relationship with luxury hotel group Corinthia Hotels. Building on an initial £140m refinancing of Corinthia's five-star London hotel in 2023, Barclays provided further support this year through an additional refinancing, enabling the release of capital tied up in the hotel's equity. As a result, the bank's total commitment to Corinthia Hotels rose to £192m, marking the UK Corporate Bank's largest loan to the hotel sector in 20 years and one of the largest on its books.

This significant deal exemplifies how Barclays is growing its lending portfolio and strengthening client relationships as part of its three-year plan.

Note:
1 Bank of England December 2025 market data.

2025 divisional review (continued)

Supporting clients
Waterstones

In August, Barclays UK Corporate Bank increased its lending facility to Waterstones, the UK's leading high street bookseller. The jointly arranged lending package is designed to support its ongoing financing needs and future growth – and includes a £75m term loan and £50m revolving credit facility. Building upon this, we are now also providing Waterstones with cash processing services and deposit solutions.

Founded in 1982, Waterstones has become a household name with nearly 320 bookshops across the UK, Ireland, and Europe and online. This deal reflects our commitment to growing lending, deepening client relationships and supporting UK businesses.

We've also reduced client onboarding times by around 50% since the start of 2024 and, in response to client feedback, we have improved the speed, ease, and flexibility of our borrowing solutions, with further enhancements planned for 2026.

To strengthen client relationships and support diversified income streams, we've invested significantly in modernising our technology. Our iPortal platform, which is now available to more clients, has simplified how they interact with us – a key step towards consolidating five online access channels to a single online point of access to our products and services. All our corporate clients will be enabled on iPortal through 2026.

Our focus on deepening relationships and our efforts to improve experience have been reflected in improved client satisfaction scores. Measured as an independent benchmarking score by Savanta, our overall client satisfaction score has increased to 66%, up four percentage points from 2024 and 10 percentage points from 2023. Satisfaction scores relating to our client-facing colleagues are also strong, placing us second among our peers[1].

In April 2025, we announced a long-term strategic partnership with Brookfield to grow and transform Barclays' payment acceptance business, which provides critical infrastructure to the UK economy, processing billions of pounds of payments annually for small businesses and corporate clients.

Our extensive client relationships and experience of UK payments will benefit from Brookfield's global private equity expertise in payments, technology, operational transformation and corporate carve-outs, to ensure that the payment acceptance business is strategically positioned for long-term growth. The partnership will drive business growth by broadening the range of services offered and enhancing the experience for both existing and prospective clients.

Looking ahead

We will continue to deepen client relationships, accelerate digital transformation and improve operational efficiency. We are focused on enhancing our product mix, strengthening income quality and driving technology-led improvements in client experience.

Efforts will be shaped by the evolving market environment, with an emphasis on adapting to client needs, regulatory changes and competitive pressures. We will continue to simplify processes, invest in talent and leverage data-driven insights to support growth and resilience.

"Our willingness to lend plays a crucial role in giving UK businesses the confidence to invest in their workforce and technology, helping in turn to unlock economic growth."

Matt Hammerstein
CEO, Barclays UK Corporate Bank

Note:
1 SavantaMarket Vue Survey, Q4 2025.

2025 divisional review (continued)

Private Bank and Wealth Management

Private Bank and Wealth Management (PBWM) comprises PBWM UK – serving clients across the full wealth continuum in the UK and Crown Dependencies – and PBWM International, serving high- and ultra-high-net worth clients in selected international markets.

Our business

- UK Digital Investing is for self-directed investors, with investment starting from just £1.
- UK Affluent is for UK clients with £250k to £3m of investable assets[1].
- Private Banking UK is a full-service proposition for clients with investable assets of £3m+.
- Private Banking International is a full-service proposition for clients with investable assets of £5m+ internationally[2] , with a focus on clients in the Europe, Middle East and Asia wealth corridors.

Focus areas

- Leveraging our simplified business structure – aligned to market opportunity in the UK and internationally – and reinvesting cost efficiencies to strengthen the business and support growth.
- Supporting Private Bank clients with their lifestyle, liquidity and legacy, and helping retail investors gain access to transparent, fairly priced investment solutions.
- Continuing to grow assets under management to increase the relative contribution of non-interest income, to deliver high-quality recurring revenue.

Measuring where we are

£1.4bn **Income** 2024: £1.3bn	£0.4bn **Profit before tax** 2024: £0.4bn
£1.0bn **Operating expenses** 2024: £0.9bn	26.3% **Return on tangible equity** 2024: 28.1%

Year in review

PBWM's vision is to be the investment partner for our clients, their families and the next generation.

In 2025, financial markets witnessed trade and geopolitical volatility, and strong tailwinds driven by AI – investors looked to take advantage of volatility spikes while diversifying risk. For PBWM, this led to strong transactional activity supported by increased trading on our digital investing offering, continued inflows into multi-asset portfolios, and alternative strategies such as private markets and hedge funds.

Our ability to support clients in such environments sustained our strong business performance. Assets under management grew by £5.2bn and PBWM overall achieved a RoTE of 26.3%.

At the start of 2025, PBWM simplified its business model to operate through two core areas: PBWM UK and PBWM International. Throughout the year, there were a series of strategic hires to strengthen the business.

In our UK Digital Investing business, we further enhanced client journeys and investment capabilities on our Smart Investor platform. These changes continued to support growth, with c.65,000 new accounts opened in 2025, up 11% year on year and up 169% compared to 2023 levels. In addition, we were awarded Best Stocks & Shares ISA Provider from Moneyfacts and received a 'Value for Money' consumer rating from Boring Money.

Notes:
1 The lower end threshold is under review.
2 For India, the Private Bank proposition is available for clients with investable assets of £3m+.

Improving client experience
One Hub and Digital Profile Switcher

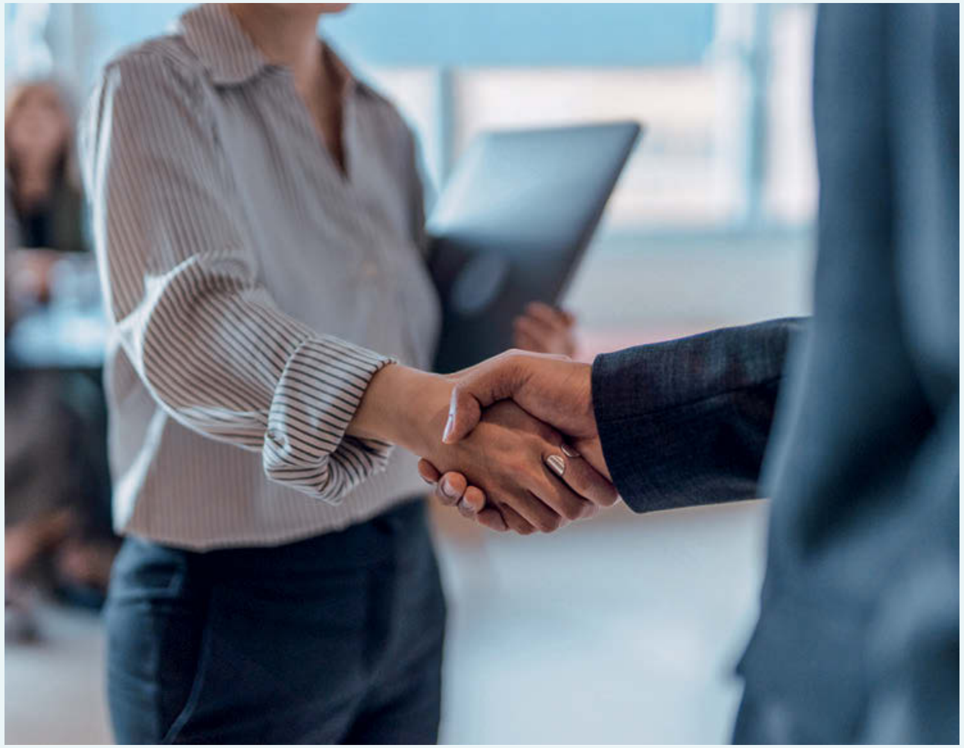
For Private Bank clients in the UK we're piloting One Hub interface, a new single homepage in the Barclays app that gives them a consolidated view of all Private Bank accounts across all jurisdictions – and includes seamless sign-on to access their investments online.

For those Private Bank clients who are also Barclays UK customers, the pilot also includes Profile Switcher. This enables clients to see all their Barclays accounts in one place using a single login – both via the Barclays app and online, improving their digital experience. Clients can also access tailored features and receive in-app notifications.

2025 divisional review (continued)

Collaboration

Cross-Group referrals



Increased collaboration between PBWM and the Investment Bank, the UK Corporate Bank and Barclays UK delivered meaningful value for clients – illustrated by a successful joint client engagement in 2025. UK Corporate Bank introduced PBWM to the relationship and successfully worked with PBWM to enable the team to understand the client's goals and deliver a bespoke, joined-up proposition as part of a business sale.

The client invested 100% of the sale proceeds – just under £140m – with PBWM. This not only secured a significant commercial outcome, but also ensured the client enjoyed a seamless, highly personalised experience.

In UK Affluent, we launched a pilot of a new digitally enabled mass affluent proposition – focused initially on Barclays UK Premier clients with £250k-£1m in assets to invest. Our ambition is to provide a fairly priced, transparently constructed advice service addressing the needs of this segment.

In our UK Private Bank, we expanded our Private Markets proposition with the launch of a new multi-vintage private equity fund and made it easier for clients to use our securities backed lending capability. In addition, we continued to grow our assets under management in our flagship funds and discretionary managed portfolios, and maintained their strong underlying long-term investment performance.

Internationally, we have been focused on building our presence in the Middle East and Asia. In order to further support our international capabilities, we continue to progress the development of our new Singapore booking centre, which we intend to launch during 2026.

Underpinning all of our strategic ambitions is a continued focus on improving our risk and control resilience, including by increasing our automation levels.

Looking ahead

Within UK Digital Investing, we're committed to delivering an integrated digital SIPP (Self-Invested Personal Pension). Following the completion of our pilot, we're launching our new UK mass affluent proposition, starting with Barclays UK Premier customers. We will also focus on supporting retail investing through the launch of Targeted Support following the FCA's Advice Guidance Boundary Review.

Within the Private Bank we will continue to enhance our client experience, focusing on our digital capabilities, as well as further expanding our credit proposition. We're investing in productivity and generative AI (GenAI) capabilities that support our front-line colleagues so they can spend more time with clients. We plan to expand our international business with further investments in the Middle East and Asia markets, including the launch of our new Singapore booking centre.

"We have continued to strengthen our capabilities and service this year, supporting clients across the UK and in priority international markets."

Sasha Wiggins
CEO, Barclays Private Bank and Wealth Management

2025 divisional review (continued)

Investment Bank

The Investment Bank provides corporate clients, money managers, financial institutions, governments and supranational organisations with advisory, finance and risk management services.

Our business

- Global Markets 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.
- Investment Banking works with companies, governments and financial institutions worldwide to provide expert advice, innovative solutions and access to capital. It includes International Corporate Banking, which provides financial institutions and large corporate clients with wholesale lending and treasury solutions – supported by deep industry knowledge and local, on-the-ground specialists.

Focus areas

- Driving higher RWA productivity across all Investment Bank businesses.
- Deepening client relationships while maintaining prudent risk management.
- In Global Markets, sustaining momentum in our businesses with Top 5 market share[1], growing our focus businesses and continuing to scale more stable financing income.
- In Investment Banking, building share and product penetration across Advisory, Capital Markets and Treasury Coverage, and delivering an expanded reach for our International Corporate Bank.

Measuring where we are

£13.1bn **Income** 2024: £11.8bn	£4.6bn **Profit before tax** 2024: £3.8bn
£8.1bn **Operating expenses** 2024: £7.9bn	10.6% **Return on tangible equity** 2024: 8.5%

Year in review

Barclays has a top-tier Investment Bank supporting corporate and institutional clients around the world.

In 2025, we maintained our rank of sixth across the Investment Bank in both Global Markets[2] and Investment Banking[3]. We are a leading non-US-domiciled bank that can consistently compete with its US peers in each of the major capital markets of the US, Europe, and Asia. Through our expertise, scale, and reach, we support global clients and help them achieve their commercial goals.

The Investment Bank delivered a RoTE of 10.6% and remained disciplined on costs with consistent operational progress, following seven consecutive quarters of positive jaws leading to a cost-to-income ratio of 62%.

RWAs remained stable for the fourth consecutive year. We grew income and improved return on RWAs by focusing on more stable income streams and on disciplined client management, capital deployment, and technology enhancements to improve client experience, such as BARXBot, a client-facing GenAI chatbot that automates how colleagues in Global Markets handle Requests for Quotes (RFQs) for clients.

Notes:
1 Top 5 market share as defined in the 20 February 2024 Investor Update: 1H23 and FY19 Coalition Greenwich Global Competitor Analytics. Industry wallet is defined as the total revenue of the following banks: Bank of America (BoA) , Barclays, BNP Paribas (BNP), Citigroup (CITI), Credit Suisse, Deutsche Bank (DB), Goldman Sachs (GS), J.P. Morgan (JPM), Morgan Stanley (MS) and UBS. Analysis is based on Barclays' internal business structure and internal revenues. Market share for purpose of this analysis is calculated as Barclays' internal revenues divided by the aggregate revenue of the banks identified above within the given product set.
2 Based on external reported revenues. Peer banks include BoA, BNP, CITI, DB, GS, JPM, MS and UBS.
3 Dealogic for the period 1 January 2025 to 31 December 2025 (as at 6 January 2026).

Supporting clients
United States Steel Corporation

In 2025, Barclays acted as financial adviser to U. S. Steel in its landmark $14.9bn partnership with Nippon Steel Corporation.

This deal creates one of the largest steel companies globally and marks a transformative expansion for Nippon Steel into the US market. Barclays guided U. S. Steel through a complex public strategic review, a proxy challenge, and a sensitive policy environment, underscoring our deep client relationships and trusted financial advisory capabilities.

Aligned with our strategic focus on growing share in M&A advisory, this transaction showcases our leadership in prominent cross-border transactions and multi-disciplinary strengths to deliver better results for clients.

2025 divisional review (continued)

"Our relentless client focus, trusted expertise, and fully integrated model allow us to better understand client needs and deliver tailored products and services to help them succeed."

Adeel Khan
Head of Global Markets

The Investment Bank helped clients navigate a complex, evolving landscape throughout 2025 - one shaped by policy change, geopolitical events and economic conditions - by delivering strategic solutions through our diversified portfolio of products and services.

In Global Markets, we remain focused on executing our key product priorities while delivering our full suite of products and services to our clients. We continue to progress on our goal of achieving 70 top five ranks with our Top 100 clients. We have made strong progress with improved performance in the three focus businesses in Markets, while sustaining momentum in financing.

Supporting clients
Shawbrook IPO

Barclays acted as joint global co-ordinator on Shawbrook Group plc's IPO, marking the specialist lender's return to the London Stock Exchange and the UK's largest IPO of 2025[1]. The transaction raised c.£400m through both the issuance of new shares and the sale of existing ones, including c.£25m from a UK retail offer enabling direct participation from individual investors.

This landmark deal generated strong institutional investor demand from across the UK, US and Europe, highlighting belief in Shawbrook's UK growth story among a high-quality investor base. The IPO also signified renewed momentum in London's listings landscape.

The successful execution of this transaction is a testament to our deep client relationships, rooted in trust and belief in our integrated capabilities. The Shawbrook IPO advances our strategic ambition to grow market share with financial sponsors in equity capital markets, and it demonstrates our commitment to building confidence in the UK investment landscape.

In Investment Banking, we delivered revenue growth of 3% year on year. We also made good progress in key focus areas, continuing to optimise our loan book which helped to drive improved return on RWAs. This year, we maintained our traditional strength in DCM, and saw an increase in both ECM fee share and advisory fee share with financial sponsors[2].

International Corporate Bank (ICB) revenues were up 10% year on year, reflecting the continued rollout of the Treasury Coverage model - which has doubled the number of focus clients with this model since 2024. This has also helped to drive c.23% year on year growth in US deposits[3].

Our Research team is central to our Investment Bank franchise and continues to rank highly among our institutional client base. According to Extel, Barclays ranks as the #4 overall global research firm and #3 for developed markets. We continue to expand our Barclays conference and corporate access offering across the Americas and EMEA. Engagement with our Barclays Live platform has grown, with site visits up 11% and readership up 18%, highlighting the strength of the platform in delivering differentiated insights to our clients.

Looking ahead

Our goal is to strengthen our position as a leading global investment bank by leveraging our advisory expertise, deep sector knowledge, and differentiated client offering.

The Investment Banking business is focused on building share in Advisory and Capital Markets through productivity improvement, Treasury Coverage evolution and the continued investment and growth of our International Corporate Bank. Global Markets continues its focus on strengthening its core capabilities while maintaining a strong baseline of stable revenues in the form of financing.

We aim to be prudent managers of the firm's capital, and to drive consistent returns through client discipline, focused execution, capital nimbleness and operational efficiency. We're also streamlining operations, reducing legacy systems, and leveraging AI to scale and innovate.

We plan to achieve this through low single-digit compound annual income growth combined with disciplined cost management, driving operating leverage.

Notes:
1 Dealogic as at 31 December 2025, based on offer to market.
2 Dealogic Banking Fee share as at 31 December 2025.
3 Reflects month-end deposits.

2025 divisional review (continued)

US Consumer Bank

US Consumer Bank (USCB) is a leading co-branded credit card issuer and financial services partner in the United States.

Our business

- Barclays US Consumer Bank has more than 25 million customers and partnerships with 20 of America's leading brands across the airline, travel, retail and affinity sectors.
- We provide co-branded, small business and private label credit cards, personal loans, online savings accounts, and certificates of deposits.

Focus areas

- Scaling and diversifying by growing existing partnerships and winning new partners.
- Investing in digitisation and AI to deliver enhanced customer experiences and operational efficiencies.
- Improving net interest margin by optimising pricing and credit mix, while reducing funding costs.
- Selective risk transfer to optimise use of balance sheet.

Measuring where we are

£3.7bn
Income
2024: £3.3bn

£0.5bn
Profit before tax
2024: £0.4bn

£1.6bn
Operating expenses
2024: £1.6bn

11.0%
Return on tangible equity
2024: 9.1%

Year in review

The US is the world's largest credit card market, and growing. With a c.3% share[1] of the total market and partnerships with 20 major brands, we continue to see significant opportunities for growth. In 2025, we delivered RoTE of 11.0%, up from 9.1% in 2024 and 4.1% in 2023.

Our results were impacted by the appreciation of the average GBP against USD through 2025. However, when normalised for FX movements, in USD terms income and profit before tax were up 14% and 31% respectively, year on year.

We remain focused on building lasting partnerships with top US brands. In 2025, we launched a new co-branded card programme with iconic automaker General Motors (GM) and acquired $1.6bn in receivables, further diversifying our mix of card partners. We also extended our current partnership agreements with Wyndham Hotels & Resorts, Upromise and our cruise line partners: Carnival, Princess and Holland America.

We added three million new customers organically in 2025, and our average FICO® score[2] remains stable at 757, reflecting the strength of our prime customer base. Our average payment rate of 31% in the fourth quarter is higher than pre-pandemic levels, further demonstrating the resilience and quality of our book.

We grew our retail deposit balances by 20% year on year and increased the percentage of core deposit funding for USCB from 64% to 69%. This was driven by demand for the tiered savings product and a new suite of exclusive digital banking products offered through our co-branded banking partnership with AARP.

Delivering for partners
General Motors

In 2025, USCB became the exclusive issuer of General Motors' (GM's) US credit card programme, which included a portfolio acquisition of $1.6bn in receivables.

The partnership offers GM customers access to the new GM Rewards™ Mastercard®. Leveraging Barclays' expertise in co-branded credit cards, the programme gives customers immediate access to a digital-first experience including virtual cards and seamless account management through the Barclays mobile app. The market-leading value proposition aims to increase GM's wallet share.

This strategic partnership with one of the most iconic automotive brands in the world supports Barclays' three-year plan to grow and diversify in the US consumer banking sector.

Notes:
1 Source: newyorkfed.org/microeconomics/hhdc
2 FICO® is a registered trademark of Fair Isaac Corporation in the United States and other countries.

2025 divisional review (continued)

Providing income diversification

Best Egg

This year, USCB announced that it had entered into an agreement to acquire Best Egg[1], a leading US digital direct-to-consumer personal loan origination business with a focus on prime borrowers and an established track record of risk management.

Best Egg complements USCB's partnership-driven credit card business, which offers unsecured personal loans through co-branded card programmes. Since 2013, Best Egg has originated more than $40bn in personal loans to over two million customers.

The acquisition strengthens USCB's franchise by providing income diversification, capital efficiency and scaled capabilities in an attractive, high-growth sector of the US consumer finance market – through a proven platform that has been successful for over a decade. Importantly, this move gives us the ability to expand our personal loan capabilities to more customers, delivering greater value to our partners through expanded lending solutions and broader customer reach.

BARCLAYS | Best Egg

In 2025, we announced that we had entered into an agreement to acquire Best Egg[1], a leading US digital direct-to-consumer originator of personal loans.

Through our continuous focus on enhancing customer experience, transactional NPS (tNPS) for digital and contact centre agent servicing averaged 63 and 52 respectively. Digital performance remained consistent with 2024, while contact centre performance improved by one point year on year.

In 2025, we improved digital onboarding, increased self-service options and developed flexible payment features for our customers. We also expanded our Rewards Hub, an intuitive, one-stop digital shop for cardmembers to more easily manage their benefits. Over the past year, unique visitors to the Rewards Hub increased by 15%, demonstrating stronger brand loyalty and digital connection.

Since 2023, our investments in digitisation have led to an increase in customers using e-statements and resulted in higher digital engagement with 96.2% of customers who interact with us doing so through digital channels[2]. The percentage of customers using the Barclays mobile app also increased 5.5 percentage points year on year[3]. Leveraging digital platforms to drive greater efficiency has helped reduce full year 2025 USCB cost to income ratio to 45%, down from 49% in 2024 and 51% in 2023.

Looking ahead

We remain committed to executing our strategy and improving returns. We plan to scale the cards business through organic growth and new partnership acquisitions as appropriate and accelerate USCB's diversification through the Best Egg acquisition.

We're embracing the latest technologies, such as AI and agile scalable platforms, to drive greater efficiency and deliver better experiences for our customers.

We continue to enhance our digital capabilities and provide seamless, intuitive experiences across all channels. We will maintain our focus on customer feedback, continually optimise our processes, and invest in tools to reduce friction and drive loyalty and sustainable growth.

"In 2025, we launched a new co-branded card programme with General Motors, entered into an agreement to acquire Best Egg, and extended our current partnership agreements with Wyndham Hotels & Resorts, Upromise and our cruise line partners: Carnival, Princess and Holland America."

Denny Nealon
CEO of US Consumer Bank

Notes:

1. The acquisition is expected to close in Q2 2026, subject to regulatory approvals and other closing conditions.
2. Measured at exit at end December 2025. Includes primary consumer card customers. Monthly interactions exclude Interactive Voice Response (IVR).
3. Reflects rate movement from December 2024 to December 2025 for mobile app users divided by open customers.

Our stakeholders

In this section we cover how we listen and respond to our stakeholders, and create sustainable value for all those we serve.

The KPIs featured throughout this section are used to monitor our performance and progress. Executive Director remuneration is also linked to KPI performance. Further detail can be found in the Remuneration report on page 158.

Our stakeholders

Customers and clients

Providing an excellent customer and client experience is key to our strategy. We seek to understand our customers' and clients' expectations and aspirations, developing products and services to build their trust and support them to achieve their own ambitions.

Where to find more information:

Please visit our sustainability resources hub for further information:
home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

Engaging with customers and clients

Barclays is committed to serving our customers' and clients' best interests – and improving their experience is a key priority for the bank as we strive to make Barclays better. We frequently engage with customers and clients in a variety of ways – including running regular surveys, analysing customer complaints, direct interaction and drawing on data from millions of individual transactions – building our understanding of their evolving needs and enabling us to adapt our products and services accordingly.

In Barclays UK

Through our retail bank in the UK we reach more than 20 million customers – and our engagement with them helps us continuously improve the service we provide.

Barclays UK runs on average 20 panels per month for Personal, Premier and Business customers and clients, who share their views on our products and services and on their own financial health. These panels provide an opportunity for colleagues to hear directly from our customers on important topics, and are driving the evolution of our customer journeys and experience.

In 2025, we collected over 1.2 million pieces of customer feedback. Customers told us they wanted their experiences with Barclays to feel more personalised, including better use of their transactional data to provide relevant guidance and support with their everyday money management.

In response we have further improved the app to ensure every new or updated customer experience feels better.

Our efforts to improve customer and client service through better channel experiences such as extended opening hours and reduced waiting times for appointments, as well as enhancements to the Premier proposition and creating a better experience across our customer journeys, have resulted in significant improvements in customer satisfaction scores across Barclays UK. Barclays UK NPS is at +25[1], up 8 from 2024 and the highest since we started tracking the metric in 2013.

When issues do occur our Complaints team works alongside customer-facing colleagues to investigate and provide timely resolution. In January 2025, an IT incident impacted many of our customers, and resulted in a significant increase in our complaints for the year. At the time, we mobilised quickly to support affected customers and we were committed to ensure that those impacted were not left out of pocket. Our app is essential for customers and we typically have high availability across all Barclays UK channels; for example, in the second half of 2025, the availability was 99.98%.

We are focused on offering an accessible, empathetic and inclusive service for all our customers – including for those who may typically face barriers to banking services, such as people living with disabilities, complex needs or experiencing difficult life events. Working in partnership with UK neurodiversity charities, this year we introduced Quiet Hour in our branches, designed to support neurodiverse customers by providing a calmer, more comfortable banking environment. During this time, we minimise the lights and switch off the televisions to help reduce sensory overload and promote a peaceful atmosphere.

Notes:
1 © Ipsos 2025, Financial Research Survey (FRS), as at December 2025 (see page 29 for more detail).

Our stakeholders (continued)

In UK Corporate Bank

In UK Corporate Bank we are committed to helping clients invest in their future. We measure client feedback across various channels – starting with colleagues, and ensuring feedback from every interaction and conversation with clients is heard, understood and acted upon. We also leverage independent research from external providers throughout the year to assess how well we're meeting client needs, and identify opportunities to continually improve.

Our UK Corporate Bank is focused on delivering against a multi-year plan to provide a more seamless experience for clients. We're doing this with enhanced digital and self-serve capabilities, ensuring client journeys are faster and easier to complete, and delighting them with best-in-class service.

While we recognise there is more to do, the progress we're making on the delivery of our multi-year plan is promising and we're proud to have seen a four percentage point increase in overall client satisfaction[1] since 2024 and a 10 percentage point increase since 2023. Our clients continue to value both the expertise of our colleagues and the strength of our relationships with them – citing us as easy to do business with, easy to communicate with, and responsive.

In Private Bank and Wealth Management

In Private Bank and Wealth Management, our priority is to put clients at the heart of everything we do. We're committed to offering products and services that not only meet but consistently exceed client expectations. By drawing on the full expertise and resources of the Barclays Group, we ensure our clients benefit from specialist knowledge and strong, trusted relationships with our colleagues.

To better understand and anticipate client needs, we use a variety of channels including direct feedback and satisfaction analysis – and we're expanding these insight capabilities in 2026. This feedback drives continuous improvements to our offering, resulting in meaningful enhancements to the client experience.

Digital capabilities continue to be a key focus, and we're introducing functionality to give Private Bank clients a comprehensive digital view of their full relationship with Barclays. We also streamlined our onboarding process, making it faster and simpler for new clients to join us. For our digital investing platform, we've made it easier for clients to discover and purchase funds along with a simpler pricing structure.

In Investment Bank

In the Investment Bank, by reflecting on engagement with and feedback from our clients, we continued to build the expertise, knowledge and capabilities they're looking for.

We continue to invest in technology to improve client experience. BARXBot, our newly launched AI-powered assistant, is integrated with internal and external applications. It displays real-time quotes and pricing in the bank's trading platform – ready for the team to review and send to clients.

We're maintaining client centricity through our newly launched Global Treasury Coverage model – creating stronger connectivity between our International Corporate Banking, Debt Capital Markets, Risk Solutions Group, Corporate FX, Sustainable Banking and Policy Advisory teams. Our Lead Treasury Bankers have driven co-ordination across our product and coverage teams to ensure seamless client coverage, and to deliver more creative and tailored solutions.

Supporting clients

Business Banking healthcare proposition

This year, our Business Banking team launched a dedicated healthcare proposition, largely for dentists, care homes, pharmacies and GPs along with other clients who want to grow their businesses but are often time poor.

The proposition includes tailored credit and pricing policies supported by specialist Relationship Managers providing expert support and bespoke lending solutions. In July, we hosted our first flagship Health Elevate event at Canary Wharf, bringing together over 500 innovators, investors, NHS leaders and academic partners.

In US Consumer Bank

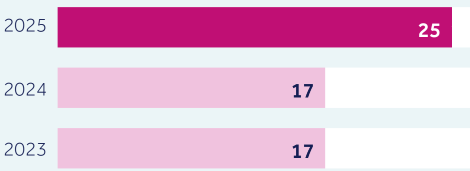
In US Consumer Bank, we are committed to actively engaging with our customers and ensuring their voices shape the customer experience. Our enhanced Voice of the Customer (VoC) platform systematically collects and analyses insights, while cross-functional data analysis and benchmarking help us deliver world-class experiences. Our contact centre uses AI to summarise customer conversations resulting in improved accuracy and reduced average call handle time.

In 2025, US Consumer Bank embedded a customer-centric transformation strategy to make it simpler for customers to apply and use their card, manage their account, enjoy rewards and benefits, and get help when they need it. We mapped each customer journey end to end, identified pain points and prioritised improvements based on customer feedback and impact potential.

Note:
1 SavantaMarket Vue Survey, Q4 2025.

Our stakeholders (continued)

Barclays UK Net Promoter Score
(NPS)



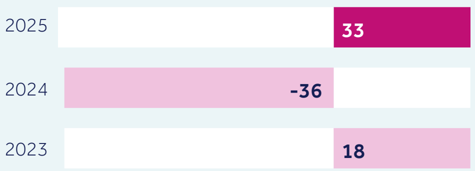
About this KPI and why we use it

Net Promoter Score (NPS) is used to measure the strength of customer relationships. We track NPS to identify both our strengths and where there is room for improvement, informing how we develop our services and products in the future. Maintaining strong, personal relationships and building trust and advocacy is key across all our divisions, but most observable and material in Barclays UK which represents the largest customer base for which we serve customers throughout their financial lives.

How we performed

We improved Barclays UK main current account NPS to +25[1]; our highest score since we began tracking in 2013, and an increase of eight on December 2024. This uplift was broadly across customer segments. Premier NPS was a significant driver, alongside improvements to customer service across channels and journeys.

Barclays UK complaints
(% movement year on year)



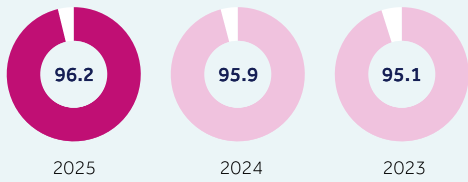
About this KPI and why we use it

The FCA publishes complaints information every six months – a good measure of how well UK institutions are driving customer outcomes. We measure our volume of complaints, tracking against goals and reviewing root causes to inform changes to our products and services.

How we performed

Material increase in complaints year on year was driven by the IT incident on 31 January 2025. Excluding this, complaints reduced by 2%.

US Consumer Bank digitally interacting customer
(%)



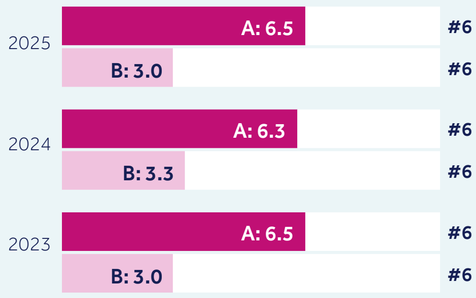
About this KPI and why we use it

Digitally interacting customer percentage assesses the monthly rate of customers using digital channels to interact with us[2]. This measurement reflects the general health of the digital experience and allows us to better understand customer behaviour to boost satisfaction and efficiency.

How we performed

Digitally interacting customer percentage improved by 30 bps year on year, driven by continued investment in our mobile app and digital capabilities, including enhancements to registration and self-service.

Investment Bank revenue ranks and market shares
(%, #)



A Global Markets revenue ranking and share[3]

B Dealogic Investment Banking global fee ranking and share demonstrating our performance vs peers[4]

About this KPI and why we use it

Revenue ranks and market shares are a good indicator to monitor success and identify opportunities. By using Dealogic Investment Banking global fee ranking and share, and a comparison to global peers' share of reported revenues for Global Markets, we can assess our relative performance versus a defined peer group[3] clearly and transparently.

How we performed

In 2025, we maintained our rank of sixth across the Investment Bank in both Global Markets and Investment Banking.

See **page 158** for details on Executive Director remuneration linked to these KPIs

Notes:

1 © Ipsos 2025, Financial Research Survey (FRS), 12 months ended December 2025 (Dec 2024). Results based on a sample of 7,546 (6,646) Barclays main current account customers and 1,028 (865) Barclays Premier main current account customers. Total sample of ~50,000 GB adults (aged 16+) a year, weighted to align with overall profile of GB population.

2 Measured at exit at end of December 2025. Includes primary consumer card customers. Excludes Interactive Voice Response (IVR).

3 FY25 Market share for Barclays is based on external reported revenues. Peer banks include BoA, BNP, CITI, DB, GS, JPM, MS and UBS.

4 Dealogic for the period 1 January 2025 to 31 December 2025 (as at 6 January 2026).

Our stakeholders (continued)

Colleagues

At the heart of achieving our plan to make Barclays Simpler, Better and More balanced are our c.93,000 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 a great place to work, where every colleague can reach their potential.

Where to find out more:

For further metrics, please see **home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/**

Engaging with colleagues

Sharing our strategy with colleagues – and explaining how they can contribute towards its delivery – has been a key part of our 2025 engagement. Regular, two-way dialogue helps us 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 events, focus groups and surveys. Through our bi-annual Your View survey, our people can share their feedback on working at Barclays – and 75% took part in 2025. We are committed to a respectful and inclusive environment where everyone feels safe to speak up. Our processes for raising concerns and whistleblowing provide channels for anonymous colleague feedback.

Our longstanding partnership with Unite in the UK offers further insight into the views of our people. We continue to consult with Unite on major change programmes to minimise job losses and prioritise reskilling and redeployment.

Embedding a consistently excellent standard

A consistently excellent standard is what we expect of ourselves – and what our customers, clients and all our stakeholders trust us to deliver. This continues to be an integral part of our culture and a key enabler of our three-year plan. Our consistently excellent culture-change programme continued to embed these standards across the organisation. Throughout 2025, local initiatives across divisions and functions supported Group-wide efforts to simplify processes, strengthen risk and control, and drive efficiency.

Global Share Award

Colleagues share in our success

To thank colleagues for their hard work and commitment as we continue to execute our strategy, in February 2025, colleagues[1] were granted Barclays shares – valued at approximately £500. In 2026, we will grant a similar colleague share award for the second successive year.

By enabling colleagues to share directly in the bank's future success, these awards celebrate the achievements to date and recognise the collective effort that is still required to help build a Simpler, Better and More balanced Barclays.

A consistently excellent standard is now embedded in HR tools, processes and products from hiring and induction, to performance management, promotions and development programmes. By 2025, 1,995 workshops were delivered to our colleagues globally, creating strong understanding across the organisation of what it means to deliver to a consistently excellent standard.

Note:

1 Except for employees at Managing Director grade and Material Risk Takers, for whom a portion of compensation is typically delivered in shares.

Our stakeholders (continued)

We also launched the Risk and Control Digital Credential (RCDC) – our first Group-wide, externally accredited online learning programme, certified by the Institute of Risk Management. The RCDC equips colleagues with the knowledge and skills to proactively manage risk and strengthen controls. At the end of 2025, almost 25,000 colleagues had achieved accreditation. This initiative marked a significant step in our ongoing commitment to strong risk management and delivering to a consistently excellent standard.

Investing in our talent

Our talent ambition is to help our colleagues grow, develop and thrive at every level of our organisation, building a strong talent pipeline for the future. In 2025, we strengthened how we identify, assess and develop high-potential talent, introducing greater rigour and consistency, through implementing our Talent Management Standards including a consistent definition of potential, approach to talent reviews and calibration. We delivered accelerator programmes and sponsorship initiatives and continued our Evolution leadership development programme. We also offered senior leaders a suite of practical tools, targeted workshops, and resources to develop their skills.

In 2025, we hired 1,595 graduates, 1,508 interns and 213 apprentices globally, and continued building on our relationships with key partners to support inclusive access to all our opportunities. Barclays won the National Graduate Recruitment Award for Most Popular Graduate Recruiter in Banking, Insurance and Financial Services and was ranked in the top 20 in The Times Top 100 Graduate Employers list – recognising our focus on our Early Careers population as a key talent pipeline for the future.

We simplified and personalised learning for colleagues and invested in technology to support our People Leaders' development. For example, by piloting virtual coaching for our People Leaders and newly promoted Managing Directors (MDs) and expanding the deployment of our 360-feedback tool.

In 2025, we focused on enhancing our alumni proposition – including by launching a differentiated experience for our Executive Alumni. Our Group CEO hosted our first-ever MD alumni networking event in London, attended by members of the Executive Committee and Board.

Our inclusive culture

We are evolving our approach to Inclusion and Opportunity with a focus on empowering our colleagues and leaders and driving company success – cultivating high-performing teams and providing rich opportunities for colleagues to progress, while aspiring to hire from the broadest global talent pools. We are committed to creating a workplace where everyone feels valued and respected, within a culture of belonging and equal opportunity for all.

At the end of 2025, 31%$^{\Delta}$ of the MD and Director population (excluding the US) were female. In the UK, there were 23 MDs from underrepresented ethnicities at the end of 2025 - an increase of five compared with 2024. At the end of 2025, 5.5% of all UK colleagues were from underrepresented ethnicities - an increase of 0.3% compared with 2024.

Supporting our workforce

Helping our people perform at their best remains a priority. We provide a range of support for colleagues through our policies covering annual leave, life events, health issues, family and caring, and flexible working. We support colleague wellbeing with data-driven campaigns that encourage healthy habits and a positive culture – reflected by an 87% favourable Wellbeing Index score in our 2025 Autumn Your View survey. Our mental health awareness eLearning has been completed by 87% of colleagues and 90% of People Leaders, and over 53,000 colleagues are registered on our 'Be Well' online wellbeing portal. We also continued to enhance our provision for colleagues in the UK with an updated Employee Assistance Programme providing additional mental health support to their family members.

Rewarding our colleagues

We offer eligible colleagues the opportunity to acquire Barclays shares on beneficial terms, with voluntary all-employee share plans available in countries representing 99% of our global workforce. In recognition of colleagues' collective effort towards delivering our three-year plan and the effort that is still required, in February 2025 we granted colleagues a share award worth approximately £500, and in 2026 we will grant a similar colleague share award, for a second successive year. In July 2025, all UK colleagues were given access to Barclays Premier Banking, which offers a suite of exclusive products, services and benefits.

Enhancements to policy provisions

In 2025, we focused on aligning to our global policies to better support our colleagues and People Leaders in managing their work life at Barclays. In November, we announced that our paternity leave policy in the UK will increase from two weeks to 16 weeks, and that the non-primary caregiver leave policy in Asia Pacific will increase from six weeks to 10 weeks. Effective from 1 January 2026, these updates aim to help new parents spend more time with their families and support colleagues in balancing work and personal life.

Our people policies

Our people policies[1] 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 reviewed and updated regularly to ensure they remain aligned with our broader people strategy.

As part of our Fair Pay Agenda, we are committed to paying our colleagues fairly and appropriately relative to their role, seniority, skills, experience and performance. We pay at least a living wage in all our locations and provide colleagues with resources to ensure everyone has equal opportunity to progress.

You can read more about our Fair Pay Agenda on **page 166**.

Companies Act Diversity Disclosure

In accordance with section 414C[2] basis of the Companies Act 2006, as of 31 December 2025, Barclays employed 98,141 colleagues globally (53,595 male, 44,037 female, and 509 undisclosed), including 540 senior managers (394 male, 146 female), and 13 Board of Directors at Barclays PLC (seven male, six female).

Notes:

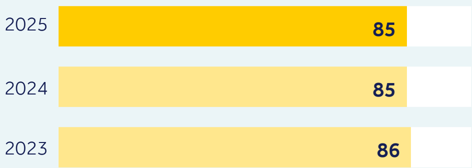
1 Our policies reflect relevant employment law, including the provisions of the Universal Declaration of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

2 The variance to the c.93,000 stated earlier in the report is due to the Companies Act disclosure definition using Headcount rather than FTE, and also including colleagues on long-term leave. Unreported refers to colleagues who do not record their gender in our systems. 'Senior managers' is defined by the Companies Act, and is different to both our Senior Managers under the FCA and PRA Senior Managers regime, our Director and Managing Director corporate grades. It includes Barclays PLC Group Executive Committee members, their direct reports and directors on the boards of undertakings of the Group, but excludes Directors on the Board of Barclays PLC. Where such persons hold multiple directorships across the Group they are only counted once.

Δ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

Our stakeholders (continued)

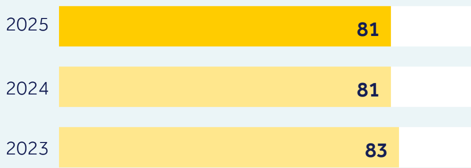
Colleague engagement
(%)



About this KPI
Colleague engagement is derived from the responses to three questions in our Your View survey that measure advocacy, motivation and sense of personal accomplishment. The questions that make up this KPI are: I would recommend Barclays to people I know as a great place to work; my work provides me with a sense of personal accomplishment; Barclays motivates me to contribute more than is normally required to complete my work. It enables us to monitor how engaged our workforce is and closely relates to key organisational and colleague outcomes such as productivity, wellbeing and retention.

How we performed
Colleague engagement has remained stable at 85% compared with 2024. Overall, this continues to be a strong engagement score and four percentage points above our external benchmark.

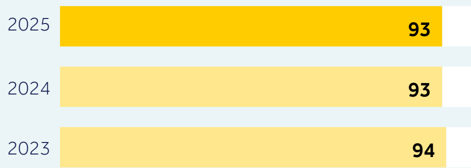
Inclusion index
(%)



About this KPI
Our Inclusion Index[1] measures colleague sentiment around feeling included, valued, respected, listened to and treated fairly. It closely relates to key colleague outcomes like engagement, wellbeing and retention.

How we performed
In 2025, the Inclusion Index remained stable against 2024, at 81%.

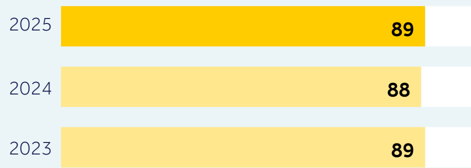
"I believe that my team and I do a good job of role modelling the Values every day" (%)



About this KPI
This question within our Your View survey measures colleagues' perception of how well the Barclays Values are role modelled by colleagues. The Values are our moral compass; the fundamentals of who we are and what we believe is right.

How we performed
This score has remained largely consistent and high over the past three years with 93% of colleagues believing themselves and their team do a good job of role modelling our Values.

"I believe strongly in the goals and objectives of Barclays"
(%)



About this KPI
This question within our Your View survey measures colleague perception of, and belief in, our three-year plan.

How we performed
In 2025, 89% of colleagues expressed strong belief in Barclays goals and objectives, an increase of one percentage point compared to 2024.

Notes:
1 Our Inclusion Index is derived from seven questions in the Your View survey: I feel included in/within my team; Colleague performance is evaluated fairly; When a similar mistake has been made by different people, it is dealt with in the same way; Senior Leadership is truly committed to building a workforce with different perspectives and skills; My team makes adequate use of recognition and rewards other than money to encourage good performance; In my team people respect other people's opinions when making a decision; Everyone has equal opportunities to progress in their career regardless of background and working circumstances.

Our stakeholders (continued)

Society

Our success is measured not only by our commercial performance, but also by our contribution to society and the way we work together for a better financial future for all our stakeholders. Our focus on society falls broadly into three categories: Climate, Communities and Suppliers.

Where to find out more:

About the people and businesses Barclays supports through its community programmes at **home.barclays/community**
About the bank's skills and employability programmes at **home.barclays/lifeskills**
Barclays' sustainability-related data, targets and progress can be found in the Barclays Climate and Sustainability report from **page 62** and within the Sustainability Data Centre within our Sustainability Resource hub: **home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/**

Climate

In 2025, we published our Transition Update, reiterated our ambition to be a net zero bank by 2050 and outlined how we continue to deliver against our strategy. In recognition of the realities of the transition and to balance our climate ambition, shareholder expectations and deliver our strategy, we outlined in our Transition Update how we have evolved our approach to focus on working with clients on the transition, financing clients' transition and scaling climate tech, while integrating nature and social considerations.

Since 2020, we have mobilised over $500bn of sustainable and transition finance, ensuring Barclays remains well positioned to support our clients and capture the addressable market.

Reflecting our focus to mobilise capital for the transition, we have a target to facilitate $1trn of Sustainable and Transition Finance between 2023 and the end of 2030. In 2025, we facilitated $98.5bn[Δ] and $260.7bn[Δ] since 2023.

As the role for us to support our clients continues to expand, in 2025, we generated just under £0.6bn of revenue from sustainable and transition-related activity[1].

Barclays Climate Ventures has a mandate to invest up to £500m of Barclays' own capital in climate tech start-ups by the end of 2027. Since 2020, £274m has been invested in over 20 companies, and in 2025, £71m was deployed.

From homeowners to farmers through to global multinationals, we're supporting our customers and clients at all levels and sectors of the economy to navigate the transition.

In Barclays UK, we've lent £7.1bn since 2018 through our Green Home Mortgage product to support customers to purchase energy-efficient new-build homes.

Naked Energy

Championing innovation and sustainable growth

Climate tech is key to delivering the next generation energy system, helping to improve the resiliency of the energy grid, increase energy efficiency, and diversify energy supply.

In 2025, we connected Naked Energy, a British solar technology company, with the All England Lawn Tennis Club, a corporate banking client and one of our key partners.

Thanks to Barclays' backing, 130 of Naked Energy's solar thermal collectors have been installed on the roof of the Aorangi Pavilion at the All England Lawn Tennis Club, where The Championships, Wimbledon, take place – supporting the hot water system that supplies the players' showers in the building.

This work builds on Barclays' longstanding relationship with Naked Energy, which was part of Unreasonable Impact's cohort in 2022 (see page 82 for more information). The company went on to gain investment from Barclays Climate Ventures. In 2023, Barclays upgraded its own Cambridge Eagle Lab with Naked Energy's hybrid solar technology.

Notes:

1 For further detail on revenue definition see footnote 2 on page 76.

Δ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

Our stakeholders (continued)

In our Business Bank, by the end of 2025, we have supported over 30,000 farmers in the UK and in 2025 we launched a Farm Transition Finance facility, to finance sustainable farming practices.

In our global Investment Bank, we acted as Joint Global Coordinator and Joint Bookrunner for SSE's £2bn equity placing, underpinning its five-year £33bn investment plan, which will support the upgrading and expansion of Britain's electricity networks.

We recognise we have an important role to play in the transition, we cannot tackle this challenge on our own and that our ability to implement our climate strategy and deliver against our targets depends heavily on our clients progress and a wide range of external factors. We will consider and adapt our approach as needed to reflect the evolving landscape.

Communities

Barclays seeks to make a positive impact in the communities where we operate by striving to help people build the skills and confidence they need to progress and by supporting businesses to grow.

Based on data and insight from our community partners, and aligned to business priorities, we evolve our programmes to help ensure they deliver meaningful and measurable benefit.

Skills and employability

A skilled workforce is essential for business growth and community prosperity – and supports a vibrant economy. Since 2023, our programmes have reached more than 8.16 million people globally, helping them develop skills, confidence and connections.

For more than a decade, Barclays LifeSkills has been a catalyst for positive change, giving millions of people the employability and financial skills they need to succeed at work and better manage their money. Our aim is to upskill 8.7 million people and place 250,000 people into work through LifeSkills from 2023 to 2027. In 2025 alone, we upskilled 1.69 million[Δ] people and placed 47,709[Δ] individuals into work, growing the total number of people upskilled to 6.3 million and the number of individuals placed into work to 154,776, since 2023.

This year, we focused on developing confidence with numbers and money in communities across the UK, launching a new charity partnership with National Numeracy.

In an increasingly digital world, we're helping people manage their money online. Our Digital Eagles initiative has reached 416,884 people this year, helping boost their digital confidence and keep them safe online.

Through Military and Veterans Outreach, we also help members of the Armed Forces community take steps towards building careers beyond the military as they transition to civilian life.

We continued our work to engage and strengthen communities through sport, investing £5m annually to empower people with lifelong skills through grassroots sport. In 2025, we expanded our football fund to include tennis and cricket. The Barclays Community Sport Fund now offers £1.4m a year in grants, support and exclusive ticketing offers to community groups that improve access to football, tennis and cricket for women and girls in the most deprived areas of the UK.

Our partnership with the Marylebone Cricket Club Foundation aims to engage 10,000 young people with cricket by 2028. Together, we launched the new Barclays Knight-Stokes Cup – an annual cricket tournament for state-school students, with 1,000 teams from 750 schools already registered to take part. And, through the Barclays Girls' Football in Schools network, we've helped achieve equal access to football in physical education for girls aged seven to 14 in 90% of schools across England – a goal we set in 2019 and reached three years early.

National Numeracy

Supporting number confidence in UK communities

National Numeracy
Getting on with numbers

In 2025, Barclays LifeSkills partnered with National Numeracy to help lay the foundations for better financial confidence, aiming to reach children, parents, carers and teachers across the UK by helping to build their confidence with numbers.

Barclays LifeSkills worked with the charity to provide new, additional classroom lessons and resources, which are available for free to educators and families online. These offer practical tools to support everyday numeracy and financial decision-making.

The partnership is training Numeracy Champions in 60 primary schools across the UK, to help build number confident school communities. Numeracy Champions support others, including students, families and other colleagues, to overcome barriers and anxieties about numbers. Barclays was the headline sponsor of Number Confidence Week 2025, an awareness-raising campaign run by the charity.

Barclays recognises that financial confidence helps people to better manage their money and supports a growing economy. This ambitious new partnership with National Numeracy will help children start to build number confidence early.

Our stakeholders (continued)

Good Shepherd Services

Empowering young people in New York City through sport and skills development

Barclays partners with Good Shepherd Services, a New York City charity, to deliver innovative sports-based programmes that seek to help young people overcome barriers to work, equipping them with skills and opportunities to prepare them for employment.

Through a combination of practical workshops and athletic activities in sports they enjoy, participants develop skills like teamwork, career planning and financial literacy.

The partnership runs three programmes: Net Work, supported by Wimbledon, which focuses on tennis; Rebound, which uses basketball; and Goal-E (Goal – Employment), which centres on football. Barclays' partnerships with Wimbledon, Brooklyn Nets, New York Liberty and the Premier League offer young people remarkable experiences, including coaching sessions with professional athletes and coaches.

To date, more than 1,550 participants have gained new skills and over 950 have secured employment.

Through LifeSkills, Barclays also supports a number of US sports-based skills and employability programmes, delivered through charity partners like Good Shepherd Services in New York City.

Sustainable growth

Barclays understands that communities around the world rely on businesses to drive innovation and sustainable growth. Leveraging our resources, networks and expertise, we offer comprehensive support to help businesses grow – from idea to IPO – through the programmes, dedicated workspaces and investment opportunities we provide. Since 2023, our initiatives have assisted over 14,000 businesses.

Our Unreasonable Impact programme supports high-growth ventures, helping them scale and address global issues by offering a network, resources and mentorship – including coaching by Barclays colleagues. To date, 395 ventures – including Naked Energy (see case study) – have benefited from this support, collectively securing more than $18bn in funding and creating over 33,000 jobs.

Our Eagle Labs network, which celebrated its 10th anniversary in 2025, further enables entrepreneurs to launch and scale their businesses by providing expertise, mentoring and networking. We support founders from various backgrounds, including those from the Armed Forces community, who can access a range of resources through our Veteran and Military Spousal Founders programme.

Charitable giving and community investment

We encourage our colleagues to support the causes they care about. In 2025, more than 4,900 employees around the world used matched funding from Barclays to amplify their fundraising and personal donations to their chosen charities – contributing a total of £9.4m (including matched donations) to 1,980 organisations. Through our UK Payroll Giving programme, 8,200 colleagues gave £1.2m in total, with matching support.

We also invest directly in our communities by providing funding and sharing our skills with trusted charities, non-governmental organisations and social enterprises. In 2025, our total investment – including charitable donations, management costs and the value of colleagues' time – reached £49.1m.

Suppliers

Barclays engages with Third-Party Service Providers (TPSPs), seeking to integrate sustainability considerations across our supply chain. For further information please see page 46 detailing our Barclays Code of Conduct for Third Party Service Providers (TPSP CoC) and page 209 explaining our approach to operational and reputational risk management with respect to our TPSPs.

Note:
Δ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

Our stakeholders (continued)

Net zero operations progress

Operational emissions	FY2025 absolute emissions (tCO_2e)	FY2024 absolute emissions (tCO_2e)	Performance vs. 2018 baseline
Scope 1 and 2 market-based emissions			
	7,276	10,745	-97%△
Scope 1 and 2 location-based emissions			
	80,096	93,789	-62%△
Supply chain emissions			
	532,797	547,587	-39%

About these KPIs and why we use them

We are working towards achieving net zero operations as part of our ambition to be a net zero bank by 2050. This includes setting and meeting various milestones[1] and targets[1] to reduce our operational emissions, with significant progress already made.

The metrics measure total gross Scope 1 and 2 (market-based and location-based) emissions generated from Barclays' global real estate portfolio[2] and UK corporate vehicles, as well as emissions generated indirectly from our supply chain[3].

How we performed

Our detailed analysis of our performance is contained within the Climate and Sustainability section from page 93.

See the Barclays Sustainability Reporting Framework for details on our operational emissions accounting approach.

Sustainable and Transition Financing[4] facilitated

($bn)

About this KPI and why we use it

In 2022, we set a target of $1trn Sustainable and Transition Financing between 2023 and the end of 2030[4] – encompassing green, social, transition and sustainability-linked financing, having exceeded our previous targets to facilitate £150bn of social, environmental and sustainability-linked financing by 2025 and £100bn of green financing by 2030.

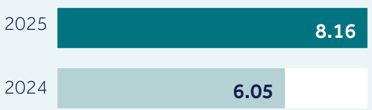
How we performed

During 2025 we facilitated an additional $98.5bn△ of Sustainable and Transition Financing, bringing the total to date to $260.7bn△. The 4% year-on-year increase in financing facilitated demonstrates our continued efforts in supporting our clients on their sustainability journeys.

Please see **page 76** for further detail on our target

Skills and employability: Number of people upskilled[5]

(millions)



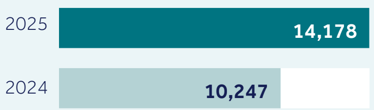
About this KPI and why we use it

Barclays is delivering skills and employment opportunities for people in the communities where we operate. The total number of unique people supported to unlock skills and employment opportunities includes those upskilled through our LifeSkills, Digital Eagles and Military and Veterans Outreach programmes.

How we performed

After removing duplicates to account for repeat users, we upskilled a further 2.11 million people in 2025 through Barclays LifeSkills, Digital Eagles and Military and Veterans Outreach, growing the total to 8.16 million[5] since the beginning of 2023 and demonstrating steady progress across Barclays' community programmes.

Sustainable growth: Number of businesses supported[6]



About this KPI and why we use it

Barclays is championing innovation and sustainable growth through programmes that enable businesses and economies to grow. The total number of businesses supported in our communities includes those engaged through Barclays' Eagle Labs, Unreasonable Impact and select impact-led portfolios managed by Barclays' Principal Investments team.

How we performed

After removing duplicates to account for repeat users, in 2025, through these programmes, we supported a further 3,931 businesses, growing the total to 14,178[6] since the beginning of 2023 and demonstrating Barclays' continued commitment to providing a connected pathway of support for start-ups and scale-ups at every stage of their growth journey.

Progress of financed emissions

Portfolio	Dec 2025	Cumulative performance vs baseline
December 2020 baseline		
Upstream Energy*	43.7△ $MtCO_2e$	-41%
Power	204△ $kgCO_2e/MWh$	-35%
December 2021 baseline		
Cement	0.551△ tCO_2e/t	-13%
Steel	1.352△ tCO_2e/t	-30%
December 2022 baseline		
Automotive manufacturing	169.1△ gCO_2e/km	-3%
December 2023 baseline		
UK Commercial Real Estate	24.7△ $kgCO_2e/m^2$	-6%
UK Agriculture*	0.46△ $MtCO_2e$	-13%
Aviation	866△ gCO_2e/RTK	-2%
UK Housing	27.1△ $kgCO_2e/m^2$	-3%

All portfolios show physical intensity apart from: * absolute emissions.

About these KPIs and why we use them

In pursuit of our strategy to reduce our financed emissions, which are those deriving from in-scope activities of the clients that we finance, we have set 2030 financed emissions reduction targets which integrate 1.5°C aligned scenarios for eight high-emitting sectors. We also have a convergence point for our UK Housing portfolio.

How we performed

Our detailed analysis of our sectors and performance is contained within the Climate and Sustainability section from page 83.

Notes:

1. On this page a reference to a 'milestone' denotes an indicator we are working towards and report against and a reference to a 'target' denotes an indicator linked to our executive remuneration.
2. On this page a reference to global real estate portfolio includes offices, campuses, branches, warehouses and data centres within our operational control.
3. Our reporting of supply chain emissions includes the following GHG Protocol Scope 3 Categories: Category 1, 2 and 4. Due to changes in GHG emissions conversion factors, we have recalculated our FY2024 supply chain emissions. For further details see page 94.
4. In the 2026 update to the Barclays Sustainable Finance Framework the reference to the target has been updated to reference $1trn Sustainable and Transition Finance between 2023 and the end of 2030 (the 'Target') and accordingly references to the Target in this Annual Report have been reflected as such other than in this chart.
5. Our reporting of the number of people upskilled has changed from previous reports to reflect the cumulative number, since 2023.
6. Our reporting of the number of businesses supported has changed from previous reports to reflect the cumulative number, since 2023.

△ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

Our stakeholders (continued)

Investors

Our investor stakeholder group encompasses investors, rating agencies and other market participants with an interest in the performance of Barclays.

Where to find out more:

For further review and explanation on our financial performance, please see our Financial review section on **pages 358 to 377** of this Annual Report

Engaging with investors

2025 marked the second year of our three-year plan. Through the year, we engaged extensively with investors to discuss the progress made against our targets, answer any questions and provide further context.

In February 2025, we delivered our Progress Update, detailing the progress made during the first year of our three-year plan to become Simpler, Better and More balanced and providing additional guidance for 2025.

Investor feedback has been positive on the disciplined execution of the plan and continued delivery against targets. The combination of our 2025 Results Announcement and our Targets Update in February 2026 provides more detail on our plan over the next three years. We have a clear plan to deliver a better run, more strongly performing and higher-returning Barclays by building on the improvements delivered in the last two years.

We have also engaged with investors and wider stakeholders on climate and sustainability, focusing on topics such as sustainable and transition financing, nature and biodiversity and how we work with clients on their transitions. We hosted deep dive meetings on our Client Transition Framework and our approach to nature-related financial risk, and engaged with wider stakeholders following the publication of our Transition Update in July 2025.

The 2026 AGM will be hosted in London to continue our wider engagement with shareholders.

Performance during the year

Group RoTE was 11.3% (FY24: 10.5%) with profit before tax of £9.1bn (FY24: £8.1bn). All divisions delivered double-digit RoTE in FY25 .

Group income of £29.1bn increased 9% year-on-year, with Group NII excluding IB and Head Office of £12.8bn, up 13% year-on-year. Barclays UK income increased 5%, reflecting higher structural hedge income and Tesco Bank net interest income (NII), partially offset by the non-repeat of the day 1 gain from the acquisition of Tesco Bank in the prior year. UK Corporate Bank (UKCB) income increased 16%, reflecting higher average deposit and lending balances, and higher structural hedge income. Private Bank and Wealth Management (PBWM) income increased 5 %, driven by growth in deposit, invested asset and loan balances from net new inflows and market movements. Investment Bank (IB) income increased 11%, with growth across Global Markets and Investment Banking, supported by continued growth in more stable income streams (Financing and International Corporate Bank). US Consumer Bank (USCB) income increased 11%, reflecting the impact of repricing initiatives, business growth and the acquisition of General Motors co-branded cards portfolio (GM portfolio) in Q325, partially offset by the strengthening of GBP against USD.

Group total operating expenses were £17.7bn, up 6% year-on-year. Group operating costs increased 5% to £17.0bn, reflecting Tesco Bank run rate and integration costs, further investment spend, business growth and inflation, partially offset by £0.7bn of cost efficiency savings. Litigation and conduct charges of £0.4bn (FY24: £0.2bn), included a £235m charge for motor finance redress in Q325. Credit impairment charges were £2.3bn (FY24: £2.0bn) with a loan loss rate (LLR) of 52bps (FY24: 46bps). Common equity Tier 1 (CET1) ratio increased to 14.3% (December 2024: 13.6%), with risk weighted assets (RWAs) of £356.8bn (December 2024: £358.1bn) and tangible net asset value per share (TNAV) of 409p (December 2024: 357p).

Our stakeholders (continued)

Consolidated summary income statement

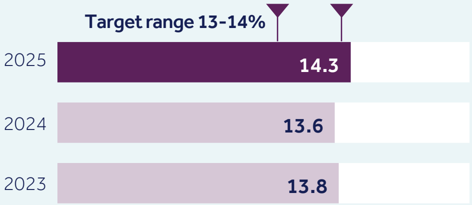
For the year ended 31 December	2025 £m	2024 £m
Net interest income	**14,501**	12,936
Net fee, commission and other income	**14,639**	13,852
Total income	**29,140**	26,788
Operating costs	**(17,040)**	(16,195)
UK regulatory levies	**(313)**	(320)
Litigation and conduct	**(392)**	(220)
Total operating expenses	**(17,745)**	(16,735)
Other net income	**23**	37
Profit before impairment	**11,418**	10,090
Credit impairment charges	**(2,279)**	(1,982)
Profit before tax	**9,139**	8,108
Tax charge	**(1,926)**	(1,752)
Profit after tax	**7,213**	6,356
Non-controlling interests	**(41)**	(49)
Other equity instrument holders	**(997)**	(991)
Attributable profit	**6,175**	5,316
Selected financial statistics		
Basic earnings per ordinary share	**43.8p**	36.0p
Diluted earnings per ordinary share	**42.3p**	34.8p
Return on average tangible shareholders' equity	**11.3%**	10.5%
Cost: income ratio	**61%**	62%

Consolidated summary balance sheet

As at 31 December	2025 £m	2024 £m
Assets		
Cash and balances at central banks	**229,752**	210,184
Cash collateral and settlement balances	**130,532**	119,843
Loans and advances at amortised cost	**429,998**	414,483
Reverse repurchase agreements and other similar secured lending at amortised cost	**17,622**	4,734
Trading portfolio assets	**190,061**	166,453
Financial assets at fair value through the income statement	**186,857**	193,734
Derivative financial instruments	**252,459**	293,530
Financial assets at fair value through other comprehensive income	**74,394**	78,059
Other assets	**32,490**	37,182
Total assets	**1,544,165**	1,518,202
Liabilities		
Deposits at amortised cost	**585,613**	560,663
Cash collateral and settlement balances	**117,583**	106,229
Repurchase agreements and other similar secured borrowings at amortised cost	**25,170**	39,415
Debt securities in issue	**119,033**	92,402
Subordinated liabilities	**12,954**	11,921
Trading portfolio liabilities	**57,737**	56,908
Financial liabilities designated at fair value	**294,108**	282,224
Derivative financial instruments	**240,808**	279,415
Other liabilities	**12,923**	16,544
Total liabilities	**1,465,929**	1,445,721
Equity		
Called up share capital and share premium	**4,178**	4,186
Other equity instruments	**12,725**	12,075
Other reserves	**1,628**	(468)
Retained earnings	**59,253**	56,028
Total equity excluding non-controlling interests	**77,784**	71,821
Non-controlling interests	**452**	660
Total equity	**78,236**	72,481
Total liabilities and equity	**1,544,165**	1,518,202
Net asset value per ordinary share	**469p**	414p
Tangible net asset value per share	**409p**	357p
Number of ordinary shares of Barclays PLC (in millions)	**13,867**	14,420
Year-end USD exchange rate	**1.34**	1.25
Year-end EUR exchange rate	**1.15**	1.21

Our stakeholders (continued)

Common Equity Tier 1 (CET1) ratio[1] (%)



About this KPI and why we use it

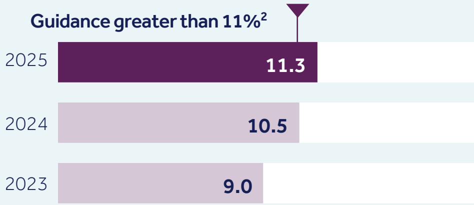
CET1 ratio is a measure of the capital strength and resilience of Barclays, determined in accordance with regulatory requirements. The Group's capital management objective is to maximise shareholder value by prudently managing the level and mix of its capital. This is to ensure the Group is appropriately capitalised relative to the minimum regulatory and stressed capital requirements, and to support the Group's risk appetite, growth, and strategy whilst seeking to maintain a robust credit proposition for the Group. The ratio expresses the Group's CET1 capital as a percentage of its RWAs. RWAs are a measure of the assets adjusted for their respective associated risks.

How we performed

The CET1 ratio increased to 14.3% (December 2024: 13.6%) as CET1 capital increased by £2.5bn to £51.1bn and RWAs decreased by £1.4bn to £356.8bn. Taking into account the £1.0bn share buyback announced at FY25 Results, the CET1 ratio as at 31 December 2025 would be reduced to 14.0% (at the top-end of the 13-14% target range).

See **page 158** for details on Executive Director remuneration linked to these KPIs

Group return on tangible equity (RoTE)[1] (%)



About this KPI and why we use it

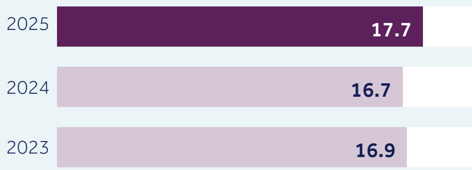
RoTE measures Barclays' ability to generate returns for shareholders. It is calculated as profit after tax attributable to ordinary shareholders as a proportion of average shareholders' equity excluding non-controlling interests and other equity instruments adjusted for the deduction of intangible assets and goodwill. This measure indicates the return generated by the management of the business based on shareholders' tangible equity.

Achieving a target RoTE demonstrates the organisation's ability to execute its strategy and to align management's interests with those of its shareholders. RoTE lies at the heart of the Group's capital allocation and performance management process.

How we performed

In 2025, the Group delivered RoTE 11.3% (2024: 10.5%), in line with 2025 guidance of greater than 11%[2].

Total operating expenses (£bn)



About this KPI and why we use it

We view total operating expenses as a key strategic area for banks. Cost discipline remains a key focus of our plan and is the lever with which Barclays has most control.

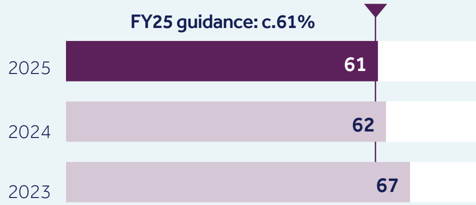
How we performed

Group total operating expenses increased to £17.7bn (FY24: £16.7bn), including the £235m charge for motor finance redress in Q325.

Group operating costs, which exclude litigation and conduct charges and UK regulatory levies, increased to £17.0bn (FY24: £16.2bn), reflecting Tesco Bank run rate and integration costs, further investment spend, business growth and inflation, partially offset by c.£0.7bn of cost-efficiency savings.

Litigation and conduct charges of £0.4bn (FY24: £0.2bn), included a £235m charge for Motor finance redress in Q325.

Cost: income ratio[1] (%)



About this KPI and why we use it

The cost: income ratio measures total operating expenses as a percentage of total income and is used to assess the productivity of our business operations.

How we performed

The Group cost: income ratio was 61% (FY24:62%), in line with our guidance of c.61%, driven by continued cost discipline and positive operating leverage.

Notes:

1 KPIs reflect 2025 guidance.

2 Group RoTE guidance was updated at Q325 Results, from c.11% to greater than 11%.

Additional disclosure

In this section we disclose information as required by Companies Act 2006 and various other information to help navigate the Annual Report 2025.

Section 172(1) statement

How the Board has regard to the views of our stakeholders

In accordance with the Companies Act 2006 (the Act), this statement sets out how the Directors have regard to the matters set out in Section 172(1) of the Act when performing their duty to promote the success of the Company for the benefit of its shareholders as a whole, and to have regard to:

a. the likely consequences of any decision in the long term;
b. the interests of employees;
c. the need to foster business relationships with suppliers, customers and others;
d. the impact of operations on the community and the environment;
e. the desirability of maintaining a reputation for high standards of business conduct; and
f. the need to act fairly as between shareholders.

You can find out more about how the Directors have had regard to the matters set out in Section 172(1) when discharging their duties, and the effect of these considerations in reaching certain decisions in this section and in the Key Board Activities section in the Governance Report on page 122.

Stakeholder groups

CC Customers and clients
C Colleagues
S Society
I Investors

Overview

Throughout the year, the Board and individual Directors engage directly and indirectly with a range of stakeholders to ensure they have a deep understanding of the impact of the Group's operations on key stakeholders, as well as their interests and views. This includes meeting with customers and clients, colleagues, investors, key regulators, non-governmental organisations (NGOs) and other stakeholders. This engagement, both directly and through reporting by executive management, to whom the day-to-day operations of the business are delegated, supports the Directors in complying with their legal duty under Section 172(1).

Technology, digital and cyber

CC C S I

Having the right technology is critical to ensuring the Group's operating environment is robust and resilient and to facilitate the delivery of customer-centric outcomes, responsibly embracing artificial intelligence (AI) and other new technologies in support of this. Throughout 2025, the Board has had close oversight of management's ongoing work in this area, including monitoring the progress of programmes to enhance areas and/or to streamline and reduce complexity in systems where appropriate, and has challenged management to set an ambitious technology strategy for the Group.

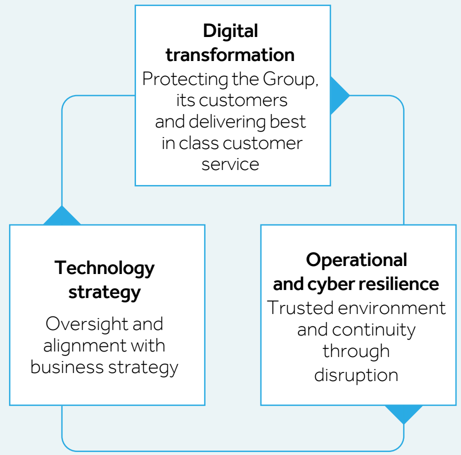
Read on for further information about the Board's oversight of technology matters, relating to:

(i) the evolution of the Group's digital transformation plans in order to both protect the Group and its clients and customers and to support Barclays' aim to deliver a best in class customer experience;

(ii) the ongoing work to ensure continued operational and cyber resilience and to meet regulatory expectations; and

(iii) the Board's approach to the oversight of the Group's technology and digital strategy.

Board oversight of technology matters



Section 172(1) statement (continued)

Driving digital transformation

Digital transformation and innovation is an imperative for financial services businesses in keeping pace with rapidly changing customer expectations and shareholder demands, in a highly regulated, competitive and complex environment where customer experience is key and the use and protection of customer data is paramount. Reflective of this, throughout 2025, the Board remained focused on the continued development of the Group's technology strategy and ambitions. This included monitoring and overseeing the ambition and progress of technology initiatives throughout the Group by way of regular updates from the Group Chief Executive, Group Co-Chief Operating Officers, business and function heads and the Group Transformation Office, with spotlights on automating customer journeys and improving the Group's operating effectiveness.

Understanding how technology can help the Group's customers and clients by making things simpler and safer, and building and maintaining trust and confidence has also been an area of ongoing interest for the Board. The Board supported the steps taken as part of the Group's 'Simpler, Better and More balanced' strategy focused on customer service transformation, including evaluation of performance against the aligned Key Performance Indicators (KPIs) (Net Promoter Score, Complaints, Digital engagement).

During 2025, Board members met with a number of clients to hear their perspectives on how the Group is performing and where further enhancements can be made to client service and technology capabilities.

The Board regularly reviewed customer data metrics, including complaints and other non-financial KPIs to champion best in class customer service and continued good customer outcomes. In May, the Board approved retention of the role of the Consumer Duty Board Champion for the BBUKPLC and BBPLC Boards (and the Group's other Financial Conduct Authority (FCA) regulated subsidiaries) for a further year to support continued oversight of the ongoing embedment of the Consumer Duty across the Group. The Board approved a regulatory Consumer Duty report in July, which indicated that the Group is continuing to deliver good outcomes for its customers, consistent with the Consumer Duty.

The Board considered how the Group is fostering the development of the capabilities and talent that are essential for supporting the Group's digital agenda. Driving digital transformation is key both to the delivery of the products and services customers expect from us and to supporting the work of the Group's c.93,000 colleagues. In April, the Group Chairman, the BBUKPLC Chair and the Chair of the Board Audit Committee, visited India to meet with colleagues working on automation (including the use of AI responsibly) and digitisation of customer journeys to see end-to-end how processes are designed with a customer mindset. Reflective of this, the Board has also regularly considered key non-financial KPIs to assess whether the Group is creating the right operating environment to make it simpler and more straightforward for colleagues to get things done.

You can find further detail on the Board's oversight of Technology, including an overview of the Board's visit to San Francisco to hear first-hand lessons learnt regarding digital transformation on **page 125**

Focus on operational and cyber resilience

The Board's focus on technology transformation included oversight of operational and cyber resilience matters and technology infrastructure. This involved an evaluation of the wide range of risks associated with the scale of change required in response to an ever-evolving cyber-threat landscape. The Board provided oversight and challenge of the completeness and effectiveness of the Group-wide programme of work to enhance Barclays' cybersecurity capabilities and drive long-term resilience and, through the work of the Board Risk Committee, explored the AI threat landscape. The Board has continued to critically assess the risks associated with technology and digital transformation, including cybersecurity, operational resilience, and data privacy, factoring ethical and reputational considerations in conjunction with regulatory expectations, and ensuring Barclays has the necessary capabilities to support a digitally driven agenda.

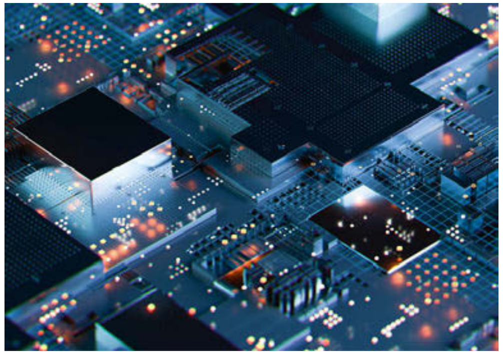
Following the 31 January 2025 IT incident that impacted Barclays' business in the UK, the Board and Board Risk Committee maintained close oversight of the incident review.

The Board was kept informed of the approach to customer support and remediation and discussed with management the lessons that could be learned from the incident to improve the overall operational resilience of the Group.

Considering the broader threat landscape, the Board monitored high-profile cybersecurity breaches in 2025 across banks, payment systems, retail and government institutions, using these as opportunities to further assess the resilience of Barclays' systems and potential responses, including participation in a crisis simulation exercise to test the Group's response to a serious cyber breach of the Group's systems.

This ongoing oversight was key to supporting approval of the Group's Operational Resilience Self-Assessment in March. This submission, required by UK regulators, assesses and demonstrates Barclays' ability to recover its most important business services in severe but plausible service disruption scenarios within specified tolerance limits, where a failure to do so could cause intolerable harm to customers, market integrity, financial stability or the safety and soundness of Barclays. The Board, based on the incident review following the 31 January 2025 IT incident and sector-wide Prudential Regulation Authority (PRA) and FCA feedback, reviewed and approved updates to the overall and individual tolerance thresholds for some of the Group's important business services for the Group.

Section 172(1) statement (continued)



Evolution of technology strategy

To further enhance its understanding of technology matters, in June the Board travelled to San Francisco to meet with leaders of world-leading technology-first organisations whose businesses have been at the frontier of technological change, to hear about how they have successfully navigated digital transformations, piloted emerging technologies, and generated a culture of rapid iteration, while also keeping customers safe. This provided the Board with an opportunity to reflect on how these lessons could be applied to Barclays, including the role of the Board in overseeing and navigating the change ahead. See the technology spotlight in the Key Board Activities section on page 125 for further detail.

The Board has also discussed the benefits of bringing additional technology experience and insight to the Board table and evaluated several options for doing so, including whether to establish a dedicated technology board committee or advisory group. The Board concluded that integrating strategic technology oversight within the remit of the Barclays Execution Services Limited (BX) Board, the Group-wide service company providing technology operations and functional services to businesses across the Barclays Group, was the most efficient approach. The BX Board already considers operational continuity and technology-related matters, including the strategic effectiveness and efficiency of technology functions, infrastructure engineering, and initiatives aimed at boosting productivity, resilience, and IT security. In support of the expanded remit of the BX Board, the Chair of BX, who is also a member of the BPLC Board, has provided the BPLC Board with regular updates on the work of the BX Board, complemented by regular reporting from the BX Co-CEOs.

Acknowledging the importance of having the right expertise on the BX Board to oversee technology strategy, consideration has also been given to the composition of the BX Board, with the recruitment of additional non-executive directors to support its aims, alongside bringing greater external perspectives and a heightened focus on technology, cyber and operational matters. You can read more about the work of the BX Board in its oversight of strategic technology matters on page 125.

The Board also agreed that, to support Board oversight, technology experience would be included within the search priorities for a new Non-Executive Director, as outlined in the Nominations Committee report on page 126.

Oversight of delivery and continued evolution of Barclays' strategy

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The 2024 Annual Report set out the Group's three-year plan to create a 'Simpler, Better and More balanced' bank to improve operational and financial performance, and total shareholder returns. During 2025 the Board has overseen and evaluated the Group's delivery of the strategy across its five businesses with regular updates from each divisional business head covering matters including financial performance, customer/client service experience, strategic technology investment, and talent development.

In approving the Group's medium-term plan, the Board balanced the need for financial strength, consistent performance, prudent risk management and ongoing investment in support of the pursuit of operational excellence.

Through the Board Remuneration Committee, the Board was pleased to support the grant of 110 Barclays shares to our colleagues[1] in early 2026, following a similar award in early 2025. This Global Share Award recognises colleagues' collective effort and dedication to delivering to a consistently excellent standard, further reinforces alignment of colleagues' interests with those of our shareholders and ensures our colleagues participate directly in the success of the Group.

Reflecting the ongoing momentum of Barclays' financial performance and the stronger outlook for stable income and earlier than planned delivery of efficiency savings, in September the Board approved bringing forward a portion of the full-year distribution with a Q3 £500m share buy-back and a plan to move to a quarterly cadence of buy-backs reflecting consistency of capital generation. The Board also supported the announcement that new targets to 2028 would be communicated as part of the FY25 results.

Building on progress to date, the Board has considered with management how the Group's strategy will continue to evolve to enable it to deliver more for customers, clients and shareholders, to continue to invest to improve customers' experience and deepen relationships, while harnessing new technology, including AI, to improve efficiency and build segment-leading businesses and drive further growth. This was reflected in the Board overseeing and approving new targets to 2028.

Note:
1 Except for employees at Managing Director grade and Material Risk Takers, for whom a portion of compensation is typically delivered in shares.

Non-financial and sustainability information statement

The non-financial and sustainability reporting requirements (including the climate-related financial disclosures) contained in Sections 414CA and 414CB of the Companies Act 2006 have been addressed through a combination of summary text and cross-referencing to other sections of the Annual Report. We have used cross-referencing as appropriate to deliver clear, concise and transparent reporting.

In addition to the information referred to in the table below, further information about the impact of our activities can be found in the following sections of the Annual Report:

Part 1 of this statement addresses the non-financial information requirements set out in section 414CB(1) and (2).

Part 2 of this statement addresses the climate-related financial disclosure requirements set out in section 414CB(A1) and (2A).

Part 1

Relevant information relating to business model, principal risks and non-financial key performance indicators can be found in the following sections of the Annual Report:

	Section	Pages
Business model		11, 63-65
Principal risks	Managing risk	54-56
	Principal Risk management	244-255*
	Risk performance	256-342*
Key performance indicators		29, 32, 36, 39, 91,93,153*
Impact	Environmental matters	71-102, 149*, 205-206*
	Company employees	30-32, 214*, 218*
	Social matters	27-29, 33-36, 205-212*
	Respect for human rights	207-208*
	Anti-bribery and corruption matters	217*

Note:
* in Part 3 of the Report

In relation to the requirements relating to policies, we have a range of statements and policy positions designed to support key outcomes for our stakeholders, some of which can be found here: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

These policies and position statements are in place with the aim of ensuring strengthened risk and impact management and consistent governance. In order to maintain these policies and position statements, the relevant documents are reviewed periodically.

Performance against our strategic key performance indicators for our stakeholder groups, as shown from page 26, is one indicator of the effectiveness and outcome of policies and guidance.

We have included summary information in relation to these statements and policies in the table below, providing cross-references to additional content contained in the Annual Report where appropriate. This includes further information to help understand our Group and its impact, policies, due diligence and outcomes.

Non-financial and sustainability information statement (continued)

Environmental-related position statements

Policy Statement	Description	Further information
Climate Change Statement	The Barclays Climate Change Statement sets out our position and 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 biomass), taking into account relevant risk and other considerations as well as our Purpose. The sensitive sectors include certain energy and power sectors with higher carbon-related exposures or emissions from extraction or consumption, or those which may have an impact on certain sensitive environments or on communities.	See our: • 'Managing impacts in lending and financing' section in Part 3 of the Annual Report (page 205 onwards). • 'Sensitive sector and area position statements' section in Part 3 of the Annual Report (page 206).
Forestry and Agricultural Commodities Statement	We recognise that the forestry and agricultural commodities sectors are responsible for producing a range of agricultural commodities such as timber, pulp and paper, palm oil, beef and soy that are often associated with environmental and social impacts, including climate change, deforestation, biodiversity loss and human rights issues. Our Forestry and Agricultural Commodities Statement outlines our approach to financing for clients involved in these activities.	See our: • 'Managing impacts in lending and financing' section in Part 3 of the Annual Report (page 205 onwards). • 'Sensitive sector and area position statements' section in Part 3 of the Annual Report (page 206).
Protected Areas Statement	Protected Areas are known for including areas of high biodiversity value, and play an important role in tackling the global biodiversity crisis, as well as helping to mitigate and adapt to climate change. In February 2025, we broadened the scope of our previously named World Heritage Site and Ramsar Wetlands Statement to support the preservation of biodiversity and ecosystems in Protected Areas, by including a restriction in relation to the provision of project finance to support the development or expansion of a material project in a Protected Area and/or its buffer zones. It also supports this aim through requiring enhanced due diligence for other types of financing where it becomes known that a client is developing or expanding assets in relation to a material project in a UNESCO World Heritage Site or Ramsar Wetland and/or within their buffer zones.	See our: • 'Managing impacts in lending and financing' section in Part 3 of the Annual Report (page 205 onwards). • 'Sensitive sector and area position statements' section in Part 3 of the Annual Report (page 206).

For further information, see all environmental-related policy statements found at: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

Environmental-related policy

Policy Position	Description	Further information
Climate Risk Policy	The Climate Risk Policy outlines the requirements and policy objectives for assessing and managing the impact on financial and operational risks arising from the physical and transition risks associated with climate change. This incorporates identification, measurement, management and reporting for Financial and Operational Risks. Risks associated with climate change are being managed in accordance with the requirements set out in this policy.	See our: • Climate Risk section from page 244 in 'Risk Review' section in Part 3 of the Annual Report

Non-financial and sustainability information statement (continued)

Human rights-related position statements

Policy Statements	Description	Further information
Human rights	The Barclays Group Statement on Human Rights expresses our commitment to respecting human rights as defined in the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. Our approach to respecting human rights is guided by the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. The Statement provides an overview of the evolving framework of policies and processes that seek to embed these commitments across our business.	See our: • 'Managing impacts in lending and financing' section in Part 3 of the Annual Report (page 205 onwards). • Other Governance within the Governance report in Part 3 of the Annual Report (Page 207).
Modern slavery	Barclays publishes a Modern Slavery Statement made according to the requirements of section 54 of the UK Modern Slavery Act 2015 and section 14 of the Australian Modern Slavery Act 2018 (Cth). We recognise that the nature of our business and global footprint means we may be exposed to modern slavery risks across our operations, supply chain, and customer and client relationships. We are committed to trying to identify and seek to address human rights risks, such as modern slavery, across our value chain. In this statement we report the progress made over the course of the year and outline our plans for the year ahead.	See our: • 'Managing impacts in lending and financing' section in Part 3 of the Annual Report (page 205 onwards). • Other Governance within the Governance report in Part 3 of the Annual Report (Page 208).
Defence and Security	The Barclays Defence and Security Statement outlines our approach to defence-related transactions and relationships. We recognise that various types of defence equipment are considered necessary for achieving internationally accepted goals, such as legitimate national defence and security purposes as set forth in the Charter of the United Nations, or peacekeeping missions. At the same time, we also recognise that the Defence and Security Sector involves equipment and activities that have the potential to lead to significant impacts on individuals, communities and the broader geopolitical landscape. Barclays conducts enhanced due diligence on a case-by-case basis on clients in scope of the Defence and Security Statement.	See our: • 'Managing impacts in lending and financing' section in Part 3 of the Annual Report (page 205 onwards).

Colleagues and suppliers

Statement or policy position	Description	Further information
Code of Conduct	The Barclays Way is our code of conduct which outlines the Purpose, Values and Mindset that govern our 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 colleagues, customers and clients, governments and regulators, business partners, suppliers, competitors and the broader community with the aim of creating the best possible working environment for our colleagues.	• See The Barclays Way section from page 213 in Other Governance within the Governance report in Part 3 of the Annual Report.
Board Inclusion and Opportunity Policy	The Board Inclusion and Opportunity Policy confirms that, in identifying suitable candidates for appointment to the Board, the Board Nominations Committee will consider candidates on merit against objective criteria, considering the necessary skills, experience, independence and knowledge to maintain the Board's effectiveness and delivery of the Barclays' Group strategy, with due regard for the benefits of inclusion. The Policy confirms that Barclays aims to meet the recommendations of the FTSE Women Leaders Review regarding gender balance on boards and the Parker Review on ethnic representation on boards.	• See the Inclusion and Opportunity section within the report of the Board Nominations Committee on page 126 within the Governance report in Part 3 of the Annual Report.
Code of Conduct for Third Party Service Providers	The Code of Conduct (CoC) for Third Party Service Providers (TPSPs) encourages our TPSPs to adopt our approach to doing business in-line with the Barclays values and details our expectations for matters including environmental management and human rights.	• See 'Supporting our Supply Chain' within Other Governance on page 209.
Statement of Commitment to Health and Safety	Barclays Health, Safety and Wellbeing Statement of Commitment sets out the Bank's commitment to protecting the safety and wellbeing of our employees, customers, suppliers, and any individuals using our premises, by providing and maintaining a safe working environment that protects both physical and mental wellbeing. The effective implementation of the statement of commitment has resulted in the continual improvement of health and safety-related performance and proactive hazard management, as well as increasing the number of sites where Barclays' occupational health and safety management system is independently certified to ISO45001.	• See our Health and Safety section from page 218 in Other Governance within the Governance report in Part 3 of the Annual Report.

For further information, see all human rights-related policy statements found at:
home.barclays/our-sustainability-/sustainability-resource-hub/statements-and-policy-positions/

Non-financial and sustainability information statement (continued)

Governance and Financial Crime statements

Policy Statements	Description	Further information
Financial Crime Statement	Barclays is committed to conducting its global activities with integrity and respecting its regulatory, ethical, and social responsibilities to: • Protect customers, employees, and others with whom we do business, and • Support governments, regulators, and law enforcement in wider financial crime prevention. Barclays has no appetite for Financial Crime Risk issues and events that are material, systemic, not promptly remediated, not reported to regulators in a timely manner where required, and/or are likely to result in regulatory enforcement. The Financial Crime Risk Management Framework (FCRMF) outlines how Barclays manages Financial Crime risk. The Group Chief Compliance Officer is accountable for developing, maintaining and overseeing the Group wide FCRMF. The FCRMF consists of processes and tools under three categories: • Risk identification, assessment and testing, • Risk mitigation and management, and • Risk monitoring and reporting. The FCRMF is supported by a Group-wide Financial Crime Policy. The Financial Crime Policy sets control objectives for the first line of defence to manage four key risks: anti-bribery & corruption (ABC); anti-money laundering & counter-terrorist financing (AML); anti-tax evasion facilitation (ATEF) and sanctions, including proliferation financing. This combined approach allows us to identify and manage relevant synergies and connections between these risks.	• See the Financial Crime section from page 217 in Other Governance within the Governance report in Part 3 of the Annual Report.
Data protection	Barclays is committed to looking after all Personal Data we process - whether that relates to employees, clients, customers or other individuals – in line with our regulatory and legal requirements. Most of the countries where Barclays operates have privacy or data protection laws in place. Whilst the core requirements across these are often common, the fact that these are enacted at a jurisdictional level, and reflect the differing cultural expectations, norms and legal regimes across these jurisdictions, mean that the regulatory landscape for Data Privacy is fragmented. Barclays' Data Privacy Policy and its associated Standards ensure that Barclays takes a global approach to meeting Data Privacy requirements	• See the managing data privacy, security and resilience section from page 219 in Other Governance within the Governance report in Part 3 of the Annual Report.

Policy Statements	Description	Further information
Donations	Barclays carefully evaluates non-profit organisations prior to partnering with them to ensure they align with its Values. Barclays will not make any donation that is, or could be perceived to be, an incentive to win or retain business or one that delivers a business advantage.	• See our donation guidelines at: home.barclays/content/dam/home-barclays/documents/citizenship/our-reporting-and-policy-positions/Barclays-donation-guidelines.pdf
Resilience	Barclays maintains a robust resilience framework focusing on the end-to-end resilience of the business services we provide to customers and clients, aiming to ensure that all service components can deliver during business disruptions, crises, adverse events and other types of threats.	• See the managing data privacy, security and resilience section from page 219 in Other Governance within the Governance report in Part 3 of the Annual Report.
Tax	The Barclays Tax Principles and Tax Code of Conduct are integral to our responsible approach to tax and our effective interaction with tax authorities. The Barclays Tax Principles set out our approach to tax planning, for ourselves or in relation to our clients, allowing us to balance the needs of our stakeholders when making decisions related to our tax affairs. The Barclays Tax Code of Conduct sets out how we manage our tax affairs, including how we engage with tax authorities.	• See the tax section from page 215 in Other Governance within the Governance report. • Barclays PLC Country Snapshot report at home.barclays/annualreport

Non-financial and sustainability information statement (continued)

Part 2

Relevant information in relation to the climate-related financial disclosures is set out below, using cross- referencing to other sections of the Annual Report where appropriate.

Given the similarities in these disclosure requirements with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations disclosures, and in order to avoid unnecessary duplication and deliver concise reporting, we have chosen to present the climate-related financial disclosures alongside information relating to TCFD recommendations disclosures.

Climate-related financial disclosures index

CA 2006 requirement	Detail	TCFD Section	Recommendation	Summary	Page references within Parts 2 and 3 of the Annual Report
Section 414CB(2A)(a)	A description of the company's governance arrangements in relation to assessing and managing climate-related risks and opportunities	**Governance**	a) We describe the Board's oversight of climate-related risks and opportunities	The Board is responsible for the overall leadership of Barclays PLC. The Board sets the Group's strategy, including in respect of climate. The Board and, as appropriate, its Committees are responsible for the oversight of climate-related risks and opportunities in the Group. Each Board Committee has its own Committee Terms of Reference clearly setting out its remit and decision-making powers, including those relating to climate matters.	123, 145, 147 - 148, 201
			b) We describe management's role in assessing and managing climate-related risks and opportunities	Oversight and management of Barclays' climate and sustainability strategy continues to be embedded in business-as-usual management structures, including executive committees. These committees are mandated and form part of Barclays' formal governance architecture. Each committee is itself governed by Terms of Reference that lay out the duties, decision-making authority and escalation route of any material issues. The executive management committees receive regular briefings on matters including climate change and consider both risks and opportunities. Climate and sustainability-related risks are assessed and escalated where relevant through the various risk forums.	97, 202 - 204
Section 414CB(2A)(d)	A description of: • (i) the principal climate-related risks and opportunities arising in connection with the company's operations, and • (ii) the time periods by reference to which those risks and opportunities are assessed	**Strategy**	a) We describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term	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. Barclays faces exposure to climate-related risks, either directly through its operations and infrastructure or indirectly through its financing and investment activities. Time horizons are considered based on Barclays' planning cycles. Barclays has enhanced its focus on sustainable and transition finance over the last three years. At the end of 2022, we announced a target to facilitate $1trn of Sustainable and Transition Finance between 2023 and the end of 2030. This followed a review of the financing requirements arising from the global transition to a low-carbon economy if the world is to avoid the effects of climate change and the potential addressable market for Barclays. In 2025 we evolved our Group sustainable finance strategy that we developed in 2023 and continued to execute against the strategy.	67 - 69, 244-245, 256-263

Non-financial and sustainability information statement (continued)

Climate-related financial disclosures index (continued)

CA 2006 requirement	Detail	TCFD Section	Recommendation	Summary	Page references within Parts 2 and 3 of the Annual Report
Section 414CB(2A)(e)	A description of the actual and potential impacts of the principal climate-related risks and opportunities on the company's business model and strategy	Strategy (continued)	b) We describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	Barclays' 2025 financial planning process included a review of our strategy, its implementation and tracking our progress on 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 2030 financed emissions reduction targets 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 material amendments required to the financial plan. Our target of $1trn of Sustainable and Transition Finance between 2023 and the end of 2030 is a key driver of our finance planning process with a pathway to aim to achieve this target as well as risks and opportunities reviewed and agreed with business heads.	70 - 100
Section 414CB(2A)(f)	An analysis of the resilience of the company's business model and strategy, taking into consideration different climate-related scenarios		c) We describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Barclays undertakes multiple climate-related scenario analyses to assess the resilience of the Group's business model and strategy, including the Internal Stress Test (IST) as the primary exercise and supplementary analyses such as the climate based Reverse Stress Test (RST). A single scenario was produced for the 2025 IST, designed to assess Barclays' financial resiliency to both climate and traditional macroeconomic risk, and the extent to which Barclays would remain within risk appetite. Results from the exercises have been integrated into Barclays' internal capital adequacy assessment process with a view to ensuring Barclays remains sufficiently capitalised for both climate and macroeconomic stresses. The outputs are considered within climate risk management and financial planning processes, such as assessment of climate impacts to expected credit losses (ECL). In addition to the IST, a climate based RST was conducted during 2025, testing the Group's resilience to extreme climate events that challenge the viability of the Group's business model. The exercise tested both physical and transition risk drivers.	102 - 104

Non-financial and sustainability information statement (continued)

Climate-related financial disclosures index (continued)

CA 2006 requirement	Detail	TCFD Section	Recommendation	Summary	Page references within Parts 2 and 3 of the Annual Report
Section 414CB(2A)(b)	A description of how the company identifies, assesses, and manages climate-related risks and opportunities	**Risk management**	a) We describe the organisation's processes for identifying and assessing climate-related risks b) We describe the organisation's processes for managing climate-related risks	The impact of climate risk drivers are observed in Barclays' portfolio through its traditional risk categories such as credit risk, market risk, treasury and capital risk, operational risk and reputational risk. Barclays has established processes to identify, assess and manage climate-related risks across its portfolio. Barclays continues to strengthen and refine risk management practices and internal frameworks, including deeper integration of climate risk considerations into its business activities and operations.	67 - 69, 244 - 245
Section 414CB(2A)(c)	A description of how processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management process		c) We describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	Climate Risk is a Principal Risk under Barclays' Enterprise Risk Management Framework (ERMF). Processes for identifying, assessing and managing climate risk are embedded within ERMF and broader risk management practices. These processes are supported by Barclays' Climate Risk Framework which sets out the approach to managing climate-related financial and operational risks, and are underpinned by the Climate Risk Policy and the Climate Risk Standard that define minimum requirements and governance expectations. The non-financial risks such as reputational risks stemming from climate risk are managed under respective principal risk frameworks. Together, these components ensure climate risk considerations are systematically incorporated into risk appetite, governance structures and decision-making across the Group.	
Section 414CB(2A)(h)	A description of the key performance indicators (KPIs) used to assess progress against targets used to manage climate-related risks and realise climate-related opportunities and of the calculations on which those KPIs are based	**Metrics & Targets**	a) Our metrics used to assess climate-related risks and opportunities in line with our Strategy and risk management processes	In line with our climate strategy, we have set 2030 financed emissions reduction targets across eight high-emitting sectors in our portfolio. We have also set a convergence point for UK Housing, as detailed on page 92. Each of our 2030 target ranges is developed with reference to a 1.5°C aligned scenario, such as the IEA Net Zero by 2050 scenario. We have reported our progress against each of these targets as at December 2025, as detailed on page 89. We have additionally calculated the financed emissions for the full in-scope balance sheet as at December 2024. This has enabled us to calculate the coverage of our reduction targets across our portfolio (including integration of 1.5°C aligned scenarios, with ranges for certain sectors) and to assess the extent to which the business is aligned to a well-below 2°C pathway. Our calculations indicate that we have set reduction targets for 41% of our overall Scope 1 and 2 financed emissions. We also note our progress against our target to facilitate $1trn of Sustainable and Transition Finance between 2023 and the end of 2030 and our mandate to invest up to £500m of Barclays' capital in climate tech start-ups by the end of 2027.	67 - 69, 256-263

Non-financial and sustainability information statement (continued)

Climate-related financial disclosures index (continued)

CA 2006 requirement	Detail	TCFD Section	Recommendation	Summary	Page references within Parts 2 and 3 of the Annual Report
N/A	N/A	Metrics & Targets (continued)	b) Our Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions and the related risks	We measure our Scope 1 and Scope 2 emissions performance against our 2018 baseline and report progress against our net zero operations strategy, as set out starting on page 93. We also measure Scope 3 operational emissions and total operational energy consumption, as reported on page 152 and in the Sustainability Data Centre. On our financed emissions, we have: i. Estimated the full in-scope balance sheet financed emissions as at December 2024 using a methodology developed based on the PCAF Standard (2022) as set out on pages 83-86; and ii. Calculated financed emissions and physical intensities for specific activities as at December 2025 where we have set 2030 targets which include the integration of 1.5°C aligned scenarios, such as the IEA Net Zero by 2050 scenario in our financed emission targets, and including the upper end of ranges for certain sectors, as set out on page 92.	93, 152
Section 414CB(2A)(g)	A description of the targets used by the company to manage climate-related risks and to realise climate-related opportunities and of performance against those targets		c) Our targets used to manage climate-related risks and opportunities and performance against targets	We are committed to aligning our financing to the goals and timelines of the Paris Agreement, consistent with limiting the increase in global temperatures to 1.5°C. We use our BlueTrack™ methodology to measure our financed emissions and track our progress. Consistent with our Purpose, and taking into account considerations of all relevant business factors, we have set 2030 financed emission reductions targets for our Upstream Energy, Power, Cement, Steel, Automotive manufacturing, Aviation, UK Agriculture, UK Commercial Real Estate portfolios and UK Housing (where we have set a convergence point). We report our progress against these targets. We also report progress against our target to facilitate $1trn of Sustainable and Transition Finance between 2023 and the end of 2030.	77, 91,93

Task Force on Climate-related Financial Disclosures statement of compliance

We have considered our obligations under the UK's Financial Conduct Authority's Listing Rules and confirm that we have made disclosures consistent with the relevant Listing Rules and the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations and Recommended Disclosures.

Given the similarities between the TCFD Recommended Disclosures and the climate-related financial disclosures (required further to sections 414CA and 414CB of the Companies Act 2006), and in order to avoid unnecessary duplication and deliver concise reporting, we have chosen to present information relating to the TCFD recommended disclosures alongside the relevant Companies Act 2006 requirements.

For further information on where these disclosures can be found please refer to pages 48 to 51 of this report.

Further details on the TCFD Recommendations and Recommended Disclosures are available at: **fsb-tcfd.org**
Full list of metrics and targets can be found in the Sustainability Data Centre at: **home.barclays/sustainability/sustainability-resource-hub/reporting-and-disclosures/**

Sustainability-related reporting and disclosures

Our approach to sustainability-related reporting is informed by recognised external standards and frameworks. As these frameworks evolve, we will continue to assess and amend our approach to sustainability-related disclosures appropriately.

Barclays continues to support enhanced consistency in sustainability-related reporting and approaches to disclosures, including through the work of the International Sustainability Standards Board (ISSB). We participate in a range of regional and global industry efforts to promote increased harmonisation in approaches to data, taxonomies and disclosures.

Sustainability Resource Hub

Barclays' Sustainability Resource Hub provides more detailed technical information, disclosures, and our position statements on environmental, social and governance matters. It is intended to be relevant for analysts, investors, rating agencies, suppliers and clients.

Further details can be found on the Sustainability Resource Hub at: **home.barclays/sustainability/sustainability-resource-hub/**

UN Principles for Responsible Banking (PRB)

Barclays was one of the founding signatories of the UN PRB. We report annually on how we are implementing the PRB.

The Barclays PLC PRB Report 2025 can be found at: **home.barclays/sustainability/sustainability-resource-hub/reporting-and-disclosures/**

TCFD-related reporting and disclosures

Our climate-related financial disclosures are included within this Annual Report. The majority of the content can be found in Part 2 within the Climate and Sustainability report in addition to Part 3 within the Governance report and Risk review sections of this Annual Report.

For further details on where to access our TCFD-related disclosures, please see our **Climate-related Financial Disclosures Summary** and **Index** on **page 48**.

Sustainability-related reporting and disclosures (continued)

Sustainability Data Centre

Within the Sustainability Resource Hub, our Sustainability Data Centre continues to provide a central repository of climate and sustainability-related data that is published within the Barclays PLC Annual Report,along with additional data points and granularity.

Information on Barclays PLC's ESG Ratings can be found in the Sustainability Data Centre.

The Sustainability Data Centre can be accessed online within our Sustainability Resource Hub at: **home.barclays/sustainability/sustainability-resource-hub/reporting-and-disclosures/**

Barclays Transition Update

Our Transition Update, published in July 2025, sets out how we plan to continue delivering on our net zero ambition, focusing on the high emitting sectors where we work closely with our clients and the commercial opportunity this presents for Barclays and our clients.

The Barclays Transition Update can be found at: **home.barclays/sustainability/sustainability-resource-hub/reporting-and-disclosures/**

KPMG LLP limited assurance

Barclays appointed KPMG LLP to perform independent limited assurance over selected sustainability content, marked with the symbol Δ.

The assurance engagement was planned and performed in accordance with the International Standard on Assurance Engagements (UK) 3000 Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the International Standard on Assurance Engagements 3410 Assurance of Greenhouse Gas Statements. A limited assurance conclusion was issued and is available at the website link below. This includes details of the scope, reporting criteria, respective responsibilities, work performed, limitations and conclusion. No other information in this Annual Report has been subject to this external limited assurance.

Further details on Limited Assurance can be found at: **home.barclays/sustainability/sustainability-resource-hub/reporting-and-disclosures/**

Our sustainability-related disclosures include:

Annual Report

- Taskforce on Climate-related Financial Disclosures (TCFD) Recommendations
- Sustainability-related disclosures

Sustainability-related reporting

- Principles for Responsible Banking (PRB) Report
- UK Pay Gaps report
- (Tax) Country Snapshot report
- Board Inclusion and Opportunity Policy

Sustainability data resources

- Sustainability Data Centre

Other sustainability resources

- Sustainability Investor Presentations
- Limited Independent Assurance statement
- Barclays' Sustainable Finance Framework
- Barclays' Transition Finance Framework
- Barclays' Financed Emissions Methodology
- Barclays Transition Update
- Barclays Sustainability Reporting Framework

Statements and policy positions

- Sustainability Resource Hub- Statements and policy positions

Prudently managing risk for stakeholders

Barclays is exposed to internal and external risks as part of its ongoing activities. These risks are managed as part of our business model.

Enterprise Risk Management Framework (ERMF)

At Barclays, risks are identified and overseen in accordance with the ERMF, which supports the business in its aim to embed effective risk management and a strong risk management culture.

The ERMF governs the way in which Barclays identifies and manages its risks.

The management of risk is then embedded into each level of the business, with all colleagues being responsible for identifying and controlling risk.

Financial crime risk was elevated to a principal risk in the ERMF, 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 Group and reinforce independent assessment, management and oversight of financial crime risk.

"In 2025, Barclays conducted an internal macroeconomic stress test under a severe 'Global Fragmentation' scenario."

Risk appetite

Risk appetite defines the level of risk we are prepared to accept across the different risk types, taking into consideration varying levels of financial and operational stress. Risk appetite is key to our decision-making processes, including ongoing business planning and setting of strategy, new product approvals and business change initiatives.

The Group sets its risk appetite in terms of performance metrics as well as a set of mandate and scale limits to monitor risks (i.e. to ensure business activities are aligned with expectations and are of an appropriate scale relative to the risk and reward of the underlying activities). During 2025, the Group's performance remained within its risk appetite limits.

Three lines of defence

The first line of defence comprises the revenue-generating and client-facing areas, along with all associated support functions, including Finance, Treasury, Human Resources and Operations and Technology. The first line identifies the risks, sets the controls and escalates risk events to the second line of defence.

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 of defence is made up of Risk and Compliance and oversees the first line by setting limits, rules and constraints on their operations, consistent with the risk appetite.

The third line of defence comprises Internal Audit, and provides independent assurance to the Board and Executive Committee on the effectiveness of governance, risk management and control over current, systemic and evolving risks.

The Legal function provides support to all areas of the business 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 risks to which the Group is exposed.

Monitoring the risk profile

Together with a strong governance process, using business and Group-level Risk Committees as well as Board-level forums, the Board receives regular information in respect of the risk profile of the Group, and has ultimate responsibility for Group risk appetite and capital plans.

Information received includes measures of risk profile against risk appetite as well as the identification of new and emerging risks, which are derived by mapping risk drivers, identified through horizon scanning, to risk themes, and similar analysis.

For further details of monitoring risks please refer to **page 225**

In 2025, Barclays conducted an internal macroeconomic stress test under a severe 'Global Fragmentation' scenario, reflecting heightened US protectionism, inflationary pressures, and climate-related shocks. The exercise evaluated resilience to a UK recession, US economic contraction, and climate risks, testing vulnerabilities such as credit impairments, net interest income margin compression, and trading losses. The assessment confirmed the Group's resilience across capital, liquidity, and profitability, ensuring continued viability under adverse conditions.

For further details of the stress test, please refer to **page 58**

We believe that our structure and governance supports us in managing risk in the changing economic, political and market environments.

For further detailed analysis of approach to risk management and risk performance, please see our full Risk review on **pages 222 to 357** of Part 3 of the Annual Report

Managing risk (continued)

The Enterprise Risk Management Framework defines 10 Principal Risks

Principal Risks	Risks are classified into Principal Risks, as below	How risks are managed
Climate risk	The risk of financial losses arising from climate change through, physical risks and risks associated with transitioning to a lower carbon economy.	A risk management framework has been implemented for managing financial and operational risks from climate change across Barclays' first and second line activities. Barclays has enhanced its capabilities for identifying, assessing and quantifying the impact of climate physical and transition risks in the financed portfolios. Climate-related scenario analysis forms a key part of Barclays' approach to assessing and quantifying the impact of both physical and transition risks. In addition, climate-related risk management activities are performed which includes setting risk appetite, monitoring key risk drivers, applying limits and controls to stay within appetite, and undertaking relevant reporting.
Credit risk	The risk of loss to the Group from the failure of clients, customers or counterparties (including sovereigns), to fully honour their obligations to the Group, including the whole and timely payment of principal, interest, collateral and other receivables.	Credit Risk teams identify, evaluate, sanction, limit and monitor various forms of credit exposure, individually and in aggregate. The first line deliver business plans and products within risk appetite and all limits set by the second line, by maintaining detailed financial forecasts, applying controls and managing risks to which they are exposed.
Market risk	The risk of loss arising from potential adverse changes in the value of the 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.	Market Risk teams use a range of complementary approaches to identify and evaluate traded market risk exposures. These risks are measured, limited and monitored by market risk specialists. The first line conduct trading activities within the risk appetite and all mandate and scale limits set by the second line.
Treasury and Capital risk	**Liquidity risk** The risk that the 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 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 Group's pension plans. **Interest rate risk in the banking book (IRRBB)** The risk that the 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 firm is exposed to capital or income volatility because of changes in credit spreads on its (non-traded) assets and liabilities.	Treasury and Capital risk is identified and managed by specialists in capital, liquidity and asset and liability management teams. A range of risk management approaches are used such as limits, plan monitoring and stress testing. The assessment of liquidity risk should be comprehensive in assessing all sources of liquidity risk, representing all of the assets and liabilities, on-balance sheet and off-balance sheet items including at the regional and legal entity levels. Capital risk is predominantly assessed and controlled on a forward-looking basis through the means of capital forecasts and capital plans. Key capital risks must be identified well in advance to allow for mitigating actions to be agreed and become effective. Pension risks are monitored regularly and reported to relevant stakeholders and committees to support discussions with the relevant pension fund's actuaries and trustees. IRRBB assessment uses earnings and value type metrics and it takes into account the type of IRRBB, the accounting nature and direct impact to earnings or capital; and, the appropriate holding period of the risk.

Managing risk (continued)

The Enterprise Risk Management Framework defines 10 Principal Risks

Principal Risks	Risks are classified into Principal Risks, as below	How risks are managed
Operational risk	The risk of loss to the 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.	Operational risks are managed in accordance with the Operational Risk Framework, owned and overseen by the second line. The primary responsibility for the management of operational risk rests within the business and functional units where the risk arises. Management complete Risk and Control Self-Assessments to assess operational risks and the effectiveness of the controls within processes. Identified risks, events and issues are escalated to senior management and the Board to ensure timely notification and to agree the appropriate response.
Model risk	The potential for adverse consequences from decisions based on incorrect or misused model outputs and reports.	Model risk is managed in accordance with the Model Risk Management Framework supported by the Model Risk Policy and associated Standards . Model risk management applies a set of controls to identify and mitigate model risk within the Bank's approved risk appetite which are centred around independent model validation. Model risk appetite is managed by residual risk tolerances, where applicable, commensurate with the nature and type of models used.
Compliance risk	The risk of poor outcomes for, or harm to, customers, clients and markets, arising from the delivery of the Group'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 Group (also known as Laws, Rules and Regulations Risk, 'LRR Risk').	The first line is accountable for the overall assessment and management of compliance risks in their business or function and are responsible for implementing the requirements outlined in the Compliance Risk Management Framework (CRMF). Compliance must oversee adherence to the CRMF and the management of compliance risk, and provide independent second line of defence oversight to all Barclays businesses, providing advice and challenge where appropriate.
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.	The first line is accountable for the overall assessment and management of financial crime risks in their business or function and are responsible for implementing the requirements outlined in the Financial Crime Risk Management Framework (FCRMF). Financial Crime must oversee adherence to the FCRMF and the management of financial crime risk, and provide independent second line of defence oversight to all Barclays businesses, providing advice and challenge where appropriate.
Reputation risk	The risk that an action, transaction, investment, event, decision, or business relationship will reduce trust in the Group's integrity and/or competence.	Reputation risk is managed in accordance with the Group-wide Reputation Risk Management Framework (RRMF) supported by Reputation Risk Policies and associated Standards. Each business assesses reputation risk using standardised tools and the governance is fulfilled through management committees and forums, with clear escalation and reporting lines to the Group Board.
Legal risk	The risk of loss or imposition of penalties, damages or fines from the failure of the Group to meet applicable laws, rules and regulations or contractual requirements or to assert or defend its intellectual property rights.	Legal risk is managed by the identification and management of legal risks by the Legal function and the escalation of legal risk as necessary. The Group's businesses and functions have responsibility for engagement of the Legal function in situations that have the potential for legal risk, Legal risk is also mitigated by the requirements of the compliance risk management framework, including the responsibility of the legal professionals to proactively identify, communicate and provide legal advice on applicable laws, rules and regulations.

Viability statement

Consideration of the long-term viability of Barclays

The financial statements and accounts have been prepared on a going concern basis.

Provision 31 of the 2024 UK Corporate Governance Code requires the Directors to make a statement in the Annual Report regarding the viability of the Group, including an explanation of how they assessed the prospects of the Group, the period of time for which they have made the assessment and why they consider that period to be appropriate.

Time horizon

In light of the analysis summarised below, the Board has assessed the Group's current viability, and confirms that the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the next three years. This time frame is used in management's Working Capital and Viability Report (WCR), prepared at the start of 2026. The WCR is a formal projection of capital and liquidity based upon formal profitability forecasts. The availability of the WCR gives management and the Board sufficient visibility and confidence on the future operating environment for this time period.

The three-year time frame has also been chosen because:

- it is within the period covered by the formal medium-term plans approved by the Board which contain projections of profitability, cash flows, capital requirements and capital resources
- it is also within the period over which internal stress testing is carried out
- it is an appropriate horizon over which to consider the impacts of new regulations in the financial services industry.

The Directors are satisfied that this period is sufficient to enable a reasonable assessment of viability to be made.

Considerations

In making its assessment the Board has:

- carried out a robust and detailed assessment of the Group's risk profile and material existing and emerging risks (see below for further details), in particular those risks which senior management believes could cause the Group's future results of operations or financial condition to differ materially from current expectations or could adversely impact the Group's ability to meet its material regulatory requirements
- reviewed how those risks are identified, managed and controlled (further detail provided on pages 54 to 56)
- considered the WCR, which provides an assessment of forecast CET1, leverage, Tier 1 and total capital ratios, as well as the build-up of minimum requirement for own funds and eligible liabilities (MREL) up to the end of 2027
- considered the Group's Medium Term Plan
- reviewed the Group's liquidity and funding profile, including forecasts of the Group's Internal Liquidity Stress Test (ILST), regulatory Liquidity Coverage Ratios (LCR) and Net Stable Funding Ratios (NSFR)
- considered the Group's viability under a specific internal stress scenario (see below for further detail)
- considered the stability of the major markets in which it operates, supply chain resilience and material known regulatory changes to be enacted
- considered the sustainability of any future capital distributions
- considered scenarios which might affect the operational resilience of the Group
- considered factors that may inform the impact of a severe recession in major economies with affordability pressures on consumers from high inflation and rising interest rates, energy supply pressures, and financial markets instability
- considered the impact of the Group's ambition to be a net zero bank by 2050 and support its clients in the transition to a low-carbon economy, including the need to continue to incorporate climate considerations into its strategy, business model, the products and services it provides to customers and its financial and non-financial risk management processes
- reviewed the draft statutory accounts and the financial performance of the Group
- reviewed the possible impact of legal, competition and regulatory matters set out in Note 25 to the financial statements on pages 456 to 460.

The Group's Medium Term Plan is based on assumptions for macroeconomic variables such as interest rates, inflation and unemployment, which have been consistently applied for the purpose of forecasting the Group's capital and liquidity position and ratios, as well as any credit impairment charges or releases.

Assessment of the Group's risk profile

Risks faced by the Group's business, including in respect of financial, conduct and operational risks, are controlled and managed within the Group in line with the ERMF. Executive management sets a risk appetite for the Group, which is then approved by the Board. Limits are set to control risk appetite, within which businesses are required to operate.

Management and the Board then oversee the ongoing risk profile. Internal Audit provides independent assurance to the Board and Executive Committee over the effectiveness of governance, risk management and control over current and evolving risks.

A full set of material risks to which the organisation is exposed can be found in the material existing and emerging risks on pages 226 to 243.

Certain risks are additionally identified as key themes and monitored closely by the Board and Board Committees. These are chosen on the basis of their potential to impact viability during the time frame of the assessment but in some instances the risks may continue beyond this time frame.

Viability statement (continued)

These particular risks include:

- the potential impact of increased recession risk heightened by the turbulent geopolitical outlook and volatile market conditions
- failure to successfully adapt the Group's operations and business strategy to address the financial risks resulting from both: (i) the physical risk of climate change; and (ii) the risk from the transition to a low-carbon economy
- legal proceedings, competition, regulatory and conduct matters giving rise to the potential risk of penalties, damages or fines, loss of regulatory licences and permissions and other sanctions, as well as potential adverse impacts on our reputation with clients and customers and on investor confidence and/or potentially resulting in adverse impacts on capital, liquidity and funding
- sudden shocks or geopolitical instability in any of the major economies in which the Group operates which could alter the behaviour of depositors and other counterparties, affect the ability of the firm to maintain appropriate capital and liquidity ratios or impact the Group's credit ratings
- evolving operational risks (notably cyber-security, technology and resilience) and the ability to respond to the new and emerging technologies in a controlled fashion.

As a universal bank with a diversified and connected portfolio of businesses, servicing customers and clients globally, the Group is impacted in the longer term by a wide range of macroeconomic, political, regulatory and accounting, technological, social and environmental developments. The evolving operating environment presents opportunities and risks in respect of which the Group continues to evaluate and take steps to appropriately adapt its strategy and its delivery.

Stress tests

The Board has also considered the Group's viability under a specific internal stress scenario.

The latest macroeconomic internal stress test, conducted in H2 2025, was anchored on a 'Global Fragmentation' scenario, reflecting a period of heightened US protectionism, persistent inflationary pressures, and weakening US financial dominance, alongside climate-related shocks. The scenario was designed to test the Group's resilience against severe but plausible macroeconomic and financial market stresses, including supply chain disruptions, structural fiscal weaknesses, and disorderly climate transitions.

Key components of the macroeconomic scenario included:

- Severe UK recession: GDP contracts by 4.8%, driven by falling household real incomes. Unemployment peaks at 8.1%, while inflation temporarily falls into negative territory at –0.6% before gradually returning to target levels. Residential house prices decline sharply by 29%. These developments are set against a backdrop of a precarious fiscal trajectory, with entrenched long-term budget imbalances further challenging the UK's economic outlook.
- US contraction: The scenario is characterised by heightened US protectionism, persistent trade barriers, and weakening US financial dominance, disrupting global trade and supply chains and amplifying economic uncertainty. The US economy contracts sharply, with GDP declining and unemployment peaking near 9%. Inflation surges to around 8% before stabilising, and real estate prices decline by 25%. Financial markets experience heightened volatility, sharp declines in equity prices, and widening credit spreads, collectively testing the Group's resilience under severe but plausible adverse conditions.
- Climate Risk: The scenario incorporates both transition and physical climate risks. Transition risks arise from disorderly and divergent policy shifts, leading to rapid repricing of assets and accelerated adoption of low-carbon technologies. Physical risks are reflected through severe weather events—such as hurricanes, floods, and wildfires—across key regions, resulting in increased insurance claims and significant shifts in market sentiment.
- the climate drivers looked at the impact of a series of physical risk events leading to a drastic shift in public sentiment, demanding a government policy response. Faced with a severe economic recession, impactful policies are announced to take effect during the economic recovery. For more details on the climate aspect of the scenario see page 102.

The stress test outcome for the macroeconomic internal stress test assesses the Group's full financial performance over the horizon of the scenario in terms of profitability, capital, liquidity and leverage to ensure the Group remains viable.

Additionally, internal reverse stress testing assessments are conducted annually, which aim to identify the circumstances under which the Group's business model would no longer be viable, leading to a significant change in business strategy and to the identification of appropriate mitigating actions where required.

Examples include extreme macroeconomic downturn ('severely adverse') scenarios, or specific one-off events, covering both operational risk and capital/liquidity items. Reverse stress testing is used to help support ongoing risk management and is an input to the Group's recovery planning process.

Legal proceedings, competition, regulatory and remediation/redress conduct matters are also assessed as part of the stress testing process.

Capital and the ILST are set at a level designed to enable the Group to withstand various stress scenarios. As part of this process, management also identified actions, including cost reductions and withdrawal from lines of business, available to restore the Group to its desired capital flight path.

The results of the macroeconomic internal stress test were approved by the Board Risk Committee and allowed the Board to approve the Medium Term Plan.

The macroeconomic internal stress test and the reverse stress testing assessments support the conclusions of the WCR.

Based on current forecasts, taking account of material known regulatory changes to be enacted and having considered severe but plausible stress scenarios, the current liquidity and capital position of the Group continues to support the Board's assessment of the Group's viability.

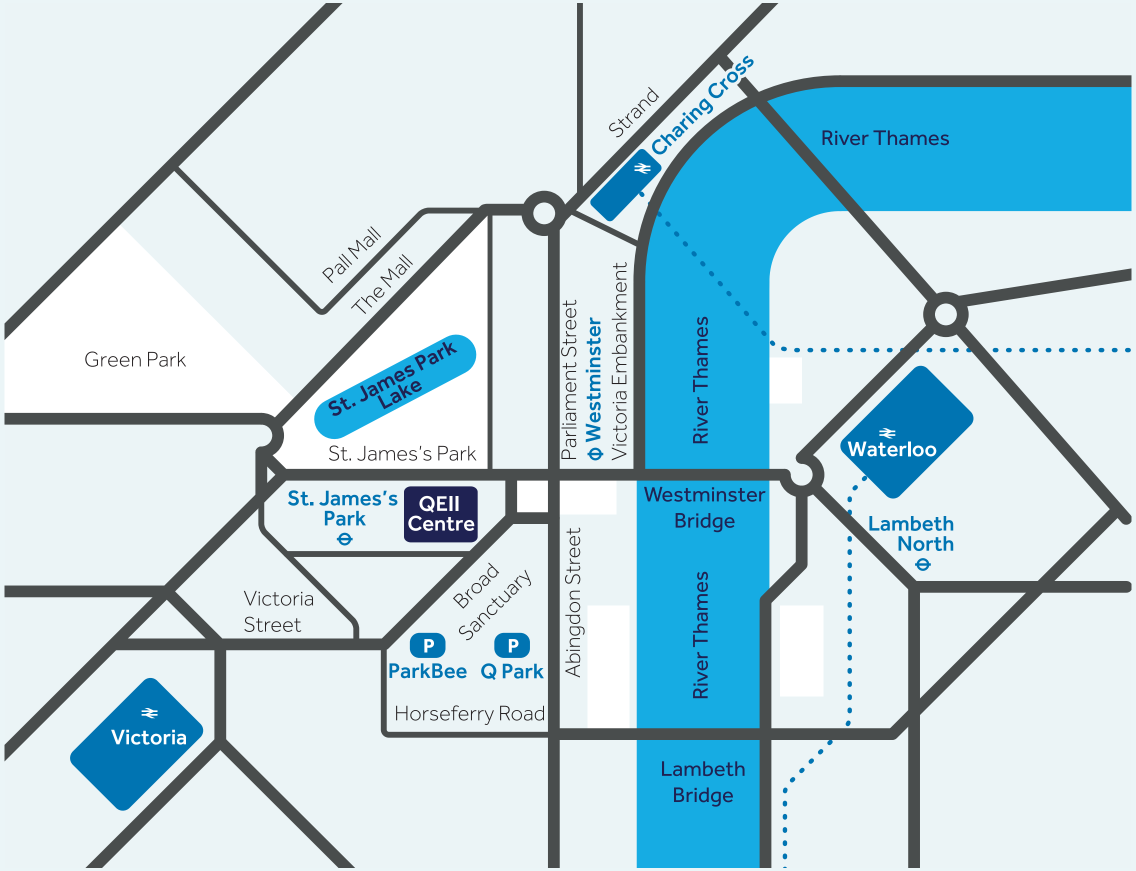
Shareholder information

Annual General Meeting (AGM)

Date
Thursday, 7 May 2026

Location
QEII Centre, Broad Sanctuary, Westminster, London SW1P 3EE

The arrangements for the Barclays 2026 AGM and details of the resolutions to be proposed, together with explanatory notes and how to attend the meeting, will be set out in the Notice of AGM to be published on the Group's website **home.barclays/agm**



P Pay parking available (charges apply)

Key dates

20 February 2026	31 March 2026	28 April 2026	7 May 2026
Full year dividend record date	**Full year dividend payment date**	**Q1 2026 Results Announcement**	**Annual General Meeting**

Keep your personal details up to date

Please remember to tell Equiniti if:

- you move; or
- you need to update your bank or building society details.

If you are a Shareview member, you can update your bank or building society account or address details online. If you are not a Shareview member you can update details quickly and easily over the telephone using the Equiniti contact details on the next page.

Dividends

The Barclays PLC 2025 full year dividend for the year ended 31 December 2025 will be 5.6p per share, making the 2025 total dividend 8.6p per share.

Dividend Reinvestment Plan

Barclays offers a share alternative in the form of a dividend reinvestment plan (DRIP) for those shareholders who wish to elect to use their dividend payments to purchase additional ordinary shares, rather than receive a cash payment. The DRIP is provided and administered by Barclays' registrar, Equiniti.

Share price Information on the Barclays share price and other share price tools are available at: **home.barclays/investorrelations**

For more details visit **home.barclays/dividends** and **shareview.co.uk/info/drip**

Shareholder information (continued)

Shareholder security

Shareholders should be wary of any cold calls, emails, texts or instant messages with an offer to transfer, buy or sell shares. Fraudsters often use persuasive and high pressure techniques to lure shareholders into high-risk investments or scams. You should treat any unsolicited contact with caution.

Please keep in mind that firms authorised by the FCA are unlikely to contact you out of the blue. You should consider getting independent financial or professional advice from someone unconnected to the respective firm before you hand over any money.

Report a scam

If you suspect that you have been approached by fraudsters please tell the FCA using the share fraud reporting form at **fca.org.uk/consumers/scams**. You can also call the FCA Helpline on 0800 111 6768 or through Action Fraud on 0300 123 2040.

Share Dealing Service, donations to charity and returns to shareholders

During 2025, we offered shareholders the option to donate to ShareGift as part of the Share Dealing Service, which resulted in over £78,000 in donations. The initiative is aimed at shareholders with relatively small shareholdings for whom it might otherwise be uneconomical to deal.

Over £0.5m has been donated as part of the Share Dealing Service since it was launched in 2017. Some shareholders also opt to sell their holding, as is their right to, resulting in approximately £23.91m being returned to shareholders in 2025, with a total of £95.66m returned via this service since it was introduced.

Managing your shares online

Shareview

Barclays shareholders can go online to manage their shareholding and find out about Barclays' performance by joining Shareview. Through Shareview, you:

- will receive the latest updates from Barclays direct to your email
- can update your address and bank details online
- can vote in advance of general meetings.

To join Shareview, please follow these two easy steps:

Step 1 Go to portfolio.shareview.co.uk

Step 2 Register for electronic communications by following the instructions on screen

Or use the QR code to register

Shareholder Asset Reunification Programme

In November 2025, we launched a new shareholder asset reunification programme, instructing ProSearch, a specialist tracing company, to help us trace over 38,000 lost shareholders. We want to reunite shareholders that have lost touch with the company, with their shareholding and unclaimed dividends. To date, we have already reunited over £362,000 worth of shares and unclaimed dividends to shareholders via this programme.

Useful contact details

Registrar

Holders of ordinary shares

The Barclays share register is maintained by Equiniti. If you have any questions about your Barclays shares, please contact Equiniti:

By phone:
+ 44 (0)371 384 2055
(UK and international telephone number)

Note: Lines open 8.30am to 5.30pm (UK time) Monday to Friday, excluding public holidays.

For the hearing and speech impaired Equiniti welcome calls via Relay UK, For information see:
relayuk.bt.com

Visit online:
shareview.co.uk

By post:
Aspect House
Spencer Road, Lancing, West Sussex
BN99 6DA

To find out more, contact Equiniti or visit:
home.barclays/dividends

Alternative formats

Shareholder documents can be provided in large print, audio CD or Braille free of charge by calling Equiniti.
+44 (0)371 384 2055
(UK and international telephone number)

Holders of American Depositary Receipts (ADRs)

ADRs represent the ownership of Barclays PLC shares which are traded on the New York Stock Exchange. ADRs carry prices, and pay dividends, in US dollars.

If you have any questions about your Barclays ADRs, please contact Shareowner Services:

Electronically:
shareowneronline.com/informational/contact-us/

By phone:
+1 800 990 1135 (toll free in the US and Canada)
+1 651 453 2128 (outside the US and Canada)

By post:
Shareowner Services,
PO Box 64504, St Paul, MN 55164-0504, USA

Delivery of ADR certificates and overnight mail:

By post:
Shareowner Services,
1110 Centre Pointe Curve, Suite 101, Mendota Heights, MN 55120-4100, USA

Qualifying ADR holders should contact Shareowner Services for further details regarding the DRIP.

Shareholder Relations

If you have any questions for Barclays about your shareholding, please contact us:

By email:
privateshareholderrelations@barclays.com

By post:
Private Shareholder Relations
Barclays PLC, 1 Churchill Place, London E14 5HP

Please do not use this channel for general solicitations, marketing or general communications. Any non-shareholder-related enquiries will not receive a response.

Important information

Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to the Group. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements. Forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as ‘may’, ‘will’, ‘seek’, ‘continue’, ‘aim’, ‘anticipate’, ‘target’, ‘projected’, ‘expect’, ‘estimate’, ‘intend’, ‘plan’, ‘goal’, ‘believe’, ‘achieve’ or other words of similar meaning. Forward-looking statements can be made in writing, but also may be made verbally by directors, officers and employees of the 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 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 sustainability-related 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 sustainability reporting standards (including emissions accounting methodologies); changes in tax laws and practice; the outcome of current and future legal proceedings and regulatory investigations; the 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 Group operates, including as a result of the adoption of rules and regulations taking a different or opposing position on sustainability matters, or other forms of governmental and regulatory action against sustainability policies; environmental, social and geopolitical risks and incidents and similar events beyond the 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 Group or any securities issued by it; changes in counterparty risk; changes in consumer behaviour; changes in trade policy, including the imposition of tariffs or other protectionist measures; 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; changes in US legislation and policy; developments in the UK’s relationship with the European Union; the risk of cyber attacks, information or security breaches, technology failures or operational disruptions and any subsequent impact on the Group’s reputation, business or operations; the use of new technology, including artificial intelligence; the Group’s ability to access funding; and the success of acquisitions, disposals, joint ventures and other strategic transactions. A number of these factors are beyond the Group’s control. As a result, the 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 Group’s forward-looking statements. In setting its targets and outlook for the period 2026-2028, Barclays has made certain assumptions about the macroeconomic environment, including, without limitation, inflation, interest and unemployment rates, the different markets and competitive conditions in which Barclays operates, and its ability to grow certain businesses and achieve costs savings and other structural actions. Additional risks and factors which may impact the Group’s future financial condition and performance are identified in the description of material existing and emerging risks beginning on page 226 of this Annual Report.

Subject to Barclays PLC'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.

Climate and Sustainability report

The Climate and Sustainability report forms Part 2 of the Barclays PLC 2025 Annual Report. Parts 1, 2 and 3 together comprise Barclays PLC's annual accounts and report for the purposes of Section 423 of the Companies Act 2006.

TCFD Strategy Recommendation A:
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.

TCFD Strategy Recommendation B:
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.

TCFD Strategy Recommendation C:
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Barclays' climate strategy: Clients, Capital and Innovation

A strategy for a better financial future

In 2025 we published our Transition Update, reiterated our ambition to be a net zero bank by 2050 and outlined how we continue to deliver against our strategy.

In recognition of the realities of the transition and to balance our climate ambition, shareholder expectations and continue to deliver our strategy, we outlined in our Transition Update how we have evolved our approach to focus on working with clients on their transition, financing clients' transition and scaling climate tech, while integrating nature and social considerations.

Our Purpose
Working together for a better financial future

Our ambition is to be a net zero bank by 2050

Working with clients on their transition
See page 71

Financing clients' transition
See page 76

Scaling climate technology
See page 81

Integrating nature and social considerations

Managing climate-related risks to our business and portfolios
See page 67

Reducing our financed emissions
See page 83

Achieving net zero operations
See page 93

To read the Barclays Transition Update, visit home.barclays/our-sustainability-/barclays-approach-to-the-transition/

Working with clients on their transition

Barclays serves a wide range of retail customers, corporate and institutional clients worldwide. Understanding our clients' priorities is central to how Barclays supports the transition. Each client is at a different point in the transition and there is no single pathway that our clients may follow.

We listen to our clients and build a nuanced understanding of the commercial realities shaping their transition pathways. This is informed by regular client dialogue led by our coverage teams and dedicated sustainable finance specialists, supported by specialised analytical tools such as our Client Transition Framework (CTF). This enables more informed conversations with clients about their transition strategies, challenges, and progress.

Our capabilities and tools strengthen our ability to support client progress while helping us to maintain accountability for our own financed emissions reduction targets.

Financing clients' transition

Across the bank we are helping to provide the sustainable and transition finance needed to support the transition to a low-carbon economy. From homeowners to UK farmers through to global multinationals, we are supporting all levels of the economy to transition.

Since 2020, we have mobilised over $500bn of sustainable and transition finance, ensuring Barclays remains well positioned to support our clients and capture the addressable market.

Reflecting our focus to mobilise capital for the transition, we have a target to facilitate $1trn of Sustainable and Transition Finance between 2023 and the end of 2030. In 2025, we facilitated $98.5bn[Δ] and $260.7bn[Δ] since 2023. As the role for us to support our clients has continued to expand, in 2025, we generated just under £0.6bn of revenue from sustainable and transition-related activity[1].

The sustained volumes of and revenue from sustainable and transition related activity underscores our continued momentum. Even in a more complex policy and market environment, we view the transition as a commercial opportunity for our clients, and in turn, Barclays.

Reflecting society's need for available and affordable energy, we also remain a significant provider of capital to the conventional energy and power sector. Financing for clients in this sector is managed in line with Barclays' risk appetite, with decisions informed by transition progress, commercial returns, client engagement and market realities. The bank's approach recognises that energy security and transition progress must advance in parallel and that continued investment in both is critical to meeting evolving client needs and supporting economic stability.

Note:
1 For further detail on revenue definition see footnote 2 on page 76.

Barclays' climate strategy: Clients, Capital and Innovation (continued)

Scaling climate technology

Scaling climate tech is integral to accelerating the transition, with the potential to create profitable means of decarbonisation for many sectors of the real economy.

We are playing a key role in scaling climate tech companies from idea to IPO through the Barclays Climate Tech Escalator. Companies are provided tailored, dedicated support as they grow to help them to harness the power of capital markets.

Barclays Climate Ventures, part of the Climate Tech Escalator, has a mandate to invest up to £500m of our own capital by the end of 2027. Barclays Climate Ventures prioritise investments into commercially scalable technologies that can unlock the transition for the high-emitting sectors in which we have meaningful client exposure, such as energy and power, real estate, and food and agriculture.

Since 2020, £274m has been invested in over 20 companies, and in 2025, £71m was deployed.

Integrating nature and social considerations

Our climate strategy integrates nature and social considerations, including our work on human rights, recognising the need to address these interconnected topics holistically.

In 2025, we extended nature-related criteria within our CTF assessments to now cover four sectors in total, building on a successful pilot for the Power sector in 2024. We also leveraged the findings from our application of the Taskforce on Nature-related Financial Disclosures (TNFD) 'Locate Evaluate Assess Prepare' (LEAP)[1] approach across a sample of clients in the Barclays Mining and European Power portfolios to engage with companies in both sectors, and began extending this work to assess our Automotive manufacturing portfolio.

Achieving net zero operations

We are working towards achieving net zero operations as part of our ambition to be a net zero bank by 2050. This includes setting and meeting various milestones and targets to reduce our operational emissions, with significant progress already made. We have achieved all our 2025 net zero operations milestones and targets, including continuing to source 100%$^{\Delta}$ renewable electricity for our global real estate portfolio and reducing our Scope 1 and 2 market-based emissions by 97%$^{\Delta}$ against a 2018 baseline - exceeding our 90% reduction target.

Building on this progress, we aim to continue sourcing 100% renewable electricity through to 2030 and work towards our 2030 milestones, inclusive of our Scope 1 and 2 location-based emissions and supply chain emissions reduction milestones.

Reducing our financed emissions

In pursuit of our strategy to reduce our financed emissions, which are those deriving from in-scope activities of the clients that we finance, we have set 2030 financed emissions reduction targets which integrate 1.5°C aligned scenarios for eight high-emitting sectors: Upstream Energy, Power, Cement, Steel, Automotive manufacturing, Aviation, UK Agriculture and UK Commercial Real Estate. We also have 2025 targets for Upstream Energy and Power and a convergence point for our UK Housing portfolio.

We set out our progress against our financed emissions reduction targets in this report. We have continued to make progress towards these targets, including exceeding our 2025 target in Upstream Energy and Power.

Implementing our strategy against a shifting landscape

The current pace and momentum of the transition is uneven as governments pursue increasingly divergent approaches, creating a complex and fragmented policy environment.

Some regions and sectors are accelerating, while others, are transitioning at a slower pace than anticipated in 2020 when we announced our ambition. Higher decarbonisation costs, a lack of clear and consistent long-term demand and persistent structural barriers often mean the economics of transition are not yet sufficiently compelling. At the same time, understanding of climate and nature-related risks, such as water scarcity, is becoming clearer for us and our clients.

As a result, the window to limit global warming to 1.5°C above pre-industrial levels is narrowing. Decarbonisation is falling behind the pace required and the likelihood of a prolonged overshoot above 1.5°C is increasing, potentially making it more difficult to return to the pathway that underpins current corporate and financial planning.

These developments and in the absence of consistent global policy signals and clearer long-term frameworks, mean financial institutions may need to choose between financing growth and maintaining the pace of reducing financed emissions.

We are actively monitoring the latest science and economic modelling to assess how such risks could affect our portfolios and targets and will continue to maintain a disciplined, forward-looking approach.

The transition, and therefore our future progress, will be affected by the significant uncertainties, will not be linear and constrained by the policy environment and availability of technology.

Furthermore, these factors have scope to put our clients, customers', and our own, net zero ambitions at risk.

We recognise we have an important role to play in the transition, we cannot tackle this challenge on our own and that our ability to implement our climate strategy and deliver against our targets depends heavily on our clients progress and a wide range of external factors. We will consider and adapt our approach as needed to reflect the evolving landscape.

We remain committed to supporting the transition in a way that is inclusive, resilient, and economically sound, guided by our net zero ambition and our Purpose: working together for a better financial future.

Notes:

Δ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

1 These LEAP assessments were undertaken in 2024. 'European Power' refers Barclays Bank Ireland plc's counterparties. For both 'Mining' and 'European Power', we only included counterparties that met selected criteria, as set out in our 'Navigating Nature Risk- Applying the TNFD's LEAP framework' paper.

Barclays' climate strategy: Clients, Capital and Innovation (continued)

Our strategy, selected targets and progress

The table below sets out progress against our strategy and selected targets.

		Previously announced target or mandate	Progress
			2025 performance
Financing clients' transition	Sustainable financing	• Facilitate $1trn of Sustainable and Transition Financing between 2023 and the end of 2030[1]	• $98.5bn[Δ] • (Life-to-date $260.7bn[Δ])
Scaling climate technology	Barclays Climate Ventures	• Increase mandate to invest up to £500m of Barclays' capital in climate tech start-ups by the end of 2027	• £71m (£274m invested by the end of 2025)
	By the end of 2025/2030		**Cumulative change**
Reducing our financed emissions portfolio reduction targets/ convergence point	Upstream Energy[3]	• By the end of 2025: 15% reduction in absolute CO_2e emissions against a 2020 baseline of 74.1 $MtCO_2$e (Scopes 1, 2 & 3) • By the end of 2030: 40% reduction in absolute CO_2e emissions against a 2020 baseline of 74.1 $MtCO_2$e (Scopes 1, 2 & 3)	-41%
	Power[4]	• By the end of 2025: 30% reduction in CO_2e emissions intensity against a 2020 baseline of 316 $kgCO_2$e/MWh (Scope 1) • By the end of 2030: 50-69% reduction in CO_2e emissions intensity against a 2020 baseline of 316 $kgCO_2$e/MWh (Scope 1)	-35%
	By the end of 2030		
	Cement[3]	• 20-26% reduction in CO_2e emission intensity against a 2021 baseline of 0.631 tCO_2e/t (Scopes 1 & 2)	-13%
	Steel[3]	• 20-40% reduction in CO_2e emissions intensity against a 2021 baseline of 1.945 tCO_2e/t (Scopes 1 & 2)	-30%
	Automotive manufacturing[3]	• 40-64 % reduction in CO_2e emissions intensity against a 2022 baseline of 174.8 gCO_2e/km (Scopes 1, 2 & 3)	-3%
	Aviation[3]	• 11-16 % reduction in CO_2e emissions intensity against a 2023 baseline of 882 gCO_2e/RTK (Scopes 1 & 3)	-2%
	UK Commercial Real Estate[2]	• 51% reduction in CO_2e emissions intensity against a 2023 baseline of 26.3[Δ] $kgCO_2e/m^2$ (Scopes 1 & 2)	-6%
	UK Agriculture[3]	• 21% reduction in absolute CO_2e emissions against a 2023 baseline of 0.53 $MtCO_2$e (Scopes 1, 2 & 3)	-13%
	UK Housing[2]	• Convergence point: 40% reduction in CO_2e emissions intensity against a baseline of 27.9[Δ] $kgCO_2e/m^2$ (Scopes 1 & 2)	-3%
	By the end of 2025		**2025 performance**
Achieving net zero operations	Renewable electricity sourcing	• 100% renewable electricity sourcing for our global real estate portfolio by the end of 2025	100%[Δ] sourced
	Scope 1 and 2 emissions	• 90% absolute reduction in our Scope 1 and 2 market-based GHG emissions against a 2018 baseline by the end of 2025	97%[Δ] reduction

Notes:

Δ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub for further details: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

1 Our previously announced target to facilitate £150bn of social, environmental and sustainability-linked financing by 2025 was exceeded in 2021and £100bn of green financing by 2030 was exceeded in 2023. In the 2026 update to the Barclays Sustainable Finance Framework, the reference to the target has been updated to reference $1 trillion Sustainable and Transition Finance between 2023 and the end of 2030 (the "Target") and accordingly references to the Target in this Annual Report have been reflected as such, other than in this chart.

2 Previously reported baseline values have been re-baselined in the current year. For further details please see page 86.

3 Baseline values have not changed in the current year and have previously been subject to limited assurance under ISAE (UK) 3000 and ISAE 3410. Limited assurance conclusions can be found within the Sustainability Resources Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

4 The power sector has been re-baselined due to a data sourcing update. The impact of this change is not considered material. The baseline figure in the 2024 Annual Report was subject to limited assurance under ISAE (UK) 3000 and ISAE 3410. Limited assurance conclusions can be found within the Sustainability Resources Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

Risk and opportunities

TCFD Strategy Recommendation A:
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.

Risk and opportunities

TCFD Strategy Recommendation A

Climate-related risks identified over the short, medium and long term

Our climate strategy is underpinned by the way we assess and manage our exposure to climate-related risks. Climate Risk is a Principal Risk within the Barclays Enterprise Risk Management Framework (ERMF).

Barclays faces exposure to climate-related risks either directly through its operations and infrastructure or indirectly through its financing and investment activities. The two main categories of climate risk are physical risks and transition risks.

- Physical risk is defined by Barclays 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 floods. Longer-term shifts in climate patterns (chronic hazards) arise from sustained higher temperatures that may cause rises in sea levels, changing precipitation patterns or heat stress.
- Transition risk[1] is defined by Barclays as the risk of financial losses caused by the changes driven by the economy shifting to a lower carbon basis, including for example changes in policy, technology and consumer and investor sentiment.

Physical and transition risks can have varying degrees of impact on Barclays and its clients, influenced by geographic and jurisdictional factors, including differing vulnerabilities to physical hazards like flooding and hurricanes, as well as diverse regulatory requirements that must be adhered to for transitioning to a low-carbon economy.

Time horizons

The impact of physical and transition risks can be significant and widespread, affecting Barclays' portfolio and financial performance over short-, medium- and long-term horizons. Significant uncertainty remains around the timing of major climate-related impacts, although some effects have already surfaced. So far, these impacts have been largely contained within specific geographies and sectors, but they carry the potential to escalate and trigger broader impacts on financial systems.

In the short term, physical risks arising from extreme weather events and climate-related disasters pose a direct threat to Barclays' physical assets and infrastructure. This can potentially result in immediate losses, increased costs for repair and higher insurance premiums. Similarly, acute events may also potentially damage the physical facilities of Barclays' clients or cause business disruptions, which may adversely impact the value of clients' assets, reduce their profitability and subsequently lead to potential increase in credit risk for Barclays. Additionally, business facilities and operations in regions prone to high physical risks may also experience higher insurance premiums or limited insurance coverage.

Transition risks could occur in all timeframes. Short to medium-term developments may be largely driven by new regulations and technological breakthroughs aimed at replacing carbon-intensive methods. There remains significant uncertainty around the speed and scale of the transition. The cost of transitioning to cleaner technologies and sustainable business practices may strain the financial resources of businesses, affecting their profitability and long-term viability. There may be challenges related to employment as businesses transition away from carbon-intensive practices. This in turn may impact the creditworthiness of Barclays' clients and their ability to repay loans. Financial institutions like Barclays could also face significant increases in costs and resources allocated to adhere to new policies, laws and regulations aimed at transitioning to a low-carbon economy. This in turn may lead to higher conduct and operational risks to Barclays.

Transition risks arising from actions aimed at mitigating climate change can shift market sentiment, introduce price volatility and equity shocks, leading to declines in the valuation of financial instruments and potential trading losses in Barclays' portfolios. Additionally, companies may face reputational damage and legal actions, including litigation, regulatory penalties, and shareholder lawsuits in relation to climate risks. These could lead to decreased customer trust or investor support and heightened liability risks for both the companies and their financial partners. Barclays may also face adverse media, negative investor sentiment or climate-related litigation in relation to its business activities. This in turn may adversely impact customer demand for Barclays' products, returns on business activities, and the value of assets and trading positions, resulting in higher impairment charges.

In the longer term, the cumulative effects of global temperature rises are likely to become increasingly pronounced – influencing ecosystems, sea levels and societal structures. Climate change can also trigger tipping points through feedback loops that amplify its effects. Certain tipping points are already underway, manifesting in observable changes across the globe. Different tipping points, such as the melting of ice sheets or changes in ocean circulation, have varying time horizons. As the climate science develops, it appears that some tipping points may run on a shorter timeline than initially expected. Accordingly, the uncertainty of exact timeframes in which such tipping points could materialise adds a layer of complexity – making it challenging to precisely predict when impacts will materialise.

When considering the timescales of climate-related risks, Barclays has categorised short, medium and long term as follows:

- Short term (S): 0-1 year
- Medium term (M): 1-5 years
- Long term (L): > 5 years.

The short-term timescale coincides with the short-term plan for annual budgets and granular financial plans. The medium term coincides with the five-year financial, capital and funding plans.

Climate change as a driver of risk

The feedback effects of climate risk drivers through transmission channels are observed in Barclays' portfolio through traditional risk categories such as credit risk, market risk, operational risk and reputational risk. Climate risk is designated as a Principal Risk within Barclays' ERMF, with the purpose of capturing the impact of climate change on the bank's Financial and Operational risk categories. Barclays has implemented a dedicated risk management framework for climate risk. This framework aims to guide effective management of climate risk and support the delivery of Barclays' climate strategy. The Climate Risk Framework is reinforced by policies and standards, which contain control objectives and requirements that must be adhered to by different teams across business lines and risk management departments. Climate risk may also drive non-financial risks such as reputational risk, which continue to be managed under their respective risk frameworks. Barclays' approach and framework undergoes regular reviews and updates – including changes to the risk taxonomy, definitions and methodology – to align with changing regulatory expectations and external developments.

Note:
1 The revised transition risk definition reflects further refinement of the underlying drivers and transmission channels as illustrated on the next page.

Risk and opportunities (continued)

TCFD Strategy Recommendation A

The potential impacts of physical and transition risk drivers will vary across Barclays' portfolios depending on composition, industry, geographic location, business operations and other contextual factors.

The tables below set out example drivers and transmission channels, and the expected time horizons of physical and transition risks.

Further details on how Barclays manages climate risk can be found on **pages 244 to 246.**

Transition risks	Policy	Consumer/Investor Sentiment	Technology	Litigation and Enforcement
Definition	• Risks arising due to evolving climate and / or environmental legislation and policy, regulatory changes / penalties, disclosure mandates as the economy transitions.	• Risks arising from stakeholders' changing perceptions of businesses and industries, or individual preferences under a transitioning economy, impacting supply, demand and price dynamics.	• Risks arising from rapid innovation or obsolescence and the cost of adopting new, cleaner technologies.	• Risk of being the subject of a legal claim or regulatory investigation on the basis of perceived action or inaction relating to climate or environmental matters.
Example transmission channels	• Increased costs and higher capital expenditure to meet regulatory compliance. • Asset stranding as a result of inability to operate under evolving regulatory or policy landscape.	• Asset devaluation as preferences shift away from certain goods and services. • Lowered revenue as demand falls in certain sectors and prices in turn drop.	• Higher capital expenditure costs as new technologies require increased investments. • Costs increasing as a result of changing prices of raw materials or supply chains altering.	• Increased costs via responding to claim or investigation, or potential liability for fine or damages. • Lowered revenue as demand falls due to reputational impacts.
Expected time horizons	• S, M, L			

Physical risks	Acute	Chronic
Definition	• Risks arising due to event-driven hazards, including increasing frequency and/or intensity of extreme weather events, such as storms, heatwaves, wildfires, floods, etc.	• Risks arising due to longer-term changes in weather patterns, including increased mean temperatures, including sea-level rise, changing precipitation patterns, water stress/ scarcity, drought conditions, etc.
Example transmission channels	• Business interruption causes lower revenues as physical hazards create production challenges from damaged building and operating sites. • Lower revenue or higher operating costs, driven by supply chain squeezes making raw materials more challenging to obtain. • Devaluation of assets as damages and risks to property from natural hazards are priced into the valuation.	• Higher capital expenditure costs to invest in adaptation measures to prevent future damages as climate causes increased frequency/severity of weather events. • Costs increase as a result of rising insurance costs and premiums.
Expected time horizons	• S, M, L	• M, L

Risk and opportunities (continued)

TCFD Strategy Recommendation A

Building our understanding of nature-related risk

Barclays' understanding of nature impacts and dependencies and how they translate into physical, transition, and financial risks is evolving. We recognise the importance of supporting our clients in navigating the transition to nature-positive and net zero. We have continued to advance our work on nature, integrating it into our efforts to mitigate and adapt to climate change.

In 2025, we published '*Navigating Nature Risk – Applying the TNFD's LEAP framework*', which sets out the findings from our initial application of the Taskforce on Nature-related Financial Disclosures' (TNFD) Locate Evaluate Assess Prepare (LEAP) approach across a sample of clients in the Barclays Mining and European Power portfolios[1]. We carried out this work to better understand the nature-related impacts, dependencies and financial risks associated with these companies. While there were limitations in our approach (including in both the data and methodological approaches used), we were able to use the output to assess various outcomes. In particular, the results indicated potential adverse cumulative earnings impact over five years for both sectors, across their modelled scenarios. However, while these earnings impacts varied between these portfolios, the analysis indicated that - despite scenario-driven losses – the impacts on each portfolio remained manageable and did not amount to a material change in overall portfolio credit quality. We leveraged these insights to engage with companies in both sectors in 2025, testing our approach, learning how they measure and manage nature-related impacts and risks and identifying potential collaboration opportunities.

We are now carrying out an additional sectoral TNFD LEAP assessment of our Automotive manufacturing portfolio, measuring selected material impacts for this sector such as water use, water pollution, and air pollution across the value chain. This will be followed by client engagement to discuss our approach and results.

For more information on our 'Navigating Nature Risk – Applying the TNFD's LEAP framework' paper, see our website: **home.barclays/our-sustainability-/barclays-approach-to-the-transition/nature/**

Sustainability and climate-related opportunities identified over the short, medium and long term

We recognise that the global transition to a low-carbon economy presents an opportunity for Barclays to work with our clients, scaling up zero or near-zero-emitting technologies and businesses, and supporting emissions reductions in high-emitting and hard-to-abate sectors.

We have a target a facilitate $1 trillion of Sustainable and Transition Finance between 2023 and the end of 2030.

The market opportunity

Through 2025, the global landscape has continued to evolve. Investment in the energy transition has accelerated, climate technologies have matured further, and both energy demand and the focus on energy security have intensified. The physical impacts of climate change are becoming more apparent too.

Global investment flows reached $2.3trn in 2025, concentrated in mature segments such as renewable power, grid infrastructure, energy storage, energy efficiency solutions and low emission fuels[2,3]. The green economy is now valued at $8 trillion[4]. Against this backdrop, our sustainable finance strategy is aimed to support clients in the transition while enabling Barclays to capture this associated growth opportunity.

The UK's residential sector is increasingly seeking to improve housing energy efficiency. Barclays is capturing this demand trend through its Green Home Mortgage performance, which performed strongly in 2025 with £2.4bn lent, and Greener Home Reward payments totalling £3m since launch supporting eligible retail mortgage customers in retrofitting their properties and helping reduce their energy consumption.

Since 2020, we have mobilised over $500 billion of sustainable and transition finance, showcasing Barclays' ability to support clients and capture this market[5]. We expect our progress towards achieving our target of facilitating $1trn of Sustainable and Transition Finance will be non-linear and will be shaped by market demand, evolving policy and regulatory developments; however so far capital flows into the transition have remained resilient.

The Barclays Transition Update provides further insights into how Barclays is supporting clients with transition opportunities, with sector-specific analysis on how we are working with clients across the Energy and Power, Food and Agriculture, Real Estate, and Industrials[6], sectors.

For further details please see the **Barclays Transition Update**

Identifying nature-related opportunities

Nature-related financing represents a growth opportunity for the financial services sector, reflecting the scale of capital required to halt and reverse nature loss by 2030 as outlined in the Global Biodiversity Framework (GBF). Private finance for nature has accelerated rapidly – rising from just $9.4 billion to more than $102 billion over four years – yet remains far short of what is needed to close the global nature financing gap[7].

In 2025, we incorporated nature-related eligibility criteria in the Transition Finance Framework (TFF) for the first time and expanded nature-related eligibility criteria in the Sustainable Finance Framework (SFF). These enhancements develop our ability to identify opportunities aligned with the SFF and TFF, scale finance that supports nature, and contribute to achieving our $1trn Sustainable and Transition Finance target.

During 2025, we also assessed potential nature-related opportunities and products that Barclays could advance. Following our Barclays Mining and European Power LEAP assessments, we engaged with clients in these sectors, exploring potential opportunities to support their nature-positive transition across value chains. We have noted that interventions that help clients avoid and minimise negative impacts on nature could have clear potential, supporting them in the transition to net zero and nature-positive activities.

Notes:
1. These LEAP assessments were undertaken in 2024. 'European Power' refers Barclays Bank Ireland plc's counterparties. For both 'Mining' and 'European Power', we only included counterparties that met selected criteria, as set out in our 'Navigating Nature Risk- Applying the TNFD's LEAP framework' paper
2. about.bnef.com/insights/clean-energy/bloombergnef-finds-global-energy-transition-investment-reached-record-2-3-trillion-in-2025-up-8-from-2024/
3. www.iea.org/reports/world-energy-investment-2025/executive-summary
4. reports.weforum.org/docs/WEF_Already_a_Multi-Trillion-Dollar_Market_2025.pdf
5. This $500bn figure refers to the sustainable and transition finance mobilised from 2020, of which approximately $260bn contributes towards the $1trn Sustainable and Transition Finance Target (2023 - 2030).
6. Industrials includes automotive manufacturing, aviation, cement, mining and steel. For further details please see the Barclays Transition Update.
7. UNEP FI: unepfi.org/wordpress/wp-content/uploads/2024/06/Press-release-New-Green-Shoots-research-Clean-10062024-updated-2.pdf

Implementing our climate strategy

TCFD Strategy Recommendation B:
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.

Implementing our climate strategy

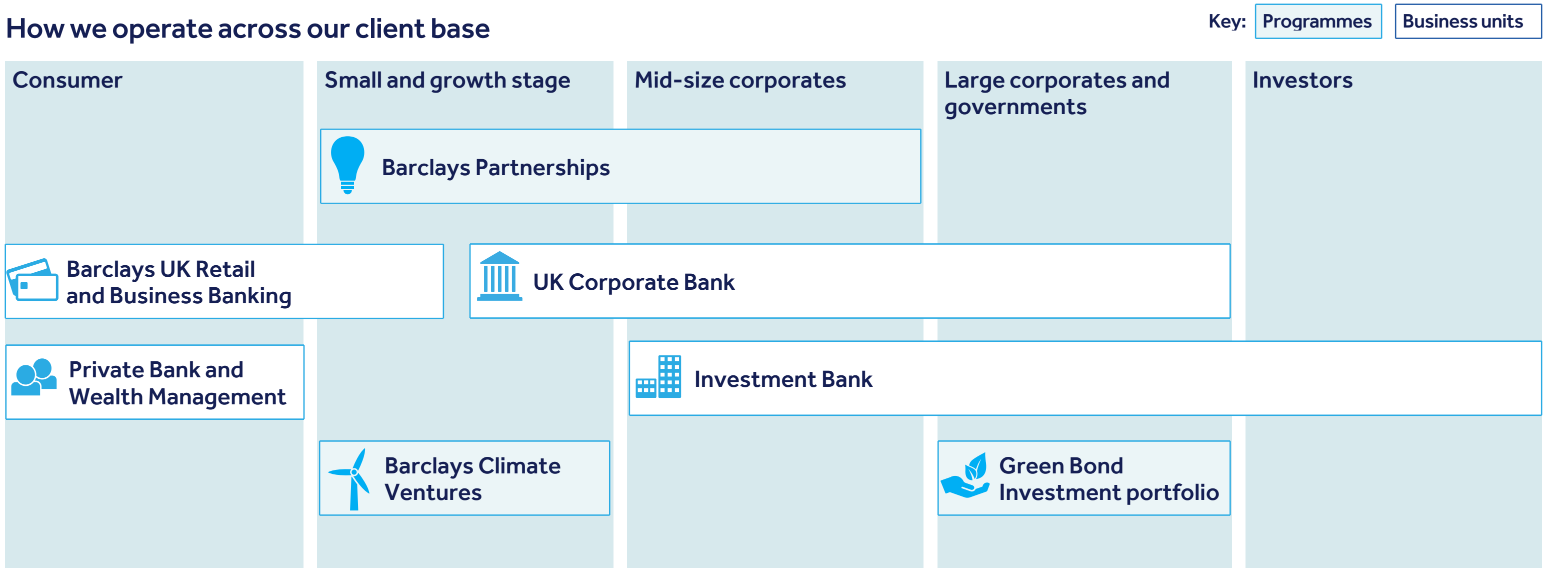
TCFD Strategy Recommendation B

Working with clients on their transition

Barclays serves a wide range of retail customers, corporate and institutional clients worldwide. Understanding our clients' priorities is central to how Barclays supports the transition. Each client is at a different point in the transition and there is no single pathway that our clients may follow.

We listen to our clients and build a nuanced understanding of the commercial realities shaping their transition pathways. This is informed by regular client dialogue led by our coverage teams and dedicated sustainable finance specialists, supported by specialised analytical tools such as our Client Transition Framework (CTF), see page 74. This enables more informed conversations with clients about their transition strategies, challenges, and progress.

How we operate across our client base



Barclays UK and UK Corporate Bank

In 2025, we continued to support the transition in our home market by helping households, businesses and corporate clients make more sustainable choices. Working across our UK focused businesses, we worked to address common barriers, facilitated access to practical industry insight and peer-to-peer learning opportunities. We have evolved our products and propositions that contribute to our progress towards our $1 trillion Sustainable and Transition Finance target.

For further details please see the Barclays Transition Update

Retail Bank

Sustainability Hub

In 2025, we launched our in-app Sustainability Hub for current account customers providing information on our financial products, services, informative content and partner offers that may support them in making more sustainable choices.

Greener Home Reward

A key factor in decarbonising the UK Housing sector is improving the energy efficiency of the housing stock. Through our financial products and partner offers, we support our retail mortgage customers in retrofitting their properties and helping reduce their energy consumption.

In 2025, we continued to support existing eligible residential mortgage customers in installing eligible energy-efficiency-related measures in their homes through our Greener Home Reward offer, providing a cash reward of up to £2,000. We supported more than twice as many customers as in any previous year, bringing the total reward payments since launch to £3 million. From January 2025, we expanded the offer to include Microgeneration Certification Scheme (MCS) accredited installers focussed on small scale renewable energy technologies. Since the launch of the Greener Home Reward, more than 90% of customers installed renewable energy technologies, with 60% of reward payments attributed to installations of solar panels and solar battery storage, followed by 31% for low-carbon heating.

All of our sustainable products and offers remain under review as we consider how we best support our customers and clients in making more sustainable choices.

Reward payments by retrofit type [1,2]

A	Solar energy	60 %
B	Low-carbon heating	31 %
C	Doors and windows	5 %
D	Insulation	4 %
E	Solid wall insulation	0 %

Notes:
1 Data based on retrofit type for rewards paid since launch.
2 Previously titled 'Retrofit type at claim'.

Further details on Barclays Greener Home Reward can be found at: barclays.co.uk/mortgages/greener-home-reward/

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Working with clients on their transition (continued)

Business Bank

We recognise the importance and opportunities as businesses transition to a low-carbon economy. Within Business Banking we continue to actively engage and support our Small and Medium Sized Enterprises (SME) clients, including Agriculture and Real Estate.

Barclays co-chaired the independent, government-backed Willow Review, which explored how UK SMEs can benefit financially from sustainability. The Willow Review was launched in 2025, and the UK Government formally responded to its recommendations in December. In line with the Review's recommendations for financial services, we have introduced a range of initiatives for our Business Banking clients, including SME Workshops, dedicated mentors and Eagle Labs modules focused on the business case for sustainability. The review also highlighted an important insight: access to finance was a key obstacle preventing SMEs from investing in sustainable practices. Building on the findings of the Willow Review, we published a policy snapshot[1] on access to sustainability grants.

We recognise that a successful transition relies on businesses remaining profitable, resilient and innovative. Within our Innovation Banking community, we are exploring how Climate Tech solutions can solve for real-world challenges that SMEs experience. We recognise that some clients like to learn from each other - to encourage peer-to-peer learning, we have launched monthly Sustainability Breakfasts at Barclays Innovation Hub to convene businesses and industry experts on topics such as supply chains and the business case for sustainability.

Our customer research and industry events help us develop policy positions and thought leadership, such as our 'Agritech: supporting the future of farming' report.

For our Agriculture clients, Barclays research showed that >70% of our UK farming customers had witnessed the effect of climate change on their farms. It highlighted the importance of developing practical steps to help farms adopt innovative and more sustainable farming practices. In response, we worked with farmers, multinationals and other stakeholders to pilot a new model for supporting farmers to adopt regenerative practices through the Sustainable Markets Initiative's 'Routes to Regen' project. The pilot offered simplified support through a menu of options, on-farm guidance, technical assistance, peer-to-peer learning and financial support. The results of the pilot showed that 57% of participants reported that they were more likely to farm more regeneratively as a result, and 82% rated the multi-company collaboration as important in their decision to take part.

Our Farm2Farm network was established in 2023 to enable farmers to learn from one another and share practical insights. We continue to facilitate gatherings that support peer-to-peer learning, assist with farmers' daily banking needs, and facilitate climate and sustainability discussions to help them navigate their transition to more sustainable farming practices.

In 2025, we built on this and launched a collaboration with Dyson Farming to bring technology and engineering into farming. Through this, we connect farmers and Agritech founders to explore new technologies and learn about innovation trials and research that could be considered for implementation on their farms.

UK Corporate Bank

Working with clients to support their sustainability and transition ambitions remains a key factor in our focus of deepening client relationships and grow lending and products. There is demand from clients across the value chain for support and to inform them on products, services and relevant industry and regulatory themes as they transition to a low-carbon economy and are required to comply with evolving sustainability standards. We continue to work closely with clients to help them adapt through various collaborations including using our insights on best practice gleaned through industry working groups.

Throughout 2025, UK Corporate Bank (UKCB) delivered specialised client support by assessing our clients' sustainability position and tailoring engagement to meet their objectives. We also developed a proactive strategy for select sectors to prioritise outreach, integrate innovative financing solutions, and deliver meaningful client impact.

We regularly convened clients across a range of sectors and technology showcases to promote learning, peer-to-peer feedback, and direct engagement. Clients benefited from hearing about the latest relevant technologies, directly accessing Barclays Climate Tech ecosystem, discussing broader industry thematics and these sessions provided actionable insight on how Barclays can practically assist clients in their transition.

Utilising some of this broader client feedback, we expanded our sustainable capabilities to help us support clients with innovative, practical solutions. These included preparing to launch a tool for Commercial Real Estate clients, undertaking a consulting and market landscape project to develop a carbon tracking tool for our Barclaycard Commercial Issuing clients, and launching a sustainable deposit solution in July 2025, enabling clients to align liquidity with their sustainability priorities.

Amplifying client perspectives in key sustainability forums helps to ensure our clients' voices inform policy and helps position and develop UKCB's leadership role in aiming to drive systematic change through our thought leadership. In UKCB, we extended our external leadership, joining the Future Homes Hub and partnering with the Partnership for Carbon Accounting Financials (PCAF) and a range of global financial institutions to align industry thinking on accounting for embodied carbon.

Broader engagement across Business Bank and UK Corporate Bank

Across both the Business Bank and UK Corporate Bank, we recognise from industry reports and Barclays' own research that barriers to action for clients and customers include a lack of awareness of trusted information sources, understanding what actions to take, as well as access to finance.

Note:

1 Policy Snapshot: home.barclays/insights/2025/10/making-sustainability-grants-work-for-SMEs/

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Working with clients on their transition (continued)

Noting these challenges, in UKCB we have continued our collaboration with SaveMoneyCutCarbon (SMCC) and have expanded the collaboration to our Business Bank, allowing a broader set of clients and customers the opportunity to complete carbon mentor calls. These calls assist clients in identifying practical steps to reduce energy consumption and operating costs, supporting measurable progress towards their sustainability goals.

Nature markets, such as the Biodiversity Net Gain (BNG) scheme in England, are opening potential new revenue streams and the opportunity to better utilise areas of unproductive land for landowners and help property developers comply with legislation. We continue to provide support for our property developer and landowner clients through our collaboration with Environment Bank.

To help clients across Business Banking and UKCB access information and share insights we have co-hosted regional roundtables with the British Chamber of Commerce focusing on topics such as supporting SMEs in the supply chain and decarbonisation in the built environment. We participated in various industry forums including Icebreaker One's Perseus, UK Business Climate Hub and the Net Zero Council and produced a series of Thought Leadership reports for clients and wider industry stakeholders, highlighting potential barriers and opportunities in our customers' and clients' transition journeys.

Investment Bank

Embedding sustainability in our business

We have embedded sustainability expertise directly within our Investment Bank so that climate and transition considerations are integrated into day to day client coverage, financing and strategic advisory activities. By placing sustainability specialists alongside bankers in sector, product and markets teams, we can identify transition-driven risks and opportunities earlier, develop tailored financing and advisory solutions, and help clients navigate rapidly evolving policy and technology landscapes.

Leveraging our teams' expertise to work with our clients

Across sectors, especially Energy, Power, Industrials and Climate Technology, we increasingly supported firms responding to the major transition themes shaping 2025. These included investment in grid modernisation, growing renewable capacity, helping Industrial clients decarbonise, and the rapid expansion of battery storage and distributed energy solutions needed to stabilise the system. Much of our work focused on helping these businesses secure financing and navigate the scale up challenges that come with deploying new technologies at pace.

Our Sustainable and Transition Finance Advisory team supported clients ahead of IPOs, M&A and capital raises, helping them articulate their transition strategy and address key investor concerns such as policy exposure, technology choices and capital expenditure plans.

Our Sustainable Investing Research team provided data-driven insights on the sectors undergoing the most significant transition shifts, helping both issuers and investors navigate emerging risks and opportunities. Throughout the year, the team has met with clients around the world to discuss key sustainability themes and how to invest in them, and hosted a number of flagship events. Our work was recognised through industry rankings, including #1 in FICC sustainable investing research and ESG insight and UK's Best Bank for ESG[1].

For further details on how we work with clients across specific sectors please see the **Barclays Transition Update**

Building relationships through engagement with stakeholders

In 2025, Barclays strengthened client engagement in sustainable finance by leveraging major industry platforms, convening over 1,000 CEOs, investors, corporates and policymakers across our flagship Sustainable Finance Conferences, Climate Weeks in London and New York, and COP30. These forums focused on energy security, nature and landscape restoration, carbon management, grid optimisation and the commercial opportunities within the transition.

Working with partners including the Sustainable Markets Initiative, C2ES, Johnson Controls and Fauna & Flora, we delivered practical sessions that deepened client relationships, supported knowledge-sharing and equipped clients with actionable pathways for decarbonisation and resilience.

Fauna & Flora

Collaborating for landscape restoration

In December, Barclays and nature conservation charity, Fauna & Flora, announced a collaboration centred on landscape-level restoration.

The collaboration is focused on bringing together stakeholders from multiple sectors to exchange ideas on achieving restoration at scale, aiming for a 'proof of concept' that will set out practical options for a real-world restoration project.

Fauna & Flora
Saving Nature Together

Note:

1 In 2025 Barclays was ranked #1 by Extel for FICC sustainable investing research and was also awarded IFR's Best Bank for ESG Insights and Euromoney's award for the UK's Best Bank for ESG for the third consecutive year.

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Working with clients on their transition (continued)

Client Transition Framework (CTF)

In 2025, we extended the CTF Methodology to increase the scope of clients covered by our assessments. For the first time, we have now evaluated our in-scope publicly listed corporate clients in all sectors across our Investment Bank and UK Corporate Bank, as well as in-scope clients within our UK Commercial Real Estate portfolio. This is in addition to continuing our annual CTF assessments for in-scope clients in the previously assessed sectors (Upstream Energy, Power, Steel, Cement, Automotive Manufacturing, & Aviation). The continued use of AI for data collection of clients public disclosures has enabled this expanded scope and has approximately quintupled the total limits covered by our assessments versus 2024. The aggregate 2025 CTF results reflects the impacts of our expanded scope, methodology updates, and lending activity.

The CTF evaluates our in-scope clients' progress towards business models aligned to a low-carbon economy, primarily focused on clients' public disclosures. It provides a detailed understanding of clients' current and future transition activities. Clients who are assessed receive a CTF score of T1 (most developed) to T5.

The CTF helps us monitor and measure the decarbonisation progress of our in-scope clients, which in turn informs our engagement efforts. Engaging with our clients to assist with understanding their businesses, the challenges they face and the risks and opportunities they are seeking to address is critical to our ability to support them as they navigate the transition to a low-carbon economy.

In the sectors where we have set financed emissions reduction targets, these scores inform our engagement, origination decisions, and portfolio management, and help ensure that our approach is both commercially disciplined and forward-looking, enabling us to support clients credibly whilst managing transition-related exposures across the bank. We intend to implement this approach for UK Commercial Real Estate during 2026. For sectors where we have not set financed emissions reduction targets, we will continue to consider how we embed the outputs from these CTF assessments during 2026. In all cases, financing decisions continue to remain transaction-specific and subject to standard committee reviews including for credit risk, reputational risk, and capital impact.

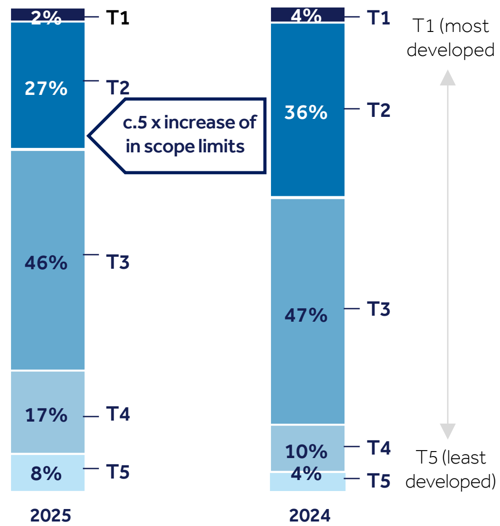
Since the CTF relies on clients' public transition plans and other related disclosures, changes in the breadth, depth, or frequency of these, often voluntary, disclosures could materially impact assessment results. The scores should be considered against the backdrop of evolving market dynamics and developments in the policy landscape.

For further details please see the Barclays Transition Update

Incorporating nature into the CTF

In 2025, we extended nature-related criteria within our CTF assessments to cover four sectors in total: Power, Mining, Automotive Manufacturing and Food, building on the pilot conducted for the Power sector last year. The evaluation focuses on governance, strategy, risk management and metrics and targets, providing a structured view of how clients are integrating nature considerations into their business models. Initial findings show around one in five link executive remuneration to nature and around two thirds have an executive accountable for nature, across the four sectors. These insights will help to inform client engagement activity for next year.

Aggregate CTF results [1,2]
(% by lending limits)



Notes:
1 Clients may have scores in multiple sectors but are included only once to avoid double-counting.
2 Given the expanded scope in total limits covered in 2025, aggregate CTF results are not directly comparable with 2024.

Private Bank and Wealth Management

Responsible investing and stewardship

Private Bank and Barclays Investment Solutions Limited (BISL)[3,4]

Private Bank and BISL provide clients with access to sustainable investing solutions across asset classes and investment approaches, within discretionary portfolio management (DPM) and managed funds. These are available alongside traditional investment products and allow clients to align investments with their financial objectives and where relevant, sustainability preferences.

We support clients in meeting financial and, where applicable non-financial objectives. This includes clients who consider transition-related risks and opportunities to be financially material to long-term portfolio performance, as well as those seeking exposure to areas such as clean energy, resource efficiency, and low-carbon technologies, while managing downside risks in sectors exposed to regulatory change, evolving market expectations, or physical climate impacts.

Where relevant to the investment strategy and asset class, as part of the investment process, we assess, among other things, an issuer's/company's management of environmental, social and governance related risks and opportunities, helping to identify risks and opportunities that are financially material and may affect long term returns.

Notes:
3 Private Bank and Wealth Management (PBWM) is one of Barclays' five operating divisions (created during the 2024 Group restructuring). It brings together the Private Bank and the Wealth Management businesses under a single division. The Private Bank is a client-facing business line within PBWM, providing investment offerings. BISL is a wholly owned UK investment firm, operating within PBWM which serves as the investment manager responsible for delivering DPM and fund-of-fund solutions used across PBWM investment offerings.
4 Private Bank operates across multiple jurisdictions, including Ireland, the UK, the Channel Islands, Switzerland, India, South Africa, Dubai International Financial Centre, Monaco and Singapore. BISL manages investments for Barclays Asset Management Limited (BAML is an Authorised Fund Manager) for its UK domiciled funds and is delegated investment manager for external management companies for selected Luxembourg and Irish domiciled funds. BISL is responsible for making all day-to-day investment decisions on behalf of each fund range wherever it is domiciled.

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Working with clients on their transition (continued)

Private Bank and BISL are signatories to the Principles for Responsible Investment (PRI). BISL became a UK Stewardship Code signatory in 2023 and continues to meet the Code's requirements through periodic reassessment. Since our initial PRI reporting, we have continued to enhance our ESG integration[1] approach, supporting meaningful client engagement as well as through engagement and voting as core components of responsible investing[2,3].

For Private Bank clients please find further details on the Private Bank's approach to responsible investing and stewardship activities at: **privatebank.barclays.com/what-we-offer/investments/responsible-investing-engagement-and-voting-activities**
For Wealth Management clients please find further details on BISL's approach to responsible investing and stewardship activities at: **barclays.co.uk/wealth-management/important-information/responsible-investing-statement**

We undertake this activity in partnership with our stewardship provider, EOS at Federated Hermes Limited (EOS), which engages with companies on our behalf where they identify controversies and selected material ESG issues or opportunities to strengthen risk management practices[1,3]. We provide transparent reporting to our clients and publicly on engagement and voting activity, giving visibility on how these matters are escalated and considered over time.

During 2025, we delivered targeted client engagement events to help clients understand how climate-related developments and the energy transition may influence financial markets, asset classes and investment decision making. Sessions covered key sustainability concepts and emerging technologies (including hydrogen, carbon capture, utilisation and storage and energy storage) and how these themes may translate into investment risks, opportunities, and portfolio construction considerations.

Notes:

1 Please refer to the respective Private Bank privatebank.barclays.com/what-we offer/investments/responsible-investing-engagement-and voting-activities and BISL Responsible Investing (barclays.co.uk/wealth-management/important information/responsible-investing-statement) websites for more details.
2 Applies to Private Bank DPM and BISL DPM and BISL funds. Responsible Investing activities are not undertaken in India; where strategies are developed for the local market.
3 Please note our stewardship approach (guided by our stewardship provider EOS) may differ across different regions. Any voting is undertaken in line with applicable laws and rules, including on antitrust, conflicts of interest and acting in concert.

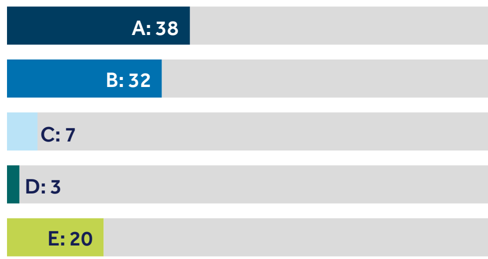
Treasury green programmes

Green bond investment portfolio

Barclays Treasury invests in green bonds as part of the liquidity pool. As an investor we undertake work to ascertain the sustainability credentials of proposed investments. We engage with green, social and sustainability bond issuers to understand how their frameworks and goals align with our investment approach. The proceeds of our green bond investments fund projects in areas such as renewable energy and clean transport. We continue to consider new investments in supranational organisations and government-issued green bonds as they become available, with the aim to invest £4bn over time.

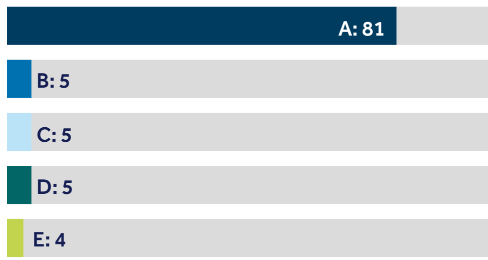
Green bond investment portfolio size by year (£bn)

Green bond investment portfolio impact by sector (%)



A Transport
B Renewable Energy and Energy Efficiency
C Agriculture, Land Use
D Water and Waste
E Other

Green bond investment portfolio impact by region (%)



A Europe
B Asia
C South America
D Africa
E North America

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Financing clients' transition

Barclays is helping to provide the sustainable and transition finance needed to support the transition to a low-carbon economy and has set a target to facilitate $1trn of Sustainable and Transition Finance between 2023 and the end of 2030[1]. Our ability to meet the target and annual progress towards it, is subject to external factors such as policy, laws and geopolitics.

For 2025, we generated just under £0.6bn of revenues from sustainable and transition-related activity[2].

Progress against our $1trn target

Our target to facilitate $1trn of Sustainable and Transition Finance between 2023 and the end of 2030 encompasses the green, social, transition and broader sustainability-linked finance requirements of clients including corporates, governments and the public sector, financial institutions and consumers.

Progress towards delivering our target will be non-linear and will be shaped by market demand, evolving policy and regulatory developments; however so far capital flows into the transition have remained resilient. We will continue to review and adapt our approach to Sustainable and Transition Finance in response to the evolving market environment.

During 2025, we facilitated $98.5bn[Δ] of Sustainable and Transition Financing[3], comprising $94.0bn in sustainable financing, (2024: $88.7bn) and $4.5bn[Δ] in transition financing, (2024 : $5.7bn). Bond issuance[4] remained the largest product category, representing 72% of total Sustainable and Transition Financing.

Loans and equity accounted for 24% and 1% respectively. This mix represents growth in bond activity and a shift away from loans and equity, compared with 2024, when the composition was 69% bond issuance, 22% loans, and 5% equity. As at the end of 2025 we had facilitated a cumulative $260.7bn[Δ] of Sustainable and Transition Financing.

Sustainable finance

Sustainable finance, aligned to our Sustainable Finance Framework (SFF), consists of dedicated use of proceeds financing for clients with an eligible business mix in relevant green and/or social categories, and sustainability-linked financing.

In 2025 our sustainable financing activities continued to support progress towards the UN Sustainable Development Goals (SDGs). Through the categories defined in our Sustainable Finance Framework (SFF), we assess how eligible social and environmental finance contributes to SDG aligned outcomes, including affordable and clean energy, climate action, sustainable cities and communities, good health and wellbeing, affordable housing and basic infrastructure. As our understanding evolves, we continue to refine our approach to tracking and reporting SDG contributions, which are disclosed in our Sustainability Resource Hub[5].

Social finance

Raising finance for clients including supranational, national and regional development institutions was a key driver of the $40.2bn[Δ] of social financing facilitated in 2025 (2024: $46.2bn). In 2025, we continued to see issuers aligning their finance commitments to social use of proceeds bonds which allocate funds to categories such as access to healthcare, affordable housing and essential services.

Environmental finance

In 2025, we facilitated $42.1bn[Δ] of green or environmental financing (2024: $30.6bn). This performance reflected continued demand from our clients and our strategy to support them in the transition to a low-carbon economy.

Sustainability-linked finance

Instruments such as sustainability-linked bonds (SLBs) and sustainability-linked loans (SLLs) are forward-looking, performance-based debt instruments issued with specific sustainability performance targets. Our sustainability-linked financing totalled $11.7bn[Δ] in 2025 (2024: $12.0bn). We expect product innovation in the sustainability-linked market given its importance to both investors and issuers alike.

Transition finance

We published version 2.0 of our Transition Finance Framework (TFF) in February 2026, which introduced changes to product scope, eligibility and screening. See page 77 for further detail.

Over 2025, we generated $4.5bn[Δ] of transition financing compared to $5.7bn in 2024.

Notes:

Δ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

1 This Target was previously known as the $1trn Sustainable and Transition Financing Target

2 Activity refers to transactions, products and counterparties. Sustainable revenues as at 31 December 2025 is defined more broadly than finance covered by the Sustainable Finance Framework and the Transition Finance Framework and covers the net revenue on the following:
a) Revenues generated from providing financing and lending activities and products qualified as per the SFF and TFF;
b) Revenues from providing a broader range of products and services to counterparties assessed as 'pure play' as defined in the SFF and TFF. This includes all applicable qualifying revenues from M&A advisory, risk management solutions including derivatives, and liability products associated with the counterparty (as referenced in table on page 77);
c) Revenues from qualifying products and services outside of the SFF and TFF, from Markets and Private Bank and Wealth Management offerings (as referenced in table on page 77);
d) Revenues from investments in Barclays Climate Ventures (BCV).

3 In the 2026 update to the Barclays Sustainable Finance Framework the reference to the target has been updated to reference the facilitation of $1 trillion Sustainable and Transition Finance between 2023 and the end of 2030 (the "Target") and accordingly references to the Target in this Annual Report have been reflected as such other than in this reference.

4 Bond issuance includes Bonds (DCM), CMBS, Securitisation, Munis and PCM Debt.

5 Barclays Sustainability Resource Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Financing clients' transition (continued)

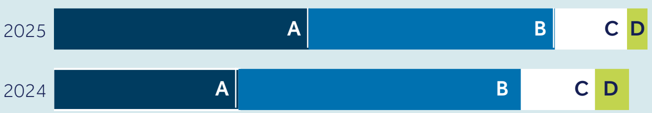
Sustainable finance dashboard

Sustainable and Transition Financing facilitated (2023 - the end of 2030)
$1trn target

Achieved to date
$260.7bn△

For 2025, we generated just under £0.6bn of revenues from sustainable and transition-related activity[1]

Annual breakdown by category
($bn)



	2025	2024
A Environmental	**42.1**△	30.6
B Social	**40.2**△	46.2
C Sustainability-linked	**11.7**△	12.0
D Transition	**4.5**△	5.7

Annual breakdown by region
($bn)

	2025	2024
A Americas	**37.2**	37.1
B UK/Europe	**53.8**	51.3
C Asia and Rest of World	**7.5**	6.0

Annual breakdown by product
($bn)

	2025	2024
A Bonds	**71.0**	65.5
B Equity	**1.3**	5.0
C Loans	**23.5**	21.2
D Investments	**0.0**	0.0
E Other (Contingent)	**2.7**	2.7

Notes:
△ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub.
1 For further detail on revenue definition see footnote 2 on page 76.

Further details of the data provided, including further granularity of decimal points can be found in the Sustainability Data Centre located within the Sustainability Resource Hub at **home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/**

Barclays' Sustainable and Transition Finance Frameworks

Sustainable Finance Framework

We seek to be transparent about our approach to reporting against our sustainable finance targets. Our sustainable finance is tracked using the methodology set out in the Barclays Sustainable Finance Framework (SFF). This framework defines the criteria we use for green, social, sustainable and sustainability-linked finance.

The legal and regulatory landscape relating to sustainable finance – including the naming and categorisation of products as 'green', 'social', 'sustainability-linked' and otherwise – is rapidly evolving with differing regulations across jurisdictions. We may wish to revisit our approach in that context in the future.

There is currently no globally accepted framework or definition (legal, regulatory or otherwise) governing what constitutes 'ESG', 'green', 'sustainable', or similarly labelled products – nor is there unanimous agreement on what attributes a particular investment, product or asset should have to be labelled as such.

We recognise 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.

Transition Finance Framework

Our transition finance is tracked using the methodology set out in the Barclays Transition Finance Framework (TFF). The TFF sits alongside Barclays' SFF and determines the eligibility of transition activities that are outside the green and social sustainable finance criteria already covered by the SFF.

The inclusion of transition finance in this target reflects our recognition of the importance of lending, facilitating funding and investing in technologies and activities that support GHG emissions reduction, directly or indirectly, in high-emitting and hard-to-abate sectors and finance real-economy decarbonisation.

As innovation in sustainable and transition finance continues to accelerate, we will continue to review and update our SFF and TFF, our measurement of performance against targets, and keep our general approach under review.

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Financing clients' transition (continued)

Products, transactions and counterparties included in Sustainable Finance volume and revenues

	$1tn Sustainable Finance volume target	Sustainable revenues
Products/transactions qualified per the Barclays SFF/TFF		
Transactions eligible under the Barclays SFF	✓	✓
Transactions eligible under the Barclays TFF	✓	✓
Pure play clients	✓	✓
Additional products beyond the scope of Barclays SFF/TFF provided to pure play clients		
Merger and acquisition advisory		✓
Risk management solutions products / derivatives		✓
Liability products		✓
Products and services outside the SFF/TFF framework		
Sustainable Discretionary Portfolio Management		✓
Risk management solution products / derivatives on sustainable and transition products		✓
Products with an underlying sustainable and/or transition feature		✓
Investment products with an underlying sustainable and/or transition feature		✓
Financing of sustainable or transition funds		✓
Revenue from Barclays Climate Ventures		✓

Note:
Sustainable Revenues as at 31 December 2025 and their basis of preparation are based on v4.2 of the SFF and v1.1 of the TFF. We published version 5.0 of SFF and 2.0 of TFF in February 2026, with changes to product scope, eligibility criteria and transaction screening processes.

Framework updates

We published version 5.0 of SFF and 2.0 of TFF in February 2026, with changes to product scope, eligibility criteria and transaction screening processes.

The following changes apply from 1 January 2026:

- Product scope: we will include eligible M&A advisory and will also include finance provided to banks and funds, provided these activities align with the SFF/TFF;
- Eligibility criteria: we will include a new general purpose category in the TFF aligned to evolving market practice and guidelines for classifying entity level Transition Finance, as well as a Transition Incentive Products category for BUK and UKCB clients . Furthermore, we have been supported by technical expertise from The Biodiversity Consultancy to incorporate nature-related criteria into the TFF for the first time and to expand nature-related eligibility criteria in the SFF;
- Risk management: we will widen our environmental and social screening approach for qualifying transactions and clients in the SFF/TFF;
- Derecognition: we will update our approach to derecognise transactions which become ineligible based on our derecognition processes.

In line with the updated SFF and TFF, our $1trn target will be referenced as Sustainable and Transition Finance from 2026 onwards.

Barclays' SFF and the TFF can be found at: **home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/**

Retail Bank

Through our financial products and partner offers, we support our UK retail customers in purchasing energy-efficient homes and in retrofitting their properties to help reduce their energy consumption.

Green Home Mortgage

We continue to support customers purchasing EPC A- and B-rated new-build homes with our Green Home Mortgage, launched in 2018 and expanded to buy-to-let in 2022. In 2025, we broadened our Green Home Mortgage range, now supporting more customers by offering LTVs from 60% to 90% . Our Green Home Mortgage has performed strongly, with £2.4bn lent to Green Home Mortgage customers in 2025. Since inception, Barclays UK has lent over £7.1bn to Green Home Mortgage customers.

Further details on Barclays Green Home Mortgages can be found at: **barclays.co.uk/mortgages/green-home-mortgage/**
Further details on Barclays Green Buy-To-Let Mortgages can be found at: **barclays.co.uk/mortgages/green-buy-to-let-mortgage/**

Green Home Mortgage completions

Number of completions

A 2025 progress B Total since 2018

Value of completions (£m)

A 2025 progress B Total since 2018

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Financing clients' transition (continued)

Greener Home Loan

In 2025, we continued our Greener Home Loan pilot, offering a cashback of up to £250 for eligible current account customers who take out a loan and use the money for qualifying energy-efficiency home improvements. We continue to monitor take-up and retrofit type, with solar being the most popular installation with 59% of claims where cashback payment was made.

In 2026, following the pilot, the Greener Home Loan will be considered for inclusion within our full product range to continue supporting our customers in making home energy-efficiency improvements.

Business Bank

In 2025, uptake of Green Loans for Business continued to grow, supporting more customers than in any previous year to adopt eligible green assets.

Our research showed that 48% of those of our UK farmers surveyed want products and services which incentivise them to farm more sustainably. In 2025, we launched Farm Transition Finance, which provides lending with discounted interest rates to agricultural businesses demonstrating adoption of more sustainable or regenerative practices. The facility is designed to support those clients making improvements in soil health, biodiversity, water efficiency and emissions reduction, thus supporting farmers and the UK agricultural transition.

Fallodon Farming Partnership

Investing in a sustainable future

Fallodon Farming Partnership, a mixed organic farm spanning 2,500 acres in Northumberland producing beef, sheep and crops, has embraced sustainability through stewardship schemes such as Countryside Stewardship Higher Tier and the Sustainable Farming Incentive. These initiatives have enabled the integration of three-year clover lays into crop rotations, improving soil health and biodiversity while reducing reliance on high-input arable systems.

For Fallodon Farming, sustainability is about securing long-term food production and environmental resilience.

By moving away from intensive farming, the partnership is working towards a financially and ecologically sustainable model that benefits both the land and the business.

Barclays' Farm Transition Finance, which offers a reduction of 0.3 % on lending interest rates, has supported the business on their journey. The lower financing costs helped the business to invest more in improvements and diversification, including repairing barns and refurbishing holiday lets. Barclays continues to support Fallodon Farming as the business pursues more sustainable growth.

UK Corporate Bank

To enhance UKCB's sustainable client engagement we have integrated Sustainable Product Group specialists into the new dedicated UKC Sustainable Finance team.

Empowering UKCB Clients

We continued to support our clients with sustainability-aligned corporate banking solutions[1] to help enable clients to embed their sustainability and transition ambitions into financing structures through traditional and sustainability-linked and green products.

UKCB Green Loans

In 2025, UKCB successfully launched the Fee Free Green Loan programme to help support UK clients' sustainable growth plans and transition to more sustainable operations. The product offers loans with no arrangement fees for projects with an eligible green purpose[2]. Since launch we have identified a variety of opportunities that could utilise the programme.

UKCB Green loans under Sustainable Residential Development Framework (SRDF)

We updated our SRDF[3] following its launch in 2022 to address evolving market and technological advances, regulation and policy. This proposition and framework provides a holistic and balanced approach to key sustainability themes including whole-life carbon, natural resources and social engagement.

Notes:
1 Sustainability-aligned corporate banking solutions: barclayscorporate.com/solutions/sustainable-solutions/
2 Barclays green purpose as defined in the Sustainable Finance Framework.
3 Sustainable Residential Development Framework.

Barclays and NWF continue to support retrofit for social housing

In 2024, Barclays partnered with the National Wealth Fund (NWF) to develop a Social Housing Retrofit Loan product. Specifically designed to meet the longer-term needs of the UK's not-for-profit social housing providers, it offers flexible and competitively priced retrofit loans, which are 70% guaranteed by the NWF. In December 2025, Barclays delivered a £25m retrofit loan under the scheme for SettleParadigm demonstrating Barclays' continued dedication to the proposition. The £25m retrofit loan will enable the retrofitting of over 1,500 homes to improve energy efficiency and fund SettleParadigm's broader programme of ongoing decarbonisation efforts across their housing portfolio. This financing also supports SettleParadigm's net zero journey, targeting a key milestone of theirs in achieving EPC rating C or better across all homes by 2030.

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Financing clients' transition (continued)

Investment Bank

Our Investment Bank plays a role in financing our clients' transition by providing access to capital markets, structuring innovative financing solutions and connecting issuers with investors focused on the transition. In 2025, we continued to work with clients across sectors as they sought to invest in renewables, strengthen grid and storage infrastructure, scale emerging technologies and accelerate decarbonisation across their operations.

We also supported major sovereign and public sector entities in mobilising capital at scale. Barclays played key roles, such as Joint Active Bookrunner, facilitating capital raising for national-level transition priorities including renewable energy deployment, grid and network upgrades, climate resilience infrastructure and broader economic diversification programmes.

In the wider debt capital markets, we supported clients across sectors such as Power Generation and Industrials to issue sustainable and transition aligned instruments that channel investment into the areas most critical for decarbonisation including, renewables expansion, energy efficiency improvements, low-carbon transport, industrial electrification, and next-generation technologies such as storage, nuclear and hydrogen. This activity contributed to Barclays achieving a #1 ranking for UK Sustainable Labelled Bonds and a #2 ranking for 2025 Global Corporate Sustainable Labelled Bonds[1].

Through our bookrunning and underwriting activity, Barclays supported clients' transition financing across a series of significant equity capital markets transactions. This activity enabled continued investment in low carbon and resilience focused programmes. Proceeds from these transactions were used to refinance maturing sustainability-linked instruments, fund regulated infrastructure cycles and scale next generation energy and power-system technologies. For example we acted as Joint Global Coordinator and Joint Bookrunner for SSE's £2bn equity placing, underpinning its five-year £33bn investment plan, which will support the upgrading and expansion of Britain's electricity networks. The transaction further exemplifies our role in enabling the delivery of critical transition infrastructure.

In project finance, activity remained strong as clients pursued new renewable generation, storage, and network projects. By bringing together technical, financing and risk management expertise, we have grown our project finance threefold since 2020, including lead roles in all greenfield UK fixed-bottom offshore wind project financings closed in this period.

Our Markets team continued to help clients manage exposures linked to their transition strategies. To deepen this support we launched the Barclays Bank PLC Sustainability Issuance Programme Framework that sets clear eligibility criteria for sustainability issuance products, including debt securities and deposits[2], issued by Barclays Bank PLC and select subsidiaries. The Framework complements the Barclays SFF and enhances the tools and infrastructure we use to finance clients' transition at scale[3].

Public Investment Fund's (PIF) inaugural Euro green bond

In October 2025, Barclays supported the Public Investment Fund (PIF), the sovereign wealth fund of the Kingdom of Saudi Arabia, on its inaugural Euro green bond.

In support of the Kingdom of Saudi Arabia's vision to become a net zero economy by 2060, the proceeds of the €1.65bn transaction will finance eligible activities under PIF's Green Finance Framework, such as renewable energy, energy efficiency and sustainable water management projects.
Barclays was a Joint Active Bookrunner and Sole Green Structuring Advisor on the transaction.

Notes:
1 Data from Dealogic as at 31st December 2025.
2 See the Sustainability Data Centre for more information on assets and liabilities: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/
3 Barclays Sustainability Issuance Framework.

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Scaling climate technology

Scaling climate technology is integral to accelerating the transition. Innovation is a key driver for opening new avenues for profitable decarbonisation. However, innovation alone is not enough. Widespread adoption is needed to convert emerging solutions into commercially mainstream, system-integrated offerings.

Climate Tech Escalator

Now in its second year, the Barclays Climate Tech Escalator provides a connected pathway that brings together the business units and partnerships dedicated to growing climate tech companies. The Climate Tech Escalator supports scaling by providing tailored, dedicated support as the companies grow and helps them to harness the power of capital markets. In June we launched our Barclays Innovation Banking proposition within the Business Bank, with Climate Tech as one of the four core sectors. Innovation Banking provides support for next-level growth through our dedicated relationship managers, financial products and network of Eagle Labs, including the rebranded Barclays Innovation Hub in Shoreditch.

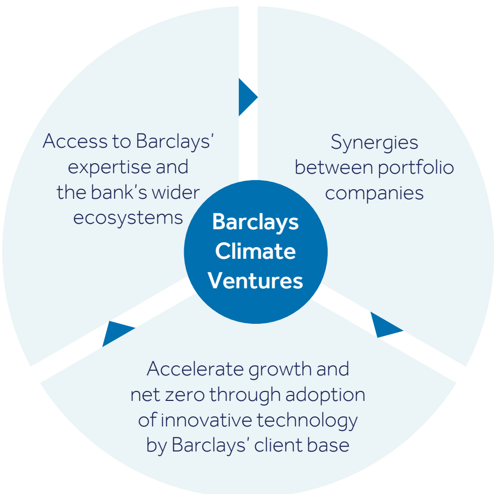
We continue to recognise the funding challenge inhibiting the success of growth-stage climate tech companies, particularly those at the Series B+ investment stage. In November, we announced our participation in Salica Investments Growth Debt Fund II, to expand the range of venture funding options to high-growth innovation-led businesses in the UK.

The addition of venture funding provides growth stage companies with the opportunity to extend the funding continuum from Business Banking to Corporate Bank and onto Investment Bank as the companies grow.

Barclays Climate Ventures

A key pillar of the Climate Tech Escalator is Barclays Climate Ventures (BCV), which has a mandate to invest up to £500 million of Barclays' capital in climate tech start-ups by the end of 2027 to help address the funding gap facing early and growth-stage climate technology companies.

Many such companies are capital-intensive and face longer paths to commercial scale than traditional venture-backed businesses. Barclays Climate Ventures aims to help bridge this gap, helping to crowd in additional funding[1].



Further examples of our green innovation financing can be found at: home.barclays/sustainability/our-position-on-climate-change/accelerating-the-transition/sustainable-impact-capital/

BCV prioritises investments into commercially scalable technologies that can unlock the transition for the high-emitting sectors in which we have meaningful client exposure, such as energy and power, real estate, and food and agriculture.

Since 2020 £274m has been invested in over 20 companies, with £71m invested in 2025.

Note:
1 See 2024 Scaling Growth-Stage Climate Companies Report for further details.

£274m
Achieved as of the end of 2025

Our portfolio of investments since 2020
(£m)

A	2020	24
B	2021	30
C	2022	35
D	2023	49
E	2024	65
F	2025	71
G	Mandate by end of 2027	500

Iceotope
Data centres: Liquid cooling technology

In December, Barclays Climate Ventures invested in Iceotope Technologies LTD, a UK-based developer of liquid cooling technology for data centres, high-performance computing and edge computing.

Traditional air-based cooling systems are reaching their limits in meeting the cooling and energy efficiency demands of modern data centres, particularly those running AI workloads on power-intensive GPUs. Iceotope's liquid cooling solutions deliver the precision cooling needed by these high-performance systems in both data centres and at the network edge, whilst reducing power consumption, operational costs and water consumption versus traditional air-based cooling systems.

Barclays' investment will enable Iceotope to grow market share, develop industry partnerships, and continue to develop their product line. Iceotope took part in the 2019 Barclays Unreasonable Impact programme.

iceotope

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Scaling climate technology (continued)

Climate tech partnerships and initiatives

In 2025, Barclays strengthened its work on climate innovation through strategic partnerships, accelerator programmes and mentoring support.

Our partnership with Sustainable Ventures has expanded to launch a National Climate Tech Accelerator with the Innovation Banking team providing a digital-first programme designed to reach ventures across the UK with support from Barclays Eagle Labs. It combined free access to platforms with enhanced services for Barclays banked customers.

Business Bank Sustainable Finance sponsored Bright Tide to deliver programmes to Climate Tech businesses focused on 'Sustainability and AI' and 'Agriculture and Oceans'. This year also marked the third year of the Carbon 13 Venture Launchpad. These two programmes focused on venture growth, investment and carbon impact for early-stage climate tech startups.

Specialist sustainability mentors have also been added to the existing Eagle Labs mentoring support with a focus on practical, commercially-minded sustainability such as carbon accounting, strategy, circular economy and regenerative agricultural practices.

In 2025 we announced a collaboration with ExpectAI, aimed at helping small and medium-sized businesses grow their profits using AI-based sustainability insights. SMEs generate about half of UK private-sector turnover and employ around 60% of the workforce[1].

Strengthening their energy resilience while reducing emissions is essential to the UK's economic transition. This initiative will assess how advanced AI can make this both practical and commercially attractive for SMEs.

These initiatives reflect Barclays' ongoing work to help foster innovation and support the UK's climate tech landscape, supported by the launch of Barclays Innovation Banking in Barclays UK.

Unreasonable Impact

Since 2016, through its Unreasonable Impact programme, a partnership between Barclays and Unreasonable Group, Barclays has supported 395[2] high-growth ventures that seek to address global issues, through networks, resources and mentorship. Hundreds of Barclays colleagues around the world have been involved in coaching the participating entrepreneurs. Through regional gatherings and ongoing community-building initiatives, the programme is designed to help participants form strategic relationships and solve key challenges facing their businesses to help them scale.

Unreasonable Impact entrepreneurs are pursuing solutions across a range of industries from food and agriculture to energy and manufacturing. Several of these high-growth ventures have also been supported through Barclays Climate Ventures, and some are involved in Barclays' own operations today. To date, the Unreasonable Impact ventures have raised more than $18bn in financing and employ more than 33,000 people globally.

Further details on Unreasonable Impact can be found at: home.barclays/sustainability/supporting-our-communities/unreasonable-impact/

Unravel Carbon

Fostering innovation in climate AI

Selected to take part in the 2025 Unreasonable Impact programme, Barclays and Unreasonable Group are supporting entrepreneur Grace Sai and her company, Unravel Carbon – a company that offers businesses an AI-powered platform that helps them make data-driven decisions for reducing carbon. The company helps enterprises measure, track, reduce and report carbon emissions across their operations, products and supply chains through AI agents and an audit-grade enterprise software.

Through the Unreasonable Impact programme, Grace gained access to a global network of mentors and investors, strengthening Unravel Carbon's ability to scale and deliver measurable impact on its ambition to help more companies lower their carbon emissions. She further benefited from mentorship from several senior leaders and colleagues across Barclays and participated in Barclays' Women with Impact event in Singapore, helping her form connections with clients and prospects interested in impact investing.

Unravel Carbon's journey highlights the power of strategic partnerships and community-building in fostering innovation and growth.

Splight

Addressing the grid transmission capacity challenge

Fernando Llaver joined the 2025 Unreasonable Impact programme to support his company, Splight, on their journey to scale as their company works to increase the reliability and transmission capacity of power grids around the world. Splight allows their customers to tap into existing transmission capacity that would otherwise remain idle, accelerating the deployment of clean energy and interconnection of new large loads.

After participating in the programme and gaining access to specialist advice from its global network, Splight joined Barclays at COP30 to discuss, with other key stakeholders, how to address climate-related physical risks to electricity systems and scale energy efficiency and transition infrastructure.

SPLIGHT

Notes:

1 See the "Business population estimates for the UK and regions 2025: statistical release" for more details. gov.uk/government/statistics/business-population-estimates-2025/business-population-estimates-for-the-uk-and-regions-2025-statistical-release

2 After achieving its goal to support 250 ventures by the end of 2022, Barclays aims to support an additional 200 ventures through Unreasonable Impact, from 2023 through end 2027.

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Reducing our financed emissions

We are committed to aligning our financing with the goals and timelines of the Paris Agreement, consistent with limiting the increase in global temperatures to 1.5°C. To meet our ambition, we need to reduce the client emissions we finance – not just for lending but for capital markets activities too.

We work closely with our clients to ensure that over time the activities we finance are aligned to the goals and timelines of the Paris Agreement. Consistent with our Purpose, and taking into account considerations of all relevant business factors, we have set emissions reduction targets for our Upstream Energy, Power, Steel, Cement, Automotive manufacturing, Aviation, UK Commercial Real Estate, UK Agriculture portfolios and convergence point for UK Housing. We have also set clear restrictions on financing certain activities.

Further details on our financing restrictions can be found on page 206

Understanding our financed emissions

A building block for Barclays' ambition to be a net zero bank by 2050 is our ability to estimate the full in-scope balance sheet financed emissions:

1. In 2020, we developed our BlueTrack™ methodology to measure our financed emissions and track our progress against our Upstream Energy and Power generation targets. As of 2023, we extended the scope of our calculations to cover the full in-scope balance sheet financed emissions based on methodology which has been developed using the PCAF Standard[1] and expanded the scope of BlueTrack™ to track our progress against targets for a total of eight sectors as well as UK Housing for which we set a convergence point.
2. In 2025, we have refreshed our estimate of full in-scope balance sheet financed emissions. These emissions are set out on pages 83 to 86 where we also set out further information about this methodology. Because it takes time to fully analyse this data, these emissions are as at December 2024. For sectors where we have set 2030 targets, we have continued to use the BlueTrack™ methodology and have updated our financed emissions metrics and progress against those targets with data as at December 2025.

Our approach to disclosing financed emissions is pivoted across two sections:

1. Estimating the full in-scope balance sheet financed emissions (Scope 3, Category 15) using a methodology which has been developed using the PCAF Standard. The data reported in this section of the Annual Report (up to page 86) is as at December 2024. Hence, these numbers follow a lag of one year when compared to other climate-related disclosures based on December 2025 in this report, due to the lead time required to fully analyse our entire in-scope exposures.
2. Continuing to use the BlueTrack™ methodology to assess financed emissions for material sectors and set 2030 targets integrating 1.5°C aligned scenarios. This data is being reported as at December 2025.

Note:
1 PCAF Standard - PCAF (2022). The Global GHG Accounting and Reporting Standard Part A: Financed Emissions. Second Edition.

Estimating the full in-scope balance sheet financed emissions

Scope of activities included and basis of preparation

We have estimated the financed emissions for c.£856bn of Barclays' activity as at December 2024 (of which c. £459bn are on-balance sheet exposures) as set out in the following table.

Identification of in-scope exposure to calculate financed emissions (as at December 2024)

Category	Value (as at Dec 2024) in £m	Comments
Total Barclays balance sheet	**1,518,202**	
Exclusions:		
Cash and bank balances, Cash collateral and settlement balances, Derivative financial instruments, Goodwill and intangible assets, Current tax assets, Deferred tax assets, Other assets, Trading portfolio assets (excluding drawn loans), Reverse Repos, and Retail lending (personal lending, retail cards)	**(-)1,052,618**	Exposures which have been excluded by the PCAF Standard
Property, plant and equipment	**(-)3,604**	Emissions covered under Barclays Scope 1 and Scope 2
Retirement benefit assets	**(-)3,263**	Emissions on Barclays Bank UK Retirement Fund reported separately as part of Task Force on Climate-related Financial Disclosures Report 2024
Total Barclays exposure in scope for computing financed emissions	**458,717**	
Inclusions		
Total Undrawn commitments and contingent liabilities	**(+)261,687**	We have gone beyond the scope of PCAF's definition of asset classes to additionally cover undrawn commitments and contingent liabilities. We have excluded exposures for which PCAF is yet to establish a methodology (personal lending, retail cards and Trading balances) from our total undrawn commitments and contingent liabilities.
Capital markets financing (33% of Barclays share)	**(+)135,545**	Equity holdings, Bond issuances, Equity issuances, Syndicated loans
Total Barclays activities considered for financed emissions calculations	**855,949**	

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Our approach for estimating financed emissions is based on a methodology which has been developed using the PCAF Standard with the following key exceptions:

1. We have gone beyond the scope of PCAF's definition of asset classes to additionally cover undrawn commitments, contingent liabilities and capital markets financing activities. For instance, in the case of a loan we consider the committed amount (both drawn and undrawn), as opposed to just outstanding amounts (which is the approach preferred by PCAF) for calculating financed emissions.
2. We have also consistently used the book value of equity and debt for all clients to calculate the attribution factor, while PCAF recommends using the Enterprise Value Including Cash (EVIC) for listed entities.
3. PCAF recommends calculating emissions at a client level. For certain sectors, clients could have presence in activities across multiple parts of the value chain and in such cases reported emissions may not be consistent and reliable to estimate financed emissions. To overcome this challenge we calculate emissions at an activity level, using a range of options aligned to the PCAF Standard's guidance to calculate client emissions.

For certain activities – including Upstream Energy, Power Generation, Automotive manufacturing, UK Agriculture and Aviation – we employ asset-level production data to estimate client emissions. For activities such as Cement and Steel production, we use client reported emissions. Where we do not have sufficient data on reported emissions or physical activities – for example, in relation to mortgages where we do not have EPC data available – we use fallbacks based on emission factors.

For an immaterial part of our balance sheet (c.1%), where the appropriate sector fallbacks could not be reliably obtained, we have used the respective asset class average economic emissions intensity to estimate emissions.

Our Financed Emissions Methodology paper (published in 2026) provides more details of our methodology and can be found within the Sustainability Resource Hub: **home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/**

Emissions coverage

We have estimated the full in-scope balance sheet financed emissions based on Scope 1 and Scope 2 of our clients' emissions as at December 2024. Hence, these numbers follow a lag of one year when compared to other disclosures based on December 2025 in this report. The lag of one year is due to the lead time required to fully analyse our entire in-scope exposures.

We have excluded our clients' Scope 3 emissions from these calculations except for activities where we have set a target which covers Scope 3 emissions (which includes Upstream Energy, Automotive manufacturing, Aviation and UK Agriculture). This is due to challenges in sourcing reliable and consistent data, not just on reported Scope 3 emissions but also the fallback emission factors for downstream emission estimations. As we refine our approach and data sourcing strategy, we will continue to assess the suitability of including Scope 3 emissions in our financed emissions disclosures.

We have included emissions on a CO_2e basis. For activities where we have set targets, we have included emissions relating to GHGs which are relevant and material for the relevant sector.

One of the approaches that we can use to assess the extent to which our financing is aligned to a well-below 2 °C pathway is by calculating the extent to which our financed emissions reduction targets cover our full in-scope balance sheet.

Our 2030 financed emissions reduction targets (and our UK Housing convergence point) covering Scope 1 and 2 emissions integrate 1.5°C aligned scenarios and cover 41% of our full in-scope balance sheet financed emissions. This coverage has decreased from 43% reported last year. This reduction was primarily driven by increase in emissions for energy midstream and downstream activities which are outside the scope of our Upstream Energy target and a decline in emissions for power generation activities where we have set targets. Our targets include Scope 3 emissions for Upstream Energy, Automotive manufacturing, Aviation and UK Agriculture.

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Financed emissions for activities with targets (as at December 2024)

	Scope 1,2 emissions ($MtCO_2e$)				Scope 3 emissions ($MtCO_2e$)			
Activities	On-balance-sheet lending	Undrawn commitments and contingent liabilities	Capital markets financing	Data quality score[1]	On-balance-sheet lending	Undrawn commitments and contingent liabilities	Capital markets financing	Data Quality score
Mining and Quarrying								
Upstream Energy	0.7	3.0	0.9	3.1	7.6	22.2	6.6	3.1
Energy and water								
Power Generation	0.5	9.2	4.5	3.2	—	—	—	—
Agriculture, Food and Forest Products								
UK Agriculture	0.4	0.1	—	4.3	0.0	0.0	—	4.3
Manufacturing								
Automotive manufacturing (LDV)	0.0	0.1	0.0	2.4	0.4	2.7	0.6	3.3
Cement manufacturing	0.3	0.4	0.0	2.0	—	—	—	—
Steel manufacturing	0.2	0.6	0.0	2.4	—	—	—	—
Mortgages								
UK Housing (Convergence point)	1.4	0.1	0.0	3.5	—	—	—	—
Materials and Building								
UK Commercial Real Estate	0.1	0.0	—	4.1	—	—	—	—
Transport								
Aviation	0.5	2.7	0.9	3.0	0.1	0.6	0.2	3.0
Total Portfolio	**4.1**	**16.2**	**6.3**	**—**	**8.1**	**25.5**	**7.4**	**—**

Financed emissions for other activities not covered by targets (as at December 2024)

	Scope 1,2 emissions ($MtCO_2e$)			
Activities	On-balance-sheet lending	Undrawn commitments and contingent liabilities	Capital markets financing	Data quality score
Mining and Quarrying	0.7	1.6	0.3	3.0
Energy and water	0.7	1.7	0.7	2.8
Agriculture, Food and Forest Products	2.3	1.1	—	4.8
Manufacturing	1.4	7.1	1.8	2.8
Mortgages	0.0	—	—	5.0
Materials and Building	0.2	0.2	0.0	3.9
Transport	0.4	3.1	2.9	3.7
Other Sectors	4.4	5.2	2.8	4.0
Total Portfolio	**10.1**	**20.0**	**8.5**	**—**
Government and central bank	18.9	—	—	—
Government and central bank (excluding LULUCF[2])	20.5	—	—	—
Portfolio Data Quality score (Scope 1, 2)	**3.7**			
Emissions covered under targets integrating 1.5°C aligned scenarios (excluding Government and central bank)	**41%**			

Notes:
1 For further details on Data quality score please refer to 'Data sourcing and data quality' section on page 86.
2 Emissions excluding land-use, land-use change and forestry.

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Data sourcing and data quality

There are data quality challenges inherent in the calculation of financed emissions.

Climate data, models and methodologies are evolving – and are not yet at the same standard as more traditional financial metrics. Our financed emissions calculations rely on externally sourced data mapped to internal customer and client identifiers. The externally sourced data has various limitations for each sector, including lack of coverage, low resolution, consistency and transparency of company-reported data, as well as the time lag for external sources to report estimates or actuals. Time lags in our external data could be as much as two years for data such as company value, company revenue share, emissions, production capacity and capacity factors. As a result, our financed emissions metrics are at best an estimate of our clients' activities on a given date, using the external data available at that point in time.

We have scored the quality of the data we have used to estimate our financed emissions using PCAF's Global GHG Accounting and Reporting Standard. In the Standard, data quality score DQ1 and 2 relates to high quality data from company disclosures, DQ3 to emissions estimated using physical activity data and DQ4 and DQ5 to deriving emissions estimated using revenue or asset-based emission factors. We disclose DQ score at an activity level and at portfolio level.

For activities where we have set targets (and for our UK Housing convergence point), DQ is mostly concentrated across DQ1/2 and DQ3, signifying that most of the relevant estimated financed emissions are either company-reported or calculated using the company's physical activity data.

For activities where we have not set targets, activities have DQ score spread across the scale which signifies we have used a combination of company-reported emissions and revenue/asset fallbacks to calculate financed emissions.

Our data vendor does not provide a split for reported emissions between DQ1 and DQ2. Hence, where we have relied on reported emissions sourced from the data vendor, we have conservatively used DQ2 for calculating DQ scores at an activity level. This indicates that we need to consider the current estimate of financed emissions for these activities as highly preliminary and indicative only, and which can change materially as we improve data quality.

Our approach to reporting financed emissions data

Given the evolving nature of climate data, models and methodologies, past-period metrics may change to reflect updates. To manage the impact of these changes we have adopted a principles-based approach to guide whether prior metrics and baselines should be restated or re-baselined. Where information has been restated or re-baselined this will be identified or explained.

We will continue to review and evolve our approach as our processes mature and as accounting practices become clearer.

- A restatement involves updating the historical starting point for a period and, if the impact is greater than five percentage points, recalculating the historical performance.
- A re-baseline involves keeping the historical performance constant and recalculating the current period baseline to ensure consistency when reviewing performance. The indicative historical baseline will also be disclosed.

As a result, reported baseline metrics may change from one reporting period to another and direct like-for-like comparisons may not always be possible from one reporting period to another. Updates in external client data are captured in-year.

In line with our reporting approach for past period metrics, we have re-baselined the following metrics:

- Our Power baseline physical intensity metric from 311 to 316 $kgCO_2e/MWh$ to reflect revisions to our model and data sourcing. Since the net impact of these revisions to the reported progress was below our restatement threshold, we have not restated the past period progress, instead reflecting the impact in 2025.
- In 2025, the UK Housing portfolio intensity metric has been re-baselined from 32.1 to 27.9 $kgCO_2e/m^2$ to reflect an updated methodology which now considers sensitivities to energy consumption patterns using publicly available data which has a two-year lag. Despite the lag, the additional information helps to better reflect actual consumption trends.
- Our UK Commercial Real Estate portfolio intensity metric has been re-baselined from 30.0 to 26.3 $kgCO_2e/m^2$ to reflect a similar updated methodology noted above as well as an expanded scope of the assessment to include capital market financing activities.

Please refer to page 90 for the re-baselined metrics for these sectors.

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Our approach to reporting financed emissions data

Scenario		Our approach
Error identified in our internal finance data or methodology	**Restatement**	• Financed emissions metrics for all years impacted by the error will be recalculated including the baseline year • If the impact to portfolio progress over the reporting period is less than 5 percentage points (pp) we will reflect the updated progress in the current reporting period and update the baseline. If the impact is greater than 5pp we will restate prior progress.
Changes to our methodology and/or data sources to calculate financed emissions (for example, including additional GHGs)	**Re-baseline**	• The updated methodology will be applied from the start of the current reporting period • The last reported financed emissions spot metric will be recalculated using the new methodology/data source to provide the new baseline. This will ensure consistency of data and methodology when calculating our performance • The recalculated baseline and the progress achieved to date will be used to disclose the theoretical baseline for the year in which the targets were originally set • The cumulative progress will be for the current reporting period (using the new methodology) and the progress up until the last reporting period (using the old methodology).
Updates to external counterparty data driven by timing lags when data is reported (for example, counterparty valuations or emissions estimates)	**Capture in-year**	• The impact of updated external data will be included in the current period financed emissions data and the progress metric for the current reporting period • Data lags are inherent to the process and Barclays will endeavour to use the latest available data. Historically reported metrics will not be updated for data lags.

Financed emissions in scope of our targets

Our targets

We set our initial targets for our Upstream Energy[1] and Power portfolios in 2020, and since then have expanded the scope of sectors covered under a target to also include Cement, Steel, Automotive manufacturing, Aviation, UK Commercial Real Estate and UK Agriculture. We have also set a convergence point for the UK Housing sector.

We keep our targets, policies that support our progress towards them, and our year-on-year and cumulative progress under review in light of the rapidly changing external environment and our need to balance a range of factors when managing our 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.

See page 92 for information on future target progress.

Measuring our progress

We have developed our BlueTrack™ methodology to measure and track our progress against our targets. The first step of our methodology is to use 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. We estimate certain financed emissions within the selected boundary for a sector, then aggregate these into a portfolio-level metric, which is then compared to the benchmark. Our approach is explained in more detail below.

Our Financed Emissions Methodology paper (published in 2026) provides more details of our methodology and can be found within the Sustainability Resource Hub at: **home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/**

Sector boundaries

We have set targets on the segment of the value chain where either (i) it is generally recognised that decarbonisation efforts are likely to spur the rest of the sector value chain to fall into alignment or (ii) where financiers are likely to be able to engage with companies active in that segment. Our choice of segment is based on Barclays' own view, informed by guidance and recommended practice from portfolio alignment initiatives such as PACTA, SBTi and others.

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Emissions scope

Within the boundary of our target we aim to capture the part of a company's value chain that generates most of their emissions, taking into account considerations including materiality, consistency to benchmark, level of control and whether the emissions can be abated by the company. The financed emissions covered under BlueTrack™ are therefore a subset of the total financed emissions for each customer or client, as they only include the portion of the client's activities that are within both the value chain we have chosen for the sector, and the scope and type of greenhouse gas emissions we deem material for that activity. For example, our Upstream Energy target includes Scope 3 emissions for carbon dioxide and methane – recognising they are significant for a company extracting fossil fuels.

Use of carbon credits

We do not allow company-purchased offsets such as carbon credits to reduce emissions, as we believe it is important to base a metric on operational activities under a company's control. We therefore do allow company-operated removals, such as on-site carbon capture at a plant. Given that company-operated removals are currently marginal in the context of emissions, they currently have no impact on our portfolio-financed emissions metrics.

Portfolio-level metrics

Barclays uses two financed emissions metrics:

1. Absolute emissions: a measure of the absolute emissions generated, or fair share of the company's emissions over time;
2. Emissions intensity: how much CO_2e (Carbon Dioxide Equivalent) is released on average for a certain amount of economic activity or material produced.

We use absolute emissions for the Upstream Energy and UK Agriculture sectors, whose decarbonisation pathways rely on a reduction in production volume as well as on a reduction in intensity. The Upstream Energy sector cannot reduce its carbon emissions intensity below a certain point – a barrel of oil cannot be decarbonised, for instance – and therefore a reduction in absolute carbon emissions is more appropriate. The Agriculture sector requires a shift away from the production of meat and dairy towards alternative protein sources, as farmers respond to changing diets, and therefore a reduction in absolute emissions is more appropriate. We use emissions intensity for the other sectors, whose decarbonisation pathways rely primarily on reduction in intensity rather than volumes. Both absolute and intensity metrics are sensitive to factors which are not directly related to real-world emissions. For example, absolute emissions are sensitive to changes in the book value of debt and equity, and intensity metrics are sensitive to changes in revenue share.

Reference scenario[1]

Each of our 2030 targets were developed with reference to a 1.5°C-aligned scenario. For the majority, this was using the IEA's Net Zero by 2050 (NZE2050) scenario. In calculating a convergence point for our UK Housing portfolio and a target for UK Agriculture, we use a UK-focused Balanced Net Zero Scenario developed by the UK's Climate Change Committee (CCC BNZ). For the UK CRE portfolio we use the CRREM scenario that provides decarbonisation pathways across different property types consistent with the NZE2050 scenario. For the Aviation sector we use the Mission Possible Partnership (MPP)'s 'Prudent' (PRU) scenario – a 1.5°C-compatible roadmap for the sector to achieve net zero emissions by 2050.

Baseline year

We measure our financed emissions for each portfolio against a baseline metric determined in the year we first assessed that target. The baseline year therefore varies across the nine sectors assessed to date, to ensure we are using the most up-to-date data available when we set our targets – or, in the case of UK Housing, a convergence point.

Use of target ranges

Our 2030 financed emissions reduction targets for five sectors (Power, Cement, Steel, Automotive manufacturing, and Aviation) are expressed as ranges. The upper end of each range represents the reduction needed to align with the 1.5°C benchmark pathway at the time we set these targets. The lower end reflects our assessment of sector and client commitments at that time. Since these targets were set, the NZE2050 scenario we used to inform these targets has been updated and the scenario assumes slower progress to the transition up to 2030[2]. As a result, some of our target ranges now exceed the emissions reductions reflected in the latest 1.5°C scenario.

While we continue to seek to reduce our financed emissions in line with our ambition to be a net zero bank by 2050, our ability to achieve reductions within these ranges at any given point in time depends on a wide range of factors and scenario assumptions as explained in the Future target progress section on page 92.

Notes:

1 When we first developed BlueTrack™, the best available scenario to develop Paris-aligned benchmarks for our financing portfolios was the International Energy Agency's Sustainable Development Scenario (SDS) which was aligned to a 1.7°C world. The 2025 targets set for the Upstream Energy and Power sectors were informed by the SDS scenario.

2 International Energy Agency: iea.org/reports/world-energy-outlook-2025

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Overview of financed emissions reduction targets and progress

Sector				Setting our targets					Monitoring our progress in 2025		
Sector	Sector boundaries	Emissions scope	GHG included	Reference scenario	Target metric	Unit of measurement	Baseline year	Target versus baseline	Cumulative change	Absolute emissions ($MtCO_2e$)	Physical intensity
Upstream Energy	Upstream Energy (producers of coal, oil, gas and NGLs)	1,2 & 3	Carbon dioxide and methane	IEA SDS IEA NZE2050	Absolute emissions	$MtCO_2e$ (absolute)	2020	-15% by end of 2025 -40% by end of 2030	-41%	43.7∆	59.2 gCO2e/MJ
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	-35%	13.6	204∆
Cement	Cement manufacturers	1 & 2	All GHGs	IEA NZE2050	Physical intensity	tCO_2e/t	2021	-20% to -26% by end of 2030	-13%	1.5	0.551∆
Steel	Steel manufacturers	1 & 2	All GHGs	IEA NZE2050	Physical intensity	tCO_2e/t	2021	-20% to -40% by end of 2030	-30%	0.8	1.352∆
Automotive manufacturing	Light Duty Vehicles manufacturers	1,2 & 3	All GHGs for Scope 1 and 2; carbon dioxide for Scope 3	IEA NZE2050	Physical intensity	gCO_2e/km[1]	2022	-40% to -64% by end of 2030	-3%	3.6	169.1∆
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	-2%	4.6	866∆
UK Commercial Real Estate	UK Corporate Bank	1 & 2	Carbon dioxide, methane and nitrous oxide	CRREM II	Physical intensity	$kgCO_2e/m^2$	2023	-51% by end of 2030	-6%	0.1	24.7∆
UK Agriculture	Livestock and dairy farmers	1, 2 & 3	Carbon dioxide, methane and nitrous oxide	CCC BNZ	Absolute emissions	$MtCO_2e$	2023	-21% by end of 2030	-13%	0.46∆	N/A
UK Housing[2]	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	-3%	1.6	27.1∆

Notes:
1 Physical intensity (CO_2e emissions per v-km travelled by LDV produced), expressed in gCO_2e/km.
2 Barclays has identified a 2030 emissions intensity convergence point for UK Housing but has not set a formal target.

∆ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Baselines at December 2025

				Previously reported metrics		Recalculated metrics	
Sector	Unit	Baseline year	Baseline metric (last reported)	Financed emissions for December 2024	Change at December 2024 (percentage change)	Recalculated financed emissions for December 2024	Theoretical baseline metric (re-baselined)
Upstream Energy[1]	$MtCO_2e$ (absolute)	2020	74.1	No major impact of methodology changes			
Power[3]	$kgCO_2e/MWh$	2020	311	219	-30%	225	316
Cement[1]	tCO_2e/t	2021	0.631	No major impact of methodology changes			
Steel[1]	tCO_2e/t	2021	1.945	No major impact of methodology changes			
Automotive manufacturing[1]	gCO_2e/km	2022	174.8	No major impact of methodology changes			
Aviation[1]	gCO_2e/RTK	2023	882	No major impact of methodology changes			
UK Commercial Real Estate	$kgCO_2e/m^2$	2023	30	29.5	-2%	25.9	26.3$^{\Delta}$
UK Agriculture[1]	$MtCO_2e$ (absolute)	2023	0.53	No major impact of methodology changes			
UK Housing[2]	$kgCO_2e/m^2$	2023	32.1	31.8	-1%	27.6	27.9$^{\Delta}$

Notes:

1 Baseline values have not changed in the current year and have previously been subject to limited assurance under ISAE (UK) 3000 and ISAE3410. Limited assurance conclusions can be found within the Sustainability Resources Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

2 Barclays has identified a 2030 emissions intensity convergence point for UK Housing but has not set a formal target.

3 The power sector has been re-baselined due to a data sourcing update. The impact of this change is not considered material. The baseline figure in the 2024 Annual Report was subject to limited assurance under ISAE (UK) 3000 and ISAE 3410. Limited assurance conclusions can be found within the Sustainability Resources Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

Δ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

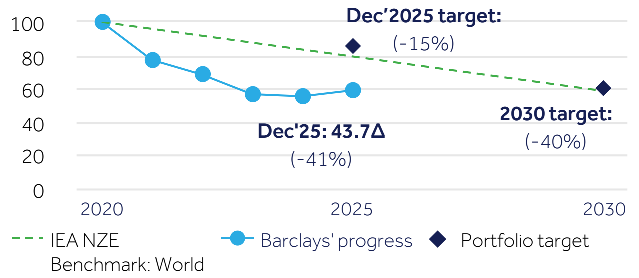
Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

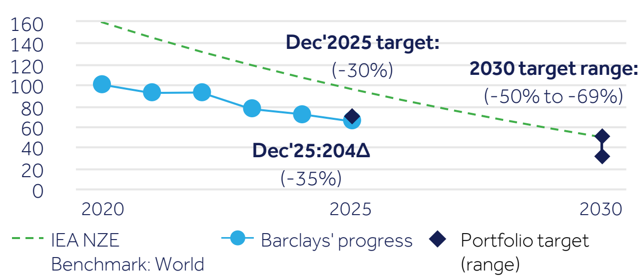
BlueTrack™ dashboard

Progress of our financed emission metrics

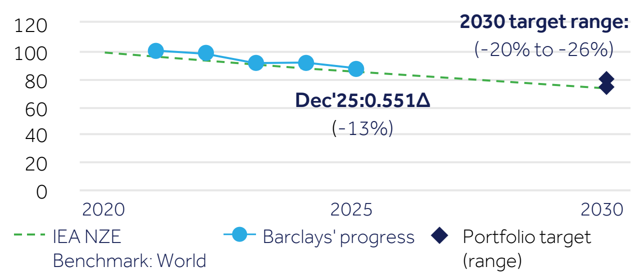
Upstream Energy
Absolute emissions ($MtCO_2e$) (Indexed 2020 = 100)



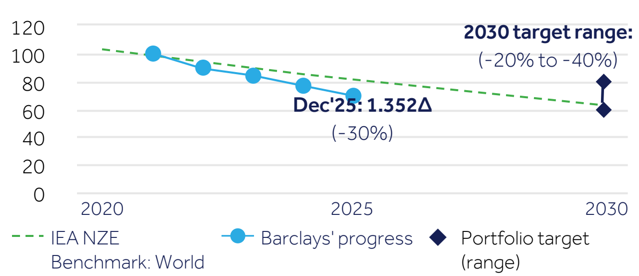
Power
Physical Intensity ($kgCO_2e/MWh$) (Indexed 2020 = 100)



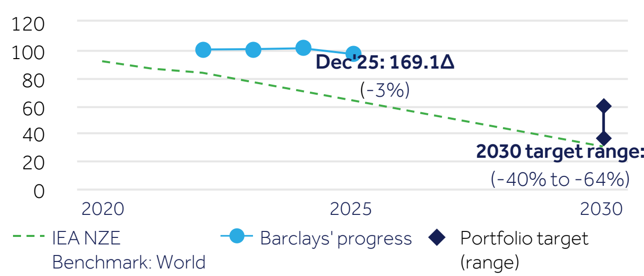
Cement
Physical Intensity (tCO_2e/t) (Indexed 2021 = 100)



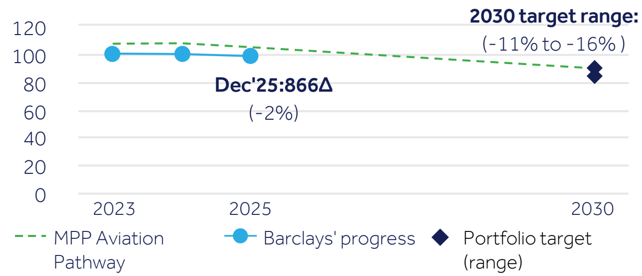
Steel
Physical Intensity (tCO_2e/t) (Indexed 2021 = 100)



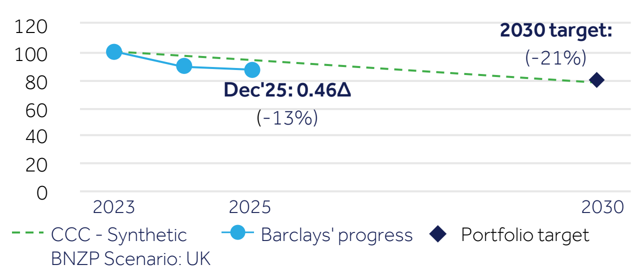
Automotive manufacturing
Physical Intensity (gCO_2e/km) (Indexed December 2022 = 100)



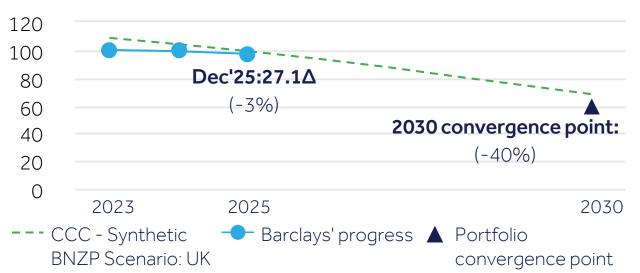
Aviation (passenger and cargo)
Physical Intensity (gCO_2e/RTK) (Indexed December 2023 = 100)



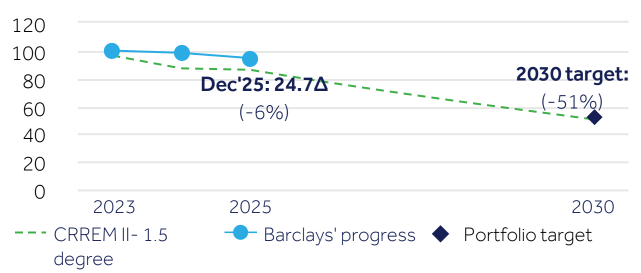
UK Agriculture
Absolute emissions ($MtCO_2e$) (Indexed December 2023 = 100)



UK Housing
Physical Intensity ($kgCO_2e/m^2$) (Indexed December 2023 = 100)



UK Commercial Real Estate
Physical Intensity ($kgCO_2e/m^2$) (Indexed December 2023 = 100)



Note:
Δ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Update on progress against targets

We have successfully achieved our 2025 financed emissions reduction targets for both the Upstream Energy and Power portfolios.

Upstream Energy

We achieved our 2025 target to reduce our absolute financed emissions by 15%. Cumulatively our absolute financed emissions from our Upstream Energy portfolio have decreased by 41% from our 2020 baseline.

Our 2025 financed emissions comprised approximately 79% from clients with oil, gas and natural gas liquids (NGLs) production activities, and 21% from clients with coal production.

Power

We achieved our 2025 target to reduce our Power financed emissions intensity by 30% from a 2020 baseline. Cumulatively our Power portfolio emissions intensity has decreased by 35% from our updated 2020 baseline, see page 86.

Aviation

Our Aviation portfolio financed emissions intensity has cumulatively reduced by 2% from our 2023 baseline.

Automotive manufacturing

Our Automotive manufacturing portfolio financed emissions intensity has cumulatively decreased by 3% from our 2022 baseline.

Steel

Our Steel portfolio financed emissions intensity has cumulatively decreased by 30% from our 2021 baseline.

Cement

Our Cement portfolio financed emissions intensity has cumulatively decreased by 13% from our 2021 baseline.

UK Agriculture

Our UK Agriculture portfolio absolute financed emissions have cumulatively decreased by 13% from our 2023 baseline.

UK Commercial Real Estate

Our UK Commercial Real Estate portfolio financed emissions intensity has cumulatively decreased by 6% from our 2023 baseline which was re-baselined in 2025 (see page 86).

UK Housing

Our UK Housing portfolio financed emissions intensity has cumulatively decreased by 3% from our 2023 baseline, which was re-baselined in 2025 (see page 86).

We continue to make strong progress against our EPC ambition for 55% of in-scope properties and collateral with a known EPC to be rated band C or better by 2030, achieving 51.4% by the end of 2025.

Further details on each of these portfolios and sector targets can be found in Barclays Transition Update: home.barclays/content/dam/home-barclays/documents/citizenship/Sustainability/Barclays-Transition-Update.pdf

Basis of Preparation

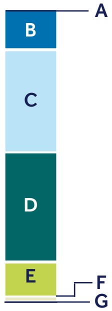
Changes in our portfolio metrics reflect evolving financing activity, improved data inputs, and methodology refinements detailed in our latest Financed Emissions Methodology paper.

In line with our established reporting approach, we have re-baselined our Power, UK Commercial Real Estate and UK Housing metrics as noted on page 86.

See 'Data sourcing and data quality' on page 86 for more information on the data used to estimate our financed emissions

Further details of how climate risk-related considerations are managed can be found in the managing impacts in lending and financing section on page 205.

EPC ratings of properties and collateral in scope of EPC ambition



A	EPC Rating A	**4,492**
B	EPC Rating B	**141,972**
C	EPC Rating C	**263,583**
D	EPC Rating D	**281,279**
E	EPC Rating E	**86,366**
F	EPC Rating F	**16,356**
G	EPC Rating G	**3,269**
	2025 total	**797,318**

Notes:
1 EPC ambition scope does not currently include Private Bank due to EPC data reporting limitations.
2 Metric based on number of properties and collateral in portfolios that make up the EPC ambition scope as of 31 December 2025.
3 EPC data for Barclays UK mortgages and Kensington Mortgage Company Limited are as of 30 September 2025. Matched EPC data for Social Housing and Business Banking Real Estate are as of 31 December 2025.

Future target progress

Our ability to make progress towards our 2030 financed emissions reduction targets depends heavily on our clients' ability to decarbonise their business models. This, in turn, is influenced by a wide range of external factors including market developments, technological progress and its financial viability, public policy interventions, regulatory alignment, changes to societal behaviour, geopolitical developments and regional variations, energy security requirements, and an orderly transition. For more detail, please see 'Implementing our strategy against a shifting landscape' on page 64.

Our sector portfolios will be affected by the complexity and significant uncertainties around the transition to a low-carbon economy. For example, aviation continues to depend on future sustainable aviation fuel (SAF) price and availability, as well as the continued production and delivery of lower emissions aircraft.

Similarly, decarbonisation of the automotive sector depends on the pace of the adoption of electric vehicles and impacts from related policy initiatives and regulation in our key markets.

Additionally, within UK Commercial Real Estate and UK Housing, decarbonisation is significantly dependent on the growing share of renewable energy sources in the UK energy mix and deployment of low carbon heating solutions. Globally, the expected pace and increase of AI-driven energy demand may impact our Upstream Energy and Power clients' decarbonisation progress.

Our metrics will continue to be impacted in the future as data availability and quality, methodologies, guidance and best practices for calculating financed emissions, all involving varying estimation levels, continue to evolve and be refined.

Our Cement and Steel portfolios are comprised of a small number clients. We rely on data reported by those clients. Changes in the availability and quality of that data and changes in our financing activity with these clients can have a material impact on our financed emissions intensity metrics for these portfolios.

We monitor our target performance regularly, recognising metrics are sensitive to the factors described above as well as changes in our financing mix, capital markets shifts, client financing needs and client emissions data. We continue to manage our portfolios and will continue to reassess our approach as new information becomes available, balancing between our and our clients' commercial goals, including potential franchise impacts, risk management and other non-financial objectives in support of our strategy. Our progress will likely remain non-linear amid these complexities and the significant uncertainties around the transition to a low-carbon economy.

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Achieving net zero operations

We are working towards achieving net zero operations as part of our ambition to be a net zero bank by 2050. This includes setting and meeting various milestones[1] and targets[1] to reduce our operational emissions, with significant progress already made.

Net zero operations approach

To achieve net zero operations we are pursuing a state in which we will achieve a greenhouse gas (GHG) emissions reduction of our Scope 1, Scope 2 and Scope 3 operational emissions[2] consistent with a 1.5°C-aligned pathway and counterbalance any residual emissions. We aim to develop our approach to counterbalancing residual emissions as we approach 2050, by evaluating the latest technology and market practices on carbon credits.

We continue to focus our efforts on the most emission-intensive areas of our operations and where we think we have the greatest ability to influence a reduction in those emissions over time.

We pursue this recognising that our progress is likely to be non-linear amid the significant uncertainties around the transition to a low-carbon economy. This is because projects will take time to be fully realised and because we depend on external factors, including changes in legislation, regulation and governmental policy, as well as the decarbonisation efforts of our Third-Party Service Providers (TPSPs)[3] and the energy grids in the markets where we operate.

We aim to continue evaluating and evolving our approach, taking into consideration internal management decisions and external factors, including the latest scientific developments and market standards.

Progress to date

Barclays has achieved all its 2025 net zero operations milestones and targets, continuing to source 100%Δ renewable electricity for our global real estate portfolio[4] and reducing our Scope 1 and 2 market-based emissions by 97%Δ against a 2018 baseline - exceeding our 90% reduction target.

We maintained 100%Δ renewable electricity sourcing for our global real estate portfolio through instruments including green tariffs[5] (2%), energy attribute certificates (EACs[6])(49%), and EACs from a power purchase agreement (PPA)(49%).

We have also achieved our milestone to have 100% of our UK corporate vehicle fleet transition to electric vehicles (EVs), and exceeded our milestone that 70% of suppliers, by addressable spend[8], have science-based GHG emissions reduction targets[9] in place— having achieved 73%[10] by the end of the 2025 reporting year.

Building on this progress, in 2025 we reviewed our milestones and targets and plan to:

- Conclude reporting on our achieved 2025 targets and milestones, while continuing to work towards our 2030, 2035 and 2050 milestones.
- Continue sourcing 100% renewable electricity through to the end of 2030, signalling demand for renewable electricity generation in the markets where we operate.

2025 targets and milestones achieved

Targets by the end of 2025		FY2025 performance	FY2024 performance
100%	renewable electricity sourcing for our global real estate portfolio	✓ 100%Δ	100%
90%	absolute reduction in our Scope 1 and 2 market-based GHG emissions against a 2018 baseline	✓ 97%Δ	95%
Milestones by the end of 2025		**FY2025 performance**	**FY2024 performance**
100%	electric vehicles (EVs) transition for UK company cars	✓ 100%[7]	98%[7]
70%	of our suppliers, by addressable spend[8], having science-based GHG emissions reduction targets[9] in place	✓ 73%[10]	64%[10]

Notes:

Δ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub:home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

1 In this Achieving net zero operations section, a reference to a 'milestone' denotes an indicator we are working towards and report against and a reference to a 'target' denotes an indicator linked to our executive remuneration.

2 We define the scope of our Scope 3 operational emissions for the purposes of our net zero operations approach, to include the following GHG Protocol Scope 3 categories: supply chain (Category 1,2 and 4), waste (Category 5), business travel (Category 6) and leased assets (Category 8 and 13).

3 TPSP means any entity that has entered into an arrangement with Barclays in order to provide business functions, activities, goods and/or services to Barclays.

4 In this Achieving net zero operations section a reference to global real estate portfolio includes offices, campuses, branches, warehouses and data centres within our operational control.

5 Green tariffs (retail procurement) are standardised renewable electricity products in regulated electricity markets offered by utility companies, allowing large commercial and industrial customers to buy bundled renewable electricity through a special utility tariff rate. Project-specificity is not a requirement for retail procurement.

6 EACs are standardised, tradable instruments, that prove that generally 1 MWh of electricity has been generated from a renewable source and added to a grid.

7 The performance metric comprises Battery Electric Vehicles and Plug-In Hybrid Vehicles that are at a maximum of 50g CO_2/km and a minimum 30 miles in electric range.

8 Addressable spend is a subset of external costs incurred by Barclays in the normal course of business where Procurement has oversight over spend. It excludes costs such as regulatory fines or charges, exchange fees, taxation, employee expenses or litigation costs and property rent.

9 Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals and timelines of the Paris Agreement – limiting global warming to well below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

10 The performance metric reflects the number of TPSPs, by addressable spend, that contribute to our supply chain emissions and have science-based targets in place. The 2025 reporting period addressable spend data is based on data extracted on 3 November 2025.

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Our net zero operations milestones[1]

By the end of	Net zero operations milestones	FY2025 performance	FY2024 performance
2030	50% absolute reduction in our Scope 1 and 2 location-based GHG emissions against a 2018 baseline	62%Δ	56%
	100% EVs or ultra-low emissions vehicles (ULEVs) for all company cars	68%[2]	57%[2]
	90% of our suppliers, by addressable spend[3], having science-based GHG emissions reduction targets[4] in place	73%[5]	64%[5]
	50% absolute GHG supply chain emissions[6] reduction against a 2018 baseline	39%[8]	35%[8]
2035	10MW on-site renewable electricity capacity installed across our global real estate portfolio	2.33 MW	0.40 MW
	115 kWh/m^2/year average energy use intensity across our corporate offices[7]	234 kWh/m^2/year	225 kWh/m^2/year
2050	90% absolute GHG supply chain emissions[6] reduction against a 2018 baseline	39%[8]	35%[8]

Our approach to operational climate-related data

Accurate and meaningful climate-related data[9] is central to our net zero operations strategy. The data helps us better identify sources of emissions, understand which actions to prioritise to reduce these emissions, and model expected impacts of our activities and external factors on our performance.

We continue to focus our efforts on increasing our climate-related data quality and coverage. For example, in 2025, 60% of our supply chain emissions data was provided directly by our TPSPs, compared with 2018, when no such data was collected.

However, due to the evolving nature of climate-related data, market methodologies and our continuous data enhancements, we are likely to see changes to previously reported figures and the overall trajectory of our decarbonisation efforts.

In 2025 we recalculated our operational emissions 2018 baseline to reflect business changes, by:

- Incorporating emissions from Tesco Bank operations following Barclays' acquisition of the Tesco Bank business on 1 November 2024.
- Excluding emissions from Hamburg operations following Barclays' sale of its consumer finance business in Germany on 3 February 2025.

To calculate our 2024 performance, we used the 2018 baseline reported in our FY2024 disclosures, and to calculate our 2025 performance we used our recalculated 2018 baseline (reflecting these business changes). Both baselines are available in the Barclays Sustainability Data Centre.

We also recalculated our previously reported supply chain emissions 2018 baseline and 2024 emissions due to the UK Department for Environment, Food & Rural Affairs (Defra) updating its GHG emissions conversion factors. Barclays applies these factors in the calculation of its spend-based supply chain emissions. Following this recalculation we have observed an overall reduction in both our 2018 baseline and 2024 supply chain emissions. This update led to a change of our previously reported 2024 supply chain performance (from 36% to 35% reduction in GHG emissions relative to the 2018 baseline).

For more details on our operational emissions accounting approach please refer to the Barclays Sustainability Reporting Framework, found here: home.barclays/investor-relations/reports-and-events/annual-reports/.

Notes:

1 We report on our zero waste milestone in the context of our nature programme, on page 95.
2 For UK vehicles the performance metric comprises, BEVs and PHEVs that are at a maximum of 50g CO_2/km and a minimum 30 miles in electric range; for Europe vehicles, BEVs and PHEVs that are at a maximum of 50g CO_2/km; for India vehicles, BEVs only.
3 Addressable spend is a subset of external costs incurred by Barclays in the normal course of business where Procurement has oversight over spend. It excludes costs such as regulatory fines or charges, exchange fees, taxation, employee expenses or litigation costs and property rent.
4 Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals and timelines of the Paris Agreement – limiting global warming to well below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.
5 The performance metric reflects the number of TPSPs, by addressable spend, that contribute to our supply chain emissions and have science-based targets in place. The 2025 reporting period addressable spend data is based on data extracted on 3 November 2025.
6 Our reporting of supply chain emissions includes the following GHG Protocol Scope 3 categories: Category 1: Purchased Goods and Services, Category 2: Capital Goods, Category 4: Upstream transportation and distribution. In 2025 we reported GHG emissions of Categories 1, 2 and 4 by aggregating these under Category 1.
7 Our EUI milestone includes energy and floor space from our campuses and offices.
8 VAT, where applicable, is currently included in our spend-based supply chain emissions data. The 2025 reporting period addressable spend data is based on data extracted on 3 November 2025.
9 In this net zero operations section, climate-related data refers to quantitative and qualitative data that informs our net zero operations strategy. This may include but is not limited to GHG emissions data, energy and water usage, TPSP decarbonisation activities and industry data on climate scenarios.
Δ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/.

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Reducing our Scope 1 and 2 emissions

Global real estate portfolio

We are making progress towards our 2030 Scope 1 and 2 location-based emissions reduction milestone, having by the end of 2025, reduced these emissions by 62%$^{\Delta}$ against a 2018 baseline. This progress was driven by:

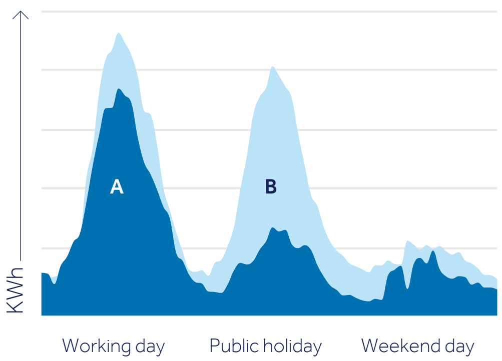
- A reduction in our operational energy demand from the consolidation of our global real estate portfolio.
- Improvements in energy efficiency of our global real estate portfolio.
- The targeted electrification of our global real estate portfolio and our vehicle fleet.
- The decarbonisation of external grids in the markets where we operate.

We continued to progress decarbonisation initiatives across our real estate portfolio by implementing transformation projects across several of our campuses. For example, by the end of 2025:

- We installed 2.33 MW of on-site renewable electricity capacity across our global real estate portfolio, with the Whippany[1] campus making the largest contribution through the installation of 3,400 solar panels.
- At 1 Churchill Place[2], upgrades to the building management system (BMS), installation of solar panels and multi-function units contributed to an estimated 11%[3] year on year reduction in the building's electricity consumption.

These transformation projects are complemented by our ongoing efforts to improve energy efficiency across selected locations in our global real estate portfolio. For example, in 2025 as part of our energy optimisation programme at our Pune[4], Noida[5] and Mumbai[6] locations we adjusted our BMS during periods of low or no occupancy to reduce these properties' energy demand. These types of initiatives have contributed to a 51% reduction in our energy consumption across our global real estate portfolio compared to 2018.

Figure 1: Impacts of our energy optimisation programme at our Pune campus[7]



A Energy consumption with adoption of energy optimisation programme

B Energy consumption with no energy optimisation programme

As we advance the energy optimisation programme and invest in energy-efficient equipment across selected locations in our global real estate portfolio, we recognise that energy savings may fluctuate over time and will be realised progressively as those improvements begin to take effect. By the end of 2025, the energy use intensity (EUI) of our corporate offices[8] was 234 kWh/m²/year, an increase from prior year driven by our corporate office footprint consolidation. Overall, however, we have been operating our corporate offices more efficiently, as our EUI has reduced by 26% against a 2018 baseline.

In addition to transformation projects and ongoing energy efficiency activities, we are working with our landlords to pursue electrification and energy efficiency upgrades through our Green Leasing Toolkit. Since its launch in 2023, we have embedded green lease clauses[9] into 68% of newly acquired or renewed offices and campus leases. This is a significant development given our leases makes up a substantial proportion of our Scope 1 and 2 emissions.

In 2025 we updated our Sustainability Design and Construction Checklist, by including nature-related considerations that align to our initial real estate LEAP[10] (Locate Evaluate Assess Prepare) assessment findings[11]. This work is helping us to better understand and manage potential nature-related impacts within our real estate portfolio.

To manage our nature-related impacts, we are also delivering on our zero waste programme[12]. Across our campuses[13] we have an ambition to achieve and maintain TRUE (Total Resource Use and Efficiency) zero waste certified projects by the end of 2035. By the end of 2025, we diverted 56% of our campuses' waste away from landfill, incineration and the environment, against a milestone to divert 90% by the end of 2035.

Technology

In 2025, we built and launched our Managed Lab Service at our Radbroke campus - a secure micro data centre environment to support validation and testing of current and next-generation IT hardware and software. The facility is intended to support our resilience, end-of-life management capabilities for our IT infrastructure, and adoption of emerging low-emission technologies, including the testing of direct liquid cooling capabilities.

Corporate vehicle fleet

By the end of 2025, as part of our commitment to Climate Group's EV100 initiative, we achieved our milestone to have 100% of our UK corporate vehicle fleet transition to electric vehicles (EVs). We have also made progress in transitioning our global corporate vehicle fleet to electric vehicles (EVs) or ultra-low emissions vehicles (ULEVs) having transitioned 68% of our 5,216 global fleet.

We continue to monitor market developments, such as the adoption of Zero Emission Vehicles (ZEVs, which emit zero emissions at the tailpipes), as we transition our global fleet to EVs. We also recognise we are largely dependent on transport policy and infrastructure decarbonisation in the markets where we operate. These factors will influence our ability to progress towards our 2030 milestone.

Notes:

1 Buildings 100, 300 & 400, Jefferson Park, Whippany, NJ 07981, USA.
2 1 Churchill Place, Canary Wharf, London, E14 5HP, UK.
3 Data represents reduction when comparing September 2024 and September 2025 electricity consumption for 1 Churchill Place.
4 Gera Commerzone SEZ, Eon It Park Road, Kharadi, Pune, 411014, India.
5 Candor Techspace, Institutional Plot No 2, 1& 2 Blk B, Sec-62, Gautam Budh Nagar, Uttar Pradesh, Noida, 201309, India.
6 Nirloin Knowledge Park, Wing B Block B-6, Off Western Exp Hwyi, Goregaon (East), Mumbai, 400063, India.
7 Figure 1 represents the energy use patterns on a normal working day, a public holiday and a weekend day, at our Pune campus, which has adopted the energy optimisation programme. It highlights the resulting reduction in energy consumption from the programme, a trend we have observed across locations in our global real estate portfolio implementing the programme.
8 Our EUI milestone includes energy and floor space from our campuses and offices.
9 For more detail on our green lease clauses, please see page 75 of Barclays PLC Annual Report 2024.
10 Taskforce on Nature-related Financial Disclosure's (TNFD) methodology.
11 Refer to page 77 of Barclays PLC Annual Report 2024 to find out more on our TNFD LEAP assessment findings.
12 For more detail on the zero waste programme, please see page 77 of Barclays PLC Annual Report 2024.
13 Campuses include 1 Churchill Place, London, Radbroke, Northampton, Glasgow, Whippany, 745 7th Avenue, New York, Wilmington, Pune, Chennai and Noida. Chennai and Noida have been classified as campuses in our 2025 operational emissions reporting year.

Implementing our climate strategy (continued)

TCFD Strategy Recommendation B

Addressing our Scope 3 operational emissions

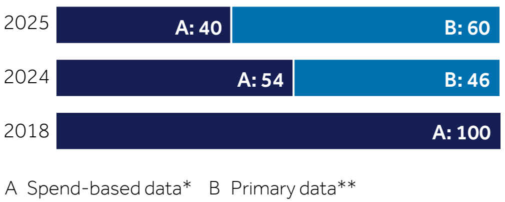
In 2025, supply chain emissions accounted for the largest proportion (67%) of our total operational GHG emissions[1]. While emissions from waste and leased assets are comparatively lower, we remain committed to identifying and pursuing opportunities to reduce them. Further details on our waste and leased assets approach can be found in the Global real estate portfolio section on page 95.

Supply chain

In the 2025 reporting year, we observed a 39% reduction in our absolute supply chain emissions relative to the 2018 baseline. While this represents progress, it is important to note that approximately 40% of our supply chain emissions are estimated using spend-based data. As a result, reported reductions may not fully reflect actual decarbonisation within our supply chain. To look to address this limitation, we work with our TPSPs to enhance the availability and quality of our supply chain climate-related data, enabling more accurate tracking of our emissions reduction milestones.

We leverage Carbon Disclosure Project (CDP) and EcoVadis as platforms to gather data and engage with TPSPs. In 2025, 89% of invited TPSPs responded to CDP, demonstrating strong engagement across our supply chain. This enabled us to enhance our use of primary supply chain emissions data, reaching 60% by year-end.

Supply chain emissions primary and spend-based data



Notes:

* Spend-based data: data based on the calculation of the economic value of the goods and services purchased, multiplied by relevant industry average GHG emission factors (i.e. Defra).

** Primary data: GHG emissions data sourced from TPSPs.

TPSP engagements also supported us to exceed our milestone of 70% of suppliers, by addressable spend, having science-based GHG emissions reduction targets in place — achieving 73%.

Insights from our TPSP engagements and supply chain emissions were incorporated into our Supplier Transition Framework (STF)[2], identifying priority TPSPs that accounted for approximately 68% of Barclays' supply chain emissions in the 2024 reporting year. We are working closely with these priority TPSPs and their Barclays Accountable Executives to develop strategic, actionable engagement plans aimed at driving continuous improvement in data quality, climate commitments, and decarbonisation opportunities.

Our approach is tailored to support priority TPSPs' unique needs, recognising that they are at different stages in their transition journeys.

We continued to upskill our TPSPs Barclays Accountable Executives, supplier managers and sourcing colleagues on the sustainability impact of our supply chain to support with the delivery of the engagement plans.

We also continued to seek to negotiate climate-related requirements in our TPSP contract terms and set climate-related expectations in the Barclays TPSP CoC.

In 2025 we also began assessing our supply chain nature-related impacts by using the LEAP approach. Through this assessment, we identified 27 of 120 supply chain goods and services categories with potential for significant[3] nature-related impacts. We are using these findings to prioritise pilot engagements with selected TPSPs, focusing on their maturity on nature-related topics. This pilot initiative is integrated within the STF strategic engagement plans.

Travel

Our 2025 total colleague business travel emissions reduced by 45% compared to the 2018 baseline, partly driven by an update in external emissions factors and a shift in business travel behaviours.

To inform our decarbonisation approach we plan to continue monitoring our business travel emissions data. However, we recognise that where we can't reduce travel, to decarbonise these emissions we are dependent on transport and grid decarbonisation in the markets where we operate.

Carbon credits

In 2025 we signed an offtake agreement with UNDO[4], a UK-based climate technology company, with the intent to contribute to high-potential climate mitigation projects. Under this agreement, UNDO expects to permanently remove 6,538[5] tonnes of carbon dioxide from the atmosphere through enhanced rock weathering. These offtake agreements are funded through a carbon price on internal travel and forms part of our approach to focus on catalytic high-integrity carbon dioxide removal technologies. We do not use this for carbon offsetting.

Net zero operations co-benefits

As we progress on our transition to net zero operations, we seek to deliver strategic co-benefits for Barclays and its key stakeholders. These include driving cost savings - for example, through the energy optimisation programme - strengthening operational resilience, identifying commercial opportunities by collaborating with Climate Ventures and Unreasonable Impact companies, and building stronger relationships with TPSPs and clients.

Notes:

1 In this net zero operations section, our total accounted operational GHG emissions include Scope 1, Scope 2 (location-based) and Scope 3 Category 1-8 and 13. Scope 3 Category 3 and 7 currently are not part of our net zero operations approach.
2 For more detail on the Supplier Transition Framework structure, please see page 57 of the Barclays Transition Update.
3 Significance is determined through ENCORE (Exploring Natural Capital Opportunities, Risks, and Exposure) a industry-standard tool to help businesses assess how they may depend on and impact nature.
4 To find out more please see our press release with UNDO: home.barclays/news/press-releases/2025/09/barclays-backs-british-climate-tech-pioneer-undo-in-landmark-car/
5 This offtake has not been netted against our operational emissions, as we continue to focus our efforts to reduce our operational emissions consistent with a 1.5°C-aligned pathway.

Implementing our Climate Strategy (continued)

TCFD Strategy Recommendation B

Embedding climate and sustainability into our business

We are embedding climate and sustainability throughout Barclays, taking into account the impact of climate-related risks and opportunities on our businesses, strategy and financial planning.

Impact of climate-related risks and opportunities on our business, strategy and financial planning

Barclays' 2025 financial planning process included a review of our strategy, its implementation, and tracking of our progress against climate-related targets – as well as capturing a view of climate-related risks and opportunities.

During 2025 we continued to enhance our monthly reporting framework to cover a view of the balance sheet and revenues from sustainable and transition-related activity. This supports our ability to review our Sustainable and Transition Finance portfolio at greater granularity and improve relevant business engagement through the financial planning process. Enhancements were made to help us further evaluate the portfolio's performance and identify opportunities to maximise revenue generation activities.

We also considered impairment over the horizon of the financial plan. There are no associated material amendments required to the 2025 financial plan.

All key businesses and applicable functions are involved in integrating climate-related risks and opportunities into our financial planning process. Implementing our climate strategy is managed through central Sustainable Finance teams under the Group Head of Sustainable and Transition Finance.

For example:

- Our climate strategy is a factor in our finance planning process with a pathway towards aiming to achieve this as well as risks and opportunities reviewed with business heads.
- We continue to develop our sustainable and transition finance to ensure that we have a full offering for our clients and customers.
- We strive to continue to decarbonise our own operations, reducing our Scope 1 and 2 emissions and our Scope 3 operational emissions.
- We measure and track progress towards our financed emissions reduction targets through our BlueTrack methodology.
- We conduct portfolio reviews to monitor whether business activities are conducted within Barclays' mandate and aligned with our expectations, and whether they are of an appropriate scale relative to the risk and reward of the underlying activities. Mandate & Scale Exposure Controls form part of our overall Risk Appetite Control Framework and climate risks have been integrated into annual credit portfolio reviews for elevated risk sectors since 2020. We continue to monitor against mandate and scale limits linked to scoring within our Client Transition Framework.

The 2025 financial planning process used a five-year baseline scenario to consider the impacts of climate risks. The baseline scenario implicitly considered the impact of current and agreed climate policies across the UK, US and EU on key macroeconomic variables (such as GDP growth and unemployment rates), consistent with market consensus forecasts. The outcome of this assessment found only a de minimis impact from climate-related factors on those macroeconomic variables used to project financial performance. We will continue to review how climate risks manifest in the economy through a baseline scenario.

Workstreams specifically related to finance have been further embedded within our overall global financial planning processes, including dedicated climate management reporting information. Further details of how this work has served as an input in our five-year financial planning process and are set out below – including our approach to Sustainable and Transition Finance, targets and capital investments.

During the 2025 financial planning process we assessed the financial impact of embedding individual parts of our climate strategy, new initiatives and targets across our businesses.

A range of scenario analyses were undertaken during 2025 with the aim to further uncover areas of risk and opportunity, as well as integrate climate scenario analysis into our strategic and financial planning. This included a climate aware Internal Stress Test with the results allowing Barclays to also understand resilience to climate risks in this scenario.

The strategic review of sustainable and transition finance was also refreshed during the year 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. For further detail on the strategy, please see the 'Sustainability and climate-related opportunities identified over the short, medium and long term' on page 69.

The planning process included an assessment of our financed emissions portfolios for the eight high-emitting sectors where we have set absolute emissions or emissions intensity targets: Upstream Energy, Power, Cement, Steel, Aviation, Automotive manufacturing, UK Commercial Real Estate and UK Agriculture, as well as our UK Housing portfolio for which we have set a convergence point. The impacts of our current plans to achieve these targets (where applicable) are considerations and factors in our financial planning process.

Barclays continues to engage with our clients to support them in the transition to a low-carbon economy. Our current financed emissions reduction targets are not currently forecasted to materially impact financial performance over the next five years.

The financial planning process also covered a review of our net zero operations strategy.

We will continue to endeavour to further enhance how Barclays' climate strategy is embedded into the way we think about financial planning over the coming years – reflecting on the progress we made during 2025.

Implementing our Climate Strategy (continued)

TCFD Strategy Recommendation B

Skills, culture and training

Building our expertise

In 2025, we continued to build out and embed the sustainability culture and expertise required to support the delivery of our climate strategy and manage sustainability-related risks and opportunities. Colleagues accessed an expanded suite of sustainability learning resources, including eLearning, videos and role-specific modules covering climate change, greenwashing risk, sustainability principles, our communities agenda and modern slavery. In addition, targeted upskilling was delivered for roles requiring enhanced sustainability related knowledge.

A module on Sustainability and Physical Climate Risk was completed by approximately 50,000 colleagues across the Bank. The training helped to reinforce understanding of climate and reputational risk, greenwashing considerations, and Barclays' approach to climate risk as a Principal Risk, as well as relevant external position statements and internal standards.

Further details on Barclays' sustainability statements and policy positions can be found from **page 44**.

Investment Bank and UK Corporate Bank – Sustainable Finance

Continued investment in sustainable finance capability through a tailored programme for colleagues across the Investment Bank and UK Corporate Bank, providing regional, sector and asset-class specific insights to support client engagement and progress towards our target to facilitate $1trn of Sustainable and Transition Finance between 2023 and the end of 2030.

UK Corporate Bank

Delivered specialist sustainability training for colleagues in Commercial Real Estate and Social Housing, including technical learning, workshops and sector-specific resources.

Provided updated knowledge materials and client-facing tools to support credible engagement on clients' sustainability objectives.

Barclays UK

Completed the first cohort of Sustainability Apprenticeships, with colleagues achieving a Level 4 qualification focused on supporting the transition to a lower-carbon economy.

Delivered sustainability training to senior leaders and role-specific modules for Business Banking and Real Estate specialists in Mortgages.

Our BUK Sustainability Champions continued to bring together colleagues to share best practice regarding sustainability through knowledge sharing and events.

Incentives

Financial and non-financial measures, including key climate and sustainability-related measures, are considered in the determination of the Group incentive pool and the incentive outcomes for the Executive Directors of Barclays PLC. Measures are reviewed annually to ensure they reflect the Group's strategic priorities.

The incentive pool is also adjusted to take account of risks, both crystallised and potential future risks, and consideration is given to vulnerabilities across all of Barclays' principal risks, which include climate risk.

Climate and sustainability-related measures are included as part of the Executive Directors' Long Term Incentive Plan (LTIP), reflecting the long-term nature of our ambition, and that progress is expected to be non-linear and is best assessed over a multi-year period. For the 2026-2028 LTIP, an overall weighting of 25% is allocated to the broader category of measures relating to Sustainability, customers and clients.

The Group Executive Committee members responsible for Barclays' five business divisions have specific sustainability-related objectives relevant to the businesses they manage against which their performance is assessed at the end of each year.

Performance for all colleagues is assessed against individual performance objectives, which are aligned to the consistently excellent standard and include sustainability considerations where applicable. Specific sustainability-related objectives will depend on the role of the individual.

Further details can be found in our Remuneration report from **page 158**

Implementing our Climate Strategy (continued)

TCFD Strategy Recommendation B

Engaging with industry

By working with our partner organisations, memberships, and industry initiatives, Barclays seeks to facilitate knowledge exchange and support clients across sectors. Through our engagements with industry, we aim to strengthen our understanding of the global transition. Ultimately, we believe these engagements will help us work with clients on their transition, finance clients' transition, and scale climate technology.

In 2025, our engagements focused on the interconnections shaping the global transition, from technology deployment and capital flows to supply chain resilience. Alongside other voices from the financial sector, industry, policymakers, and more, Barclays continues to pursue strategic insights that better inform decision-making and our ability to support clients effectively.

Over the past year, the themes explored during discussions included:

- Scaling commercial pathways for frontier technologies critical to the transition, including carbon capture and storage (CCS).
- Grid optimisation and expansion, and investing in infrastructure to meet demand from AI, data centres, and electrification.
- Energy efficiency and retrofitting projects as solutions for reducing costs and carbon, and catalysing growth opportunities.
- Investment opportunities in resilience and adaptation through nature-based solutions, landscape-level restoration projects, and the role of institutional investment in regenerative agriculture.

We also participated in a number of industry events, including London Climate Action Week, Climate Week New York City, and COP30 , where we continued to explore topics such as scaling transition finance across sectors, with a particular focus on de-risking the technologies and projects that are most likely to catalyse progress.

Please see some of our key partnerships, memberships, and industry initiatives in the adjacent table. Our involvement in external organisations is guided by our strategy and where we can most effectively support our clients' activities as they navigate the transition.

Ongoing Industry Collaborations

Collaboration Start Year	Collaboration
1997	United Nations Environment Programme - Finance Initiative (UNEP FI)
2003	Equator Principles
2019	Ceres
2020	Partnership for Carbon Accounting Financials (PCAF)
	Priceless Planet Coalition
	Sustainable Markets Initiative (SMI)
2021	Climate Financial Risk Forum
	Glasgow Financial Alliance For Net Zero (GFANZ)
	LSE / Grantham Research Institute
	Taskforce on Nature-related Financial Disclosures (TNFD)
	UK Business & Biodiversity Forum
2022	Center for Climate and Energy Solutions (C2ES)
	Oxford Sustainable Finance Group & the UK Centre for Greening
	RMI (formerly Rocky Mountain Institute)
2023	UK Business Climate Hub
2024	International Emissions Trading Association (IETA)
	Icebreaker One's Perseus
2025	Fauna & Flora

Further details can be found on the Sustainability Resource Hub under Industry Collaborations at:
home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

Implementing our Climate Strategy (continued)

TCFD Strategy Recommendation B

Barclays' approach to public policy

We have a responsibility to engage constructively with governments and policymakers, and remain politically neutral.

Transparency and governance

Barclays is a major economic and societal contributor to the communities in which we operate, through the products we offer, the customers and clients we serve, the colleagues we employ, and the contribution we make through our community investment programme. We believe it is important to contribute to relevant public policy debates where we have an interest, and we seek to engage constructively with policymakers in jurisdictions where we operate including governments, legislatures, regulators and other organisations. Our Group Policy Development team produces thought leadership content, leveraging our expertise, data and insights to inform the design and application of public policy solutions in response to pressing challenges.

In our discussions we seek to make contributions that are accurate, honest, and evidence-based. Barclays' advocacy and engagement activities, including direct and indirect lobbying, must comply with our internal controls – including Barclays' code of conduct (The Barclays Way), which requires honesty and transparency in communications with governments and regulators on issues relevant to our business. The Barclays Way also provides detailed guidance on raising concerns. It directs employees to speak up about behaviours and practices not aligned with our Barclays Values, and assures them that there will be no negative consequences to them for doing so. Barclays only engages on issues where we have a legitimate interest, such as matters affecting our business, customers and clients, or colleagues. Barclays' Group Head of Strategic Policy is responsible for the co-ordination and oversight of public policy advocacy.

Barclays retains public affairs agencies in certain jurisdictions for political monitoring and strategic advice,while ensuring the Strategic Policy Group has oversight of their work.

Advocacy with US public officials is reported under the Lobbying Disclosure Act. EU advocacy is disclosed on the European Commission's Transparency Register and relevant national registers.

Barclays is a member of several trade associations globally, which represent members, and help shape industry responses to various public policy issues. We seek to be an engaged and productive member of all associations in which Barclays participates, predominantly through the committees and working groups, promoting policy positions aligned with Barclays' objectives. Where key policy differences arise, we seek to engage and influence these positions.
The Strategic Policy Group also supports senior executives in trade association board positions, as appropriate.

To support transparency, we publish information on our Public Policy Engagement website, including details about agencies and trade association memberships. We also share Barclays' bilateral responses to material government and public policy consultations on certain issues with which we are principally engaged, in the UK and EU, either in full, summary or part. In other jurisdictions,such as Asia and the US, responses to public consultations may be published on the respective government websites.

Our Public Policy Engagement website can be found at: **home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/public-policy-engagement/**

Climate public policy engagement

In certain jurisdictions where we operate, Barclays participates in climate and sustainable finance-related public policy development, directly and indirectly, in alignment with our climate strategy and our ambition to be a net zero bank by 2050, and, within signatory countries, to facilitate our commitment to align our financing with the goals and timelines of the Paris Agreement.

We provide feedback, as an individual institution and via trade associations, to relevant consultation processes launched by standard setters, multilateral organisations and NGOs, including those that could inform future policy recommendations. Where relevant, we also engage with governments and other key stakeholders to inform policies that facilitate greater investment in innovation and climate solutions that support our clients.

Barclays participates in relevant trade association working groups in certain jurisdictions, where we seek to represent positions consistent with our ambition to be a net zero bank by 2050. Reflective of the pace of developments and regional differences in approaches to sustainability, there may be diverging views within trade associations. Many of these trade associations also do not focus exclusively on sustainability, but rather engage across the full breadth of financial services-related policy – and do not have stated positions in relation to net zero.

Where misalignment between an association's position and Barclays' own ambition to be a net zero bank by 2050 is identified, we seek to manage this appropriately by addressing it through proactive engagement, where possible. Where there is a material and ongoing difference identified through our routine engagement, Barclays may publicly dissent from a trade association's position. Should a trade association adopt a material position that, following engagement, remains irreconcilable with our Values or strategy, we can exercise the option to end our membership.

We conduct an annual internal review of the approaches to climate public policy of certain material trade associations, including considering alignment with our strategy. A list of trade associations in scope can be found on our Public Policy Engagement web page. This review was informed by publicly available information on each trade association's website, which could include climate policy position statements and, where directly related to climate, consultation responses, commissioned reports and statements from an association's senior leadership. For several trade associations in-scope of the review, there was not a stated position in relation to net zero. Of those with a clear position, the majority were considered aligned or partially aligned with our ambition to be a net zero bank by 2050. We engage with trade associations to better understand their climate policy positions and activities, and we will continue to keep our approach under review.

Resilience of our strategy

TCFD Strategy Recommendation C:
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Resilience of our strategy

TCFD Strategy Recommendation C

Scenario analysis

Climate scenario analysis forms a key part of Barclays' approach to assessing and quantifying the impact of physical and transition climate risks on the bank's portfolios. We use this to better understand the significant uncertainty that arises from how climatic weather patterns will change, as well as the rapidly evolving nature of the climate transition from government policies, new technologies and changing individuals' sentiment.

Through climate scenario analysis, the risks and uncertainties can be translated into financial impacts to Barclays, allowing us to better understand the resilience of the business strategy. The scenarios explored in this section are under a stressed pathway.

Barclays uses climate scenario analysis primarily for (i) understanding Barclays' resilience to climate scenarios, (ii) as a consideration within its financial planning process, (iii) as a consideration within its assessment of Expected Credit Losses reported under IFRS 9. More detail on the Expected Credit Losses uses can be found on page 284.

Barclays has progressively developed its internal scenario analysis capabilities, developing new climate assessment methodologies, running internal targeted exercises with external subject matter experts, and participating in regulatory climate stress testing.

Barclays continues to build its use of scenario analysis to explore and further understand the evolving landscape – identifying areas of risks and opportunities – to challenge existing assumptions of future climate pathways and measure the risks that climate change poses to the Group.

Barclays' resilience to climate scenarios

Two stress tests incorporating climate risk were conducted during 2025, each with its own scenario aligned to a less than 2°C pathway, to assess Barclays' financial resilience to transition and physical risks. Firstly, the 2025 Internal Stress Test (IST) featured a scenario with climate risk drivers over a five-year period. Secondly, a climate-based Reverse Stress Test (RST) was run with a shorter-term focus, designed to test resilience to extreme, near-term climate events.

Based on the results of the scenario analysis performed to date, our view is that Barclays' strategy remains resilient to climate scenarios. Given the evolving climate landscape, we seek to further enhance our capabilities and modelling to refine our understanding of Barclays' resilience to various climate scenarios, particularly given high uncertainty in this area.

Internal Stress Test

The 2025 Internal Stress Test was conducted as a Group-wide exercise across all portfolios over a five-year period, with the scenario specifically designed to evaluate Barclays' ability to withstand both climate-related and traditional macroeconomic risks. This year's scenario placed greater emphasis on physical climate risks than in previous years, featuring two years of stormy and wet weather followed by three years of hot, dry conditions with droughts and wildfires.

Scenario

The 2025 Internal Stress Test (IST25) scenario was designed to be climate-aware, with climate risk drivers incorporated into the development of macroeconomic factors. By doing so, the exercise directly addresses Barclays' climate-related vulnerabilities, while complementing conventional macroeconomic stress testing.

To achieve this, Barclays leverages its in-house scenario design capabilities, enabling a more tailored approach and deeper understanding of our risk profile. Rather than relying solely on external scenarios, such as those provided by the Network for Greening the Financial System (NGFS), we developed our own scenario for several reasons:

1) **Baseline assumptions differ:** External scenarios typically assume a stable macroeconomic backdrop. Our approach layers climate stress on top of an already stressed macroeconomic environment.
2) **Policy outlook has shifted:** Global climate policy continues to evolve rapidly. Since the NGFS established its baseline assumptions, significant changes have occurred, particularly in the United States.
3) **Barclays-specific vulnerabilities:** We sought to test risks unique to our portfolios. For example, given our substantial UK mortgage exposure, we incorporated an extreme flood event in London and The Wash region in eastern England to better assess these vulnerabilities, rather than relying on the more generic shocks used by external scenario providers.

The scenario narrative was designed over a five-year timeframe aligned with Barclays' Medium Term Planning and Internal Stress Testing scenarios time frame. Specific variables were expanded using subject matter expert judgement by Barclays' internal Global Economic Scenarios and Climate Risk teams to assess both physical and transition climate risks.

The exercise is designed to complement conventional Barclays macroeconomic stress testing, and seeks to understand:

1) How transition policies can influence conventional macroeconomic stressed environment pathways and severity.
2) The incremental impact of climate above macroeconomic stressed pathways.
3) How physical risk events may impact key Barclays' exposures.

The climate scenario consists of three chronological stages, as depicted in the below chart. These stages include initial policy announcements that trigger immediate asset repricing, while more stringent policy requirements unfold over a longer time horizon - dampening recovery in years 3 to 5. Against this backdrop, the scenario stages also incorporate physical risk considerations: In the first two years, severe 'stormy and wet' weather occurs, characterised through floods and hurricanes. This is followed by three years of 'hot and dry' weather, resulting in water stress and wildfires. The insurance market tightens in the face of increased claims, with restricted risk appetite in high-risk zones and to key perils. Events create greater societal awareness of physical risks and their damages, shifting preferences towards lower risk assets.

Implications and policies of the three stages are outlined below:

Resilience of our strategy (continued)

TCFD Strategy Recommendation C

Stage 1:
Consumer preferences shift toward greener products and practices, particularly in the UK and EU, while consumption is cut to cope with the recessionary environment. Behavioural shifts are pronounced at sector level as consumers turn away from firms who finance carbon-heavy industries.

Investors reassess their participation with certain firms. Those with heavy exposure to brown income and/or assets, combined with poor transition plans, are negatively impacted in equity markets – with capital reallocated to greener firms.

Stage 2:
Regional climate policy divergence grows as the UK, EU and China forge ahead as leaders on the transition, with India pivoting because of increased energy security concerns, and the US continuing to focus on domestic fossil fuel energy production, putting downward pressure on oil and gas prices. Low-carbon investments surge due to accelerated investment in the power grid and electric vehicles (EV) infrastructure, supported by declining costs and efficiency increases.

In 2028, the UK and EU accelerate or announce additional climate policies. Governments rapidly scale-up investment in EV charging infrastructure to speed up the automotive sector's transition. Existing emissions trading schemes are strengthened to align with a 1.5°C pathway, triggering a significant carbon price shock in 2028.

This slows economic recovery and leads to heightened inflation as production costs rise due to increased energy costs, although some of these impacts are partially offset by substantial public and private investment aimed at enabling a faster transition. Carbon Border Adjustment Mechanisms (CBAMs) are introduced, causing supply-side shocks and increased trade frictions. Proposals to tighten EPC minimum standards are accelerated, bringing forward compliance deadlines for Buy-to-Let, Social Housing, and UK Commercial Real Estate properties to achieve EPC rating C or above.

In the US, no additional climate policy is assumed at this stage. Nevertheless, some indirect effects are felt from the transition in Europe, primarily through reduced demand for carbon-intensive US exports as CBAMs decrease their competitiveness, and global fossil fuel price shocks.

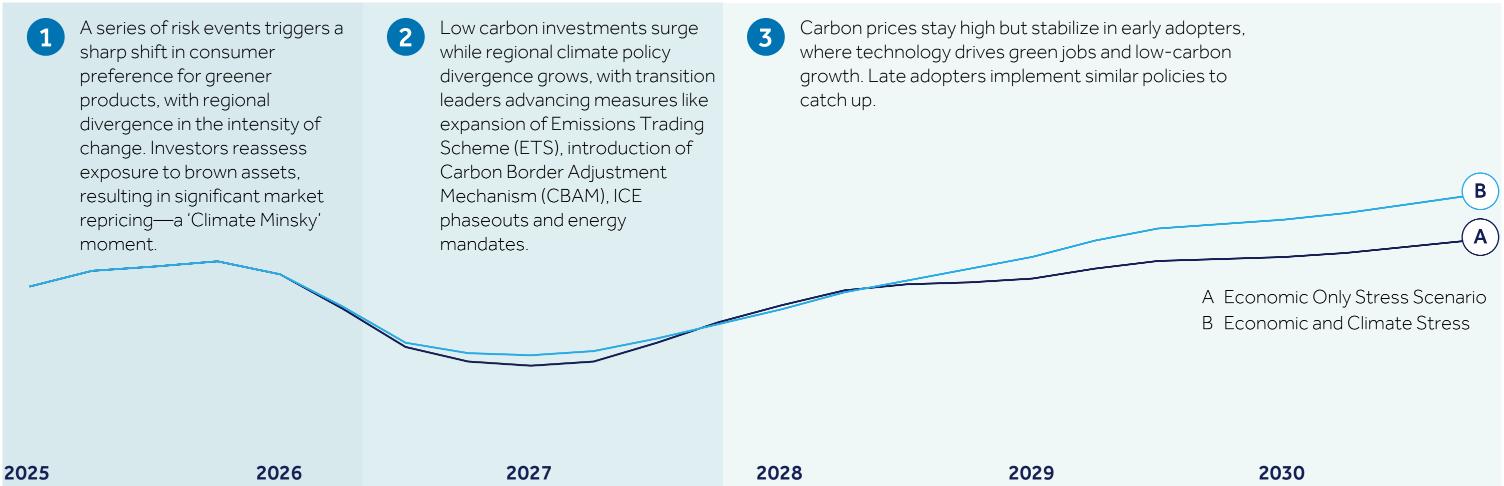
Stage 3:
By 2029, carbon price growth in the UK and EU slows but remains high. Technological progress, coupled with global capital shifting towards low-carbon solutions, drives the creation of new green jobs.

In 2029, the US makes a rapid pivot back to transition policy, aiming to catch up domestically in low-carbon technologies. Policies similar to those introduced in Stage 2 in Europe are implemented, with similar inflationary impacts.

The scenario will have significant impacts on Barclays, including:

1. **Amplified market shocks:** additional to existing macroeconomic shocks, there will be further equity and credit shocks for brown industries and financiers, as a result of immediate repricing.
2. **Amplified credit deterioration:** additional credit risk on brown industries as a result of lower earnings expectations and refinancing risks.
3. **Increase in frequency of physical risk events:** throughout the time horizon, there is an increase in the occurrence of physical hazards such as flood, hurricanes and droughts.

Scenario impact (Illustrative only)



Resilience of our strategy (continued)

TCFD Strategy Recommendation C

Results and insights

Over the five-year horizon, the IST25 exercise demonstrates that Barclays remains resilient under a scenario of global economic fragmentation, persistent inflation and a combined climate shock. The scenario features both transition and physical climate risks, including severe weather events and a rapid repricing of financial assets. Following this is a steep increase in carbon prices in the EU and UK and accelerated policy action on energy efficiency and real estate standards.

The Investment Bank is the main contributor to climate-related losses under IST25, reflecting its exposure to sectors most sensitive to transition and physical climate risks. Losses are driven by declining demand and sustained low prices in oil and gas, The scenario incorporates a sharp rise in carbon prices in the EU and UK, with the EU Emissions Trading System (ETS) price rising to $309/tCO_2e.

The UK Mortgages portfolio is directly impacted by both transition and physical climate risks. The scenario assumes major flood and storm events, as well as increased compliance costs from tightened EPC legislation, requiring upgrades to minimum energy performance standards by 2028.

Other portfolios, such as BUK Business Bank and unsecured lending, are primarily affected by the broader macroeconomic environment under stress. While these portfolios are included in the overall scenario, their results are not materially driven by climate-specific factors in IST25.

The IST25 results are fully integrated into the Group's Internal Capital Adequacy Assessment Process (ICAAP), informing the setting of risk appetite and supporting the Board's approval of the medium-term capital plan. The scenario confirms that the Group's capital and liquidity positions remain robust, with headroom above regulatory and internal thresholds. Management actions, both business-as-usual and strategic, provide additional capacity to absorb stress impacts if required.

While the IST25 exercise incorporates further enhancements in scenario design, modelling, and risk transfer mechanisms, it is acknowledged that results are subject to inherent uncertainties and limitations. These include the evolving nature of climate risk modelling, the potential for more severe or frequent physical events, and the impact of future regulatory changes. The Group continues to refine its approach to stress testing, with a focus on improving data quality, model governance, and scenario relevance to ensure ongoing resilience in the face of emerging risks.

Reverse Stress Test

A climate-based Reverse Stress Test was conducted during 2025, testing the Group's resilience to extreme climate events that challenge the viability of the Group's business model. The exercise tested both physical and transition risk drivers. For physical risk, the scenario included more frequent and severe physical hazards unfolding and resultant tightening of insurance markets; for transition risk it explored a volatile transition, where uncertainty causes challenges to firms' business models in transition-sensitive sectors.

Physical Risk: Extreme weather events strike in the UK, EU and US. In the scenario, the Thames Barrier in the UK is modelled as failing due to inadequate funding of repairs, and an extreme hurricane season in the US is ~3x worse than historic averages. This leads to an insurance 'Minsky Moment', where (re)insurers rapidly update risk appetite for severe physical risks, leading to significant coverage restrictions, increases to premiums and stranded assets.

Transition Risk: As a result of these physical risk events, the pressure for transition increases, as the ability to do so declines. Global responses are disorderly and divergent, as they seek to reduce GHGs whilst addressing impacts of physical risk events, and this increases the volatility and uncertainty over where and how fast the transition will occur. As a result, firms struggle to establish effective and efficient business plans, impacting firms with green and brown exposure and causing deterioration in financial performance.

Results and insights

Three sensitivities were assessed across the Group's Corporate, Mortgage, Cards and Structured Lending and Financing portfolios, reflecting the high level of uncertainty of the scenario. The Group's business model could reach non-viability in the two most extreme cases which tested our vulnerability to income losses and capital increases. The exercise highlighted the ways in which these portfolios could be the major driver of losses in a climate scenario, particularly due to physical risk, and provided valuable learnings for further investigation:

1. For UK Mortgages, the exercise provided valuable insights into how concentrations of flood risk can affect the portfolio, how acute (severe flood event) and chronic (ongoing precipitation saturating the ground) can interact to cause significant floods, and highlighted the crucial role that flood defences play in alleviating the impact of flooding on UK homes.
2. For the Corporate Portfolio, results highlighted how physical perils can impact those with high concentrations of assets exposed to these risks, as well as a longer tail of firms with some of their operating sites in sensitive locations. For transition, the portfolio can be exposed to both a fast and slow transition, particularly those companies who have a concentration of green or brown technologies.
3. For Cards, the assessment focused on the US portfolio, and demonstrated the reliance on ongoing affordable home, health and car insurance for customers, as well as wider reliance on FEMA and State disaster relief programmes.
4. For our Structured Lending and Financing portfolio, the exercise pointed out that extreme tail risk is driven by commensurately severe devaluation of properties in certain US states.

Resilience of our strategy (continued)

TCFD Strategy Recommendation C

2025 Enhancements

During 2025, Barclays have made several key enhancements across climate scenario development, climate risk modelling, and the ways in which we embed climate learnings into our risk management.

- Climate scenarios are developed by our Global Economic Scenarios Team using existing scenario expansion tools and processes, supplemented with dedicated climate analysis for consistency and granularity. Climate considerations are increasingly embedded within our internal stress testing framework.
- An expanded set of climate-specific variables enables modelling of a wider range of impacts. For example, this year we worked with the Barclays Commodities Research Team to assess the likely effect of the scenario on Brent oil prices, strengthening our climate stress-testing capabilities.
- A new judgement-based approach model for climate scenario design has been introduced, establishing dedicated governance for climate scenario development.
- Scenarios are benchmarked against the latest NGFS short-term scenarios to ensure alignment with industry standards.
- For UK residential mortgages, we have continued enhancing the model for both Stress Testing and Economic Capital assessment. The methodology is now able to assess the impacts of windstorm, in addition to flood, subsidence and EPC risk. The model was also enhanced to capture properties for which we did not have flood or subsidence risk data by using a fallback mechanism.
- The Corporate Model has been further enhanced this year by the addition of a capital expenditure module, delineating costs between clients who are more or less well-positioned under a climate scenario. This comes with refined assumptions, to address the fact that not all clients can achieve the same level of production that the economy desires in green alternatives, and that clients lagging behind would have to engage in further research and development to meet product demand.
- The model is also taking greater geographical granularity into account, by considering regional specific demand and price curves across industries, to better reflect climate policy and sentiment.
- The Commercial Real Estate portfolio continues to be an area of focus for assessing climate risk impacts, with additional sensitivities performed to help understand the range of outcomes.
- The US REITs portfolio has been analysed using a qualitative model in IST 2025, with key considerations being physical risk drivers, e.g. floods, hurricanes and wildfires. The REITs book is analysed over a five-year horizon at a property and geography level. The analysis factors in rental revenue impact, property valuation impact, restoration costs, operating expense, insurance cover and debt. A sensitivity analysis has also been conducted to validate the model internally for all relevant parameters.

Challenges and limitations

Barclays is continuing to better its understanding of the interlinking relationships between climate, particularly transition risk, and macro variables, a lack of adequate historical data being a key limitation to progress.

Data

There are 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.

- Data coverage is often lacking, where a subset of assets may not have the appropriate information publicly disclosed. Climate scenario risk analysis requires approaches and tools that are more granular (e.g. focus on company-level analysis), which differs from more traditional stress-testing exercises conducted at portfolio or sector level. This creates a need for more granular data.
- While high data granularity is desirable to model client-specific features, the balances between high data granularity and the additional insights provided must be investigated to assess the appropriate level of modelling.
- Data coherence issues may present inconsistencies in modelling. Emissions data is often one-year lagged, thus where the latest quarter/year financials are available, the emissions data may not be reflective of the company's operations, especially where there has been substantial growth or decline, mergers and acquisitions or other special activities.

Scenario

There are inherent uncertainties with scenario design, largely attributed to limited history of the interactions between climate risks and the economy.

- Timing and interactions of physical and transition risks can impact the Group's assessment of capital adequacy and resilience. Assumptions around such compounding effects, while nuanced, are critical to our loss assessment and subsequently risk management processes and business strategy.
- There is a 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.
- An understanding of compounding risks and feedback loops between financial systems, the economy, and climate risks remains a challenge, given the lack of historical precedent of such interactions. 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.

Important information/Disclaimers

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, changes in the regulatory landscape, and variations in reporting standards. Our approach to materiality may continue to evolve as our, and the industry's, understanding of climate and sustainability-related risks and opportunities continues to develop.

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.

Disclaimers

In preparing the climate and sustainability content within the Barclays PLC Annual Report 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 sustainable and transition finance and revenues, operational emissions and sustainability metrics, measurement of climate risk and scenario analysis
- Used climate and sustainability data, models, scenarios and methodologies that we considered appropriate for these purposes at the time of deployment. Some of these were provided by third parties, over whom we have no control, and may have been based on differing or unknown methodologies. The underlying assumptions, interpretations or methodologies may not be independently verifiable and could 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 sustainable and transition finance and revenues. 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 Annual Report. 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 Annual Report. 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.

Important information/Disclaimers (continued)

Such updated information may result in different outcomes than those included in the Annual Report. It is important for readers and users of the Annual Report 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. The 'Reducing our financed emissions' section of the Annual Report highlights where information in respect of a previous reporting period has been updated. Page 86 sets out the data sourcing and data quality considerations and our approach to reporting financed emissions data. For operational emissions, this is covered on page 94.

- Included in the Annual Report 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 Annual Report 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 Annual Report as a whole.
- On sustainable revenues, we review our revenue perimeter on an ongoing basis and assess our coverage against the pure-play criteria in our SFF and TFF. As a result, reported baseline metrics may change from one reporting period to another, and direct like-for-like comparisons may not always be possible from one reporting period to another.

KPMG LLP has performed independent limited assurance over selected climate and sustainability content, which has been marked with the symbol $^{\Delta}$. The assurance engagement was planned and performed in accordance with the International Standard on Assurance Engagements (UK) 3000 Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the International Standard on Assurance Engagements 3410 Assurance of Greenhouse Gas Statements. A limited assurance conclusion was issued and is available at the website link below. This includes details of the scope, reporting criteria, respective responsibilities, work performed, limitations and conclusion. No other information in the Annual Report has been subject to this external limited assurance.

There are a variety of internal and external factors which may impact our reported metrics and progress against our targets, convergence points and milestones. We expect to continue to see this impact our metrics in the future as data availability and quality, methodologies, guidance, and best practices for calculating our financed and operational emissions metrics - all of which include differing levels of estimation - continue to evolve and be refined.

Any information contained or referred to in the Annual Report, in relation to any actual or potential climate and sustainability objective, issue or consideration is not intended to be relied upon for EU Sustainable Finance Disclosure Regulation classification purposes, EU Taxonomy Regulation classification purposes, or any other classification regimes.

The limited assurance conclusion, Sustainability Reporting Framework, SFF and TFF are available at: **home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/**

Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to the Group. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements. Forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Forward-looking statements can be made in writing, but also may be made verbally by directors, officers and employees of the 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 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 sustainability-related 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 sustainability reporting standards (including emissions accounting methodologies); changes in tax laws and practice; the outcome of current and future legal proceedings and regulatory investigations; the 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 Group operates, including as a result of the adoption of rules and regulations taking a different or opposing position on sustainability matters, or other forms of governmental and regulatory action against sustainability policies; environmental, social and geopolitical risks and incidents and similar events beyond the 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 Group or any securities issued by it; changes in counterparty risk; changes in consumer behaviour; changes in trade policy, including the imposition of tariffs or other protectionist measures; 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; changes in US legislation and policy; developments in the UK's relationship with the European Union; the risk of cyber attacks, information or security breaches, technology failures or operational disruptions and any subsequent impact on the Group's reputation, business or operations; the use of new technology, including artificial intelligence; the Group's ability to access funding; and the success of acquisitions, disposals, joint ventures and other strategic transactions. A number of these factors are beyond the Group's control. As a result, the 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 Group's forward-looking statements. In setting its targets and outlook for the period 2026-2028, Barclays has made certain assumptions about the macroeconomic environment, including, without limitation, inflation, interest and unemployment rates, the different markets and competitive conditions in which Barclays operates, and its ability to grow certain businesses and achieve costs savings and other structural actions. Additional risks and factors which may impact the Group's future financial condition and performance are identified in the description of material existing and emerging risks beginning on page 226 of this Annual Report.

Subject to Barclays PLC'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.

BARCLAYS

Barclays PLC
Annual Report 2025
Part 3

Creating positive outcomes for our stakeholders

Our Purpose
Working together for a better financial future

Our Vision
The UK-centred leader in global finance

Our Strategy
A Simpler, Better and More balanced Barclays

Our Values

Respect
We harness the power of diversity and inclusion in our business, trust those we work with, and value everyone's contribution

Integrity
We operate with honesty, courage, transparency and fairness in all we do

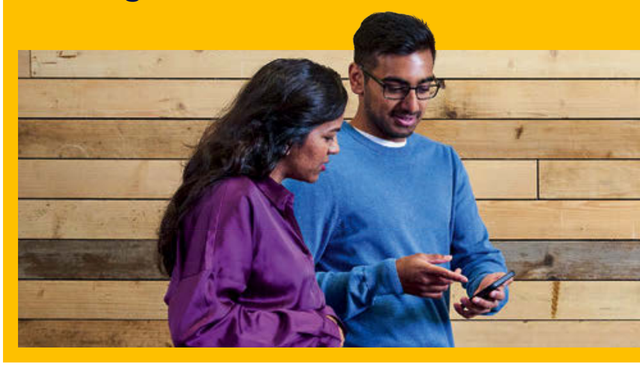
Service
We act with empathy and humility, putting the people and businesses we serve at the centre of what we do

Excellence
We set high standards for what we do, championing innovation and using our energy, expertise and resources to make a positive difference

Stewardship
We prize sustainability, and are passionate about leaving things better than we found them

Customers and clients

Colleagues



Society

Investors

Contents

Parts 1, 2 and 3 of Barclays PLC 2025 Annual Report together comprise Barclays PLC's annual accounts and report for the purposes of Section 423 of the Companies Act 2006.

Inside Part 1

Inside Part 2

Inside Part 3

Please note that throughout the document, graphical representation of component parts may not cast due to rounding

Governance

Our governance framework facilitates the effective management of the Group across its diverse businesses.

Board Governance

Other Governance

Board Governance

Welcome to our 2025 Board Governance report. The report sets out the composition of our Board and explains how our Board governance framework operates, alongside the key areas of focus for our Board and Board Committees in 2025.

Aim of our governance

The primary aim of our governance is that it:

- seeks to ensure that our decision-making is aligned to our Purpose, Values and Mindset
- creates long-term sustainable value for our shareholders, having regard to the interests of all our stakeholders
- is effective in providing constructive challenge, advice and support to management
- provides checks and balances and drives informed, collaborative and accountable decision-making.

Compliance with the Code

- Our Board Governance report reflects the requirements of the 2024 UK Corporate Governance Code (the Code) in force as at 31 December 2025.
- To view how we comply with the Code, please see the How We Comply section on page 149.

Certain additional information, signposted throughout this report, is available at home.barclays/corporategovernance

Directors' report

Directors' report: Board of Directors

Setting our strategic direction

Responsible for the overall leadership of the Group, driven by our Purpose, Values and Mindset.

Board Committee membership

- A Audit Committee Member
- N Nominations Committee Member
- Re Remuneration Committee Member
- Ri Risk Committee Member
- S Sustainability Committee Member
- Committee Chair

Nigel Higgins

Group Chairman

Appointed
March 2019 (Board)
May 2019 (Chairman)

N S Re

Skills, experience and contribution:

- seasoned business leader with extensive experience in, and understanding of, banking and the financial services industry
- strong track record in leading and chairing organisations
- significant experience in providing strategic advice to major international organisations and governments
- keen focus on culture and corporate governance.

Nigel spent 36 years at Rothschild & Co. where his last role was as Deputy Chairman. Prior to that, he had been Co-Chief Executive, Chairman of the Group Executive Committee and Managing Partner of Rothschild & Co for a decade.

Key current appointments:

- Chairman, Sadler's Wells
- Non-Executive Director, Tetra Laval Group
- Non-Executive Director, Oxford Quantum Circuits Limited.

C.S. Venkatakrishnan

Group Chief Executive

Appointed
November 2021

S

Skills, experience and contribution:

- highly regarded leader with significant global banking experience
- extensive background in financial markets and risk management
- deep understanding of the business and the areas within which the Group operates.

Prior to his appointment as Group Chief Executive, Venkat served as Head of Global Markets and Co-President of Barclays Bank PLC from October 2020 and Group Chief Risk Officer from 2016 to 2020.

Before joining Barclays in 2016, Venkat worked at JPMorganChase from 1994, holding senior roles in Asset Management, Investment Banking, and in Risk.

Key current appointments:

- Board Member, Institute of International Finance
- Chair, Financial Services Taskforce to the Sustainable Markets Initiative
- Director and Vice Chair, Focusing Capital on the Long Term (FCLT) Global.

Brian Gilvary

Senior Independent Director (SID)

Appointed
February 2020 (Board)
January 2021 (SID)

Re N S

Skills, experience and contribution:

- extensive senior level experience of management, finance and strategy
- deep experience of US and UK shareholder engagement
- significant experience with, and understanding of, the challenges and opportunities inherent in advancing a sustainable energy future.

Brian spent much of his career with BP p.l.c. in senior leadership roles, where most latterly he held the role of Chief Financial Officer. His other senior-level experience includes serving on the boards of various commercial and charitable organisations. Brian was Chair of The 100 Group of FTSE 100 Finance Directors, a member of the UK Treasury Financial Management Review Board and has served on various Business in the Community Leadership Teams.

Key current appointments:

- Non-Executive Chair, INEOS Energy
- Non-Executive Director, Defence Board, Ministry of Defence
- Chair, The Royal Navy and Royal Marines Charity
- Senior Independent Director, The Francis Crick Institute.

Directors' report: Board of Directors (continued)

Robert Berry
Independent Non-Executive Director

Appointed
February 2022

Ri A S

Skills, experience and contribution:

- proven track record of management of risk exposure for a global financial institution and building a modern group-wide risk management organisation
- strong record of integrating risk management with strategy
- significant experience in finance, model development and trading.

Robert's career started with NatWest (Capital Markets) as a trader, before joining Goldman Sachs, where he spent most of his executive career, based in London and New York.

At Goldman Sachs, NY, Robert developed expertise in risk management and finance roles. He was made partner in 2008, and latterly acted as Deputy Chief Risk Officer, serving various firm-wide risk and finance committees, up to his retirement in 2018. Other senior-level experience includes serving on boards of large charitable organisations.

Key current appointments:

- Trustee, High Watch Recovery Center (incorporating President, Alina Lodge)

Anna Cross
Group Finance Director

Appointed
April 2022

Skills, experience and contribution:

- extensive accounting and financial services expertise
- deep understanding of banking and retail sectors
- significant financial leadership experience of financial institutions.

Anna is a chartered accountant and Group Finance Director with responsibility for the Finance function, including Tax, Treasury, Investor Relations and Strategy.

Prior to joining Barclays, Anna worked in both banking and retail and held various roles at Asda, HBOS and Lloyds Banking Group. Since joining Barclays in 2013, Anna was appointed Chief Financial Officer of Barclays Bank UK PLC in 2016, Group Financial Controller in 2019 and Deputy Group Finance Director in 2020. She joined the Group Executive Committee in February 2022, before taking up the role of Group Finance Director in April 2022.

Key current appointments:

- Chair, The 100 Group of FTSE 100 Finance Directors

Dawn Fitzpatrick
Independent Non-Executive Director

Appointed
September 2019

Re Ri S

Skills, experience and contribution:

- extensive management experience of international financial institutions
- strong financial and strategic leadership experience
- detailed knowledge of the markets in which the Group operates.

Dawn holds the role of Chief Executive Officer and Chief Investment Officer at Soros Fund Management LLC.

Her previous experience includes 25 years with UBS, most latterly as Head of Investments for UBS Asset Management.

Key current appointments:

- Chief Executive Officer and Chief Investment Officer, Soros Fund Management LLC
- Non-Executive Director, Under Armour, Inc.
- Advisory Council Member, The Bretton Woods Committee
- Chair, Financial Sector Advisory Council, Federal Reserve Bank of Dallas

Mary Francis CBE
Independent Non-Executive Director

Appointed
October 2016

Re S

Skills, experience and contribution:

- extensive board-level experience across a range of industries
- strong focus on reputation management and promoting board governance values
- detailed understanding of the interaction between public and private sectors.

Mary's previous appointments include Non-Executive Directorships at the Bank of England, Alliance & Leicester, Aviva, Centrica and Swiss Re Group.

In her executive career, Mary held senior positions with both HM Treasury and the Prime Minister's Office and served as Director General of the Association of British Insurers.

Mary is the Barclays Bank PLC Consumer Duty Champion.

Mary will be stepping down from the Board with effect from 6 May 2026.

Key current appointments:

- Senior Independent Director, PensionBee Group PLC
- Member, UK Takeover Appeal Board

Directors' report: Board of Directors (continued)

Sir John Kingman
Independent Non-Executive Director

Appointed
June 2023

Re
Ri

Skills, experience and contribution:
- deep background in financial services
- strong leadership qualities and chair experience
- extensive expertise providing strategic advice to Government.

John is Chair of Barclays Bank UK PLC. He had a long Whitehall career, where he was Second Permanent Secretary to HM Treasury and was also closely involved in the UK response to the financial crisis, handling the resolution of Northern Rock and leading negotiations with RBS, Lloyds and HBOS on their £37bn recapitalisation.

John was also the first Chief Executive of UK Financial Investments Ltd (UKFI), and from 2010-2012, he was Global Co-Head of the Financial Institutions Group at Rothschild. From 2016 to 2021, John was the first Chair of UK Research & Innovation, which oversees Government science funding of c.£8bn a year. Between 2020 and January 2023, he was Chair of Tesco Personal Finance plc.

Key current appointments:
- Chair, Legal & General Group Plc
- Trustee & Deputy Chair of the Board of Trustees, The National Gallery

Diony Lebot
Independent Non-Executive Director

Appointed
March 2025

S

Skills, experience and contribution:
- significant leadership experience, including extensive board level experience, in banking and financial services
- significant senior executive experience in global and investment banking activities
- deep expertise in risk management.

Diony had a notable executive career with Société Générale, holding various senior leadership positions, where she was most recently Deputy Chief Executive Officer, and prior to that was Group Chief Risk Officer.

She holds non-executive board roles at EQT AB, one of the largest global private equity firms, and Alpha Bank, one of the four systemic banks in Greece.

Diony is a member of the Board of Barclays Bank Ireland PLC (Barclays Europe).

Key current appointments:
- Non-Executive Director, Alpha Bank
- Non-Executive Director, EQT AB

Mary Mack
Independent Non-Executive Director

Appointed
June 2025

Skills, experience and contribution:
- extensive leadership experience within the financial services industry
- strong operations, strategic and transformation experience
- deep understanding of retail, consumer lending and small business banking.

Mary had a distinguished executive career with Wells Fargo (and its predecessor institutions) in multiple senior leadership roles across a wide range of banking businesses.

Most recently, she was Chief Executive Officer of Consumer and Small Business Banking, having previously held senior executive roles in Consumer Lending, Community Banking and Wealth Management and Retail Brokerage. Mary retired from Wells Fargo in 2024 and Mary currently serves on the board of US listed company, Martin Marietta Materials, Inc.

Key current appointments:
- Non-Executive Director, Martin Marietta Materials, Inc.

Marc Moses
Independent Non-Executive Director

Appointed
January 2023

A
Ri

Skills, experience and contribution:
- strong technical finance background in accounting and audit-related matters
- significant board and senior executive-level risk management experience
- extensive knowledge of banking and financial services.

Marc is a chartered accountant and his financial services experience extends over 43 years, initially as a trader and then in senior executive roles as an audit partner at PwC, and Chief Financial Officer of JP Morgan Europe.

He joined HSBC in 2005 where he was Group Chief Risk Officer for nine years and joined the Group board as an executive director in 2014. He retired from HSBC in 2019.

Key current appointments:
- Non-Executive Chair, Orenda FS B.V.

Directors' report: Board of Directors (continued)

Brian Shea
Independent Non-Executive Director

Appointed
July 2024

Skills, experience and contribution:
- deep experience of financial services sector
- strong operations, technology and transformation experience
- detailed knowledge and understanding of US financial regulation.

Brian is Chair of Barclays Execution Services Limited (BX). Brian's executive and non-executive career extends to over 40 years in the financial services industry. He was Vice Chairman and Chief Executive Officer of Investment Services at Bank of New York (BNY) Mellon from 2014 until his retirement in 2017.

Prior to this, he served in a variety of executive roles, including as Chief Executive Officer of Pershing, LLC. (a BNY Mellon company). He is a former non-executive director of Fidelity National Information Services, Inc. and has also held several US securities industry and regulatory board and advisory committee positions.

Key current appointments:
- Board of Directors, Ameriprise Financial, Inc.
- Board of Directors, RBB Fund, Inc.
- Board of Trustees, Catholic Charities of the Archdiocese of New York

Julia Wilson
Independent Non-Executive Director

Appointed
April 2021

A N Re Ri S

Skills, experience and contribution:
- significant board and executive-level strategic and financial leadership experience
- extensive accounting, audit and financial services expertise
- strong UK regulatory experience.

Julia is a chartered accountant and was the Group Finance Director of 3i Group plc, having served on its board from 2008 until she stepped down in June 2022. Prior to joining 3i, she was Group Director of Corporate Finance at Cable & Wireless where she also held a number of finance-related roles.

Julia was appointed a Non-Executive Director at Legal & General Group Plc (L&G) in 2011. She chaired L&G's Audit Committee between 2013 and 2016 and was Senior Independent Director from 2016 until she stepped down from L&G in March 2021.
Julia previously served as the Chair of The 100 Group of FTSE 100 Finance Directors.

Julia is a Non-Executive Director of Bunzl plc and is the Chair of the Bunzl plc Board Audit Committee.

Key current appointments:
- Non-Executive Director, Bunzl plc

Hannah Ellwood
Group Company Secretary

Appointed
February 2023

Relevant skills and experience:
Hannah is the Group Company Secretary for Barclays, and a standing attendee of the Group Executive Committee. She is an experienced lawyer and company secretary with significant experience in Board and executive-level governance and leads the global Corporate Secretariat function.

Career:
Hannah joined Barclays in September 2012 as Chief of Staff to the Investment Bank General Counsel, moving to Barclays Corporate Secretariat in 2016. Hannah was appointed Group Company Secretary in February 2023, having served as Deputy Company Secretary of Barclays PLC since 2018. Hannah has in-depth knowledge of legal, risk corporate governance, regulatory disclosure and market conduct matters. Prior to joining Barclays, Hannah was a Senior Associate in the London Corporate practice of Clifford Chance LLP.

Hannah is an active contributor to industry and governance best practice. She is a member of the Listing Authority Advisory Panel, which provides independent advice and challenge to the Financial Conduct Authority, representing views of participants in primary markets.

Directors' report: Group Executive Committee

Leading the execution of our strategy

The Group Executive Committee (ExCo), as the most senior management committee for the Barclays Group, supports the Group Chief Executive in executing Barclays' strategic priorities.

C.S. Venkatakrishnan
Group Chief Executive

Anna Cross
Group Finance Director

Wally Adeyemo
Group Head of Strategy and Transformation

Craig Bright
Group Co-Chief Operating Officer and BX Co-Chief Executive Officer

Stephen Dainton
President of Barclays Bank PLC and Head of Investment Bank Management

Anne Marie Darling
Group Co-Chief Operating Officer and BX Co-Chief Executive Officer

Cathal Deasy
Global Co-Head of Investment Banking

Matt Fitzwater
Group Chief Compliance Officer

Matt Hammerstein
Chief Executive Officer of the UK Corporate Bank and Head of Public Policy and Corporate Responsibility

Adeel Khan
Head of Global Markets

Vim Maru
Chief Executive Officer of Barclays UK

Denny Nealon
Chief Executive Officer for Barclays US Consumer Bank (USCB) and Barclays Bank Delaware (BBDE)

Tristram Roberts
Group Human Resources Director

Taalib Shaah
Group Chief Risk Officer

Stephen Shapiro
Group General Counsel

Sasha Wiggins
Chief Executive of Private Bank and Wealth Management

Taylor Wright
Global Co-Head of Investment Banking

Changes in ExCo during 2025

In July 2025, we welcomed Craig Bright and Anne Marie Darling as Group Co-Chief Operating Officers and Co-Chief Executive Officers of BX. We are grateful for the contribution made by Alistair Currie (Group Chief Operating Officer and Chief Executive Officer of BX), who stepped down from his role in June 2025.

To support the Group Chief Executive in driving the delivery of the Group's strategy, a new role of Group Head of Strategy and Transformation was introduced. We were pleased to welcome Wally Adeyemo in this role in October 2025.

Standing attendees

The Group Chief Executive continues to extend a standing invitation on ExCo to:

- Gijs Borghouts, Group Chief Internal Auditor
- Hannah Ellwood, Group Company Secretary
- Anita Tanna, Group Chief of Staff.

Ex-officio posts

ExCo continues to utilise ex-officio positions on the Committee to promote diversity of thought, provide specialist input and bring new perspectives, with each appointee serving a four-month rotation.

Directors' report: Our governance framework

A governance framework to facilitate effective decision-making

Committed to high standards of corporate governance to drive long-term sustainable value for our shareholders.

Group structure

Barclays PLC

BBPLC
Barclays' non-ring-fenced operations
Barclays Europe
Barclays US LLC
Barclays Bank Delaware

BBUKPLC
Barclays' ring-fenced bank

BX
Barclays' service company

Barclays PLC (BPLC) is the Group's parent company and is listed on the London Stock Exchange.

Each of the Group's key operating entities - Barclays Bank PLC (BBPLC), Barclays Bank UK PLC (BBUKPLC), Barclays Bank Ireland PLC (Barclays Europe), Barclays US LLC and Barclays Bank Delaware (BBDE) - has its own board (with executive and non-executive directors) and board committees. These main operating entities are supported by our Group-wide service company, BX, which also has its own board comprised of executive and non-executive directors, and provides technology, operations and functional services to businesses across the Group.

Our governance framework

The Board recognises the importance of effective governance as an enabler to the successful development and execution of the Group's strategy. We consider governance to be how the Board makes decisions and provides oversight to promote Barclays' success for the long-term sustainable benefit of our shareholders, having regard to the interests of our stakeholders, which include our customers and clients, colleagues and the society and wider environment in which we operate.

Our Group-wide governance framework is designed to:

- facilitate the effective management of the Group by our Group Chief Executive and his ExCo across our five operating divisions; and
- support and provide oversight and constructive challenge to the Group's major subsidiary boards in the UK, Ireland and the US, having regard to the legal, regulatory and independence requirements applicable to those entities.

Generally, there is one set of operating principles for the Group. Group-wide frameworks, policies and standards are adopted throughout the Group unless local laws or regulations require otherwise (for example, the ring-fencing obligations applicable to BBUKPLC), or ExCo decides otherwise in a particular instance.

Corporate Governance Operating Manual

Our *Corporate Governance Operating Manual* sets out how the Group's significant subsidiaries (and their respective boards and board committees) should interact with each other and with management. It also provides guidance and clarity for management and Directors as to how these relationships and processes should work in practice. This is a dynamic document that evolves alongside the changing nature of the Group.

The role of the Board

The Board sets the purpose, strategic direction and risk appetite for the Group and is the ultimate decision-making body for matters of Group-wide strategic, financial, regulatory and/or reputational significance. The Board also has direct oversight of matters relating to culture.

Membership of the BPLC and BBPLC Boards is partially consolidated to drive efficiency and co-ordination, whilst also reducing complexity and unnecessary duplication. Consequently, the BBPLC Board is composed of a subset of the BPLC Board, with all members of the BPLC Board (except for the SID, Chair of BBUKPLC and at least one other Non-Executive Director) also serving on the BBPLC Board.

We believe that having members of the BPLC Board serving as the Chairs of some of the Group's main operating entities supports improved efficiency, oversight, escalation and co-ordination while ensuring an appropriate focus is given to matters relevant to each entity.

Directors' report: Our governance framework (continued)

Board governance framework

Barclays PLC Board

Responsible for the overall leadership of the Group
(with direct oversight of strategy, culture and strategic reputational matters relating to the Group)

Board Nominations Committee	Board Audit Committee	Board Risk Committee	Board Sustainability Committee	Board Remuneration Committee
Oversees the composition of, and appointments to, the Board, Board Committees and ExCo.	Oversees financial reporting and monitors the internal control environment.	Oversees the Group's risk profile, risk appetite and management of principal risks.	Oversees climate and sustainability matters.	Sets the principles and parameters of remuneration policy.
For more information, see **page 126.**	For more information, see **page 134.**	For more information, see **page 142.**	For more information, see **page 147.**	For more information, see **page 158.**

Matters reserved to the Board

Our *Matters Reserved to the Board* sets out the matters reserved solely for the decision-making power of the Board. These matters include material decisions relating to strategy, risk appetite, medium term plans, capital and liquidity plans, risk management and controls frameworks, strategic reputational matters and the approval of financial statements, large transactions, share allotments, dividends and share buy-backs.

Responsibility for the Group's business on a day-to-day basis has been delegated by the Board to the Group Chief Executive, supported by his ExCo, to make and implement strategy and operational decisions.

Information provided to the Board

The Group Chairman is responsible for setting the Board's agenda, primarily focused on strategy, performance, value creation, culture and stakeholders. In addition, the Group Chairman is responsible for ensuring that Board members receive timely and high quality information to enable sound decision-making and promote the success of BPLC.

The Group Company Secretary, working in collaboration with the Group Chairman, is responsible for ensuring good governance and information flow to support the Board's effectiveness.

In addition to presentations delivered to the Board and Board Committees as part of formal meetings, Board members are kept informed of key developments during the year outside of meetings through updates from the Executive Directors, ExCo and senior management.

Directors have access to the advice of the Group Company Secretary and are also able to seek independent and professional advice at Barclays' expense, where required, to enable them to fulfil their obligations to BPLC.

Board Committees

The Board is supported in its work by its Committees: the Board Nominations Committee, Board Audit Committee, Board Risk Committee, Board Sustainability Committee and Board Remuneration Committee. Each Board Committee has its own terms of reference setting out its remit and decision-making powers. The Board may from time to time establish ad hoc Committees to oversee specific matters as and when they arise.

The Board Committees are comprised solely of Non-Executive Directors, with the exception of the Board Sustainability Committee of which the Group Chief Executive is an Executive member. In that role, the Group Chief Executive brings invaluable strategic insights to the Committee's discussions, including external perspectives from his outside engagements.

The Chairs of each Board Committee report regularly on their Committee's work to the Board. You can read more about the work of each Board Committee later in this Governance report.

Conflicts of interest

The Board has the authority to authorise Director conflicts of interest in accordance with the Companies Act 2006 and BPLC's articles of association (Articles). This ensures that the influence of third parties does not compromise the independent judgement of the Board.

Directors are required to declare any potential or actual conflicts of interest that could interfere with their ability to act in the best interests of BPLC.

A conflicts register recording actual and potential conflicts of interest is maintained, together with any Board authorisations of conflicts. Authorisations are for an indefinite period, but are reviewed on an annual basis by the Board. The Board also considers the effectiveness of the conflicts authorisation process. The Board retains the power to vary or terminate conflicts authorisations at any time.

Attendance at Board meetings

Directors are expected to attend every Board meeting. Where a Director is not able to attend a Board meeting, the relevant Director's views are generally made known to the Group Chairman in advance of the meeting. The Group Chairman also meets privately with the Non-Executive Directors on a regular basis.

Details of Director attendance at Board meetings during 2025 are set out on the next page, and details of Director attendance at Board Committee meetings are set out in the report of each Board Committee.

Board effectiveness

The effectiveness of the Board, Board Committees and individual Directors is assessed on an annual basis. As permitted by the Code, an internally facilitated effectiveness review was carried out for 2025. You can read about the results of the 2025 review, as well as progress against the recommendations from the externally facilitated Board review for 2024, in the report of the Board Nominations Committee from page 126.

Directors' report: Our governance framework (continued)

Division of responsibilities and Board meeting attendance

Roles on the Board

In line with the provisions of the Code, a clear division of responsibilities has been established between Executive and Non-Executive Directors. Our *Charter of Expectations* sets out the individual role profiles and required behaviours and competencies for the Chair, SID, Non-Executive Directors, Executive Directors and Committee Chairs. A summary of the role profiles for Board members is set out in the table below.

Attendance at Board meetings

The table below provides details of Director attendance at Board meetings during 2025.

Role on Board	Meetings attended/eligible to attend	Ad hoc meetings attended/eligible to attend[6]	Responsibilities
Chair			
Nigel Higgins[1]	7/7	5/5	The Chair is responsible for: • leading the Board and its overall effectiveness in directing the Company • promoting a culture of openness and inclusion, and facilitating and encouraging open, constructive challenge and debate between all Directors • ensuring the Board has a clear understanding of shareholder views.
Group Chief Executive			
C.S. Venkatakrishnan	7/7	5/5	The Group Chief Executive, supported by his ExCo, is responsible for: • managing the Group's business on a day-to-day basis and making and implementing operational decisions • leading Barclays towards the achievement of its strategic objectives and implementing the strategy set by the Board • promoting and demonstrating the appropriate culture, values and behaviours, including Barclays' Purpose, Values and Mindset.
Senior Independent Director			
Brian Gilvary	7/7	3/5	The SID is responsible for: • providing a sounding board for the Chair; serving as a trusted intermediary for the other Directors and shareholders, when necessary • maintaining contact as required with major shareholders to understand their issues and concerns, and ensuring the Board is aware of their views • leading the appraisal of the Chair's performance, at least annually.
Group Finance Director			
Anna Cross	7/7	5/5	The Group Finance Director is responsible for: • together with the Group Chief Executive, the achievement of financial targets for the Group • providing strategic and functional leadership of the Finance functions • managing and responding to feedback on Barclays' business performance from investors, financial institutions, regulators and auditors.
Non-Executive Directors			
Robert Berry	7/7	5/5	Non-Executive Directors (including the Chair and SID) are responsible for: • providing effective oversight, strategic guidance and constructive challenge • helping to develop proposals on strategy and empowering the Executive Directors to implement the Group's strategy while scrutinising and holding to account the performance of management and Executive Directors against agreed performance objectives • with the support of the Board Nominations Committee, the appointment and removal and succession planning for Executive Directors.
Dawn Fitzpatrick	7/7	3/5	
Mary Francis	7/7	5/5	
Sir John Kingman	7/7	5/5	
Diony Lebot[2]	6/6	3/4	
Mary Mack[3]	5/5	2/2	
Marc Moses	7/7	4/5	
Brian Shea	7/7	5/5	
Julia Wilson	7/7	5/5	
Former Directors			
Tim Breedon[4]	1/1	2/2	
Diane Schueneman[5]	0/0	0/1	

Notes:
1 As required by the Code, the Group Chairman was independent on appointment.
2 Diony Lebot was appointed to the Board with effect from 17 March 2025.
3 Mary Mack was appointed to the Board with effect from 1 June 2025.
4 Tim Breedon stepped down from the Board with effect from 30 April 2025.
5 Diane Schueneman stepped down from the Board with effect from 31 January 2025.
6 One ad hoc meeting was a combined Board and Board Risk Committee meeting. Owing to other commitments, some Directors were unable to attend certain ad hoc Board meetings, however they received papers in advance and had the opportunity to share their views with the Group Chairman ahead of the meetings.

Key Board activities in 2025

Overseeing delivery of our three-year strategy and transformation initiatives.

Throughout 2025, the Board maintained its focus on overseeing management's execution of the Group's three-year strategy and supporting transformation initiatives, whilst also considering the new financial and operational targets through to 2028, to be announced on 10 February 2026. The Board received regular updates on the main business divisions and progress against existing targets, as well as briefings on matters of Group-wide significance, with consideration given to the impacts of the evolving macroeconomic, geopolitical and regulatory landscape on the Group's performance and operations, alongside strategy.

The Board recognises that the rapidly changing technological environment presents both opportunities and challenges, necessitating an ongoing focus on digital innovation whilst ensuring the resilience of the Group's operations. You can read more about the Board's oversight of technology transformation in the Technology spotlight on page 125 and our Section 172(1) statement from page 41.

Spotlight on

Culture

The Board recognises that a positive culture aligned to our Purpose, Values and Mindset is fundamental to our long-term success.

During 2025, the Board reviewed the progress to embed the Group-wide 'consistently excellent' (CE) cultural change programme and discussed its continued importance to delivering the Group's strategy.

The Board discussed performance against CE dashboard metrics and colleague sentiment expressed through Your View survey results.

As part of this, the Board considered colleagues' understanding of, and engagement with, CE, and opportunities to make it easier for colleagues to achieve a consistently excellent standard. The Board reflected on the focus areas for 2026 to drive further change through the organisation, with key dependencies identified as being further simplification of the operating environment and continued colleague support.

Furthermore, to provide ongoing focus to CE as a pillar that supports the delivery of strategy, the Board requested that progress updates be presented alongside updates on Group transformation initiatives.

Board members also had the opportunity to hear about Group culture first hand through engagement with colleagues during the year, examples of which are set out in the table below. This included a visit to Barclays' campus at Pune by certain Board members, which provided the opportunity to engage with colleagues on a number of themes, including how they are enabling process simplification and automation (including using AI responsibly), and digitalising customer journeys to deliver more personalised and integrated customer and client experiences.

March	April	May			June
Leadership Accelerator Programme Closing Event	**India Visit**	**Annual General Meeting**	**Markets Floor Walk**	**Future Leaders Group Networking Reception**	**Citizenship, Inclusion & Opportunity Awards**
London	Pune	London	London	New York	London
Audience: Colleagues	Audience: Colleagues	Audience: Shareholders	Audience: Colleagues	Audience: Colleagues / Clients	Audience: Colleagues

September		October		November	
Managing Director Alumni Event		**Global Family Office Forum**		**US Consumer Bank Immersion**	**Barclays Professional Services Conference**
London		London		Delaware	London
Audience: Colleagues	Mary Francis at the Managing Director alumni event	Audience: Clients	Dawn Fitzpatrick and Sasha Wiggins at the Global Family Office Forum	Audience: Colleagues	Audience: Clients

Directors' report: Key Board activities (continued)

Key focus areas

The following two pages highlight the key areas of focus for the Board during 2025 and the key stakeholder groups central to the matters considered and decisions taken.

Stakeholder groups

CC Customers and clients
S Society
C Colleagues
I Investors

Strategy

CC C S I

Topic	Board activity
Strategy and business review	• Strategy was considered regularly during the year, including through dedicated corporate strategy sessions at the September and December Board meetings. • Reviewed and discussed the 2025 Medium Term Plan (MTP). • Reviews of the main operating businesses throughout the year enabled the Board to consider the key risks and opportunities for each of the businesses and monitor their progress against the targets set in our three-year plan. • Reviewed and evaluated an update on the entity and location strategy for Barclays Europe. **Key decisions** • Approved the 2025 MTP. • Confirmed continued support for the re-domiciliation of Barclays Europe to France.
Strategic transactions	• In support of Barclays' strategy to simplify and focus on growing key businesses, the Board assessed strategic opportunities for the Group and received updates on the progress of key strategic transactions across the Group. **Key decisions** • In Q1 2025, approved Barclays' long-term strategic partnership with Brookfield Asset Management Limited in relation to our payment acceptance business. • In Q3 2025, approved the acquisition of Best Egg, Inc. by BBDE.
Supporting implementation of strategy	• Monitored the progress made against the delivery of transformation initiatives to support implementation of the Group's strategy. This included spotlights on customer journeys and operating effectiveness.
Climate and sustainability strategy	• Considered progress on the Group's climate and sustainability strategy through reports from the Board Sustainability Committee, with a focus on the Barclays Transition Update. • Received an update on the Group's sustainable finance strategy, reviewing performance against targets and the development of the business, including in the context of the macro environment. **Key decisions** • In early 2025, approved the 2024 Group Modern Slavery Statement. • Approved the Barclays Transition Update.

Culture, colleague and inclusion

C S

Topic	Board activity
Culture, colleague engagement and talent	• Considered the evolution of the organisation's culture through regular updates on the embedment of the Group-wide Consistently Excellent programme and Your View colleague survey results. Please see the spotlight on Culture on page 122 for further details. • Reviewed progress on the talent excellence programme, aimed at enhancing practices to identify, assess and develop high potential talent across the organisation. This included consideration of the success measures and proposed outcomes for the programme. • Considered Barclays' method of workforce engagement to confirm it remained effective in facilitating meaningful, regular two-way dialogue with colleagues. • Considered Barclays' workforce policies and practices and key focus areas in 2025. • Board members engaged with colleagues at events during the year, examples of which are set out on page 122. **Key decisions** • Confirmed that Barclays' method of workforce engagement has been effective in 2025. • Confirmed that Barclays' workforce policies and practices are consistent with Barclays' Values and support Barclays' long-term sustainable success. Please see the Colleagues section in the Strategic report from **page 30** for further information on Barclays' workforce engagement mechanisms and initiatives to continue to embed a CE standard of delivery.
Inclusion and opportunity	• Received updates on Barclays' inclusion and opportunity strategy which seeks to create a workplace where everyone feels valued and respected, within a culture of belonging and equal opportunity. • Considered an updated version of the Board Inclusion and Opportunity Policy in December 2025 and February 2026, to ensure the policy continues to reflect the Group's inclusion and opportunity strategy. **Key decisions** • Approved the updated Board Inclusion and Opportunity Policy. Details of the Board Inclusion and Opportunity Policy can be found in the Board Nominations Committee report from **page 126**.

Directors' report: Key Board activities (continued)

Risk, resilience, recovery and resolution

CC I S

Topic	Board activity
Risk profile	• Regularly reviewed the Group's risk profile, compliance risk profile and emerging risks, taking into consideration the impact of the macroeconomic, regulatory and geopolitical environment. This included consideration of updates from management on market conditions, the impacts for Barclays and how these were being managed, including in response to market events early in 2025, in addition to a geopolitical update regarding the outlook for 2026. • Received regular updates on financial crime risk, including the Group-wide programme to enhance financial crime capabilities. **Key decisions** • Approved Barclays' Risk Appetite Statement. • Approved updates to the Group Enterprise Risk Management Framework (ERMF).
Resolution and recovery	• Received an update on Barclays' resolvability arrangements, including the testing and assurance activities completed in 2025, and a Group resolution simulation planned for 2026 to ensure our resolution capabilities are execution-ready. • Considered the Group Recovery Plan, including the options available to execute in a severe financial stress. **Key decisions** • Approved the Group Recovery Plan.
Technology, operations and resilience	• Considered the Group's annual operational resilience self-assessment in respect of the Group's Important Business Services (IBS). The Board subsequently discussed changes to the impact tolerance thresholds for certain IBS following a review after the 31 January 2025 IT incident that impacted Barclays' business in the UK. The Board maintained close oversight of the IT incident review. • Closely monitored the progress of the Group-wide programme to enhance Barclays' cybersecurity capabilities and drive long-term resilience. The Board also considered the priority workstreams for the programme in 2026. • A number of Board members participated in a crisis event simulation exercise focused on governance and decision-making in relation to a cybersecurity scenario. • Continued to consider how to bring deeper technology advice and additional technology focus and insight to the Board, reflecting the importance of digitisation and technology-driven innovation to the Group's strategy. This included considering the remit of the BX Board within this context. **Key decisions** • Approved changes to the impact tolerance thresholds for certain IBS. • Agreed to bring the oversight of strategic technology matters within the remit of the BX Board. The Technology spotlight on the next page provides further details on the Board's oversight of technology transformation across the Group. Our Section 172(1) statement discusses the Board's consideration of stakeholder interests as part of its oversight of technology strategy.

Finance

I

Topic	Board activity
Financial performance and reporting	• The Group Finance Director provided regular updates to the Board which included reporting on the financial performance of the Group and business divisions, including progress against targets and monitoring market reaction to the Group's financial results. **Key decisions** • Approved the BPLC Annual Report and Accounts for the year ended 31 December 2024. • Approved Q1 2025, HY 2025 and Q3 2025 financial results announcements. • Upon the recommendation of the Board Audit Committee, confirmed the reappointment of KPMG as the Group statutory auditor with effect from the 2027 financial year.
Capital and liquidity position and distributions	• Monitored the Group's capital and liquidity position and considered distributions proposals, including a new quarterly cadence for share buy-backs. • Received an update on the Group's capital management practices. **Key decisions** • Approved a full year dividend for the year ended 31 December 2024 of 5.5p per ordinary share and a full year share buy-back for 2024 of up to £1bn. • Approved a half year dividend of 3.0p per ordinary share for the six months ended 30 June 2025 and a half year share buy-back of up to £1bn. • Approved a Q3 2025 share buy-back of up to £500m.

Governance and regulatory matters

CC I

Topic	Board activity
Succession	• On the recommendation of the Board Nominations Committee, considered succession planning and proposed changes to Board and Board Committee membership. **Key decisions** • Approved the appointment of Diony Lebot and Mary Mack as Non-Executive Directors and, in February 2026, the resignation of Mary Francis.
Regulatory engagement and oversight	• Representatives from our key regulatory stakeholders were invited to Board meetings in order to strengthen relationships and share feedback on their priorities and areas of focus for Barclays. Meetings were also held between individual Directors and regulatory stakeholders throughout the year. • Considered updates on public policy and regulatory developments impacting the Group and Barclays' priorities and response in the context of these developments.
Consumer Duty	• To support the Board's oversight of Consumer Duty across the Group, it received a Consumer Duty Dashboard and, subsequently, the Consumer Duty Annual Board Reports for BBPLC and BBUKPLC. • With input from the BBPLC Consumer Duty Champion, the Board considered the approach to the broader oversight and coverage of customer service and good customer outcomes through Board reporting and discussions.

Directors' report: Key Board activities (continued)

Spotlight on

The Board's oversight of technology

To support the continued and robust oversight of technology transformation, and in recognition of the strategic significance of transformation to the Group's longer-term success, the Board not only thoroughly assessed how management executed its plans, but also remained dedicated to continually deepening its own understanding of emerging technologies and its impact on Barclays' capabilities.

As the organisation advanced its digital transformation - enhancing digital, data and AI expertise, and streamlining customer journeys and their related processes - the Board recognised the ongoing need to engage deeply in these rapidly-evolving fields.

Building a deeper understanding included hearing from others, including those at the forefront of academic research in digital transformation, leaders driving the next generation of technology change, and organisations that have executed or are currently undertaking similar transformations, having learned the lessons critical to success.

In support of this objective, in June 2025, Board members, together with some members of Group ExCo, visited San Francisco to learn about technology transformation and to hear from leaders of world-leading organisations about how their businesses have successfully navigated digital transformations, the pace of change and the cost of inaction. This provided the Board with an opportunity to reflect on how these lessons could be applied to Barclays, including the role of the Board in navigating the change ahead.

The Board spent time with the Chairman and Research Scientists from the Massachusetts Institute of Technology (MIT) Center for Information Systems Research, learning about best practices for integrating technology expertise into the Board, the potential of emerging technologies, and the Board's role in fostering responsible innovation and managing these risks.

This was followed by engagement with five organisations that exemplify the capabilities and outcomes of successful digital transformation, including digital engagement with customers, use of data, streamlined and digitised processes, and agile execution of change.

The emphasis of these engagements was on the successful adoption of tech innovation in digital, data and AI to enhance organisational capabilities and performance.

Supported by the San Francisco trip, the Board has continued to make technology transformation a key focus area. The strategic ambition for Barclays beyond 2026 underscores the role of technology in our core purpose and long-term ambitions. The next phase of the strategy focuses on greater investment capacity to further deepen customer and client relationships, enhance resilience against cyber threats and realise further efficiency and productivity improvements through new technologies and responsible deployment of AI. This includes the Board's continued review of the approach to AI governance (including the internal policies and standards relating to AI) and adoption and the use cases being deployed within Barclays.

You can find out more about the Board's oversight of technology matters in the section 172(1) statement on **page 41**.

BX Board's role in the oversight of strategic technology matters

Barclays Execution Services Limited (BX) is the Group-wide service company providing technology operations and functional services to businesses across the Barclays Group. The Board recognises the rapidly-evolving nature and use of new technology, data and AI in the delivery of these services, and in 2025 considered how to bring greater relevant insight to the Board. It was determined that this would be best achieved by specifically including oversight of strategic technology matters within the remit of the BX Board, alongside its wider oversight of the operational, service delivery and performance aspects of technology. To support this increased remit, and provide greater independent oversight, changes have been made to the composition of the BX Board which now comprises a majority of independent non-executive directors. The BX Board is chaired by Brian Shea, who provides valuable connectivity between the Board and BX Board. During 2025, Duriya Farooqui and Prof Sir Anthony Finkelstein were appointed as new independent BX Non-Executive Directors, joining Avid Larizadeh Duggan, who has served on the BX Board since 2021. It is anticipated further independent BX Non-Executive Directors will be appointed in 2026. Collectively, the independent BX Non-Executive Directors bring wide-ranging experience across financial services transformation, operations, technology, cybersecurity and resilience, and innovation. In addition, new BX Co-CEOs (and Group Co-COOs) Anne Marie Darling and Craig Bright were appointed in 2025. A schedule of technology-centred education sessions for the Board, and regular updates from the BX Chair and BX Co-CEOs, commenced in 2025 and will continue during 2026.

Directors' report: Board Nominations Committee report

Supporting delivery of Barclays' strategy through robust succession planning

Focused on composition, succession and effectiveness to support continuity of strong leadership

Board Nominations Committee

Nigel Higgins
Chair, Board Nominations Committee

Committee membership[1] and meeting attendance[2] during 2025[3]

Member	Meetings attended/ eligible to attend
Nigel Higgins	**2/2**
Brian Gilvary	**2/2**
Julia Wilson	**2/2**

Notes:
1 The Group Chairman chairs the Committee, with its membership composed solely of independent Non-Executive Directors.
2 In addition to its members, Committee meetings were attended by representatives from senior management, including the Group Chief Executive and Group HR Director.
3 There were two scheduled meetings of the Committee in 2025 with no ad hoc meetings (2024: three meetings, no ad hoc meetings).

Dear Shareholders

The Committee's primary focus is to ensure that the Board and its Board Committees and ExCo continue to have an optimal balance of skills, experience and knowledge to support delivery of the Group's strategy which is considered with input from the wider Board. Key to this is robust succession planning to ensure continuity of strong leadership. As part of that succession planning, this year we welcomed Diony Lebot and Mary Mack to the Board as independent Non-Executive Directors. Diony brings strong experience in banking, financial services, and European regulatory matters, and Mary similarly has deep expertise in financial services, in particular in the area of consumer banking.

We recently announced that Mary Francis will be retiring from the Board, as a member of the Board Remuneration and Sustainability Committees and as Chair of the BBPLC Board Remuneration Committee, in each case with effect from 6 May 2026. As such, Mary will not seek re-election at the 2026 AGM. In addition, and as reported in our 2024 Annual Report, Diane Schueneman retired from the Board, the Board Audit and Nominations Committees and as Chair of the BX Board, in each case with effect from 31 January 2025, whilst continuing to serve as a non-executive director of Barclays US LLC. On 30 April 2025, Tim Breedon retired from the Board, whilst maintaining his role as Chair of Barclays Europe.

The Committee and the Board are extremely grateful for Mary, Tim and Diane's significant contributions to Barclays during their respective tenures. None of Mary, Tim nor Diane raised any concerns about the operation of the Board or management.

During 2025, the Committee also oversaw additional changes to Board Committee composition, including Diony's appointment to the Sustainability Committee and my appointment as a member of the Remuneration Committee.

With regard to ExCo succession, both the Committee and the Board receive regular updates from management on succession planning, including hearing directly from the Group Chief Executive and the Group Human Resources Director, and in 2025, the Committee approved the appointment of new Group Co-Chief Operating Officers and a Group Head of Strategy and Transformation as members of ExCo.

You can read more about the Committee's priorities and activities during 2025 below.

Looking ahead to 2026, the Committee remains focused on the need to continue to review and refresh the skills on the Board and Board Committees and on ExCo composition as part of our ongoing succession planning activity.

Nigel Higgins
Chair, Board Nominations Committee

9 February 2026

Role of the Committee

The role of the Committee is to, among other things:

- ensure the Board is comprised of individuals who are best able to discharge their duties and responsibilities;
- oversee the appropriate assessment of the suitability of Directors, members of the ExCo and other key personnel;
- support and advise the Board in ensuring that the Company has the appropriate corporate governance standards and practices in place that are consistent with best practice; and
- keep the Board's governance arrangements under review.

The Committee's terms of reference are available at **home.barclays/who-we-are/our-governance/board-committees/**

Directors' report: Board Nominations Committee report (continued)

Composition

The Committee reviews the composition of the Board and assesses recruitment priorities for Non-Executive Directors, considering the necessary skills, experience, knowledge and independence essential for an effective Board, supporting robust succession planning.

Changes to Board and Board Committee composition during 2025 are noted above. Details of the tenure and industry and leadership experience of Directors is set out in the table below. Biographies of each Director are available from page 114, detailing their skills, expertise, experience, Board Committee roles, and other principal appointments.

Board size

The Committee considers that the size of the Board (13 Directors, as at 31 December 2025) is appropriate and contributes to its effectiveness.

The Committee recognises that assessing the optimal size of the Board is a critical component of medium- and longer-term succession planning. In this context, careful consideration is given to ensuring that the Board remains small enough to facilitate effective collaboration and efficiency, while being sufficiently sized to provide a comprehensive mix of skills and perspectives. This approach supports robust succession planning and accommodates Directors' additional roles and responsibilities on Board Committees, as well as their participation on the Boards of BBPLC, BBUKPLC, Barclays Europe, BX, and other Group subsidiary boards. Both the Committee and the Board continue to believe that it is advantageous for Group-wide decision-making to have the Chairs of the Group's significant subsidiaries sit on the BPLC Board, where possible, considering that this provides connectivity with the significant subsidiaries, bringing with it important insight into Board discussions.

Non-Executive Director independence

The Committee and the Board consider all of the Non-Executive Directors to be independent.

The Committee assesses the independence of our Non-Executive Directors on appointment and thereafter on an annual basis, having regard to the independence criteria set out in the Code. As part of this process, the Committee considers each Director's length of tenure, which, in line with Code guidance, is one of a list of factors outlined in the Code that can affect independence and makes any recommendations to the Board accordingly.

In early 2026, the Committee reviewed the independence of all Non-Executive Directors serving on the Board as of 31 December 2025.

Reflecting that Nigel Higgins, Dawn Fitzpatrick and Brian Gilvary have each served on the Board for over six years, each of them were subject to a thorough review of their continued independence. The Committee remains satisfied that the length of their tenure has no impact on their respective levels of independence or the quality and effectiveness of their contributions.

Notwithstanding her intention to retire from the Board in May 2026, in light of her nine year tenure, the Committee undertook a rigorous assessment of Mary's continued independence.

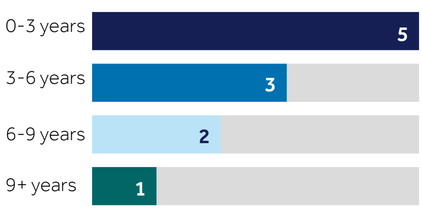
The Committee and the Board consider that length of tenure is only one of the factors to be considered with respect to Director independence, and accordingly, that tenure alone should not result in a loss of independence. Following careful consideration, the Committee concluded that Mary remains independent in accordance with the other circumstances listed in Provision 10 of the Code.

In reaching this conclusion, the Committee and the Board considered that Mary's breadth of financial services sector experience, strong focus on reputation risk management, promoting board governance values and culture and her detailed understanding of the interaction between public and private sectors continue to bring significant value to Board discussions, providing constructive challenge to management and demonstrating objective judgement.

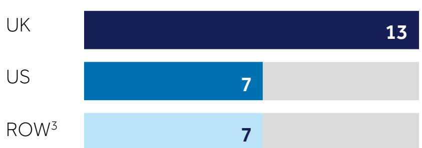
With these factors in mind, the Committee and the Board consider it appropriate for Mary to continue as an independent Non-Executive Director until her retirement in May 2026.

Board Composition as at 31 December 2025

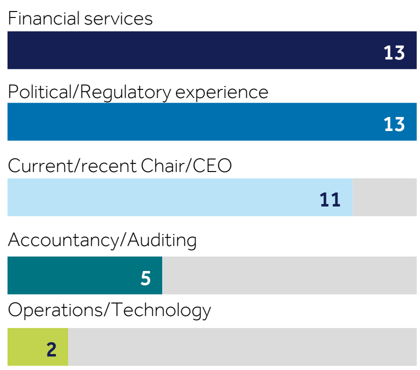
Length of tenure (Chairman and Non-Executive Directors)
(number of Directors)



International experience
(number of Directors)[1,2]



Industry and leadership experience[1]
(number of Directors)



Notes:
1 Individual Directors may fall into one or more categories.
2 International experience is based on the location of the headquarters/registered office of a company.
3 Rest of the world.

Directors' report: Board Nominations Committee report (continued)

Process for appointments

The Committee oversees Board appointments, ensuring that appointments are based on merit against objective criteria and give due consideration to the Board Inclusion and Opportunity Policy. When appointing Board members, the Committee considers the necessary skills, experience, independence and knowledge to maintain the Board's effectiveness and the delivery of the Group's strategy, with due regard to the benefits of inclusion.

Board appointments are made following a merit-based, formal, thorough and transparent process. The Committee facilitates this process with support from external search consultancy firms.

Non-Executive Director recruitment

The Committee regularly reviews its skills-based recruitment priorities for Non-Executive Director recruitment. These priorities serve as the foundation for targeted searches, enabling the Board to maintain orderly succession planning and achieve an optimal blend of expertise and experience among its members. The Committee reviewed and updated these priorities during 2025, considering changes in the composition of both the Board and the Committees during the year.

Our current recruitment priorities include identifying potential candidates who can bring additional technology experience and insights to the Board, as well as a professional with deep US investment banking experience, reflective of our US operations. A recruitment priority has also been agreed for a candidate with a UK PLC background (or equivalent) with deep experience of executive leadership, having held the role of CEO or similar, able to provide challenge, advice and support to management.

Independent search firms, Egon Zehnder, Perrett Laver, CZ Partners and Russell Reynolds Associates, assisted in our focused external mapping and recruitment efforts to identify additional Non-Executive Directors to enhance the Board's skill set in 2025. None of these firms have any connection to Barclays or any of the Directors other than to assist with searches for executive and non-executive talent. Open advertising for Board positions was not used in 2025.

The Committee will continue to evaluate the Board's recruitment priorities for the year ahead and further assess the required skills and experience for prospective candidates, seeking to ensure that strong potential candidates who can enhance the Board's effectiveness are identified as necessary.

Reflective of the importance that the Committee and the Board place on succession matters, all Board members have the opportunity to meet with leading candidates as part of the recruitment process.

All Directors are subject to election or re-election (as appropriate) each year by shareholders at the AGM.

Time commitment and conflicts

All prospective Directors are required to disclose any significant external commitments. These disclosures are carefully considered by the Committee and/or the Board to ensure that each Director will be able to fulfill their responsibilities to Barclays effectively.

Prior to their appointments, the Committee thoroughly reviewed the existing commitments declared by both Diony Lebot and Mary Mack and was satisfied that they each had the capacity to dedicate the necessary time to their duties at Barclays.

The expected time commitments are agreed with each Non-Executive Director and encompass attendance and preparation for Board and Board Committee meetings, as well as sufficient time to gain a thorough understanding of the business and complete all required training.

The Committee and/or the Board considers relevant regulatory and Code requirements when considering whether a Director has sufficient time to commit to their role, in addition to key investor and proxy adviser guidelines.

Directors must obtain Board approval before accepting any significant roles outside of Barclays, providing an estimate of the time commitment involved. When considering such requests, the Board examines all relevant details, including the nature of the external organisation, the Director's expected role, and the anticipated time required. In 2025, the Board approved all requests for external appointments, having considered that there were no actual conflicts of interest and being satisfied that each Director remained able to dedicate enough time to fulfil their responsibilities to Barclays effectively.

All Directors are expected, where circumstances require it, to commit additional time as necessary to their engagement on the Board. For the year ended 31 December 2025 and as at the date of publication, the Board is satisfied that none of the Directors are over-committed and that each of the Directors allocates sufficient time to their role in order to discharge their responsibilities effectively.

A record of each Director's external time commitments is maintained.

You can find details of other principal appointments for each Director from page 114.

As at 31 December 2025, Mary Francis, Sir John Kingman, Brian Shea, Julia Wilson, Dawn Fitzpatrick, Mary Mack, and Diony Lebot held external non-executive directorships with listed companies[1]. No further members of the Board held external directorships with listed companies.

Note:
1 'Listed company' means companies whose shares are listed and traded on a regulated stock exchange, excluding appointments within the Barclays Group, and directorships held with the same group or within undertakings (including non-financial entities) in which the relevant firm holds a qualifying holding.

Directors' report: Board Nominations Committee report (continued)

Tenure

Our Chair and Non-Executive Directors are typically appointed for an initial term of three years and may be invited to serve for a further term of up to three years based on the needs of the Board. A further extension of tenure for an additional three year term (and any extension beyond this) is subject to the discretion of the Committee. In determining whether it remains appropriate to extend the Chair or a Non-Executive Director's tenure, the Committee will have regard to a number of factors including whether the Board is satisfied that the Director in question continues to be independent, having regard to the factors set out in the Code, their performance, which is assessed annually, whether they have the ability to dedicate sufficient time to the role and the benefits of having diversity of thought on the Board.

The Board approved a three year extension of tenure for each of Robert Berry and Nigel Higgins, and a further year for Mary Francis in February 2025 and in September 2025, the Board approved the extension of Dawn Fitzpatrick's tenure for a further three year term.

During 2026, each of Marc Moses and Sir John Kingman reach their three year anniversaries on the Board, and Brian Gilvary reaches his six year anniversary. Having undertaken a review of Non-Executive Director tenure and having due regard to the factors referred to above, the Committee and the Board agreed to extend the tenure of each of Marc, Sir John, and Brian for a further three year term.

The Board approved a short extension of Mary Francis' tenure, who has served on the Board for over nine years, aligned to her retirement from the Board with effect from 6 May 2026, in order to conclude orderly arrangements for Mary's succession as BBPLC Board Remuneration Committee Chair. An announcement will be made in due course confirming the successor to the role of Chair of the BBPLC Board Remuneration Committee.

New Director induction

A tailored induction programme is delivered for all new Directors appointed to the Board. This provides them with an understanding of the Group, its purpose, strategy, business areas and key issues it currently faces.

After Diony Lebot and Mary Mack were appointed in 2025, they each participated in a comprehensive induction programme. This included sessions about the Group's strategy, culture and stakeholder environment, as well as Board and Board Committee structure. They also met with other Board members, the chairs of significant subsidiaries, and senior executives from across the business and key Group functions.

Director training and development

The Committee, together with the Group Company Secretary, supports the Group Chairman in facilitating continuous training and development for Directors. Directors are encouraged to participate in regular training and development sessions integrated within the Board and Board Committee schedules, and may additionally request tailored training as required.

In 2025, Directors enhanced their business knowledge through Board/Committee deep dives into the Group's operating divisions and key Group functions, including Legal, Risk, Compliance, and Internal Audit. The Board also received regular updates on corporate governance matters and certain Barclays' Compliance Risk policies, including financial crime, as well as an annual briefing on the Senior Managers Regime.

Technology

In 2025, the Board visited San Francisco to spend time with experts and leaders in the field of digital transformation to deepen its own understanding of the pace and scale of this technology revolution. You can read more about the Board's technology-focused visit to San Francisco on page 125.

Bank capitalisation briefing

In light of the evolving regulatory landscape, the Board received a comprehensive briefing on bank capitalisation by an external expert. The briefing provided an update on capital regulation, varying global approaches to bank capitalisation, and potential future impacts for the banking sector.

Succession

The Committee is responsible for succession planning, ensuring that Barclays maintains an optimal mix of skills, experience and effectiveness on the Board, its Committees, and the ExCo, taking into consideration both present and future business requirements.

This remit encompasses medium-term initiatives, such as the orderly refreshing of the Board, Committees, and ExCo, as well as long-term preparations aimed at identifying and developing the skills likely to be needed on the Board and ExCo in the years ahead.

The Committee and the Board have continued to focus on the development of a broad and deep bench of future leaders across the business. More information is set out in the Non-Executive Director recruitment section of this report.

The Committee regularly refreshes the Board's Non-Executive Director recruitment priorities and leads the search process for any new Board appointments.

ExCo succession

The Group Chief Executive, supported by his ExCo, is responsible for the delivery of the Group's strategy as set by the Board. It is key that ExCo composition comprises the right balance of skills, experience and diversity of thought to drive that delivery while providing appropriate challenge and debate in discussions. With this in mind, the Committee considers and approves all changes to ExCo prior to announcement, taking into account executive succession plans.

As noted above, the Committee considered changes to ExCo during the year, including approving the appointment of new Group Co-Chief Operating Officers and a Group Head of Strategy and Transformation. You can read about the changes to ExCo during 2025 on page 118.

During the year, the Committee received updates regarding ExCo and executive talent and succession planning. Ensuring there is a strong talent pipeline remains a key consideration for the Committee and the Board.

Directors' report: Board Nominations Committee report (continued)

Inclusion and opportunity

The Committee and the Board are committed to operating in a way that supports a culture of inclusion where all Directors' views are both encouraged and heard.

These values are reflected in the Barclays' Board Inclusion and Opportunity Policy, which sets out the approach to inclusion and opportunity for the Board, including our compliance with related applicable regulatory and Code requirements, as further described in this section.

Gender and ethnic diversity reporting

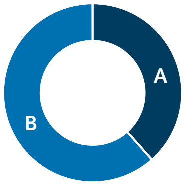
Disclosures in the form prescribed by the UK Listing Rules of the Financial Conduct Authority (Listing Rules) relating to gender and ethnic diversity of the Board and executive management are set out in this section.

Data relating to the gender identity and ethnic diversity of the Board was collected by way of a questionnaire. This questionnaire asked all individual Board members to disclose their gender identity and ethnic background, on a voluntary self-reporting basis, by selecting options aligned with those in the left-hand columns of the tables on this page (and therefore included the option not to specify an answer).

Barclays' employees (including executive management, as defined in the table on this page) are asked to confirm their gender and ethnicity on a voluntary basis. Data relating to gender, and ethnic diversity through self-identification, of executive management (as defined) was sourced from this existing data, which is held within Barclays' secure HR system.

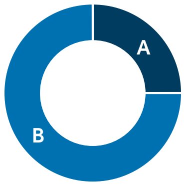
Gender diversity reporting as at 31 December 2025

Board members



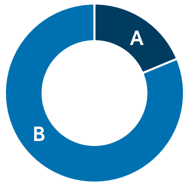
A 6
B 7

Senior positions on Board (CEO, CFO, SID and Chair)



A 1
B 3

Executive management[1]



A 4
B 14

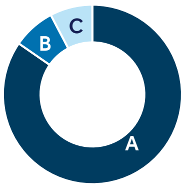
A Women
B Men

	Board members		Number of senior positions on the Board (CEO, CFO, SID and Chair)	Executive management[2]	
	Number	Percentage		Number	Percentage
Men	7	54 %	3 (75%)	14	78%
Women	6	46 %	1 (25%)	4	22%
Other categories					
Not specified/ prefer not to say					

Note:
1 In accordance with the requirements of the Listing Rules and for the purposes of this table only, 'executive management' comprises the ExCo and the Group Company Secretary.

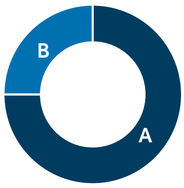
Ethnic diversity reporting as at 31 December 2025

Board members



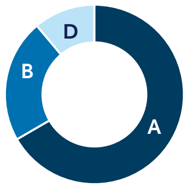
A 11
B 1
C 1

Senior positions on Board (CEO, CFO, SID and Chair)



A 1
B 3

Executive management[1]



A 13
B 4
D 1

A White British or other White (including minority-white groups)
B Asian/British Asian
C Other ethnic group
D Black/African/Caribbean/Black British

	Board members		Number of senior positions on the Board (CEO, CFO, SID and Chair)	Executive management[1]	
	Number	Percentage[2]		Number	Percentage
White British or other White (including minority-white groups)	11	85%	3 (75%)	13	72%
Mixed/Multiple Ethnic Groups					
Asian/British Asian	1	8%	1 (25%)	4	22%
Black/African/Caribbean/ Black British				1	6%
Other ethnic group	1	8%			
Not specified/ prefer not to say					

Notes:
1 In accordance with the requirements of the Listing Rules and for the purposes of this table only, 'executive management' comprises the ExCo and the Group Company Secretary.
2 Totals may not equal 100% due to rounding.

Directors' report: Board Nominations Committee report (continued)

Board Inclusion and Opportunity Policy

On the recommendation of the Committee, the Board adopted an updated version of the Board Inclusion and Opportunity Policy in February 2026, to ensure the policy continues to reflect the Group's inclusion and opportunity strategy.

The policy confirms that the Board aims to meet the recommendations of the FTSE Women Leaders Review regarding gender balance on boards and the Parker Review on ethnic representation on boards. We are required by the Listing Rules to report annually on our progress against these industry ambitions, details of which are set out on page 130.

The policy confirms the Board's support for the Group's culture in which Barclays is committed to continuing to build an inclusive workplace.

Workforce composition within ExCo, ExCo direct reports and the wider workforce

Barclays is committed to an inclusive workplace where everyone can be their best and meet the fullest extent of their ambitions and capability. As a global company we do all this by complying with the local requirements in the jurisdictions in which we operate. You can read more about Barclays' approach to inclusion within the Colleagues section from page 30.

During 2025, the Board received an update on the workforce composition of senior management. On gender, the Committee recognises the FTSE Women Leaders Review recommendation of 40% women in ExCo and direct reports by end 2025. Barclays also reports publicly under the HM Treasury Women in Finance Charter.

By end 2025, 30%Δ of ExCo and their direct reports (excluding the US) were women. As at 31 December 2025, 31%Δ of Managing Directors and Directors (excluding the US) were women.

On ethnicity, the Committee recognises the Parker Review's voluntary ambition of 15% minority ethnic senior managers in the UK by 2027, with 14% of Group ExCo and direct reports in the UK from minority ethnic backgrounds as of 31 December 2025. At the end of 2025, 23 Managing Directors in the UK were from underrepresented ethnicities.

In 2025, Barclays continued to have one ex-officio position on Group ExCo, with each appointee serving for a four-month rotation. This initiative helps to build technical industry knowledge, broaden the existing extensive experience of our most senior leaders and helps to develop diversity of thought at the highest level.

There are additional initiatives and actions being taken across our businesses to further strengthen the senior leadership pipeline. We continue to offer sponsorship and mentoring programmes to strengthen individual development and work with senior recruitment partners to build and broaden our talent pipeline.

Effectiveness

The Committee ensures that a formal and rigorous review of the performance of the Board, Board Committees and individual Directors is undertaken each year. In line with the requirements of the Code, the review is facilitated externally every three years.

Progress against the 2024 Board effectiveness review

The 2024 Board effectiveness review was facilitated externally. The table set out on page 132 sets out the key recommendations for the Board outlined in the 2024 review and actions taken during 2025 to address them.

2025 Board effectiveness review

The 2025 review of the performance of the Board, Board Committees and individual Directors was conducted internally.

Feedback from 2025 review

Feedback from the review confirmed that the Board continues to operate effectively and highlights the collegiate culture around the board table. Discussions are noted to be respectful, bringing a broad range of perspectives and contributions. Meetings are considered to be well-chaired, with the review recognising the Chairman's thoughtful and inclusive style.

The review commented positively on the relationship between the Board and management, with discussions reflecting an appropriate balance of support and constructive challenge. The Board's engagement with management on key strategic matters and the progress of our three year plan was commented on favourably.

Board composition was considered to be strong, bringing a range of diverse and complementary backgrounds as well as deep financial services expertise, with good structure around Board succession planning.

The review noted that Board members continue to welcome the introduction of external perspectives into the Board, deriving value from the discussions and briefing sessions which were scheduled during the course of the year.

The interaction between the Board and the Board Committees was commented upon favourably, noting that reports from the Committee Chairs were helpful in ensuring the Board has appropriate visibility of key matters and emerging themes. Feedback from the review confirms that concurrent meetings of the BPLC and BBPLC Boards and Board Committees remain effective and continue to work well in practice.

Note:

Δ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the ESG Resource Hub: home.barclays/sustainability/esg- resource-hub/reporting-and-disclosures/

Directors' report: Board Nominations Committee report (continued)

Recommendation from 2024 review	Actions taken during 2025
In light of the Group's three-year strategy announced in early 2024, consider how future agendas might be best shaped to support continued discussion of the execution of the Group's three-year strategic plan and the Group's longer-term strategy.	• Progress against the Group's three-year strategic plan was discussed with senior management in every Board meeting, including opportunities for potential inorganic opportunities that align with the Group's strategy. • Updates on execution of strategy were also provided through regular Transformation Office updates and non-financial performance reviews, including consideration of the role of technology in supporting the delivery of the Group's strategy and plans.
Reflective of the changes to the senior management structure announced as part of Barclays three-year strategy, maintain focus on succession planning to continue to develop a deep and broad bench of future leaders.	• Talent was covered as part of regular business reviews presented to the Board, as well as updates on the Group's Talent Excellence Plan and updates to the Committee and the Board on executive talent and succession planning.
Consider how best to bring greater focus and insights on Tech, Data and Digital matters into the Boardroom.	• The Board spent time discussing how to deepen technology input into the Board and agreed (i) to bring the oversight of strategic technology matters within the remit of the BX Board, with regular reporting to the Board from the BX Chair and BX Co-CEOs, and (ii) to include in the Board's current Non-Executive Director recruitment priorities a search for a candidate to bring additional technology experience and insights to the Board. • Technology was covered as part of regular business reviews presented to the Board, as well as through presentations on digital strategy and the Group's approach to insider threat management. • The Board participated in an intensive technology and digital immersion event in San Francisco in June 2025, as detailed in the Key Board Activities section on page 125. • There was significant focus by the Board Risk Committee and the Board on cyber resilience and enhancements to the cyber control environment.
Continue to focus on the process of making papers shorter and more targeted.	• This remains an ongoing area of focus and is addressed through detailed paper reviews by the Group Chief Executive and Group Finance Director, as well as the Group Chairman and other Board members.
Identify further opportunities to bring relevant outside perspectives into the Boardroom.	• External speakers were invited to join Board sessions to discuss topics including bank capitalisation, an update on India in the context of the Group's business in India, including macroeconomic and geopolitical perspectives, geopolitical developments and technology. • The Board Sustainability Committee received a briefing from external advisors to support its review of the Barclays' Transition Update. • Board members also engaged routinely with Barclays' wider stakeholder groups – including shareholders, colleagues and regulators.

Recommendations from the 2025 review

The Board will be giving further consideration to the implementation of the following matters during 2026:

- Consideration to be given to the structure of Board agendas in the year ahead to:
  - provide more space for the discussion of material strategic topics
  - maintain focus on the development of a broad bench of future leaders
  - deepen the Board's engagement in AI and technology matters
- A continued focus on ensuring balanced and targeted Board papers
- Continuing to identify opportunities to bring external perspectives into the boardroom.

The Board has already taken action to address some of these recommendations, and the other items will be subject to further consideration and discussion through the course of the year.

Directors' report: Board Nominations Committee report (continued)

2025 Board, Board Committee and individual Director review process

Board

Board evaluation	**Interviews** held by SID with Board members	**Findings discussed** with Group Chairman and Board Nominations Committee and the Board	**Board discussion and agreed action plan for 2026**
Committee evaluation	**Questionnaires** completed by Committee members and senior management	**Findings discussed** with Committees	**Agreed action plan for 2026**
Individual Director evaluation	Group Chairman held a **meeting** with each Director and regularly has one-on-one meetings with Directors	SID held **meeting** with the Group Chairman	**Confirmation of each Director's continuing effectiveness**

2025 Board Committee effectiveness review

The Board Committee reviews are an important part of the way Barclays monitors and improves Committee performance and effectiveness, maximising strengths and highlighting areas for further development.

Following consideration of the findings of the 2025 Board Committee effectiveness reviews, the Committee remains satisfied that each of the Board Committees is operating effectively.

Review of Board Nominations Committee effectiveness

An internal evaluation of the performance of the Committee was conducted for 2025, in line with the provisions of the Code. The results of the review confirmed that the Committee was operating effectively. Further information on the review of the Board and its Committees can be found in the section above.

Individual Director effectiveness

All Directors in office at the end of 2025 were subject to an individual effectiveness review. The Group Chairman considered each Director's individual contribution to the Board, as well as any feedback received as part of the broader Board and Board Committee effectiveness review. The Senior Independent Director considered the contribution of the Group Chairman.

Based on the reviews, the Board supported the view of the Committee that each Director continues to be effective and contributes to Barclays' long-term sustainable success. In accordance with the Code, all of the current Directors, other than Mary Francis who is to retire from the Board prior to the AGM, intend to submit themselves for re-election at the 2026 AGM to be held on 7 May 2026.

Directors' report: Board Audit Committee report

Providing oversight of the Group's internal control environment

Closely monitoring the integrity of our financial disclosures

Board Audit Committee

Julia Wilson
Chair, Board Audit Committee

Committee membership and meeting attendance during 2025[1]

Member	Meetings attended/ eligible to attend
Julia Wilson	**16/16**
Robert Berry	**16/16**
Marc Moses	**16/16**
Diane Schueneman[2]	**2/2**

Notes:
1 There were 13 scheduled and three ad hoc meetings of the Committee in 2025.
2 Stepped down with effect from 31 January 2025.

Dear Shareholders

I am pleased to report on the Board Audit Committee's activities and responsibilities for 2025. I would like to thank Committee members for their contributions and support and also extend the Committee's thanks to Diane Schueneman, who stepped down as a Director and member of the Committee with effect from 31 January 2025.

Throughout 2025, the Committee has been keenly focused on the oversight of the Group's internal control environment. Against a backdrop of a complex, evolving legal and regulatory requirements and a heightened global macroeconomic and geopolitical threat landscape, a robust controls framework is key to supporting a strong internal control environment, underpinned by a culture that recognises and supports the ongoing work of the business to invest in and enhance the overall control environment. Particular areas of focus in 2025 for the Group include work to strengthen controls relating to cybersecurity and financial crime prevention and detection, and to enhance processes in relation to regulatory reporting and regulatory change. Building on the work of prior years, the Committee was pleased to see the progress made by management to simplify and enhance the Group-wide controls framework, and progress with longer term remediation programmes across the Group.

The Committee has a key role in monitoring the integrity of the Group's financial statements. In reviewing the Group's financial and narrative reporting for each quarterly and half-year results period for 2025, the Committee carefully considered management's judgements in relation to key accounting estimates and judgements. In light of the uncertain global macroeconomic environment, management's approach to expected credit losses and use of post-model adjustments were particular areas of focus.

Specific areas of judgement outside credit provisioning included management's approach to provisioning for motor finance compensation claims, and the incorporation of Tesco Bank into the controls and reporting frameworks.

In addition, the Committee has carefully reviewed the external reporting of the Group's performance against the current strategic targets for the period from 2024-2026 announced in February 2024, and supported the work of the Board in reviewing the new strategic targets through to 2028 to be announced on 10 February 2026.

Sustainability reporting and the impact of climate on our financial statements continues to be monitored as legislative and regulatory requirements evolve particularly in the US, Europe and the UK. The Committee received updates on developments in sustainability reporting required by the European Corporate Sustainability Reporting Directive and the EU Taxonomy Framework for FY25. Supported by management's recommendations, it also reviewed how the impacts of climate and sustainability reporting requirements are reflected in preparing the Group's financial statements.

In anticipation of the changes to provision 29 of the Code, effective from the financial year beginning on 1 January 2026, the Committee spent time considering management's proposals for the identification of 'material controls' for these purposes, including consideration of the results of a management 'dry run' of how the internal assessment of the operation of those controls would work. The Committee is comfortable with management's proposals, which will be implemented during 2026 ahead of reporting on the new provision 29 requirements in next year's Annual Report.

Directors' report: Board Audit Committee report (continued)

The Committee is responsible for overseeing the Group's relationship with the statutory auditor. Barclays is required to tender the external audit every 10 years and, as Barclays announced in December 2024, a formal tender process for the external auditor was launched in early 2025.

The Committee led the tender process, which concluded in May 2025 with the Board's selection of KPMG as the successful firm. Further detail on the external tender process is set out later in this report on page 141.

The Committee is supported in its work by the assurance conducted by Barclays Internal Audit (BIA). The Committee attends an annual dedicated deep dive session on the BIA function and how BIA is implementing its strategic priorities, including ensuring appropriate skills and capabilities for the future. The Chairs of Barclays' key subsidiary Board Audit Committees are also invited to this session. The Committee monitors and assesses the performance of BIA and was satisfied with its performance against its objectives as agreed between the Group Chief Internal Auditor and I at the beginning of the year.

I continue to hold the role of Group Whistleblowers' Champion. Together with the BBUKPLC Whistleblowers' Champion, we receive regular updates on cases being raised via the whistleblowing channels, as well as any potential trends or emerging themes and key areas of focus. The Committee also receives detailed semi-annual whistleblowing updates as part of its role in considering the adequacy of the Group's arrangements to allow colleagues to raise concerns.

Committee effectiveness

An internal evaluation of the performance of the Committee was conducted for 2025, in line with the provisions of the Code. The results of the review confirmed that the Committee was operating effectively. Further information on the review of the Board and its Committees can be found in the Board Nominations Committee report on page 126.

Julia Wilson
Chair, Board Audit Committee

9 February 2026

Directors' report: Board Audit Committee report (continued)

Committee composition and meetings

The Committee is composed solely of independent Non-Executive Directors. Membership of the Committee is designed to provide the breadth of financial expertise and commercial acumen that the Committee 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. Julia Wilson, the Committee Chair, who is the designated financial expert on the Committee for the purposes of the Sarbanes-Oxley Act 2002 (SOx), has significant corporate finance, tax and accounting experience, including previously serving as the Group Finance Director of 3i plc and as Chair of the Board Audit Committee at L&G Group plc.

In 2025, the Committee met 16 times, which included three ad hoc meetings (2024: 16 times, including two ad hoc meetings). Attendance by members at Committee meetings is shown on page 134.

Committee meetings were attended by representatives from management, including the Group Chief Executive, Group Finance Director, Group Chief Internal Auditor, Co-Group Chief Operating Officers, Head of Group Control, Group Chief Risk Officer and Group Chief Compliance Officer, as well as representatives from the business and functions, and also BBPLC senior management (reflecting the partially consolidated operation of the BPLC and BBPLC Committee meetings). The lead audit engagement partner of KPMG (Stuart Crisp) also attended Committee meetings. The Committee held regular private sessions with each of the Group Finance Director, Group Chief Internal Auditor and lead KPMG audit engagement partner.

The Board, together with the Committee, is responsible for ensuring the independence and effectiveness of the Internal Audit function and external auditors. The appointment and removal of the Group Chief Internal Auditor is a matter reserved to the Committee, and the appointment and removal of the external auditor is a matter reserved to the Board based on the recommendation of the Committee. Neither task is delegated to management.

The Committee continues to work closely with the Board Risk Committee and Board Sustainability Committee to ensure a consistent approach is taken in relation to matters in which there is a connection across remits. This interconnectivity is supported by Committee cross-membership, including my membership of the Board Risk and Board Sustainability Committees.

Role of the Committee

The role of the Committee is to review and monitor, among other things:

- the integrity of the Group's financial statements and related announcements;
- the effectiveness of the Group's internal controls;
- the independence and effectiveness of the internal and external audit processes;
- the Group's relationship with the external auditor; and
- the effectiveness of the Group's whistleblowing procedures.

The Committee's terms of reference are available at **home.barclays/who-we-are/our-governance/board-committees/**

Further information about the skills and experience of the Committee members can be found in their biographies in the section on Our Board of Directors from **page 114**

Primary activities

The Committee discharged its responsibilities and ensured compliance with the Audit Committees and the External Audit: Minimum Standard (the Minimum Standard) in 2025 through monitoring the effectiveness of the internal control environment and internal and external audit processes, as well as the integrity of financial statements and related announcements. Activities undertaken to meet the requirements of the Minimum Standard are described throughout this report.

Areas of focus	Key responsibilities of the Committee	Conclusion / action taken
Financial reporting		
Fair, balanced and understandable reporting	In light of the Board's obligation under the Code, the Committee assesses external reporting to ensure it is fair, balanced and understandable.	In addition to this Annual Report, the Committee reviewed the Group's half-year and quarterly results announcements and associated investor presentations. The Committee informed these reviews through: • consideration of reports of the Group Disclosure Committee • direct questioning of management on the transparency and accuracy of disclosures • feedback from KPMG, including areas in which they challenged management • consideration of the results of management's testing of controls relating to financial reporting processes, including the output of the Group's internal control assessments and the SOx s404 internal control processes. The Committee provided feedback on the Group's financial reporting disclosures, including requesting that management implement enhancements to the clarity and transparency of certain disclosures. Having evaluated the available information, the assurances by management and KPMG and underlying processes used to prepare the published financial information, the Committee concluded and recommended to the Board that the Annual Report 2025 and Accounts are fair, balanced and understandable.

Directors' report: Board Audit Committee report (continued)

Areas of focus	Key responsibilities of the Committee	Conclusion / action taken
Critical accounting estimates and judgements		
Conduct provisions (refer to **Note 23** to the financial statements)	Barclays makes certain assumptions and estimates, analysis of which underpins provisions made for the costs of customer redress. The Committee analyses the judgements and estimates made by management to evaluate the adequacy of the provisions.	The Committee reviewed and challenged management's approach to conduct provisions throughout the year, supported by KPMG's views on management's judgement in relation to provisions. See the section below entitled 'legal, competition and regulatory provisions' for details on how the Committee considered the provision raised in relation to motor finance. The Committee was satisfied that management's judgement and approach resulted in an adequate and appropriate level of provision in relation to conduct matters.
Impairment of financial instruments (refer to **Note 8** to the financial statements)	The Committee monitors management's judgements in relation to expected credit losses (ECLs), which are modelled using a range of forecast economic scenarios.	The Committee considered regular reports from management on: • credit performance across the different businesses • the impact of the macroeconomic environment, including the impact of US tariffs and geopolitical tensions • the use of post-model adjustments (PMAs), including the retention or release of PMAs • the refresh of macroeconomic variables and associated weighting. The Committee considered management's judgement on impairment coverage levels, including in respect of material exposures and the impact of delinquencies in certain areas of the portfolios. The Committee discussed with management and KPMG the use of PMAs, and requested further clarity from management in future presentations as to how PMAs had been used. Having considered and scrutinised the reports, the Committee agreed with management's conclusion that the impairment provision was appropriate.
Impairment of goodwill and intangibles (refer to **Note 21** to the financial statements)	The Committee considers management's judgement in relation to goodwill and intangibles.	The Committee considered management's reports on its assessment of the Group's goodwill balances and intangibles, including the methodology and controls applied in the process. The Committee was satisfied with management's determination that no indicators of impairment had been identified.
Legal, competition and regulatory provisions (refer to **Note 25** to the financial statements)	Barclays is engaged in various legal, competition and regulatory matters that may give rise to provisioning based on the facts. The level of provisioning is subject to management judgement on the basis of legal advice.	The Committee received regular reports on the impact of current legal, competition and regulatory matters on the Group's provision levels. It challenged management's judgements in relation to provision levels and also sought KPMG's views on the adequacy of provisions (including areas where they had challenged management and how management had satisfied KPMG on the position taken). The Committee monitored developments regarding the Supreme Court's decision on motor finance and the subsequent FCA consultation on a motor finance redress scheme. The Committee reviewed and challenged management's approach to the initial raising, and subsequent increase, of a provision for motor finance. Seeking KPMG's views on the reasonableness of management's position, the Committee focused in particular on the methodology to determine the level of provision for motor finance claims and the reasonableness of assumptions made by management in developing the proposed methodology. The Committee agreed that the level of provision for all legal, competition and regulatory matters at the year-end was appropriate. The Committee also reviewed the disclosures made in the legal, competition and regulatory notes during the year, providing feedback to enhance transparency in disclosures, where appropriate, and concluded that they provided appropriate information for investors.
Valuations (refer to **Notes 13 to 17** to the financial statements)	Barclays exercises judgement in the valuation and disclosure of financial instruments, derivative assets and certain portfolios, particularly where quoted market prices are not available.	The Committee received updates on management's approach to valuations during the year. The Committee scrutinised management's approach to key valuation changes, including the triggers and timing for such change. The Committee also received updates on management's activities to enhance the internal control environment relating to valuations. The Committee was satisfied with the accounting treatment in respect of the various valuation matters.

Directors' report: Board Audit Committee report (continued)

Areas of focus	Key responsibilities of the Committee	Conclusion / action taken
Critical accounting estimates and judgements		
Tax (refer to **Note 9** to the financial statements)	The Committee considers the Group's tax matters, including the Group's tax strategy, compliance with the Group's Tax Principles and judgements related to tax risk and the recognition and measurement of deferred tax assets.	The Committee received reports from the Global Head of Tax on developments in tax matters during the year. The Committee monitored the Group's interactions with tax authorities, developments in tax litigation matters across the Group and the material tax risks for the Group (including considering the adequacy of tax provisions and KPMG's views). The Committee also monitored the potential impact of US legislative changes in relation to tax on the Group. The Committee approved the UK Tax Strategy statement published in the Country Snapshot report and recommended the Country Snapshot to the Board for approval.
Going concern and viability		
Going concern and long-term viability (refer to the Viability Statement on **page 57**)	Barclays is required to assess whether it is appropriate to prepare the financial statements on a going concern basis. In accordance with the Code, Barclays must provide a statement of its viability. To support this, the Committee considers both the going concern assumption and the form and content of the Viability Statement.	The Committee considered both the going concern assumption and the form and content of the Viability Statement taking into account: • the MTP and Working Capital Report • the forecast capital, liquidity and funding profiles • the results of stress tests based on internal and regulatory assumptions. The Committee recommended to the Board that the financial statements should be prepared on a going concern basis and that there were no material uncertainties that would impact the going concern statement which required disclosure. The Committee also recommended the Viability Statement to the Board for approval.
Distributions		
Distributions and return of capital to shareholders	The Committee assesses the distributable reserves position in considering management's proposals for distributions.	The Committee reviewed and recommended to the Board that there were sufficient distributable reserves in relation to (i) a full year dividend for the year ended 31 December 2024 of 5.5p per ordinary share along with a share buy-back of up to £1bn; (ii) a half year dividend of 3.0p per ordinary share for the six months ended 30 June 2025 along with a share buy-back of up to £1bn; and (iii) a Q3 2025 share buy-back of up to £500m. In early 2026, the Committee reviewed and reported to the Board on the distributable reserves position for the full year dividend for the year ended 31 December 2025 along with a proposed share buy-back.
Internal controls		
Internal controls and business control environment (read more about Barclays' internal control and risk management processes on **page 150**)	The Committee considers the effectiveness of the overall control environment, including the status of any significant control issues and the progress of specific remediation plans.	The Committee: • considered feedback received from regulatory stakeholders on the Group's internal control environment and monitored management's response, including (where appropriate) reviewing responses prior to submission to regulators • received regular reports on the more significant control matters and remediation programmes across the Group, including the outcome of assurance work conducted by BIA on those programmes • discussed reports from the heads of the key operating divisions across the Group on their control environment, together with views from the second and third lines of defence. The Committee considered the changes introduced by provision 29 of the Code and reviewed management's proposals as to how to define and monitor 'material controls' for this purpose, taking into account Financial Reporting Council (FRC) feedback. The Committee provided feedback to management and oversaw the results of a 'dry run' of the process to be followed to facilitate compliance with provision 29. The Committee Chair updated the Board on the changes introduced by provision 29.

Directors' report: Board Audit Committee report (continued)

Areas of focus	Key responsibilities of the Committee	Conclusion / action taken
Whistleblowing		
Speaking up	The Committee considers the adequacy of the Group's arrangements to allow colleagues to raise concerns in confidence and anonymously without fear of retaliation, and the outcomes of any substantiated case.	The Committee received detailed semi-annual reports on whistleblowing from management. It monitored key whistleblowing metrics, the 'speak up' culture across the Group and any potential whistleblowing trends, including around retaliation and anonymity. The Committee encouraged management to consider the different channels for raising concerns, both formal and informal, to determine the most efficient and effective means of addressing colleague concerns.
Internal audit		
Internal audit	The Committee monitors and assesses the performance of BIA and delivery of the internal audit plan, including scope of work performed, the level of resources, and the methodology and coverage of the internal audit plan.	Through regular reports from BIA, the Committee: • reviewed and agreed the internal audit plan, methodology and deliverables for 2025 • reviewed BIA's audit reports in relation to specific audits, key areas of focus and emerging themes • received updates on the work carried out by the 'Financial Crime Validation Office', a new team set up within BIA focused on assurance work in relation to financial crime matters • tracked the levels of adverse audits and issues raised by BIA and monitored related remediation plans • received updates on BIA colleague matters, including colleague engagement and resourcing • discussed BIA's assessment of the control environment and key themes in Group entities and functions. The Committee noted the independence of the BIA function and received regular updates from BIA's quality assurance function, monitoring trends in the quality assurance report findings. In view of evolving business demands, the Committee discussed with the Group Chief Internal Auditor the resourcing requirements of BIA to ensure it had appropriate resourcing to respond to key areas of focus. Committee members, along with the Board Audit Committee chairs of BBUKPLC, Barclays Europe and Barclays US LLC, attended a 'BIA Teach In'. This covered matters relating to People, BIA Strategy and Audit Methodology. At the end of the year, the Committee approved the 2026 BIA audit plan and also approved BIA's Audit Charter following the annual review.
External audit		
External audit	The Committee monitors the work and performance of KPMG as the Group's statutory auditor.	The Committee: • recommended to shareholders for approval the reappointment of KPMG as Group statutory auditor at its 2025 AGM • met with key members of the KPMG audit team to discuss the 2025 audit plan and KPMG's areas of focus and subsequently approved the 2025 audit plan • assessed regular reports from KPMG on the progress of the 2025 audit • discussed KPMG's draft reports on control areas of focus and the control environment • approved the terms of the audit engagement letter and audit fees for 2025, on behalf of the Board. The Committee sought KPMG's views on a number of specific matters, including management's approach to accounting judgements, such as the use and release of PMAs and treatment of M&A transactions, and sought to understand where KPMG had challenged management's assessment prior to reaching a conclusion. The Committee considered KPMG's response to the PRA Written Auditor Reporting for 2024, and discussed with KPMG the questions in scope for the 2025 Written Auditor Reporting. See the next page for further detail on the Committee's assessment of KPMG's performance for 2025. The Committee conducted a formal audit tender process for the Group statutory auditor and recommended to the Board the re-appointment of KPMG from the 2027 financial year. Please see page 141 for details of the process.

Directors' report: Board Audit Committee report (continued)

External auditor

KPMG was appointed as Barclays' statutory auditor with effect from the 2017 financial year. Barclays conducted an external tender for the Group statutory auditor in 2025, details of which can be found on page 141.

Assessing external auditor effectiveness, objectivity and independence

The Committee is responsible for assessing the effectiveness, objectivity and independence of the Group's statutory auditor. This responsibility was discharged by the Committee throughout the year at formal Committee meetings, during private meetings with the KPMG lead audit engagement partner and through discussions with key Group executives. The Committee is satisfied that the external audit process for 2025 was effective. In particular, the Committee considered that KPMG maintained its independence and objectivity, exercised robust challenge and demonstrated professional scepticism in the audit process.

Committee conclusion on KPMG effectiveness

The Committee assessed KPMG's effectiveness, objectivity and independence in the following ways:

Reporting throughout the year

- Met with senior members of the KPMG audit team from the UK, Ireland and US to discuss the approach to the 2025 audit and key areas of focus.
- Received regular reports from management on the non-audit services provided by KPMG and also on any employees or workers hired from KPMG.
- Discussed with KPMG their consideration of internal controls over financial reporting and considered areas in which KPMG challenged management's assumptions in areas of key judgement.
- Monitored for any potential threats to independence. No such matters were identified and reported by KPMG during 2025 that have an impact on BPLC.

Annual assessment and audit quality reporting

- The Group undertakes an annual formal assessment of KPMG's performance, independence and objectivity. The assessment for 2025 was conducted by way of a questionnaire completed by key stakeholders across the Group, who have regular interaction with KPMG (including input from the Board Audit Committees of BBUKPLC, Barclays Europe and Barclays US LLC). The questionnaire was designed to evaluate KPMG's audit process, its effectiveness and overall output.
- During 2025, the Committee continued to receive reports from the KPMG UK Head of Audit Quality on her assessment of audit quality for Barclays.

Other

- External reports: The Barclays 2024 audit had been subject to Public Company Accounting Oversight Board (PCAOB) and FRC review, with no material issues identified and an overall positive outcome.
- Audit tender: the formal audit tender process conducted by Barclays in 2025 provided a further opportunity for the Committee to assess the quality of KPMG's audit capabilities. KPMG was identified as the preferred firm in the tender process. Relevant to this decision was Barclays' first-hand experience of KPMG's offering, which the Committee believed can continue to deliver a high-quality audit for Barclays.

Non-audit services

In order to safeguard the auditor's independence and objectivity, Barclays has in place the Group Policy on the Provision of Services by the Group Statutory Auditor (the Policy) setting out the circumstances in which the auditor may be engaged to provide non-audit services. 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 Group's auditor) should be performed by the auditor only in certain controlled circumstances.

The Policy sets out the type of service categories that the auditor is permitted to carry out. Certain services categories and proposed work for which the fee is above a certain threshold, require explicit Committee approval before work can commence. All other permitted service requests are deemed pre-approved by the Committee, subject to compliance with Policy requirements. The Policy requires that all proposed work must be sponsored by a senior executive who is not involved in any work to which the proposed engagement relates. The audit assignment partner must also confirm that the engagement has been approved in accordance with the auditor's own internal ethical standards and does not pose any threat to the auditor's independence or objectivity.

The Policy is reviewed by the Committee on an annual basis to ensure that it is fit for purpose and that it reflects applicable rules and guidelines. The Policy is aligned with both the FRC's requirements and KPMG's own internal policy on non-audit services for FTSE 350 companies, which broadly restricts non-audit work to services that are 'closely related' to the audit.

The fees payable to KPMG for the year ended 31 December 2025 amounted to £90m (2024: £91m), of which £20m (2024: £20m) 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 39 of the financial statements.

Of the £20m of non-audit services provided by KPMG during 2025, the significant categories of engagement, i.e. services where the fees amounted to more than £500,000, included:

- limited assurance services provided pursuant to Corporate Sustainability Reporting Directive (CSRD) requirements in relation to disclosures by BBPLC and Barclays Europe;
- audit-related services, such as services in connection with CASS (Client Assets Sourcebook) audits;
- services in connection with regulatory, compliance and internal control reports and specific audit procedures, required by law or regulation to be provided by the statutory auditor; and
- attestation and assurance services in relation to treasury and capital markets transactions.

Directors' report: Board Audit Committee report (continued)

External audit tender

Barclays is in compliance with the requirements of The Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014.

As a UK public interest entity, Barclays is required to tender the external audit every 10 years and rotate the Group statutory auditor every 20 years. Barclays initially appointed KPMG as its external auditor with effect from the 2017 financial year.

We disclosed in our 2024 Annual Report our intention to conduct a formal audit tender process for the Group statutory auditor. Following the conclusion of a formal audit tender process conducted in early 2025, the Board confirmed the re-appointment of KPMG as Barclays' statutory auditor for a period of up to 10 years, commencing from the financial year ending 31 December 2027.
A resolution to re-appoint KPMG as Barclays' statutory auditor with effect from the 2027 financial year will be put to the Company's shareholders for approval at the Barclays 2027 Annual General Meeting.

Scope

Barclays' primary objective for the audit tender process was ensuring an efficient, transparent, fair and non-discriminatory tender process and appointing the audit firm that would provide the highest quality audit in an effective and efficient manner. The size and complexity of the Barclays Group requires an audit firm of sufficient size, resource and geographical reach to be able to ensure a high-quality audit.

Having regard to the FRC guidance on best practice for audit tenders, the audit tender process was led by the Committee, with direct involvement by the Committee Chair at every stage. Management supported the Committee in the audit tender process and shared their views on an advisory only basis with the Committee.

Process

Barclays conducted an initial 'Request for Information' (RFI) in 2024 to identify firms which satisfied our minimum requirements relating to credibility, capacity and independence.

As part of the RFI, the Committee Chair together with senior members of Finance management met interested firms to discuss with them Barclays' key priorities for the audit.

The RFI process was followed by a 'Request for Proposal' (RFP) stage, which consisted of a series of workshops with each shortlisted firm. The workshops focused on key audit priorities for Barclays (including accounting policies, valuations, transition, principal risks and technology). All firms were given the opportunity to meet with members of the Committee, as well as the Board Audit Committee Chairs of BBUK and Barclays Europe, during the workshops (due to the consolidated BPLC/BBPLC Board Audit Committees, BBPLC was represented via the BPLC Board Audit Committee Chair).

Feedback was provided to the firms following the RFI stage and through the RFP stage in order to ensure that each was given the best chance possible of putting forward a credible proposal.

Evaluation

Firms were evaluated based on the following key criteria approved by the Committee:

- experience;
- proposed solution;
- audit quality;
- corporate fit;
- commercial compliance; and
- use of technology.

The RFP scorecard was reviewed alongside qualitative considerations around the transition process (or, in the case of KPMG as the incumbent, the ability to bring fresh perspectives to the audit) and cultural fit.

While the firms were asked to submit fee proposals as part of the RFP process, these proposals were not considered by the Committee until after the Committee had confirmed its recommendation of two firms to the Board.

Recommendation to the Board

The Committee considered and discussed the output from the workshops, which augmented the RFI submissions and brought to life each firm's audit proposition.

This enabled the Committee to conduct an objective review of the statutory audit process considering Barclays' key priorities for future audits and having regard to some of the inevitable challenges raised in the audit process.

The Committee recommended two firms, indicating its preference for retaining KPMG, to the Board for selection. Supporting the Committee's recommendation was Barclays' first-hand experience of KPMG's offering, which can continue to deliver a high-quality audit for Barclays.

The Board made a final decision to select KPMG as the successful firm in May 2025.

Summary of tender process

Set out below is a timeline of the audit tender process conducted.

2024

August-October
- Initial meetings with each audit firm
- Initial RFI process

November-December
- RFI responses considered

December
- Selection of audit firms to participate in the formal tender process
- Recommendation from the Committee to the Board to formally commence the audit tender process
- Announcement released to the market confirming intention to conduct an audit tender

December-January 2025
- Key investor and proxy advisor outreach on audit tender process

2025

February-April
- Summary of anticipated audit tender process included in Barclays PLC Annual Report 2024
- RFP issued
- Workshops held with participating audit firms

May
- Committee recommendation of two firms to the Board for selection
- Board approval of KPMG as preferred firm
- Announcement released to the market confirming conclusion of the tender process

Directors' report: Board Risk Committee report

Continued focus on robust risk management and resilience in an uncertain and volatile external environment

Strengthening risk management and resilience amid complex global challenges.

Board Risk Committee

Robert Berry
Chair, Board Risk Committee

Committee membership and meeting attendance during 2025[1]

Member	Meetings attended/ eligible to attend
Robert Berry	**14/14**
Dawn Fitzpatrick[2]	**13/14**
Sir John Kingman[2]	**13/14**
Marc Moses[2]	**12/14**
Julia Wilson[2]	**13/14**

Notes:
1 There were ten scheduled Committee meetings and four ad hoc meetings held in 2025. One ad hoc meeting was a combined Board and Committee meeting.
2 Owing to other commitments or religious observance, some Directors were unable to attend certain meetings, however they received papers in advance and had the opportunity to share their views with the Chair ahead of the meetings.

Dear Shareholders

I am pleased to report on the Board Risk Committee's activities and responsibilities during 2025. I would like to thank the Committee members for their contributions and support during the year.

The Committee's agenda in 2025 continued to be shaped by a complex and evolving risk landscape, driven by heightened macroeconomic and geopolitical uncertainty, periods of market volatility, regulatory change, and the evolution of non-financial risks, such as cyber and AI-related threats. The Committee has sought to understand the impacts on Barclay's business model and reinforced the need for management to proactively identify and mitigate risks arising from these external factors.

Our focus has remained on ensuring that Barclays' risk management framework is robust, forward-looking, and aligned with the Group's strategic ambitions. Geopolitical tensions have required enhanced scenario analyses and stress testing to assess exposures and inform management actions. The Committee has overseen increased monitoring of potential distress within the portfolio, particularly in relation to credit risk, as well as climate risk, and has considered the impact of global conditions on business growth strategies.

The Committee has had close oversight of financial risks, including capital and liquidity risk, and actions being taken by management to seek to ensure they are well contained, as well as overseeing enhancements to the risk appetite framework.

Operational risk has been an area of significant focus for the Committee. This has included consideration of cyber threats, payments processes, and technology change incidents, including the 31 January 2025 IT incident that impacted Barclays' business in the UK. The Committee has focussed on continuous improvement of the operational risk framework and the evolution of risk appetite and oversaw management's ongoing work to strengthen controls.

With Financial Crime elevated to a principal risk from January 2025, the Committee has established a cadence of regular reporting to oversee developments in financial crime risk management and actions to improve the control environment. The Committee has also maintained focus on emerging threats, such as AI-driven fraud and crypto-related risks.

The Committee oversees the Group's cyber security position, including threat-led testing and addressing vulnerabilities.

As part of our consideration of model risk, we have considered the risks and opportunities presented by AI, both in terms of internal adoption and external threats, seeking to understand that governance frameworks and policies are in place to manage these evolving risks.

Compliance risk has been a continued area of attention, with the Committee receiving updates on the complexities driven by the external environment. As well as Compliance's work in relation to market integrity, conduct, and laws, rules and regulations interpretation, the Committee has been focused on the actions taken to implement appropriate guardrails to contain compliance threats.

Legal risk updates have highlighted the challenges of regulatory divergence and the pace of change, with the Committee seeking to ensure that Barclays remains compliant and resilient in the face of evolving requirements.

Directors' report: Board Risk Committee report (continued)

The Committee assess how Barclays' strategy is informed by, and remains within risk appetite. As part of the Committee's role in reviewing the design of the ERMF, and making recommendations to the Board, it has spent significant time during 2025 on amendments to qualitative risk appetite statements, particularly those relating to non-financial risks, and encouraging management to refine their articulation and drive consistency.

The Committee has also undertaken dedicated teach-in sessions on the Risk and Compliance functions to deepen its understanding of how they are executing on the strategic priorities for the function, including ensuring appropriate skills and capabilities for the future. The Chairs of Barclays' key subsidiary Board Risk Committees were invited to these sessions.

To assist the Committee in having visibility over any material and key emerging issues impacting the Group (including its key subsidiaries), during the year I have attended meetings of the Barclays US LLC/BBDE Board Risk Committee, the Barclays Europe Board Risk Committee, and the BBUKPLC Board Risk Committee.

Committee effectiveness

An internal evaluation of the performance of the Committee was conducted for 2025, in line with the provisions of the Code. The results of the review confirmed that the Committee was operating effectively. Further information on the review of the Board and its Committees can be found in the Board Nominations Committee report on page 126.

Looking ahead

As we move into 2026, the Committee will continue to focus on ensuring Barclays remains resilient and agile in the face of ongoing uncertainty. We expect to maintain focus on several key topics, including the impact of the changing macroeconomic and geopolitical external landscape. We will maintain our commitment to robust governance and proactive risk management, ensuring that Barclays is well positioned to respond to emerging risks and to support the Group's strategic ambitions.

Robert Berry
Chair, Board Risk Committee

9 February 2026

Committee meetings

During 2025, the Committee met 14 times, with 10 scheduled and four ad hoc meetings. One ad hoc meeting was a combined Board and Committee meeting. (2024: 10 times with no ad hoc meetings) and the attendance by members at these meetings is shown on page 142.

In addition to its members, Committee meetings in 2025 were also attended by representatives from senior management including the Group Chief Executive, Group Chief Risk Officer, Group Chief Compliance Officer, Group Finance Director, Group Chief Internal Auditor, Group Treasurer, and Group General Counsel, as well as representatives from the businesses and additional colleagues from the Risk and Compliance functions. The lead audit engagement partner of KPMG also attended Committee meetings. The Committee held regular private sessions with each of the Group Chief Risk Officer and the Group Chief Compliance Officer, without other management present.

The Committee continues to work closely with the Board Audit Committee and Board Sustainability Committee to ensure a consistent approach is taken in relation to matters in which there is a connection across remits. This interconnectivity is supported by Committee cross-membership, including the Chair of the Board Audit Committee being a member of the Board Risk Committee and my membership of the Board Audit and Board Sustainability Committees.

Role of the Committee

The Committee is responsible for reviewing, on behalf of the Board, management's recommendations on the principal risks as set out in the ERMF (with the exception of reputation risk with strategic implications relating to the Group, which is a matter reserved to the Board), and in particular:

- reviewing, on behalf of the Board, the management of those principal risks in the ERMF
- considering and recommending to the Board the Group's risk appetite and tolerances for those principal risks
- reviewing, on behalf of the Board, the Group's risk profile for those principal risks
- commissioning, receiving and considering reports on key risk issues
- safeguarding the independence, and overseeing the performance, of Barclays' Risk and Compliance functions.

The Committee's terms of reference are available at: **home.barclays/who-we-are/our-governance/board-committees/**

Directors' report: Board Risk Committee report (continued)

Primary activities

The table below highlights how the Committee discharged its responsibilities and its key areas of focus in 2025.

Areas of focus	Key responsibilities of the Committee	Key activities / actions taken
Risk framework, governance and regulatory matters	• To review and recommend to the Board for approval the design of the ERMF. • To assess risk management matters raised by Barclays' regulators and monitor the actions being taken by management to respond. • To monitor the progress of significant risk management projects. • To keep under review the effectiveness of the Group's risk management systems. • To support management in embedding and maintaining throughout the Group a supportive culture in relation to risk management.	• The Committee reviewed and recommended to the Board for approval the ERMF. • Further to reports presented by management on guidance and feedback received from regulators, the Committee considered Barclays' response to the matters raised by regulators, including updates on key remediation programmes. • The Committee received an update from the Group Chief Risk Officer and Group Chief Compliance Officer on their observations on Barclays' Risk and Compliance culture, which included reflecting on the Committee's role to support management in embedding the desired culture. • The Committee received regular reports from management on regulatory interpretation matters and related governance.
Risk appetite and stress testing **i.e. the level of risk the Group chooses to take in pursuit of its business objectives, including testing whether the Group's financial position and risk profile provide sufficient resilience to withstand the impact of severe but plausible economic scenarios.**	• To advise the Board on the Group's risk appetite and tolerance for the principal risks and emerging risks that the Group may be willing to take when determining strategy. • To review and recommend to the Board for approval the Group's Risk Appetite Statement. • To review and approve the methodology used to establish the Group's risk appetite and associated stress testing. • To consider and approve stress loss limits and mandate and scale controls for financial principal risks (credit risk, market risk and treasury and capital risk), operational risk and climate risk. • To consider and approve Internal Stress Test (IST) themes and consider the financial and non-financial constraints and scenarios for stress testing risk appetite for the MTP. • To consider and approve the results of stress tests required by regulators.	• The Committee engaged extensively with management on proposed enhancements to Barclays' qualitative risk appetite statements, in particular for non-financial principal risks, and subsequently recommended to the Board for approval Barclays' Risk Appetite Statement. • The Committee reviewed and approved the stress loss limits and mandate and scale controls for the Group. • The Committee considered and approved the 2025 IST (including climate risk) scenario theme and severity and 2025 IST results, and recommended the Board approve the MTP on the basis that risk appetite was met under the IST. The Committee also approved the results of the 2025 Reverse Stress Test and considered key learnings. • The Committee approved the results of the 2025 Group Bank Capital Stress Test and considered management's analysis of the stress test results published by the Bank of England. • The Committee considered updates on the results of Barclays US LLC's 2025 supervisory stress test conducted by the Federal Reserve Board.
Risk profile **i.e. the impact on the Group's risk profile from geopolitical and macroeconomic developments and conditions.**	• To evaluate and report to the Board on the Group's risk profile and risk tolerance for the principal risks in the ERMF. • To consider reports on key risk issues and emerging risks that assess the adequacy of the ERMF to manage those risks.	• The Group Chief Risk Officer reported regularly on the Group's risk profile, which included assessments of macroeconomic developments and geopolitical risks, in addition to reporting on key risks and portfolio metrics. • The Committee received briefings on key risk themes in the context of the evolving risk environment in which Barclays operates and the response of management. • The Committee has overseen management in clearly defining the Group's target presence in emerging markets. • The Committee reviewed and approved the Group's approach to managing single name concentration risk. • The Committee received focused business risk updates for each of the main business areas which included assessments of principal risks.
Credit risk and market risk **i.e. the risk of loss from the failure of customers, clients or counterparties to fully honour their obligations to Barclays; or due to market movements.**	• To review and consider vulnerabilities to credit losses in the Group's lending and banking transactions that expose the firm to credit risk. • To review and consider the risk of loss arising from potential adverse changes in the value of the firm's assets and liabilities from fluctuation in market variables.	• The Committee maintained an ongoing focus on credit risk in the context of the external environment. This included consideration of an update on key metrics and exposures by sector and reporting on management actions being taken to mitigate the risk in key portfolios.

Directors' report: Board Risk Committee report (continued)

Areas of focus	Key responsibilities of the Committee	Key activities / actions taken
Treasury and capital risk **i.e. liquidity risk, capital risk and interest rate risk in the banking book.**	• To review capital performance against plan, tracking the capital trajectory, any challenges and opportunities and regulatory policy developments. • To assess liquidity performance against both internal and regulatory requirements, and review any challenges and opportunities. • To monitor capital and funding requirements. • To consider and approve Internal Capital Adequacy Assessment Process (ICAAP) and Internal Liquidity Adequacy Assessment Process (ILAAP) submissions.	• The Committee reviewed capital and liquidity performance and the forecast capital and funding trajectory, including the actions identified by management to manage the Group's capital position. • Following preliminary assessments of the ICAAP and ILAAP by the Committee in early 2025, the Committee subsequently approved the Group's 2025 ICAAP and ILAAP prior to their submission to the PRA. • The Committee considered Barclays' risk appetite framework and strategy for managing significant risk transfer transactions. • The Committee recommended to the Board for approval the Group Recovery Plan. • The Committee considered an update on Barclays' resolvability arrangements, including the testing and assurance activities completed in 2025, and a Group resolution simulation planned for 2026 to ensure our resolution capabilities are execution-ready.
Operational risk **i.e. the risk of loss arising from inadequate or failed processes and systems, human factors or due to external events.**	• To review the Group's operational risk profile and consider specific areas of operational risks, including fraud, operational resilience, cybersecurity, execution risk, technology and data, including the controls that are in place for managing and mitigating such risks.	• The Committee regularly reviewed the Group's operational risk profile through reporting on key metrics and key operational risks, including those relating to transactions operations, technology change, fraud, cyber security and the risks associated with new business activities. • The Committee considered updates on proposed changes to enhance the Operational Risk Management Framework and operational risk appetite statement. • The Committee reviewed and approved under a delegation of authority from the Board the 2025 Group Operational Resilience Self-Assessment assessing Barclays' ability to recover its Important Business Services (IBS) within impact tolerance in severe but plausible scenarios. The Committee subsequently recommended to the Board for approval changes to the impact tolerance thresholds for certain IBS following a review after the 31 January 2025 IT incident that impacted Barclays' business in the UK. • The Committee maintained oversight of cybersecurity risk, including through updates on the Group-wide programme of work to enhance Barclays' cybersecurity capabilities, encompassing activities to strengthen Barclays' risk posture, assessments of the external cyber environment and regulatory commitments. • The Committee received focused updates on AI that included consideration of AI oversight in Barclays, the external AI policy and regulatory landscape and AI-driven cybersecurity risks.
Climate risk **i.e. the risk of financial losses arising from climate change through physical risks and risks associated with transitioning to a lower carbon economy.**	• To consider and assess the impact of climate risk on the Group's activities.	• Through updates on climate risk the Committee considered how climate change is driving financial and operational risks and how Barclays is managing these risks and incorporating them in its capital adequacy assessment. Matters covered in the updates included external regulatory trends, the global policy environment and actions taken to address physical risks. The Committee also considered progress against Barclays' financed emissions reduction targets. • Business risk updates to the Committee from the main business areas included assessments of climate risk.
Model risk **i.e. the potential for adverse consequences from decisions based on incorrect or misused model outputs and reports.**	• To evaluate the appropriateness of the Model Risk Management Framework, including receiving updates on findings in relation to specific modelling processes.	• The Committee received updates on model risk, including in relation to enhancements to the Model Risk Management Framework to address increasing regulatory expectations, including compliance with PRA Supervisory Statement 1/23 "Model risk management principles for banks", and oversight of AI risk management within the Group. • In compliance with the regulatory requirement for the Group's Model Risk Management Policy to be approved by the Board, the Committee approved the Model Risk Framework on behalf of the Board.

Directors' report: Board Risk Committee report (continued)

Areas of focus	Key responsibilities of the Committee	Key activities / actions taken
Compliance risk **i.e. the risk of poor outcomes for, or harm to, customers, clients and markets, arising from the delivery of the firm's products and services (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 (Laws, Rules and Regulations Risk, LRR Risk).**	• To review the effectiveness of the processes and policies by which the Group identifies and manages Compliance risk, including reviewing the effectiveness of the Compliance Risk Framework.	• The Group Chief Compliance Officer reported regularly to the Committee on the Group's compliance risk profile, which included lessons learned reviews undertaken in response to industry developments and external events and the monitoring of ongoing remediation activities. • The Committee received a quarterly Compliance opinion on Group transformation initiatives. • The Committee considered focused updates on key compliance risks including surveillance, trade and transaction reporting and laws, rules and regulations.
Financial Crime risk **i.e. the risk that Barclays and its associated persons (employees or third parties) commit or facilitate financial crime, and/or the firm's products and services are used to facilitate financial crime.**	• To monitor the financial crime risk profile of the Group and how such risk is mitigated.	• The Committee monitored financial crime risk through quarterly updates on the Group-wide programme to enhance financial crime capabilities and opinions from Compliance on Barclays' financial crime risk profile. • The Committee received a compliance focused update on the financial crime risks presented by AI and the risk of exploitation by criminals.
Reputation risk **i.e. the risk that an action, transaction, investment, event, decision, or business relationship will reduce trust in the Group's integrity and/or competence.**	• To evaluate the effectiveness of the Group's management of reputation risk. • To escalate any matter with reputation risk which may have strategic implications for the Group to the Board.	• Updates on reputation risk provided to the Committee included discussion on risk appetite considerations and reviewing enhancements to the approach to identifying and assessing reputation risks.
Legal risk **i.e. the risk of loss or imposition of penalties, damages or fines from the failure of the Group to meet applicable laws, rules, regulations or contractual requirements or to assert or defend its intellectual property rights.**	• To monitor the Group's legal risk profile, including considering potential material emerging legal risks.	• The Committee received periodic updates on emerging legal risks faced by the Group and actions being taken to manage such risks.
Strategic transaction risk	• To satisfy itself that the due diligence process followed for proposed significant and strategic acquisitions or disposals by the Group is thorough.	• The Committee considered the key conclusions from the due diligence conducted on the acquisition of Best Egg, Inc. and the impact of the transaction on the Group's risk profile and overall risk appetite in the context of the Group's strategy, and reported its conclusions to the Board.
Remuneration	• To provide input to the Board Remuneration Committee on performance against risk metrics to be taken into account in annual remuneration decisions.	• In early 2025, the Committee considered the recommended ex-ante risk adjustment for the 2024 incentives pool, which reflected input from the Group Chief Risk Officer and Group Chief Compliance Officer. • The Committee considered the methodology for setting the ex-ante adjustments to the 2025 incentives pool.
Oversight of the Risk and Compliance functions	• To safeguard the independence, and oversee the performance, of Barclays' Risk and Compliance functions. • To satisfy itself that Barclays' Risk and Compliance functions are adequately resourced and have appropriate access to information, so as to be able to perform their functions effectively. • To review and approve the Compliance function's Annual Compliance Plan.	• In early 2026, both the Group Chief Risk and Chief Compliance Officers presented 2025 function effectiveness reviews assessing the performance of their respective functions against their remits. • The Committee reviewed and approved the Annual Compliance Plan and monitored delivery of the plan through a mid-year progress update. • The Committee considered Barclays Internal Audit's assessments of the control environment of the Risk and Compliance functions. • The Committee participated in teach-in sessions from the Risk and Compliance functions, providing deeper insight into the organisational shape and evolution of the functions. • The Committee met privately with the Group Chief Risk Officer and Group Chief Compliance Officer on a regular basis.

Directors' report: Board Sustainability Committee report

Working towards our ambition to be a net zero bank by 2050

and supporting our clients in the transition to a low-carbon economy

Board Sustainability Committee

Nigel Higgins
Chair, Board Sustainability Committee

Committee membership and meeting attendance during 2025[1,2]

Member	Meetings attended/ eligible to attend
Nigel Higgins	**4/4**
C.S. Venkatakrishnan	**4/4**
Robert Berry	**3/4**
Dawn Fitzpatrick	**2/4**
Mary Francis	**4/4**
Brian Gilvary	**2/4**
Diony Lebot*	**3/3**
Julia Wilson	**4/4**

* Diony Lebot joined the Committee on 17 March 2025.

Notes:
1 There were three scheduled Committee meetings and one ad hoc meeting held in 2025. Owing to other commitments or illness, some Directors were unable to attend certain meetings, however they received papers in advance and had the opportunity to share their views with the Chair ahead of the meetings.
2 A non-executive representative from the BBUKPLC Board continues to attend Committee meetings.

Dear Shareholders,

In furtherance of Barclays' ambition to be a net zero bank by 2050, during 2025, the Board Sustainability Committee has focused on monitoring the progress and evolution of the climate and sustainability strategy, particularly how the Group supports clients in the transition to a low-carbon economy, supporting the Board's oversight of these important issues.

Climate change continues to be a critical and complex challenge, and the Committee plays an important role in shaping and overseeing the Group's climate and sustainability strategy, seeking to ensure that Barclays commitments remain robust, credible, and responsive to the rapidly-evolving external environment and to stakeholder expectations.

As part of its discussions, the Committee reviewed the Barclays Transition Update in detail ahead of Board approval and publication in July. The Committee worked closely with management to seek to ensure that the Transition Update set out how Barclays is financing customers' and clients' transition, as it balances its climate ambition and stakeholder expectations, and continues to deliver the strategy whilst taking into consideration the dynamic external environment and risks associated with the transition. Banks are part of the fabric of economies across the world that are striving to align transition, growth and energy security and Barclays is seeking to support its clients with navigating this environment. Discussions centred on the risks and opportunities presented by the transition, with the Committee supporting a pragmatic approach to transition planning. The Transition Update reaffirmed Barclays' ambition to be a net zero bank by 2050, reported progress towards our target to facilitate $1 trillion Sustainable and Transition Finance, and provided more detail on how Barclays could work with clients in key sectors to support decarbonisation, while managing associated risks and opportunities.

It also considered factors that may influence climate transition, and how Barclays could further evolve its strategy and policy positions.

The Committee's discussions were informed by external perspectives, including external legal and policy experts, and underpinned by management's active engagement with our shareholders, NGOs, and other stakeholders, alongside feedback provided directly to me as Group Chairman. The Committee maintained emphasis on transparency and accountability in relation to the climate and sustainability strategy and discussed likely stakeholder impact and reaction to the publication of the Barclays Transition Update. The Committee also received regular updates on external developments, market practice, and regulatory changes.

Beyond climate, the Committee discussed the continuing work to advance Barclays' position on nature and human rights, recognising the growing importance of these issues to our stakeholders and to the long-term sustainability of our business. Acknowledging the close interlock between climate and nature considerations, the Committee encouraged a thoughtful approach to the integration of nature risks and opportunities alongside our existing climate strategy. The Committee also received an update on the ongoing approach to identifying and managing human rights considerations.

Directors' report: Board Sustainability Committee report (continued)

The topics covered by the Committee are reviewed regularly to ensure that members have visibility of the broader sustainability landscape, including material policy, regulatory, legal and political developments in our key markets. Having cross-membership on the Committee with the Chairs of our Board Audit, Remuneration and Risk Committees helps to ensure a streamlined approach to Board-level oversight of all climate and sustainability-related matters.

The Committee continues to have a non-executive representative from the BBUKPLC Board, which provides further connectivity across the Group.

Committee effectiveness

An internal evaluation of the performance of the Committee was conducted for 2025, in line with the provisions of the Code. The results of the review confirmed that the Committee was operating effectively. Further information on the review of the Board and its Committees can be found in the Board Nominations Committee report on page 126.

Looking ahead

Looking ahead, the Committee remains committed to supporting the Board and management in delivering on our sustainability ambitions, monitoring progress against our strategy, and responding proactively to new risks and opportunities. On behalf of the Board, the Committee will continue to seek to ensure that Barclays is well-positioned to support our clients, deliver value to shareholders, and contribute positively to society in line with our Purpose.

Nigel Higgins
Chair, Board Sustainability Committee

9 February 2026

Committee composition and meetings

During 2025, the Committee met four times and attendance by members is shown on page 147. Committee meetings in 2025 were also attended by management representatives including the Group Head of Sustainable and Transition Finance, Head of Public Policy and Corporate Responsibility, and Head of Legal, Public Policy and Corporate Responsibility.

As announced on 6 February 2026, Mary Francis will be stepping down from the Board and as a member of the Committee with effect from 6 May 2026.

As an Executive member of the Committee, our Group Chief Executive, C.S. Venkatakrishnan, brings in-depth climate and sustainability insight to the Committee's discussions, including the views of key external stakeholders. Through his past and current external roles, including as Chair of the Financial Services Taskforce to the Sustainable Markets Initiative, he brings external perspectives on key climate and sustainability matters relevant to the Committee's discussions.

Role of the Committee

The Committee's role is to provide oversight of climate matters and Barclays' sustainability agenda, with particular focus on:

- supporting and advising the Board in its oversight of climate and sustainability matters relating to (i) the services and products provided to Barclays' clients and customers, (ii) particular sectors, and (iii) its own corporate activities
- supporting the Board in monitoring the implementation of the Barclays' climate and sustainability strategy and, if appropriate, making recommendations to the Board as to how to further develop these strategies
- reviewing and making recommendations to the Board on the suitability of, material changes to, the Group's climate and sustainability strategy; and
- 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.

The Committee's terms of reference are available at **home.barclays/who-we-are/our-governance/board-committees/**

Reporting against the Code's principles and provisions

As Barclays PLC is listed on the London Stock Exchange, the principles and provisions of the Code apply, a copy of which can be found at frc.org.uk

For the year ended 31 December 2025, and as at the date of this report, we are pleased to confirm that Barclays PLC has complied in full with the requirements of the Code in force as at 31 December 2025. This section and our Board Governance report sets out how we complied with the Code in 2025.

By virtue of the information included in the Annual Report, we comply with the corporate governance statement requirements of the FCA's Disclosure and Transparency Rules (DTRs). The information required to be disclosed pursuant to DTR 7.2.6 is located on pages 151 to 157. Information in relation to the Board Inclusion and Opportunity Policy, as required to be disclosed pursuant to DTR 7.2.8A, can be found on page 131.

Barclays is permitted by New York Stock Exchange (NYSE) rules to follow UK corporate governance practices instead of those applied in the US. Any significant variations must be explained in Barclays PLC's Annual Report on Form 20-F filing, found at the Securities and Exchange Commission's Electronic Data Gathering, Analysis, and Retrieval (EDGAR) database or on our website home.barclays

The way in which Barclays has applied the principles and provisions of the Code during 2025 is summarised below and on the next page.

Board Leadership and Company Purpose

Our Board governance is designed to deliver an effective and entrepreneurial Board, which discharges its role effectively and efficiently. Details can be found on pages 119 to 120, including our Group-wide governance framework and the Board's responsibilities. Key Board activities for 2025 are set out on pages 122 to 125. The Board is fully supportive of The Barclays Way, which sets out our Purpose, Values and Mindset, and is our Code of Conduct, providing a path for achieving a dynamic and positive culture in the Group. Refer to page 213 for further detail. Our Group Whistleblowing Standard enables colleagues to raise any matters of concern anonymously and is embedded into our business. Further information can be found on page 214. Throughout 2025, we engaged with our stakeholders through a variety of means. Refer to page 26 of the Strategic report for further detail about how Barclays engages with our stakeholders. You can read about how the Board engages with stakeholders in our Section 172(1) statement in the Strategic report from page 41.

Division of Responsibility

The majority of the Board comprises independent Non-Executive Directors. The Group Chairman and Group Company Secretary work in collaboration to ensure an effective and efficient Board, as further described in Our governance framework from page 119. All Directors have access to the advice of the Group Company Secretary.

The roles of Chair, Group Chief Executive, SID and Non-Executive Directors are defined within the Barclays Charter of Expectations, along with the behaviours and competencies for each role, as outlined on page 121.

Directors are expected to commit sufficient time to ensure they can discharge their obligations to Barclays effectively, as detailed in our Board Nominations Committee report on page 126.

The Board is responsible for setting the strategy for the Group. The day-to-day management of the Group is delegated by the Board to the Group Chief Executive, who is supported by his ExCo, the composition of which is outlined on page 118.

Details of the number of meetings of the Board and its Committees, and the individual attendance by Directors, can be found in Our governance framework on page 121 and in each respective Board Committee report.

Composition, Succession and Evaluation

All Board appointments are based on merit against objective criteria and having regard to the Board Inclusion and Opportunity Policy, considering the skills, experience, independence and knowledge required for the Board's effectiveness and to support the continued delivery of the Group's strategy. The Board Nominations Committee oversees succession to both Board and senior management positions.

The Board adopted an updated version of the Board Inclusion and Opportunity Policy in February 2026, as detailed in the Board Nominations Committee report on page 126.

Board appointments are made following a rigorous and transparent process facilitated by the Board Nominations Committee, with the aid of external search consultancy firms.

All Directors are subject to annual re-election at the AGM. See page 152 for further detail.

Each year, an effectiveness review is carried out on the performance of the Board, Board Committees and individual Directors. As permitted by the Code, an internally-facilitated review was conducted for 2025. Refer to the Board Nominations Committee report from page 126 for details, as well as progress against the findings from the externally facilitated Board review for 2024.

Directors' report: How we comply (continued)

Audit, Risk and Internal Control

The Board, together with the Board Audit Committee, is responsible for ensuring the integrity of this Annual Report and that the financial statements as a whole present a fair, balanced and understandable assessment of Barclays' performance, position and prospects.

The Board, together with the Board Audit Committee, is responsible for ensuring the independence and effectiveness of the internal audit function and external auditors.

The Directors are responsible for ensuring that management maintains an effective system of risk management and internal control and for 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.

Processes are in place for identifying, evaluating and managing the principal risks facing the Group. A key component of The Barclays Guide is the ERMF. The purpose of the ERMF is to identify and set minimum requirements of the main risks to the strategic objectives of the Group.

The Group is committed to operating within a strong system of internal control. The Barclays Guide contains the overarching framework setting out the approach of the Group to internal governance.

Effectiveness of risk management and internal controls are 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).

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 oversees the control environment (and remediation of related issues). It also reviews annually the risk management and internal control system.

The Board Audit Committee has concluded that throughout the year ended 31 December 2025, the Group has operated an effective system of internal control that provides reasonable assurance of financial and operational controls and compliance with laws, rules and regulations.

You can read more about the Board Audit Committee and its work, including its oversight of the internal control framework and areas of ongoing enhancement, from page 134.

Remuneration

The Remuneration report from page 158 sets out the purpose and activities of the Board Remuneration Committee, a summary of the remuneration policy for the Executive Directors and how it is aligned with the policy for the wider workforce, as well as the Directors' remuneration outcomes for 2025.

The Group's remuneration policies and procedures support the Group's strategy and enable us to reward sustainable performance, which is a key element of our Remuneration Philosophy. For our Executive Directors, incentive outcomes are based on a structured assessment of performance against key financial and non-financial performance measures, aligned with the Group's strategic priorities. Wider workforce remuneration is reviewed every year by the Remuneration Committee for alignment with (i) Barclays' Remuneration Philosophy and Fair Pay Agenda, (ii) Barclays' Purpose, Values, Mindset, conduct expectations and long-term success, and (iii) Executive Director and senior management remuneration.

All Executive Director and senior management remuneration policies are developed in accordance with the Group's formal and transparent procedures (ensuring that no Director is involved in deciding their own remuneration outcomes) and are, where appropriate, aligned to wider workforce policies. Board Remuneration Committee members exercise independent judgement and discretion when determining remuneration outcomes, considering the Group and individual performance, wider workforce and other relevant stakeholder considerations.

Other statutory and regulatory information

The Directors present their report together with the audited accounts for the year ended 31 December 2025.

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

	Page
Remuneration policy, including details of the remuneration of each Director and Directors' interests in shares	172 to 175 177, 195 to 196
Corporate Governance Statement	149 to 150
Risk review	222

Disclosures required pursuant to Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 as updated by Companies (Miscellaneous Reporting) Regulations 2018 can be found on the following pages:

	Page
Engagement with employees (Sch. 7, Para 11 and 11A 2008/2018 Regs)	30 to 32
Engagement with suppliers, customers and others in a business relationship (Sch. 7, Para 11 B 2008/2018 Regs)	27 to 29 33 to 36 and 210 to 212
Financial instruments (Sch. 7, para 6 2008 Regs)	425
Hedge accounting policy (Sch. 7, para 6 2008 Regs)	427

Disclosures required pursuant to Listing Rule 6.6.1R can be found on the following pages:

	Page
Allotment for cash of equity securities	463
Waiver of dividends	151

Section 414A of the Act requires the Directors to present a Strategic report in the Annual Report and Financial Statements. This report can be found on pages 3 to 61.

The Company has chosen, in accordance with section 414C(11) of the Act, and as noted in this Directors' report, to include certain matters in its Strategic report that would otherwise be disclosed in this Directors' report:

- an indication of likely future developments may be found in the Strategic report
- the particulars of important events affecting the Company since the financial year end can be found in the Strategic report and Note 25 (Legal, competition and regulatory matters) to the financial statements.

Profit and dividends

Statutory profit after tax for 2025 was £7,213m (2024: £6,356m). The 2025 full year dividend of 5.6p per ordinary share will be paid on 31 March 2026 to shareholders whose names are on the Register of Members at the close of business on 20 February 2026.

With the 2025 half year dividend totalling 3.0p per ordinary share, paid in September 2025, the total dividend for 2025 is 8.6p (2024: 8.4p) per ordinary share. The half year and full year dividends for 2025 amounted to £1,200m (2024: £1,216m). BPLC also completed share buy-back programmes during 2025, further details of which can be found later in this section.

Shareholders may have their dividends reinvested in Barclays by joining the Barclays Dividend Reinvestment Plan (DRIP). Further details regarding the DRIP can be found at home.barclays/dividends and shareview.co.uk/info/drip

The nominee company of certain Employee Benefit Trusts (EBTs) holding shares in Barclays in connection with the operation of our employee share plans has lodged evergreen dividend waivers on shares held by it that have not been allocated to employees. The total amount of dividends waived during the year ended 31 December 2025 was £1.2m (2024: £8.4m).

Board of Directors

The names of the current Directors of BPLC, along with their biographical details, are set out on pages 114 to 119 and are incorporated into this Directors' report by reference. Changes to Directors during the year and up to the date of this report are set out below.

Name	Role	Effective date
Diane Schueneman	Non-Executive Director	Resigned 31 January 2025
Diony Lebot	Non-Executive Director	Appointed 17 March 2025
Tim Breedon	Non-Executive Director	Resigned 30 April 2025
Mary Mack	Non-Executive Director	Appointed 1 June 2025

As announced on 6 February 2026, Mary Francis will be stepping down from the Board with effect from 6 May 2026.

Directors' report: Other statutory and regulatory information (continued)

Appointment and retirement of Directors

The appointment and retirement of Directors is governed by our Articles, the Code, 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 among the Directors and any Director so appointed holds office only until the next AGM and may offer themselves for re-election. The Code recommends that all directors of companies listed in the commercial companies category should be subject to annual re-election. All Directors, other than Mary Francis who is to retire from the Board prior to the AGM, intend to offer themselves for re-election at the 2026 AGM.

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 2025 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 Group also maintains Directors' and 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 2025 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 trustees' activities in relation to the Barclays Bank UK Retirement Fund, Barclays Capital International Pension Scheme (No.1) and Barclays PLC Funded Unapproved Retirement Benefits Scheme.

Political donations

The 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, nor did it incur any political expenditure during the year. In accordance with the US Federal Election Campaign Act, Barclays provides administrative support to a federal Political Action Committee (PAC) in the US, funded by the voluntary political contributions of eligible employees.

The PAC is not controlled or funded by Barclays and all decisions regarding the amounts and recipients of contributions are directed by a steering committee comprising employees eligible to contribute to the PAC.

Contributions to political organisations reported by the PAC during the calendar year 2025 totalled $123,000 (2024: $75,000).

Country-by-Country reporting

The Capital Requirements (Country-by-Country reporting) Regulations 2013 require the Company to publish additional information in respect of the year ended 31 December 2025. This information is included in the Barclays Country Snapshot available on the Barclays website: home.barclays/annualreport

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

Barclays' commitment to inclusion includes ensuring 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.

Research and development

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

Directors' report: Other statutory and regulatory information (continued)

Greenhouse gas emissions, energy consumption and energy efficiency action

We are working towards achieving net zero operations as part of our ambition to be a net zero bank by 2050. This includes setting and meeting various milestones[1] and targets[1] to reduce our operational emissions, with significant progress already made.

We pursue this recognising that our progress is likely to be non-linear amid the significant uncertainties around the transition to a low-carbon economy. This is because projects will take time to be fully realised and because we depend on external factors, including changes in legislation, regulation and governmental policy, as well as the decarbonisation efforts of our Third-Party Service Providers (TPSPs)[2] and the energy grids in the markets where we operate.

We aim to continue evaluating and evolving our approach, taking into consideration internal management decisions and external factors, including the latest scientific developments and market standards.

Progress to date

Barclays has achieved all its 2025 net zero operations milestones and targets, including continuing to source 100%[Δ] renewable electricity for our global real estate portfolio[3] and reducing our Scope 1 and 2 market-based emissions by 97%[Δ] against a 2018 baseline - exceeding our 90% reduction target.

We maintained 100%[Δ] renewable electricity sourcing for our global real estate portfolio through instruments, including green tariffs[4] (2%), energy attribute certificates[5] (EACs) (49%), and EACs from a power purchase agreement (PPA) (49%).

We are also making progress towards our 2030 Scope 1 and 2 location-based emissions reduction milestone, having by the end of 2025, reduced these emissions by 62%[Δ] against a 2018 baseline. This progress was driven by:

- A reduction in our operational energy demand from the consolidation of our global real estate portfolio.
- Improvements in energy efficiency of our global real estate portfolio.
- The targeted electrification of our global real estate portfolio and our vehicle fleet.
- The decarbonisation of external grids in the markets where we operate.

We have disclosed global GHG emissions and energy use data as required by the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. See the Sustainability Data Centre for further details on our operational GHG emissions, including our Scope 1, Scope 2 (location and market-based) and Scope 3 operational emissions. We also provide insights on our annual waste production, energy, water consumption and renewable electricity sourcing.

For further information about Barclays net zero operations milestones and targets progress and approach see page 93.

Notes:

Δ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub:https://home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

1 In this section, a reference to a 'milestone' denotes an indicator we are working towards and report against and a reference to a 'target' denotes an indicator linked to our executive remuneration.

2 TPSP means any entity that has entered into an arrangement with Barclays in order to provide business functions, activities, goods and/or services to Barclays.

3 In this section a reference to global real estate portfolio includes offices, campuses, branches, warehouses and data centres within our operational control.

4 Green tariffs (retail procurement) are standardised renewable electricity products in regulated electricity markets offered by utilities, allowing large commercial and industrial customers to buy bundled renewable electricity through a special utility tariff rate. Project-specificity is not a requirement for retail procurement.

5 EACs are standardised, tradable instruments, that prove that generally 1 MWh of renewable electricity has been generated from a renewable source and added to a grid.

The Sustainability Data Centre within the Sustainability Resource Hub can be found at **home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/**

Directors' report: Other statutory and regulatory information (continued)

GHG Emissions Table and Notes

	Current Reporting Year[1] 2025[2]		Previous Reporting Year[1] 2024	
	UK & Offshore Area	**Global**	**UK & Offshore Area**	**Global**
Operational GHG Emissions[3] (tCO_2e)				
Total[4] Scope 1, Scope 2 location-based, Scope 3 operational GHG emissions (000' tonnes)	**118.2**	**266.2** Δ	124.9	271.7
Scope 1 CO_2e emissions (000' tonnes)[5]	**3.6**	**5.2** Δ	3.6	8.9
Scope 2[6] location-based CO_2e emissions (000' tonnes)	**26.8**	**74.9** Δ	32.0	84.8
Scope 3 CO_2e emissions (000' tonnes)[7]	**87.8**	**186.1**	89.3	177.9
Category 3 fuel and energy-related activities CO_2e emissions (000' tonnes)	**10.5**	**19.3** Δ	11.0	11.3
Category 5 waste generated in operations CO_2e emissions (000' tonnes)	**0.05**	**0.35** Δ	0.09	0.21
Category 6 business travel CO_2e emissions (000' tonnes)	**15.7**	**38.1** Δ	18.6	45.3
Category 7 employee commuting CO_2e emissions (000' tonnes)	**42.7**	**99.8** Δ	41.7	92.8
Category 8 upstream leased assets CO_2e emissions (000' tonnes)	**18.9**	**27.8** Δ	18.1	27.5
Category 13 downstream leased assets CO_2e emissions (000' tonnes)	**0**	**0.66** Δ	0	0.77
Energy consumption used to calculate Scope 1 and Scope 2 operational GHG emissions (MWh)[8]	**161,493**	**324,185** Δ	172,213	337,388
Intensity Ratio				
Total 12-Month Average Full-Time Employees (FTE)	**45,052**	**92,769**	43,421	91,500
Total CO_2e per FTE (000' tonnes)[9]	**2.62**	**2.87** Δ	2.88	2.97
Market-based emissions[10]				
Scope 2 market-based CO_2e emissions (000' tonnes)[6]	**0.05**	**2.1** Δ	0	1.8
Total Scope 1[4] and 2 market-based CO_2e emissions (000' tonnes)	**3.6**	**7.3**	3.6	10.7

Notes:

1 The operational emissions reporting year is 1 October to 30 September. The operational emissions reporting year is not fully aligned to the financial reporting year covered by this Directors' report. Details of our approach to assurance over the data is set out on page 53 of the Barclays PLC Annual Report 2025. In this table operational GHG emissions have been presented as thousands of tonnes of carbon dioxide equivalents. The absolute GHG emissions data can be found in Barclays PLC Sustainability Data Centre: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

2 We have incorporated emissions from Tesco Bank operations following Barclays' acquisition of Tesco Bank on 1 November 2024 and excluded emissions from Hamburg operations following Barclays' sale of its consumer finance business in Germany on 3 February 2025. Please see the Sustainability Reporting Framework for details on our operational emissions accounting approach.

3 The methodology used to calculate our GHG operational emissions follows the 'Greenhouse Gas Protocol (GHG): A Corporate Accounting and Reporting Standard (Revised Edition)', defined by the World Resources Institute/World Business Council for Sustainable Development. We have adopted the operational control approach to define our organisational boundary for our Scope 1 and Scope 2 emissions. We continuously review and update our performance data based on updated GHG emission factors, improvements in data quality and updates to estimates previously applied. For 2025, we have applied the latest emission factors as of 31 December 2025.

4 In this section, our total accounted operational GHG emissions include Scope 1, Scope 2 (location-based) and Scope 3 Category 3, 5-8 and 13. All figures are gross and do not include netted figures from carbon credits. Scope 3 Category 3 and 7 currently are not part of our net zero operations approach.

5 Scope 1 emissions include our direct GHG emissions from natural gas, diesel and other fuels, corporate vehicles and HFC refrigerants. In the case of corporate vehicles, emissions are limited to UK vehicles only as this is the only country where expense data is available.

6 Scope 2 GHG emissions include our indirect GHG emissions from purchased electricity, purchased heat, cooling and steam. In 2025, we gained enhanced visibility into our district heating and cooling, and electricity consumption from our corporate electric vehicle charging. As a result, this data update has been incorporated into our 2025 Scope 2 market-based and location-based emissions.

7 GHG emissions from Scope 3 Category 1, 2 and 4 are excluded as these emissions cannot be broken down by country. GHG emissions from Scope 3 Category 1, 2 and 4 can be found in the Operational Footprint tab of the Sustainability Data Centre.

8 Energy consumption data is captured through utility billing; meter reads or estimates. Principal measures we have undertaken in 2025 to improve energy efficiency include the following:
- Right-sized our global real estate portfolio, therefore optimising our space and associated resources for our operational needs.
- Continued implementing our energy optimisation programme across selected locations in our global real estate portfolio. The programme aims to reduce energy demand of existing infrastructure during periods of low or no occupancy and to increase energy efficiency during normal operating hours.

The measures build on those taken during 2024 to implement our net zero operations strategy.

Further information about our energy efficiency measures is available on **page 95** of the Barclays PLC 2025 Annual Report.

9 Intensity ratio calculations have been calculated using total accounted operational GHG emissions as reported in footnote 4.

10 For Scope 2 market-based emissions we have used a zero emission factor where we have green tariffs or energy attribute certificates in place globally.

Δ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current and previous limited assurance scope and conclusions can be found within the Sustainability Resource Hub for further details:https://home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/

Directors' report: Other statutory and regulatory information (continued)

Share capital

Share capital structure

The Company has ordinary shares in issue. The Articles also allow for the issuance of sterling, US dollar, euro and yen preference shares (preference shares). No preference shares have been issued as at 6 February 2026 (the latest practicable date for inclusion in this report). Ordinary shares therefore represent 100% of the total issued share capital as at 31 December 2025 and as at 6 February 2026 (the latest practicable date for inclusion in this report).

Details of the movement in ordinary share capital during the year can be found in Note 27 to the financial statements.

The rights and obligations attaching to the Company's ordinary shares and preference shares are set out in the Articles, a copy of which is available on the Company's website at home.barclays/corporategovernance.

Voting

Every member who is present in person or represented at any general meeting of the Company, and who is entitled to vote, has one vote on a show of hands. Every proxy present has one vote on a show of hands. The proxy will have one vote for, and one vote against, a resolution if they have been instructed to vote for, or against, the resolution by different members or in one direction by a member while another member has permitted the proxy discretion as to how to vote.

On a poll, every member, who is present in person or by proxy and who is entitled to vote, has one vote for every share held. In the case of joint holders, only the vote of the senior holder (as determined by the order in the share register) or their proxy may be counted. If any sum payable remains unpaid in relation to a member's shareholding, that member is not entitled to vote that share or exercise any other right in relation to a meeting of the Company unless the Board otherwise determines.

If any member, or any other person appearing to be interested in any of the Company's ordinary shares, is served with a notice under Section 793 of the Act and does not supply the Company with the information required in the notice, then the Board, in its absolute discretion, may direct that that member shall not be entitled to attend or vote at any meeting of the Company.

The Board may further direct that, if the shares of the defaulting member represent 0.25% or more of the issued shares of the relevant class, dividends or other monies payable on those shares shall be retained by the Company until the direction ceases to have effect and no transfer of those shares shall be registered (other than certain specified 'excepted transfers'). A direction ceases to have effect seven days after the Company has received the information requested, or when the Company is notified that an excepted transfer of all of the relevant shares to a third party has occurred, or as the Board otherwise determines.

Transfers

Ordinary shares may be held in either certificated or uncertificated form. Certificated ordinary shares may be transferred in writing in any usual or other form approved by the Group Company Secretary and executed by or on behalf of the transferor.

Transfers of uncertificated ordinary shares must be made in accordance with the Act and the CREST Regulations.

The Board is not bound to register a transfer of partly paid ordinary shares or fully paid shares in exceptional circumstances approved by the FCA.

The Board may also decline to register an instrument of transfer of certificated ordinary shares unless (i) it is duly stamped, deposited at the prescribed place and accompanied by the share certificate(s) and such other evidence as reasonably required by the Board to evidence right to transfer, (ii) it is in respect of one class of shares only, and (iii) it is in favour of a single transferee or not more than four joint transferees (except in the case of executors or trustees of a member).

The Company is not aware of any agreements between holders of securities that may result in restrictions on the transfer of securities or voting rights.

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 or (subject to the effect of any economic sanctions that may be in force from time to time) by current UK 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.

Exercisability of rights under an employee share scheme

EBTs operate in connection with certain of the Group's Employee Share Plans (Plans). The trustees of the EBTs may exercise all rights attached to the shares in accordance with their fiduciary duties, other than as specifically restricted in the documents governing the Plans. The trustees of the EBTs have informed the Company that their normal policy is to abstain from voting in respect of the Barclays shares held in trust. The trustees of the Global Sharepurchase EBT and UK Sharepurchase EBT may vote in respect of Barclays shares held in the EBTs, but only as instructed by participants in those Plans in respect of their partnership shares and (when vested) matching and dividend shares. The trustees will not otherwise vote in respect of shares held in the Sharepurchase EBTs.

Special rights

There are no persons holding securities that carry special rights with regard to the control of the Company.

Major shareholders

Major shareholders do not have different voting rights from those of other shareholders. Information provided to the Company by substantial shareholders (holding voting rights of 3% or more in the financial instruments of the Company) pursuant to the DTRs are published via a Regulatory Information Service and is available on the Company's website. As at 31 December 2025, the Company had been notified under Rule 5 of the DTRs of the following holdings of voting rights in its shares.

Directors' report: Other statutory and regulatory information (continued)

Person interested	Number of Barclays Shares	% of total voting rights attaching to issued share capital[1]	Nature of holding (direct or indirect)
BlackRock, Inc.[2]	944,022,209	5.78	indirect

Notes:
1 The percentage of voting rights detailed above was calculated at the time of the relevant disclosures made in accordance with Rule 5 of the DTRs.
2 Total shown includes 6,687,206 contracts for difference to which voting rights are attached. Part of the holding is held as American Depositary Receipts.

Between 31 December 2025 and 6 February 2026 (the latest practicable date for inclusion in this report), the Company has not received any additional notifications pursuant to Rule 5 of the DTRs.

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. The Directors are authorised to issue and allot shares and to buy back shares subject to, and on the terms of, the annual shareholder approval at the AGM. Such authorities were granted by shareholders at the 2025 AGM. It will be proposed at the 2026 AGM that the Directors be granted new authorities to issue and allot and buy back shares.

Repurchase of shares

During 2025, the Company completed two ordinary share buy-back programmes and commenced a further buyback programme on 27 November 2025 which completed on 30 January 2026.

As at 31 December 2025 the programmes had repurchased in aggregate 635,700,571 ordinary shares for an aggregate consideration of £2,220m. All the repurchased shares, representing approximately 4.6 % of the issued share capital of the Company have been cancelled. The purpose of the buy-back programmes was to reduce the Company's number of ordinary shares.

As at 6 February 2026, the remaining ordinary shares which could be repurchased under the authority for on-market share buy-backs granted at the 2025 AGM is 1,067,372,569. The table below sets out the details of shares repurchased and settled as at 31 December 2025[1]:

Commencement	Completion	Buyback amount	Ordinary shares repurchased	Average price per share
14/2/2025	24/7/2025	£1bn	324,428,384.00	£3.0823
30/7/2025	26/11/2025	£1bn	262,093,958.00	£3.8154
27/11/2025	Up to 31/12/2025	£220m	49,178,229.00	£4.4654

Note:
1 Between 1 January 2026 and 30 January 2026 a further 58,141,636 shares were repurchased for an aggregate consideration of £280m.

Distributable reserves

As at 31 December 2025, the distributable reserves of the Company were £20,234m (2024: £20,866m).

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.

Controls over financial reporting

A framework of disclosure controls and procedures is in place to support the approval of the financial statements of the 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 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 control 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; and (b) International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), including interpretations issued by the IFRS Interpretations Committee.

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 2025. 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 2025.

Directors' report: Other statutory and regulatory information (continued)

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 345 to 359.

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 Group's internal control over financial reporting.

Preparation of accounts and audit report

Disclosure of information to the auditor

Each Director confirms that, so far as he/she is aware, there is no relevant audit information of which our auditor is unaware and that each of the Directors has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that our 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 statement, which should be read in conjunction with the Auditor's report set out on pages 382 to 395 is 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

The Group's business activities and factors likely to affect its future development and performance are disclosed in the Strategic report and Risk review sections of this report. The financial performance is disclosed within the Financial review with funding, liquidity and capital details contained within the Risk performance section. The Group's objectives and policies in managing the financial risks to which it is exposed are discussed in the Risk management section.

The Directors considered it appropriate to prepare the financial statements on a going concern basis.

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

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

Preparation of accounts

The Directors are required by the Act to prepare Group and Company accounts for each financial year and, with regard to 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; and (b) IFRS as issued by the IASB, including interpretations issued by the IFRS Interpretations Committee. 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 Group and the Company and of their profit or loss for that period.

The Directors consider that, in preparing the financial statements, the Group and the Company have used appropriate accounting policies, supported by reasonable judgements and estimates, and that all accounting standards that 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 Group and Company's position and performance, business model and strategy.

The 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.

Directors' responsibility statement

The Directors have responsibility for ensuring that the Company and the Group keep accounting records that disclose with reasonable accuracy the financial position of the Company and the Group and that enable them to ensure that the accounts comply with the Act.

The Directors are also responsible for preparing a Strategic report, Directors' report, Directors' remuneration report and Corporate Governance Statement in accordance with applicable law and regulations.

The Directors are responsible for the maintenance and integrity of the Annual Report and Financial Statements as they appear on our website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors, whose names and functions are set out on pages 114 to 117 confirm to the best of their knowledge that:

(a) the financial statements, prepared in accordance with (i) UK-adopted international accounting standards; and (ii) IFRS as issued by the IASB, including interpretations issued by the IFRS Interpretations Committee, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and

(b) the management report, which is represented by the Strategic report and Directors' report, includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Auditor's report

The Auditor's report on the Financial Statements of Barclays PLC for the year ended 31 December 2025 was unmodified and its statement under Section 496 of the Act was also unmodified.

By order of the Board

Hannah Ellwood
Group Company Secretary

9 February 2026

Registered in England.
Company No. 48839
Registered office: 1 Churchill Place, London E14 5HP

Remuneration report

Rewarding sustainable performance

Ensuring pay supports the delivery of our strategy, and aligns with the interests of our shareholders and other stakeholders.

Board Remuneration Committee

Brian Gilvary
Chair, Board Remuneration Committee

Committee membership and meeting attendance during 2025[1,2]

Member	Meetings attended/ eligible to attend
Brian Gilvary	**6/6**
Dawn Fitzpatrick	**6/6**
Mary Francis	**6/6**
Sir John Kingman	**6/6**
Julia Wilson	**6/6**
Nigel Higgins[3]	**5/5**

Notes:
1 The Committee is composed solely of independent Non-Executive Directors.
2 There were five scheduled meetings and one ad hoc meeting of the Committee in 2025.
3 Nigel Higgins was appointed to the Committee on 31 January 2025.

Contents

Dear Shareholders

On behalf of the Board, I am pleased to present the Remuneration report for 2025, setting out our key considerations and the remuneration decisions we took – both for the Executive Directors of Barclays PLC and for the wider workforce.

First, I would like to thank Mary Francis for her contribution over nine years on the Committee, she will be stepping down from the Committee and the Board with effect from 6 May 2026.

I would also like to thank you, our shareholders, for the support you showed at our 2025 Annual General Meeting. Our current Directors' Remuneration Policy (DRP), which applies for three years from the date of that meeting, was approved with 97% of shareholder votes in favour, and the implementation during 2024 of our previous DRP was approved with 98% of shareholder votes in favour.

In my statement last year, I described how we engaged with shareholders representing c.60% of our register, as we developed our current DRP. We remain grateful for the time our shareholders invested, and the feedback they provided, which was invaluable to the Committee as we reflected upon our formulation of that policy.

Performance

As always, our remuneration approach is rooted in our commitment to reward sustainable performance, considering the views and experiences of our stakeholders.

In 2025, the second year of our three-year plan to improve Barclays' operational performance and drive structurally higher and more consistent returns, we have continued to make good progress, meeting all our 2025 targets, strengthening our controls and continuing to manage our risks prudently.

Group income was £29.1bn, up 9% year on year, driven by growth in more stable income streams. We continued to invest in talent and technology, control our costs and further simplify the bank, achieving c.£700m of gross cost savings, exceeding our full year target of c.£500m. Our continued cost discipline and positive operating leverage have led to an improvement in the cost to income ratio to 61%, in line with guidance. Our RoTE was 11.3%, in line with our upgraded guidance of greater than 11%, with all five divisions generating double-digit returns.

This performance has enabled higher shareholder distributions, with a total payout of £3.7bn for 2025 – up 25% year on year, and on track to return at least £10bn to shareholders from 2024 to 2026 as planned. We remain well capitalised, with a CET1 ratio of 14.3%. Our CET1 ratio and the move to quarterly buybacks, announced alongside our Q3 2025 results, reflect the consistency of Barclays' capital generation. The progress we have made is also reflected in Barclays share price, which increased by 77% over the course of 2025, trading above tangible net asset value per share by year end.

Each of our businesses contributed to this performance, delivering operational improvements and driving a better customer and client experience, which is reflected in increased satisfaction scores across the Group.

- In Barclays UK, we remained focused on enhancing customers' experiences and deepening relationships. Loans and advances to customers increased by 4%, with strong net mortgage growth and higher card balances.
- The UK Corporate Bank delivered robust income growth of 16% year on year, underpinned by a strong deposit franchise and growing debt balances. Corporate lending was up 18% year on year as we continued to increase lending market share, by 1 percentage point to 9.6%.
- Private Bank and Wealth Management strengthened its capabilities and service, supporting clients across the UK and priority international markets, and grew client assets and liabilities by 9% year on year.

Remuneration report (continued)

- The Investment Bank increased RoTE by 2.1 percentage points to 10.6%, by focusing on more stable income streams and on disciplined client management, capital deployment, and technology enhancements to improve client experience.
- The US Consumer Bank integrated the General Motors partnership, added another three million customers organically, and grew our retail deposit balances by 20% year on year.

Barclays' momentum over the last two years has raised our expectations of what Barclays can deliver, and this is reflected in the new targets to 2028 set out on page 13. As we pursue this higher ambition for Barclays, our people's commitment and dedication to delivering to a consistently excellent standard will be central to our success.

In recognition of this, we are granting all our colleagues below the Managing Director level, excluding Material Risk Takers[1], a Global Share Award of 110 Barclays shares each, worth around c.£500[2] per participant, which will need to be retained until after we announce our full year 2027 results. This share award, following a similar award in 2025, will further reinforce the alignment of colleagues' interests with those of our shareholders and ensure our colleagues participate directly in the success of the Group.

Colleague remuneration

In setting this year's incentive pool, the Committee considered Barclays' financial and non-financial performance, and the performance of the businesses that make up the Group, in both absolute and relative terms, including our risk and control resilience and an assessment of the levels of risk that are inherent in the Group's operations. We also looked to manage the challenges of the competitive global market – to attract and retain the talent required to deliver against our strategy – especially in areas where competitive pressures have in recent years driven market pay levels higher than had been expected.

Taking all of this into account, the Committee approved a Group incentive pool for 2025 performance of £2,208m (2024: £1,914m), up 15% year on year. This was in the context of a 13% increase in profit before tax and RoTE of 11.3% (2024: 10.5%).

This level of incentive funding for 2025 reflects performance across the Group, and enables us to reward colleagues for the outcomes they have helped to achieve. It allows us to recognise the significant progress made so far against our three-year plan, and selectively to address the specific competitive market pressures that we face.

Alongside rewarding sustainable performance, our Fair Pay Agenda underpins all our remuneration decisions – paying colleagues fairly for the work they do and appropriately recognising the contributions of all. A central element of our Fair Pay Agenda is paying at least a living wage, and we ensure that we meet or exceed externally-sourced living wage benchmarks in every jurisdiction in which our employees are based.

You can read more about our Fair Pay Agenda from **page 166**

Executive Director remuneration

Determining the Executive Directors' pay outcomes

The Committee considered the Executive Directors' annual bonus and LTIP outcomes in the context of the Group's performance and the performance of each Executive Director during 2025.

The 2025 annual bonus outcome was 83% of maximum for both C.S. Venkatakrishnan (known as Venkat) and Anna Cross (2024: 81% for Venkat and 80.5% for Anna). Profit before tax provided a 48% outcome out of a possible 55%, and cost: income ratio provided an 8.5% outcome out of a possible 10%. Performance against the strategic non-financial measures resulted in a 9% outcome out of a possible 15%. The personal performance of each of the Executive Directors against their strategic objectives was also assessed and taken into account, recognising the significant progress made over 2025 (17.5% for both Venkat and Anna out of a possible 20%).

The 2023-2025 LTIP (granted under the old DRP) was the first LTIP granted to Anna following her appointment as Group Finance Director in 2022, and is her first LTIP vesting. The LTIP vesting outcome for both Executive Directors was 77.3%, reflecting TSR performance above upper quartile, average RoTE towards the upper end of the target range, and good performance against the strategic non-financial measures. The value of this LTIP has increased since it was awarded, due to the significant increase in the Barclays share price over that period, which accounts for 59% of the LTIP value shown for both Venkat and Anna this year. Over the same performance period, Barclays' market capitalisation increased by 162% to £66bn, and c.£9.7bn[3] was returned to shareholders through dividends and share buybacks. The Committee also satisfied itself that there was no 'windfall gain' in respect of the LTIP, as outlined on page 184.

Group income
£29.1bn
2024: £26.8bn

Group profit before tax
£9.1bn
2024: £8.1bn

Group RoTE
11.3%
2024: 10.5%

Group cost: income ratio
61%
2024: 62%

Group CET1 ratio
14.3%
2024: 13.6%

Group compensation to income ratio
31.8%
2024: 32.7%

Group incentive pool
£2,208m
2024: £1,914m

Notes:
1 Employees at Managing Director grade or who have been identified as Material Risk Takers are typically awarded shares as part of their deferred compensation.
2 At the 5 February 2026 mid-market closing share price.
3 Refers to the total capital distributions announced in relation to 2023, 2024 and 2025, including the share buyback announced at FY25 results.

Remuneration report (continued)

As we do every year, before finalising the bonus and LTIP outcomes, the Committee reflected on whether they were appropriate in the context of the underlying financial health of the Group, bonus outcomes for the wider workforce, and also compared to historical outcomes for the Executive Directors in the context of performance each year. The Committee concluded that the outcomes were appropriate and that no discretionary adjustment was needed.

For both Executive Directors, the single total remuneration figures for 2025 are higher than for 2024, by 29% for Venkat and 173% for Anna. This is due to the significant share price growth over the LTIP performance period, and for Anna due to this being her first LTIP vesting. Excluding the impact of share price appreciation each year, Venkat's single figure would have been 9% higher than for 2024. Excluding the LTIP vesting, Anna's single total remuneration figure would have been 2% higher than for 2024, with a higher bonus largely offset by her fixed pay reduction following shareholder approval of the DRP at the 2025 AGM.

More information on the Executive Directors' pay outcomes is provided from page 176.

The Executive Directors' pay in 2026

As part of the DRP review over 2024 and early 2025, the Committee carefully considered the performance measures used within the Executive Directors' annual bonus and LTIP awards, taking into account shareholder feedback received through the consultation.

Measures and weightings for the 2025 annual bonus and 2025-2027 LTIP were strongly aligned with our strategy and shareholder priorities.

Having reviewed these measures in the context of 2026 plans and targets, and the new Group and business performance targets to 2028, the Committee considers that these measures effectively link our Executive Directors' pay outcomes to performance against our key strategic priorities, and concluded that these same measures should continue to apply for the 2026 annual bonus and the 2026-2028 LTIP awards.

For the 2026-2028 LTIP cycle, the Committee decided to grant awards with a face value at grant of 550% of salary for Venkat and 500% of salary for Anna, reflecting the personal contribution made by each to strong 2025 performance – and to provide each with a significant incentive award subject to forward-looking performance conditions during 2026 to 2028.

Fixed pay for the Executive Directors was amended in May 2025, reduced by almost half and renamed 'salary', following the approval of the DRP. In early 2026, the Committee reviewed the level of salary for Venkat and Anna, in the same way and at the same time as fixed pay was reviewed for the wider workforce, and decided to increase Venkat's salary by 3.2% to £1,641,000 and Anna's salary by 5.3% to £1,000,000, effective from 1 March 2026.

The salary increase percentage for Anna is slightly higher to reflect her competitive pay positioning, though her maximum total compensation opportunity will remain in the lower quartile compared to our international banking peer group, as shown in the charts below. After the salary increase for Venkat, his maximum total compensation opportunity will be positioned between lower quartile and median compared to our international banking peer group.

More information on the Executive Directors' salary increases for 2026 is provided on page 187.

Shareholder alignment

The proportion of the total variable pay awards to Venkat and Anna in respect of 2025 performance (2025 annual bonus plus 2026-2028 LTIP) that will be in shares is 79% and 78% respectively, to be retained for a period of between one and five years from grant. See the section on 'Changes to UK remuneration regulations for banks' for more information on how the Executive Directors' incentive awards will be delivered, following those regulatory changes.

Shareholding requirements also apply to each Executive Director, further aligning their interests with those of our shareholders. Both Venkat and Anna already have significant shareholdings in excess of their respective requirements.

Executive Director maximum total compensation opportunity relative to market benchmarks

Group Chief Executive
C.S. Venkatakrishnan

International banking peer group

Group Finance Director
Anna Cross

International banking peer group

A Lower quartile B 3rd quartile C 2nd quartile D Upper quartile
◆ Positioning of maximum total compensation opportunity at Barclays relative to market benchmarks

Notes:

- Barclays and market benchmark data reflect maximum total compensation opportunity, excluding pension and benefits.
- Benchmark data was provided by Willis Towers Watson, based on publicly disclosed data in respect of each company's 2024 or 2024/25 financial years, incorporating assumptions where companies do not disclose a maximum total compensation opportunity.
- Barclays' international banking peer group currently comprises the following international banks: Bank of America, BNP Paribas, Citigroup, Deutsche Bank, Goldman Sachs, HSBC Holdings, JPMorgan Chase & Co, Lloyds Banking Group, Morgan Stanley, Standard Chartered, and UBS Group.

Remuneration report (continued)

Group Chair and Non-Executive Director fees

Each year, the Committee reviews the fees for the Group Chair, and the Board reviews the fees for the other Non-Executive Directors, to ensure those fees reflect the roles, responsibilities and time commitments expected, and the calibre of individual needed to support and oversee the implementation of our strategy.

At our most recent review of the Group Chair's fee, from which the Group Chairman recused himself, the Committee observed that the fee was materially below the fee levels at other UK-listed banks of similar size and complexity. As a result, the Committee approved a fee for the Group Chair of £1,000,000 per annum, with effect from 1 January 2026, an 8.1% increase. The Committee noted that the Group Chair's fee remains materially below the Chair's fee at relevant peers, and will review this again over the coming year.

The Board also reviewed the other Non-Executive Directors' fees and approved an increase of 3.2%, effective 1 January 2026 (with the relevant Non-Executive Directors having recused themselves from those discussions).

The Board intends to undertake a more detailed review of Non-Executive Directors' fees over the coming year. This review will consider the fees in absolute terms and relative to market fee rates at banking peers, with a particular focus on the fees for committee chairs and members, to ensure that these are commensurate with the associated responsibilities and the required time commitments.

Looking ahead

As we move into 2026, the Committee maintains its commitment to rewarding sustainable performance.

We will use our remuneration policies and practices to incentivise the Executive Directors and the management team to achieve the Group's targets for 2026, and to deliver sustainably higher returns in the future in line with the Group's 2028 targets. As part of this, we have already been considering how the recent changes to UK remuneration regulations for banks should be implemented, as explained in the box above.

Changes to UK remuneration regulations for banks

On 15 October 2025, the PRA and FCA published updated remuneration rules for UK-regulated banks, including simpler and more competitive incentive deferral requirements for employees who are deemed to have a material risk impact on their firm – known as Material Risk Takers (MRTs). We believe the new rules will, in time, enhance the domestic and international competitiveness of the UK banking sector.

Following the publication of these regulations, the Committee has worked with management to consider how best to implement these changes to support the sustainable success of Barclays. In determining how these changes should influence our approach to pay, the focus is on balancing critical factors in line with our remuneration philosophy – continuing to provide a competitive pay proposition to attract and retain the talent required to deliver against our strategy; rewarding sustainable performance; and ensuring pay remains aligned with risk appetite, risk exposure, conduct expectations and stakeholder interests.

For the Executive Directors, key elements of their pay structure were reviewed and amended as part of the DRP approved at the 2025 AGM. That DRP remains unchanged, but the updated regulations have enabled us to align the delivery of their incentives more closely to typical pay structures for executive directors of other UK-listed companies, as follows:

- For the annual bonus, the Committee determined that the starting delivery structure would be 50% deferred into shares vesting over three years and the remainder paid in cash shortly after the end of the performance period. If an Executive Director has exceeded their shareholding requirement, the Committee each year may elect to reduce that deferral to 25%. For the 2025 annual bonus, the Committee considered the Executive Directors' existing shareholdings – in each case well in excess of their respective shareholding requirements – and decided that 25% deferral should apply this year.
- For the 2026-2028 LTIP, 75% of the award will vest on the third anniversary of grant and 25% on the fourth anniversary, followed by holding periods such that the shares that vest must be retained until at least the fifth anniversary of grant (save for sales to cover taxes payable on vesting).
- The updated regulations also allow for existing awards to be updated retrospectively, to bring them into line with the new deferral rules. The Committee determined that the one-year post-vesting holding periods will be removed from deferred bonus awards and most LTIP awards previously granted to the Executive Directors, to simplify those arrangements, given that the Executive Directors already exceed their shareholding requirements. Holding periods will not be removed for any LTIP tranche where to do so would result in it being released before the fifth anniversary of grant. No other changes are being made to the Executive Directors' in-flight awards.

We will continue to engage with our shareholders and other stakeholders on pay, and will be available to meet with our shareholders to discuss pay outcomes for 2025 and implementation of our DRP in 2026, and how this supports our strategic priorities.

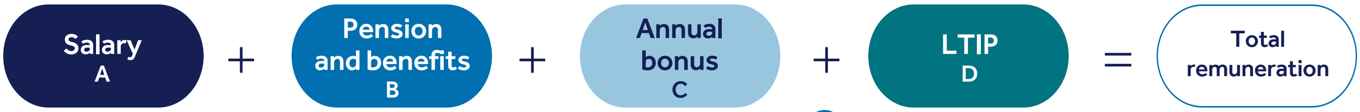
Beyond this, we will maintain focus on our Fair Pay Agenda, continuing to support our colleagues and ensuring the way we pay our people supports the long-term health and success of the Group.

Brian Gilvary
Chair, Board Remuneration Committee

February 2026

Remuneration report (continued)

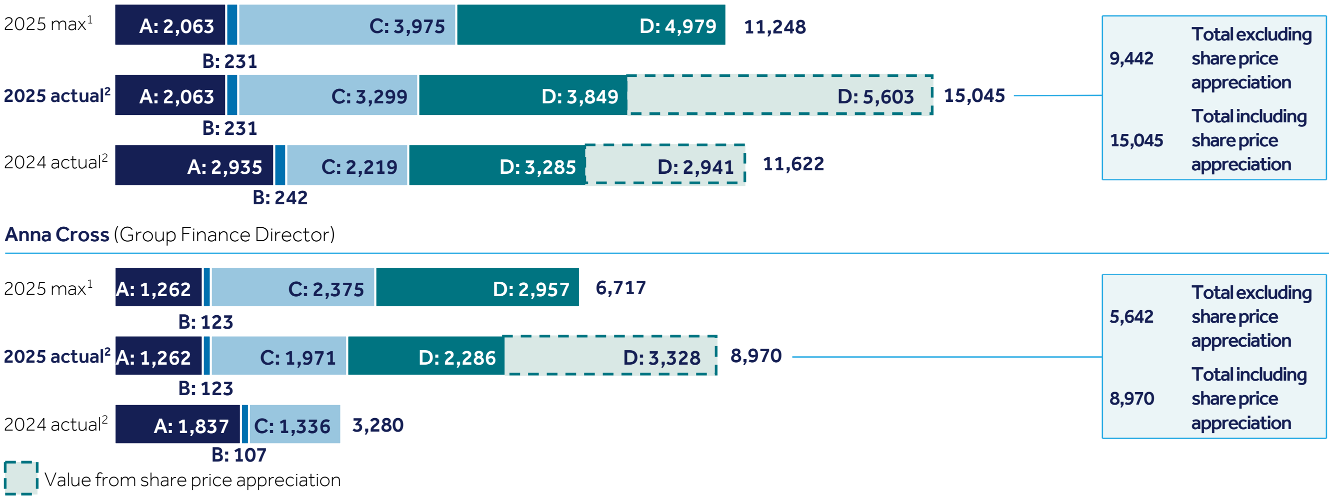
At a glance – Executive Director remuneration for 2025



See single total figure for 2025 remuneration on **page 176.**

Total remuneration outcomes (£000)

C.S. Venkatakrishnan (Group Chief Executive) — **2025 single total remuneration figure**



1 The 2025 maximum opportunity figures include the actual 2025 value of earned fixed pay and pension and benefits (reflecting the reduction in fixed pay from 7 May 2025), the maximum 2025 annual bonus opportunity, and the maximum 2023-2025 LTIP award value at grant, based on the maximum number of shares that could have vested and the market share price on the date of grant.

2 2025 and 2024 actual show the figures from the 'single total figures for 2025 remuneration' table, including fixed pay, pension and benefits received during each year, the annual bonus awarded in respect of performance each year, and the LTIP cycle with its performance period ending that year (2025: 2023-2025 LTIP; 2024: 2022-2024 LTIP). The LTIP value for Anna Cross's 2024 actual total remuneration is nil as she did not participate in the 2022-2024 LTIP cycle.

Annual bonus outcome

Measures	Weighting	C.S. Venkatakrishnan	Anna Cross
Financial[3]	**65%**	**56.5%**	**56.5%**
• Profit before tax	55%	48.0%	48.0%
• Cost: income ratio	10%	8.5%	8.5%
Strategic non-financial	**15%**	**9.0%**	**9.0%**
Strategic objectives	**20%**	**17.5%**	**17.5%**
Total	**100%**	**83.0%**	**83.0%**
Final outcome approved by the Committee		**83.0%**	**83.0%**

3 The financial measures are defined as excluding material items.

LTIP outcome

Measures	Weighting	C.S. Venkatakrishnan and Anna Cross
Financial[3]	**70%**	**57.0%**
• Average RoTE	25%	18.9%
• Average CIR	10%	3.1%
• Maintain CET1 ratio	10%	10.0%
• Relative TSR	25%	25.0%
Strategic non-financial	**20%**	**13.5%**
Risk scorecard	**10%**	**6.8%**
Total	**100%**	**77.3%**
Final outcome approved by the Committee		**77.3%**

Proportion delivered in shares[4]

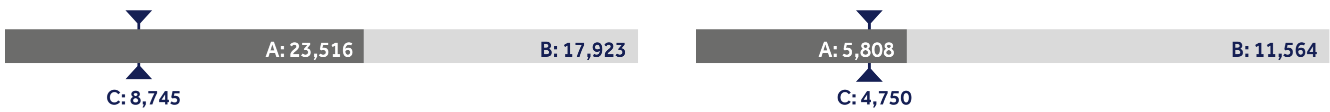
	C. S. Venkatakrishnan	Anna Cross
of 2025 variable pay	**79%**	**78%**
of 2025 total remuneration	**70%**	**69%**

4 2025 variable pay comprises the actual 2025 annual bonus and the grant-date face value of the 2026-2028 LTIP award that will be granted in respect of 2025 performance. 2025 total remuneration consists of 2025 variable pay, 2025 Fixed Pay/salary and pension and benefits.

Share ownership (£000)

Shareholding shown as at 31 December 2025, using the Q4 2025 average share price of £4.1493.

C.S. Venkatakrishnan — **Anna Cross**



A Actual shareholdings, including unvested shares not subject to performance conditions (estimated after-tax value).
B Unvested shares subject to performance conditions (estimated after-tax value), which do not count towards the shareholding requirement.
C Shareholding requirement under the current DRP, based on salaries as at 31 December 2025.

Remuneration report (continued)

At a glance – Executive Director remuneration for 2026

Policy implementation for 2026

Performance year	Year 1	Year 2	Year 3	Year 4	Year 5	
Salary						
Paid in cash						• CEO: 3.2% increase to £1,641,000 effective 1 March 2026. Paid in cash. • GFD: 5.3% increase to £1,000,000 effective 1 March 2026. Paid in cash.
Pension and benefits						
Benefits and cash in lieu of pension						• CEO: Pension: £164,100 effective 1 March 2026, equal to 10% of salary. Benefits: entitlement as per the policy. • GFD: Pension: £100,000 effective 1 March 2026, equal to 10% of salary. Benefits: entitlement as per the policy.
Annual bonus						
Performance period	Cash[5]					• Up to 250% of salary, based on forward-looking performance measures set near the start of the year.
	Deferral in shares[5]	Deferral in shares[5]	Deferral in shares[5]			
LTIP						
Preliminary performance period	Three-year performance period	Three-year performance period	Three-year performance period	Deferral in shares and holding period[6]	Deferral in shares and holding period[6]	• Up to 550% of salary for the CEO and 500% of salary for the GFD, based on forward-looking performance measures set shortly before the time of grant.
Shareholding requirement						
Shareholding requirement continues to apply	Shareholding requirement continues to apply	Shareholding requirement continues to apply	Shareholding requirement continues to apply	Shareholding requirement continues to apply	Shareholding requirement continues to apply	• Shareholding requirement: 550% of salary for the CEO and 500% of salary for the GFD. Shareholding requirements extend for two years after stepping down as an Executive Director.

5 The starting position is that 50% of annual bonus will be deferred in shares over three years, but the Committee will review this each year and, if the Executive Directors have met their shareholding requirements, may reduce this deferral to 25%. The remaining amount will be delivered in cash.
6 LTIP awards will vest in two tranches: 75% will vest after year 3, subject to a two-year holding period, and 25% will vest after year 4, subject to a one-year holding period. The combined vesting and holding period for the entire LTIP award is five years.

Alignment of performance measures and strategy

Performance measures	Weighting in 2026 annual bonus	Weighting in 2026-2028 LTIP	Alignment to strategy	Direct alignment to stakeholder groups
Financial				
Profit before tax (with a CET1 ratio underpin)	55%		A measure of annual financial performance and a key factor that drives RoTE	I
Cost: income ratio	10%		A measure of the efficiency of our business operations	I
Return on tangible equity (RoTE)		50%	A measure of the returns we generate for shareholders	I
Relative total shareholder return		25%	A measure of share performance (comprising share price appreciation and dividends paid), measuring Barclays' performance relative to a peer group of other international banks	I
Strategic objectives	20%		Individual objectives for each Executive Director, aligned to our strategic priorities	CC C I
Strategic non-financial	15%		Includes the Group's non-financial key performance indicators, including Customers, clients & colleagues as key stakeholder groups, and Risk & operational excellence, which is fundamental to operating at a consistently excellent standard to deliver sustainable performance	CC C I
Sustainability, customers and clients		25%	Includes longer-term objectives relating to climate and sustainability, as a strategic priority, and customers and clients as a key stakeholder group	CC S I

CC Customers and clients C Colleagues S Society I Investors

Remuneration report (continued)

Wider workforce remuneration

Our remuneration philosophy

Our remuneration philosophy applies to all employees, including the Executive Directors, and sets out the way we approach remuneration. It aims for remuneration to be as simple and clear as possible, while ensuring strong alignment with risk and conduct as well as our Values and Mindset.

Our philosophy guided the 2025 remuneration decisions set out in this report.

Philosophy	
Attract and retain talent needed to deliver Barclays' strategy	Long-term success depends on the talent of our employees. This means attracting and retaining an appropriate range of talent to deliver against our strategy, and paying the right amount for that talent.
Align pay with investor and other stakeholder interests	Remuneration should be designed with appropriate consideration of the views, rights and interests of stakeholders. This means listening to our shareholders, other investors, regulators, government, customers and employees and ensuring their views are appropriately represented in remuneration decision-making.
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.
Support Barclays' Values and culture	Results must be achieved in a manner consistent with our Values. Our Values, culture and Mindset should drive the way that business is conducted.
Align pay with risk appetite, risk exposure and conduct expectations	Remuneration should be designed to reward employees for achieving results in line with the Group's risk appetite and conduct expectations.
Be fair, transparent and as simple as possible	We are committed to ensuring pay is fair, simple and transparent for all our stakeholders. All employees and stakeholders should understand how we reward our employees, and fairness should be a lens through which we make remuneration decisions.

Role of the Remuneration Committee in wider workforce remuneration

The Committee considers the overarching objectives, principles and parameters of remuneration policy across the Group, ensuring a coherent approach in respect of all employees. In discharging this responsibility, the Committee seeks to ensure the policy is fair, transparent and avoids complexity. It assesses, among other things, the impact of pay arrangements on the Group's culture, Values and strategy, and on all elements of risk management.

The Committee performs the following activities in relation to wider workforce remuneration:

- Reviews alignment of remuneration with the remuneration philosophy, Fair Pay Agenda, Barclays' Purpose, Values, Mindset, conduct expectations and long-term success;
- Reviews alignment of wider workforce and Executive Director remuneration policies;
- Approves the incentive pool and reviews wider workforce pay outcomes;
- Reviews budgets for fixed pay increases.

Remuneration report (continued)

How stakeholder views are considered in remuneration decisions

We seek to consider the views of all our stakeholders in remuneration decision-making, including views of customers and clients, colleagues, investors, regulators, and how we impact society more broadly.

Customers and clients

The Remuneration Committee factors in performance against customer- and client-related measures when determining the incentive outcomes for the Barclays PLC Executive Directors, and when determining the Group incentive pool.

For the Executive Directors' 2026 annual bonus, those measures are included within a broader category of measures relating to Customers, clients & colleagues, weighted 10%. The assessment will focus on how Barclays is driving world-class outcomes for customers and clients and is likely to include the following measures:

- Improve customer and client satisfaction
- Reduce customer complaints
- Maintain rankings and market share in Barclays Investment Bank
- Increase digital engagement.

For the 2026-2028 LTIP, customer- and client-related measures are included as part of the broader category of measures relating to Sustainability, customers & clients, weighted 25%.

Colleagues

We engage with colleagues to understand their views through our regular all-colleague Your View surveys, union and works council engagements, and 'townhall' meetings. We also engage with colleagues through our Employee Resource Groups, webcasts, and workshops.

Our ongoing engagement with Unite the union in the UK covers a range of topics, such as fair pay and how we support colleagues through workforce change programmes, and this enables the views of colleagues to be shared with senior leaders to inform decision-making. For further details on our 2026 pay offer, please see the 'Salary increase budgets for 2026' section on the next page.

We publish information on our HR Hub intranet site to explain to colleagues how the Group's performance and pay approach aligns to the Fair Pay Agenda, and to help them understand the employee benefits Barclays provides, so they can make the most of what is on offer. To communicate pay in a clear way, each colleague receives a Compensation Profile detailing their fixed pay and incentives for the previous year and their fixed pay for the following year.

Society

The Remuneration Committee factors in performance against sustainability-related measures when determining the incentive outcomes for the Barclays PLC Executive Directors, and when determining the Group incentive pool.

For the 2026-2028 LTIP, sustainability-related measures are included as part of the broader category of measures relating to Sustainability, customers & clients, weighted 25%. The sustainability-related measures are likely to include financing clients' transition, reducing our financed emissions, achieving net zero operations, and supporting our communities.

As part of our commitment to fair pay, Barclays has been an accredited Living Wage Employer since 2013. This means that all our employees and relevant third-party contractors in the UK are paid at least a 'real Living Wage', as set by the Living Wage Foundation. Employees outside the UK are also paid at least a living wage, in line with benchmarks provided by the Fair Wage Network. For further details, please see the 'Living wage review' section on the next page.

Investors

We recognise that remuneration is an area of particular interest to shareholders. We listen to their views and take these into account when setting remuneration outcomes or considering changes to remuneration policies.

Accordingly, the Group Chairman or Remuneration Committee Chair holds meetings each year with major shareholders and representative groups to understand their views, accompanied by senior Barclays employees. This kind of engagement helps inform the Committee's work and contributes directly to the decisions it makes in relation to Executive Directors' remuneration.

In developing our current Directors' Remuneration Policy (DRP), which was approved by shareholders at the 2025 AGM, we engaged extensively with shareholders and had meetings with shareholder representative bodies and proxy agencies. The feedback provided was invaluable, and the DRP reflects their input, striking a balance across the relevant factors.

Regulators

We regularly review and update our remuneration policies in response to changes in regulation. Each year, our remuneration policies and processes are independently reviewed by the Barclays Internal Audit or Chief Controls Office functions to provide assurance that we are compliant with regulatory requirements.

In 2025, we maintained active engagement with our regulators to explain our approach to performance and pay, and to understand their perspectives. Regulator feedback was considered in our remuneration decisions for 2025. We also responded to the PRA/FCA's consultation on the recent changes to UK bank pay regulations. We continue to ensure we have ongoing regulatory dialogue on relevant topics relating to remuneration.

Remuneration report (continued)

Spotlight on

Fair pay at Barclays

Our Fair Pay Agenda is central to our remuneration approach and is a key consideration for all of our pay decisions. Since we first published our Fair Pay Agenda in 2018, we have continued to make improvements to how we pay and support our colleagues.

Our fair pay principles

Fair pay for the lowest paid
Paying fairly for work done, in a simple and transparent way.

Equal opportunities to progress
Providing equal employment opportunities to all, so everyone can enjoy a successful career at Barclays.

Engaging with colleagues
Engaging with colleagues to understand their views on the culture of the organisation and enabling the representation of employees in our remuneration decision-making process.

Alignment of employee and Executive Director pay
Linking both Executive Director and employee pay to sustainable business performance.

Equal pay commitment
Rewarding employees fairly for their contribution and making sure pay and performance decisions never take into account any protected characteristics.

Fair pay for the lowest paid

Fair pay means paying the right salary, awarding the right incentives, providing the right benefits, and delivering the right level of support in the workplace.

Living wage review

- Paying at least a living wage to all our colleagues in all our locations is at the heart of our Fair Pay Agenda. We continue to meet or exceed living wage benchmarks in all our locations, as set by the Living Wage Foundation in the UK and the Fair Wage Network across other locations[1].
- Minimum hourly pay rates for India and US will increase to INR163 and $23.50 respectively from 1 March 2026, exceeding applicable living wage benchmarks. For the UK, minimum hourly pay rates remain subject to agreement of the 2026 pay deal with Unite the union but will in any case exceed the Living Wage Foundation rates.

Salary increase budgets for 2026

- We targeted our salary increase budgets so there are higher increases for the most junior colleagues.
- In the UK, for over 36,000 employees covered by Unite the union, we offered a salary increase budget of c.4.0% for junior employees, and c.3.2% overall (subject to agreement of the 2026 pay deal with Unite).

Benefits

Colleagues are eligible to receive a range of benefits relevant to their location. Developments for this year include:

Barclays Premier Account offering in the UK

- In July 2025, all UK colleagues were given access to Barclays Premier Banking, which offers a suite of exclusive products, services, and benefits.

Enhancements to benefits in India

- During 2025, we increased critical illness cover by 50% and introduced a minimum life insurance payout above prior levels for our lowest-paid employees, providing greater financial security for them and their families.

Parental leave

- From 1 January 2026, we increased our UK paternity leave from two weeks to 16 weeks, and our Asia Pacific non-primary caregiver leave from six weeks to 10 weeks, supporting colleagues balancing work and personal life. For further details, please see page 31.

Wellbeing

- We remain committed to supporting our colleagues' wellbeing and equipping people leaders with practical guidance informed by our Your View colleague surveys to embed wellbeing into everyday working life.
- Our Be Well service has seen record engagement, with over 53,000 (55%) colleagues registered on the wellbeing portal and over 1,450 volunteer champions.
- To support financial wellbeing, we provide learning to all colleagues globally. In the UK, we offer a 'Money Mentors for Me' service, providing guidance on budgeting, goal setting and money confidence, and we run a 'Talk Money Week' to help normalise conversations about financial wellbeing and signpost support.

Pay transparency

- Since 2024, Barclays HR systems have provided managers with improved access to pay data for their teams and salary ranges by job (where available), supporting pay decisions.

Note:
1 Living wage rates for employees in Jersey are sourced from Caritas Jersey, a charity affiliated with the Living Wage Foundation.

Remuneration report (continued)

Spotlight on

Fair pay at Barclays (continued)

Equal opportunities to progress

Barclays is an equal opportunities employer. This means we want to recruit, recognise, reward, and retain talented individuals from all backgrounds.

Performance management and recognition

- Our continuous performance management approach encourages ongoing feedback and personal development.
- At the end of each year, colleague performance is assessed on 'what' they have delivered and 'how' they have achieved it, as well as leadership behaviours (for all people leaders). To support leaders with making informed decisions, all colleagues receive globally cascaded objectives aligned with our consistently excellent standard, and our HR system captures feedback, development, goals, and recognition moments in one place to support decision-making.
- In 2025, we upgraded the 'Recognition at Barclays' platform to improve user experience. Approximately 1.5 million thank yous were received during 2025 and a colleague was recognised every 22 seconds on average.

Inclusion and Opportunity

- We are evolving our approach to Inclusion and Opportunity, with a focus on empowering our colleagues and leaders, engaging our communities and driving company success. We remain committed to creating a workplace where everyone feels valued and respected, within a culture of belonging and equal opportunity for all.

Talent programmes and skills development

- We are committed to unlocking potential, so colleagues have a clear path to succeed in their careers. To support this, we progressed our global Talent Excellence Programme to enhance how we identify potential and provide high-quality development opportunities.
- We continue to invest in building the skills needed now, and in the future, supporting colleague development and enabling career progression. Our HR system enables colleagues to create personalised career profiles, access tailored learning, and identify open jobs that match their skills, supporting career development conversations.

Pay gaps

- We disclose pay gaps in line with location-specific requirements, including for the UK, Ireland, France and Japan.

For more detail on our pay gaps reports, please refer to the *Other* section of our Annual Reports webpage: **home.barclays/annual-reports**

Engaging with colleagues

We engage with colleagues to understand their views on the culture of the organisation through our colleague surveys, union and works council engagement and other means.

Unite

- During 2025, Barclays maintained its constructive partnership with Unite, our recognised UK trade union representing 80% of our UK workforce (which equates to 39% globally)[1].

Colleague surveys

- These surveys give colleagues the opportunity to share their views on Barclays as a place to work, while also providing insights to help us improve the colleague experience.

Communicating performance and pay

- Each year, people leaders receive guidance on how to communicate performance and pay decisions. Colleagues are also able to access key materials via the HR Hub intranet pages.

For further details on how we engage with colleagues, please see **page 165**.

Note:
1 Barclays UK acquired Kensington Mortgage Company (KMC) on 1 April 2023 and Tesco Bank on 1 November 2024. KMC and Tesco Bank headcount is not included in these figures.

85% Colleague engagement (2024: 85%)

Colleague engagement is derived from the responses to three questions in our Your View survey that measure advocacy, motivation and sense of personal accomplishment.

87% Wellbeing index (2024: 87%)

Measures the psychological wellbeing of our colleagues.

81% Inclusion index (2024: 81%)

Measures how included our colleagues feel.

Remuneration report (continued)

Spotlight on

Fair pay at Barclays (continued)

Alignment of employee and Executive Director pay

To ensure that we reward appropriately, we review performance through financial and non-financial lenses and assess individual performance. This approach applies to executives, senior management and all other employees.

Element	Junior employees	Senior employees	How Executive Director policy aligns
Fixed pay	Reflects the individual's role, skills and experience and is reviewed annually. Fixed pay is increased where justified by role change, increased responsibility or a change in the market rate for the role. Salaries may also be increased in line with local statutory requirements and with union and works council commitments.		Reflects the individual's role, skills and experience, and is reviewed annually in the context of market pay rates and any changes in scope/responsibility. Annual increases will typically be no more than the average increase for UK employees.
Delivery	All in salary for most, paid in cash. Some roles are also entitled to receive certain cash allowances.	All in salary for most. For a small number of senior employees (2% globally) a proportion is delivered in Role Based Pay (RBP), in cash or shares, to recognise the seniority, scale and complexity of their role.	All in salary, paid in cash. No entitlement to any allowances.
Pension	Competitive pension offering set by location. Minimum of 12% of salary for more-junior colleagues in the UK.	Competitive pension offering set by location. Minimum of 10% of salary in the UK.	The Executive Directors receive cash in lieu of pension equal to 10% of salary.
Benefits	Market-aligned benefits offering appropriate to the role and reflecting local market practice to support with health and wellbeing.	Market-aligned benefits offering, but typically a lower proportion of total pay than for junior employees.	Market-aligned benefits offering, but typically a lower proportion of total pay than for the wider workforce.
Annual bonus	Annual bonuses incentivise and reward the achievement of Group, business and individual objectives, and reward employees for demonstrating individual behaviours in line with Barclays' Values and Mindset. All eligible employees are considered.		Assessed against predetermined measures to align with financial performance, strategic objectives and strategic non-financial key performance measures.
Delivery	In cash following the performance year.	For many, a proportion of annual bonus is delivered in deferred cash and/or shares. Annual bonus deferral will always meet regulatory requirements.	A proportion of annual bonus is deferred in shares. Across the annual bonus and any LTIP award combined, deferral will always meet regulatory requirements.
Long Term Incentive Plan (LTIP) award	Not applicable to the wider workforce.		The value received from LTIP awards depends on assessment of performance over a three-year period against Group-wide financial and non-financial measures. Delivery is in shares with release after the fifth year from grant.
All-employee share plans	Barclays operates all employee share plans in locations representing 99% of employees globally. These plans provide an opportunity for eligible employees to acquire Barclays shares on beneficial terms.		

Alignment of pay decisions

While the approach to pay for the Executive Directors is aligned to that for the wider workforce, the incentives approach for Executive Directors is significantly more structured, as required by institutional shareholders for directors of UK-listed companies. This can lead to greater year-on-year volatility in incentives outcomes for the Executive Directors compared to the norms for other colleagues.

For 2025, the bonus pool for the wider workforce increased, as did the incentive outcomes (annual bonus and LTIP) for the Executive Directors, reflective of strong performance.

Employee share awards

In recognition of our colleagues' collective effort and dedication to delivering to a consistently excellent standard, we are granting each of our colleagues[1] an award of 110 Barclays shares in early 2026. This share award, following a similar award in 2025, reinforces the alignment between our colleagues' and shareholders' interests.

Note:

1 Except for employees at Managing Director grade and Material Risk Takers, for whom a portion of compensation is typically delivered in shares.

Remuneration report (continued)

Spotlight on

Fair pay at Barclays (continued)

Equal pay commitment

We believe that colleagues should be appropriately and fairly rewarded for their contribution. Employees must be rewarded fairly with regard to their specific role, responsibilities, and other factors that properly affect pay.

Pay decisions must not take into account any protected characteristics.

While legal definitions of 'equal pay' vary, our commitment to rewarding colleagues fairly is the same everywhere.

There are times where differences in pay are justified, even among employees performing the same or similar roles. These may include differences in individual performance, the geography in which each role is based, or external market conditions.

Delivering on our commitment:

Employees must be rewarded fairly, with regard to their specific role, seniority, responsibilities, skills, experience and other factors that properly affect pay

Performance and pay decisions must not, directly or indirectly, take into account an individual's gender, age, ethnicity, religion, sexual orientation, marital status, pregnancy, maternity, parental leave, veteran status, disability or any other protected characteristic

We provide manager guidance and training to make it clear that pay and performance decisions must reflect an individual's role and contribution

We have robust processes to review and challenge performance and pay decisions

We work closely with Unite the union to review the fairness of performance management and pay distribution for the employees they cover in the UK

We are actively making our approach to fair pay more transparent for employees

Employees are encouraged to engage with their people leader if they have concerns about their pay and they can also raise an HR query. We will investigate any grievance raised by an employee, which includes any issues relating to pay

We will continue to conduct our assurance activities to ensure that performance ratings and pay outcomes remain fair and free from bias

Remuneration report (continued)

Incentive pool and annual bonus outcomes for 2025

Determining the Group incentive pool

In determining the 2025 Group incentive pool, the Committee considered:

- the Group's financial and non-financial performance during 2025
- the performance of individual businesses within the Group and their contributions to our targets and strategy
- the Group's capital position and current and future risks
- the need to reward strong performers appropriately, as well as recognising colleagues who have exemplified the Barclays Values and Mindset
- compensation market data and expected market trends, to maintain competitiveness where performance warrants.

The Committee used its judgement to reach a balanced decision on the level of the Group incentive pool, in line with our remuneration philosophy.

The 2025 incentive pool supports outcomes that reflect the performance of the Group without paying more than is necessary. It will also support the Group's continuing ability to attract, retain and reward colleagues who will drive the delivery of the Group's strategy and sustainable growth for shareholders in the future.

On that basis, the Committee approved a Group incentive pool for 2025 performance of £2,208m (2024: £1,914m), up 15% compared to the final incentive pool for 2024. The incentive pool reflects risk and conduct adjustments of £252m.

The Group incentive pool and Group Chief Executive bonus outcomes

The incentive approach for our Executive Directors is significantly more structured than for other employees, as required by institutional shareholders for directors of UK-listed companies.

This more-structured approach, with a need for direct alignment to specific financial performance metrics, leads to greater year-on-year volatility in incentive outcomes – both up and down – for the Executive Directors compared to other employees.

For 2025, like every year, the Committee considered the Executive Director bonus outcomes in the context of the bonus outcomes for the wider workforce, ensuring appropriate alignment both this year and over a multi-year period.

It also reviewed the historical outcomes for the Executive Directors in the context of performance each year. It concluded they were appropriate in the context of the performance achieved.

Group incentive pool and Group Chief Executive bonus outcomes over the years

Key performance metrics	2020	2021	2022	2023	2024	2025
Profit before tax	£3,065m	£8,194m	£7,012m	£6,557m	£8,108m	£9,139m
RoTE	3.2 %	13.1 %	10.4 %	9.0 %	10.5 %	11.3 %
CET1 ratio	15.1 %	15.1 %	13.9 %	13.8 %	13.6 %	14.3 %
Group compensation to income ratio	34.2 %	34.7 %	33.5 %	34.4 %	32.7 %	31.8 %

A Group incentive pool (£m)
B Risk and conduct adjustments (£m)
Group Chief Executive bonus outcome (% of maximum)

Annual percentage change in fixed pay of the Group Chief Executive and employees

The annual percentage change in fixed pay earned in 2025, compared to 2024, is -30% for the Group Chief Executive, as his fixed pay was significantly reduced under the new DRP (and renamed as 'salary'), and +4% for the UK employee median – reflecting the salary increases awarded in early 2025.

Full details and supporting narrative.
See page 192

Group Chief Executive pay ratio: 248:1

Our Group Chief Executive median pay ratio for 2025 is up compared to 2024 (201:1). This principally reflects the increase in the value of the Group Chief Executive's LTIP due to share price growth since it was granted.

Full details and supporting narrative.
See page 191

Sustainability and remuneration

Executive Directors

The Committee reviews the Executive Directors' incentive measures each year to ensure they continue to support the delivery of our strategic priorities, including climate and sustainability priorities.

The Executive Directors' annual bonus and LTIP awards include sustainability-related measures, aligned with the Group's evolving sustainability ambitions, metrics and targets. As most of our climate and sustainability-related measures and targets are longer term, and progress towards these targets is expected to be non-linear and is best assessed over a multi-year period, the climate measures are included in the Executive Directors' LTIP. For the 2026-2028 LTIP, the climate and sustainability measures are included as part of the broader category of measures relating to Sustainability, customers & clients, weighted at 25%. The climate and sustainability measures will likely include financing clients' transition, reducing our financed emissions and achieving net zero operations, as well as supporting our communities.

Additionally, 10% of the 2026 bonus will be determined on a combination of colleague measures, including engagement, culture and inclusion, and measures relating to customers and clients, including improving customer and client satisfaction, reducing customer complaints, maintaining rankings and market share in Barclays Investment Bank, and increasing digital engagement. Risk & operational excellence measures are weighted at 5% in the 2026 bonus, as the management of risk underpins delivery against our strategy. Outcomes will be determined based on an assessment of performance against a range of measures, including risk awareness and operational excellence.

Other employees

Barclays' performance against non-financial measures, including climate and sustainability-related measures, is factored into the determination of the Group incentive pool – impacting annual bonus awards of all employees. In determining the Group incentive pool for 2025 performance, the measures used for the non-financial assessment included climate and sustainability-related measures focused on our progress towards our Sustainable and Transition Financing target, reductions in our financed emissions, reductions in our operational emissions, and investing in our communities.

The incentive pool is also adjusted to take account of risks, both crystallised and potential future risks, and consideration is given to vulnerabilities across all of Barclays' principal risks, which include climate risk.

Individual bonus outcomes are determined based on Group, business, and individual performance. Performance for all colleagues is assessed against individual performance objectives, which are aligned to the consistently excellent standard and include sustainability considerations where relevant. Specific sustainability-related objectives will depend on the role of the individual.

The Group Executive Committee members responsible for Barclays' five business divisions have specific climate and sustainability-related objectives relevant to the businesses they manage included in their performance objectives and assessment.

Remuneration report (continued)

Directors' Remuneration Policy (DRP)

The DRP was approved by shareholders at the AGM on 7 May 2025, receiving 97% of shareholder votes in favour. It took effect from that date and will apply for a maximum of three years. A summary of the policy for the Executive Directors, its implementation during 2025, and the intended implementation for 2026 is set out below. More information on the implementation of the policy is provided on page 187. The full policy, including recruitment and leaver provisions, and the policy for the Non-Executive Directors, can be found on pages 204 to 213 of the 2024 Annual Report, which is available at **home.barclays/annualreport**.

Remuneration policy summary – Executive Directors

Element and purpose	Operation	Implementation for 2025	Implementation for 2026

Salary
To support the recruitment, retention and development of the right calibre of individual for the role.
	• Factors considered in determining salary include:
	  • the size and scope of the role, taking into account the size, complexity and breadth of the organisation
	  • the skills, experience and performance of the individual
	  • market practice and market data.
	• The salary for each Executive Director is reviewed annually. Percentage increases will normally be no more than the average annual percentage increase for UK employees, though may be higher if the Committee considered it appropriate.
	• Paid in cash, monthly via payroll.
	• No performance measures or malus and clawback provisions apply.
		Effective 7 May 2025 (i.e. following shareholder approval of the policy):
		C.S. Venkatakrishnan
		£1,590,000
		Anna Cross
		£950,000.
			Effective 1 March 2026:
			C.S. Venkatakrishnan
			3.2% increase to £1,641,000
			Anna Cross
			5.3% increase to £1,000,000.

Pension To support Executive Directors to build long-term retirement savings.	• An annual cash allowance is provided in lieu of participation in a pension arrangement, paid monthly via payroll. • The cash allowance value is currently 10% of salary. The Committee may adjust this provided that the maximum allowance does not exceed the employer pension contribution rate provided to the wider UK workforce. • No performance measures or malus and clawback provisions apply.	Effective 7 May 2025 (i.e. following shareholder approval of the DRP): C.S. Venkatakrishnan £159,000 Anna Cross £95,000 (10% of salary).	Effective 1 March 2026: C.S. Venkatakrishnan £164,100 Anna Cross £100,000 (10% of salary).
Benefits To provide a competitive and cost-effective benefits package appropriate to the role and reflecting local market practice, and to support the health and wellbeing of the Executive Directors.	• Benefits provision includes, but is not restricted to, private medical cover, annual health check, life assurance and ill health income protection, and use of a Company vehicle and driver for business purposes (including any tax liabilities that may arise from these benefits). • Mobility benefits may be provided in accordance with Barclays' general employee mobility policies and practices if an Executive Director relocates to perform their role. • The maximum value of the benefits is determined by the nature of the benefit itself, and costs of provision may depend on external factors, e.g. insurance costs. • No performance measures or malus and clawback provisions apply.	Benefits as per policy.	Benefits entitlement will remain unchanged.

Remuneration report (continued)

Remuneration policy summary – Executive Directors (continued)

Element and purpose	Operation	Implementation for 2025	Implementation for 2026
Annual bonus To reward delivery of short-term financial targets and strategic objectives, and the individual performance of the Executive Directors in achieving those. Delivery in part in shares increases alignment with shareholders and encourages longer-term focus.	• The maximum annual bonus opportunity is 250% of salary for each of the Group Chief Executive and the Group Finance Director. • Awards are discretionary and actual outcomes are based on an assessment of Executive Directors' performance in the year, measured against financial and other strategic objectives. • The Committee sets performance measures, weightings and targets near the start of each year. Financial measures will normally make up at least 65% of annual bonus opportunity. • Discretion can be applied by the Committee to ensure the level of annual bonus outcome is reflective of the performance of the Group and the individual over the period. • Annual bonus awards are typically delivered as a combination of cash and shares, a proportion of which may be deferred, ensuring that the proportion of variable pay (annual bonus and LTIP combined) that is deferred is no less than required by regulations. • Malus and clawback provisions apply.	In respect of 2025 performance year: C.S. Venkatakrishnan's annual bonus was £3,299,000 (83.0% of maximum) Anna Cross's annual bonus was £1,971,000 (83.0% of maximum) 25% of the bonus award will be deferred into shares vesting over three years and 75% will be paid in upfront cash.	C.S. Venkatakrishnan and Anna Cross up to 250% of salary. Performance measures and weightings for the 2026 annual bonus remain unchanged from those for the 2025 annual bonus.
Long Term Incentive Plan (LTIP) award To incentivise execution of Barclays' strategy over the longer term. The multi-year performance period and deferral into Barclays shares encourage a long-term view and serve to align Executive Directors' interests with those of shareholders.	• The maximum annual LTIP award is 550% of salary for the Group Chief Executive and 500% of salary for the Group Finance Director, with actual award levels determined based on satisfactory performance over the prior year (the preliminary performance period). • Awards are typically granted as conditional rights to receive Barclays shares at no cost. They are structured so no part of the award vests before the third anniversary of grant, the final tranche is released no earlier than the fifth anniversary of grant, and so that when combined with the annual bonus the proportion of variable pay that is deferred is no less than required by regulations. • Vesting of each award is dependent on performance against targets over the three-year period commencing with the year of grant. • The Committee sets performance measures, weightings and targets around the time awards are granted, covering financial and non-financial measures. Financial measures will normally make up at least 75% of the total opportunity. • Discretion can be applied by the Committee to reduce the vesting of any award to ensure that it is reflective of the performance of the Group and individual over the period. • Malus and clawback provisions apply.	In respect of 2025 performance year: C.S. Venkatakrishnan will be granted a 2026-2028 LTIP award of 550% of salary Anna Cross will be granted a 2026-2028 LTIP award of 500% of salary Performance measures and weightings for the 2026-2028 LTIP cycle remain unchanged from those for the 2025-2027 LTIP cycle 75% of the award will vest on the third anniversary of grant and 25% on the fourth anniversary, followed by holding periods such that the shares that vest must be retained until at least the fifth anniversary of grant (save for sales to cover taxes payable on vesting).	C.S. Venkatakrishnan up to 550% of salary. Anna Cross up to 500% of salary.

Remuneration report (continued)

Remuneration policy summary – Executive Directors (continued)

Element and purpose	Operation	Implementation for 2025	Implementation for 2026
Shareholding requirement To further enhance the alignment of Executive Directors' interests with those of shareholders, in long-term value creation.	• Executive Directors have a contractual obligation to build up a shareholding, within five years from their date of appointment as an Executive Director, with a value equivalent to 550% of salary for the Group Chief Executive and 500% of salary for the Group Finance Director. • Shares that count towards the requirement are those beneficially owned by the Executive Director, plus the value of any vested share awards (including those subject only to holding periods) and the estimated after-tax value of any shares from unvested deferred share bonuses and LTIP awards provided that no performance conditions remain untested. • Post-employment shareholding requirements apply for two years after stepping down as an Executive Director.	As at 31 December 2025: C.S. Venkatakrishnan's shareholding was 1,479% of his salary. The relevant shareholding requirement has already been met, ahead of the five-year deadline which falls on 1 November 2026 Anna Cross's shareholding was 611% of her salary. The relevant shareholding requirement has already been met, ahead of the five-year deadline which falls on 23 April 2027.	Shareholding requirements remain unchanged

Risk and conduct adjustment – malus and clawback

Any annual bonus or LTIP awarded is subject to malus and clawback provisions.

The malus provisions enable the Committee to reduce the amount of unvested bonus or LTIP (including to nil) prior to vesting in specified circumstances, including but not limited to:

- a participant deliberately misleading Barclays, the market and/or shareholders in relation to the financial performance of the Barclays Group
- a participant causing harm to Barclays' reputation or where his/her actions have amounted to misconduct, incompetence, poor performance, material error or negligence
- a material restatement of the financial statements of the Barclays Group or any subsidiary, or the Group or any business unit suffering a material downturn in its financial performance
- a material failure of risk management in the Barclays Group
- a significant deterioration in the financial health of the Barclays Group.

The clawback provisions enable amounts to be recovered after they have been paid or vested, for a period in line with applicable regulation – currently seven years from grant (which can be extended to up to 10 years if a relevant investigation is ongoing at the end of the initial seven-year period) where (i) a participant's actions or omissions have amounted to misbehaviour or material error and/or (ii) Barclays or the relevant business unit has suffered a material failure of risk management.

During 2025, no risk or conduct adjustments were made to the Executive Directors' remuneration via the malus and clawback provisions that apply to their annual bonus or LTIP awards.

Remuneration report (continued)

Determining measures and targets for the Executive Directors' annual bonus and LTIP awards

The Committee has adopted a consistent approach in recent years when considering and agreeing performance measures and targets for the Executive Directors' annual bonus and LTIP plans, ensuring that Executive Directors' incentives support the delivery of sustainable performance and our strategic priorities. To illustrate this, the process for setting measures and targets for the 2026 annual bonus and 2026-2028 LTIP is set out below.

1. Select measures and weightings

(December 2025)

The Committee reviewed the key financial and non-financial measures for the Group, as set by the Board and senior management, including the measures for which there will be prospective external guidance or targets relevant to the annual bonus or LTIP performance periods. Measures within the annual bonus were selected to reflect the more immediate strategic priorities and building blocks for future delivery against our longer-term targets, while the measures in the LTIP were focused on key longer-term goals. Shareholder and other stakeholder considerations also informed the selection of measures and weightings.

2. Set targets and payout ranges

(January 2026)

The Committee set targets for the annual bonus and LTIP, considering:

- the Group's external targets and stated ambitions, in the context of the Group's strategic plans
- short-term and medium-term performance forecasts, and external financial analysts' expectations
- shareholder and other stakeholder priorities
- the wider economic environment.

3. Monitor performance

(regularly through the performance period)

Throughout the performance period, the Committee will receive updates on performance against the bonus and LTIP targets, combining performance to date and the future performance outlook, and the projected incentive outcomes that would result.

4. Assess performance and agree outcomes

(January - February following the performance period)

At the end of the performance period, the financial and non-financial performance measures will be assessed and the incentive outcomes will be determined.

The Committee will then review these outcomes, in the following context, and will have the discretion to adjust the outcomes if it deems it appropriate:

- overall Group performance, and the overall performance of each Executive Director, over the performance period
- the underlying financial health of the Group
- bonus outcomes for the wider workforce
- historical outcomes for the Executive Directors in the context of performance each year.

Remuneration report (continued)

Annual report on Directors' remuneration

This section explains how our Directors' Remuneration Policy (DRP) was implemented for 2025

Executive Directors

Single total figure for 2025 remuneration (audited)

The following table shows a single total figure for 2025 remuneration in respect of qualifying service for each Executive Director, together with comparative figures for 2024.

		1	2	3		4	5	6	7			
		Salary/ Fixed Pay £000	Pension £000	Taxable benefits £000	Total fixed pay £000	Annual bonus £000	LTIP – excluding share price appreciation £000	LTIP – share price appreciation £000	Total LTIP[1,2] £000	Total variable pay £000	Total – excluding share price appreciation £000	Total £000
C.S. Venkatakrishnan	2025	2,063	155	76	2,294	3,299	3,849	5,603	9,452	12,751	9,442	15,045
	2024	2,935	147	95	3,177	2,219	3,285	2,941	6,226	8,445	8,681	11,622
Anna Cross	2025	1,262	94	29	1,385	1,971	2,286	3,328	5,614	7,585	5,642	8,970
	2024	1,837	92	15	1,944	1,336	–	–	–	1,336	–	3,280

Notes:

1 The LTIP amounts for 2025 relate to the award granted in 2023, with vesting based on performance measured over 2023 to 2025. The value was estimated using the Q4 2025 average share price of £4.1493 as this Annual Report 2025 was finalised prior to the first vesting date. This is the first LTIP vesting for Anna Cross following her appointment as Group Finance Director on 23 April 2022. The share price increased by 146% between the date of grant and the share price used to estimate the award value, and columns 5 and 6 separate that share price appreciation within the total LTIP value.

2 The LTIP amount for 2024 has been updated based on the share price on the vesting date of the first tranche of the 2022-2024 LTIP, which was £3.049. The LTIP value disclosed in the 2024 Remuneration report was an estimate, based on the Q4 2024 average share price, as the 2024 Annual Report was finalised prior to the vesting date.

Additional information in respect of each element of pay for the Executive Directors (audited)

1) Salary/Fixed Pay

Under the current DRP, salary is delivered in cash, paid monthly.

Under the previous DRP, in operation until 6 May 2025, Fixed Pay was delivered 50% in cash, paid monthly, and 50% in shares, delivered quarterly. These shares are subject to a holding period, with restrictions lifting over five years (20% each year).

More information on the Committee's considerations in respect of the Executive Directors' salary is set out on page 187.

2) Pension

Executive Directors are paid cash in lieu of pension contributions equal to 10% of salary (was 5% of Fixed Pay or 10% of Fixed Pay cash under the previous DRP). The pension cash allowance paid during 2025 was £154,940 for C.S. Venkatakrishnan and £94,042 for Anna Cross. The Executive Directors did not receive any other pension benefits.

3) Taxable benefits

Taxable benefits include, but are not restricted to, private medical cover, life assurance, income protection, tax advice and the use of a Company vehicle and driver when required for business purposes.

Remuneration report (continued)

4) 2025 annual bonus

The bonus amounts included in the single total remuneration figures are the value awarded in respect of performance during the relevant year.

In determining the bonus in respect of 2025 performance, the Committee considered the performance achieved against the Financial (65% weighting) and Strategic non-financial (15% weighting) performance measures that had been set to reflect Group priorities for 2025. Personal performance against each Executive Director's Strategic objectives for 2025 (20% weighting) was assessed on an individual basis.

The outcome for each of the Financial measures would be 0% for performance below threshold, and then determined on a straight-line basis, between a 25% outcome for threshold performance and 100% for achievement of maximum performance. A summary of the assessment is provided in the following table.

2025 annual bonus outcomes

					Outcome	
Measures	**Weighting**	**Threshold**	**Maximum**	**2025 actual**	**C.S. Venkatakrishnan**	**Anna Cross**
Profit before tax (excluding material items[1]), with CET1 ratio underpin	55%	£8.0bn	£10.0bn	£9.659bn	48.0%	48.0%
Cost: income ratio (excluding material items[1])	10%	61.5%	58.5%	59.1%	8.5%	8.5%
Strategic non-financial	15%	Performance against strategic measures, organised around two categories: Customers, clients & colleagues, and Risk & operational excellence			9.0%	9.0%
Strategic objectives	20%	Individual performance against each Executive Director's strategic objectives, assessed by the Committee			17.5%	17.5%
Total					83.0%	83.0%
Final 2025 annual bonus outcome approved by the Committee					**83.0%**	**83.0%**

Note:
1 Both financial measures exclude 2025 structural cost actions of £285m and the £235m charge for motor finance redress taken in Q325.

Based on the assessment outlined above, the Committee determined an overall formulaic 2025 annual bonus outcome for C.S. Venkatakrishnan and Anna Cross that equates to £3,299,000, and £1,971,000 respectively.

For the financial measures, materials items were excluded – 2025 structural cost actions of £285m and a £235m charge for motor finance redress, taken in Q325. The latter relates to historical activity that neither Executive Director was directly involved in, given their roles at the time, and C.S. Venkatakrishnan was the Chief Risk Officer when the decision to exit the business was taken in 2019. Further detail on the assessment of the Strategic non-financial measures, and performance against Strategic objectives, is set out on the following pages.

In determining the bonus outcome, the Committee reflected on the appropriateness of these overall annual bonus outcomes, in the context of the performance achieved against the Financial measures, Strategic non-financial measures and Strategic objectives. The Committee considered the underlying financial health of the Group, which is strong and well-capitalised, and more holistically the performance and contribution of each Executive Director during 2025. The bonus outcomes were considered in the context of those for the wider workforce – ensuring appropriate alignment both this year and over a multi-year period – and also by comparing to historical outcomes for the Executive Directors in the context of performance each year. The Committee believes that the overall 2025 bonus outcomes above are aligned appropriately with stakeholder considerations and with the performance achieved. Based on this, the Committee concluded that no discretionary adjustment was warranted.

The 2025 annual bonus will be delivered as 75% upfront cash, payable in March 2026, and 25% as a grant of deferred bonus shares that will vest in three equal tranches on the first, second, and third anniversaries of the grant. The number of shares awarded to each Executive Director will be based on the market share price on the date of grant, and additional shares will accrue equivalent to dividends paid on unvested share awards (as is now permitted under the new UK bank pay regulations). More information is provided on page 161.

All of the 2025 variable pay (both the 2025 annual bonus and the 2026-2028 LTIP) is subject to clawback provisions, which allow the Committee to recover amounts that have been paid in certain circumstances. The deferred elements are subject to malus provisions, which enable the Committee to reduce the vesting of unvested amounts (including reducing to nil) in certain circumstances. Of the total variable pay to be awarded (the annual bonus and LTIP combined), a total of 79% of C.S. Venkatakrishnan's 2025 variable pay will be in Barclays shares, and 78% for Anna Cross.

Remuneration report (continued)

4) 2025 annual bonus (continued)

Assessment of the Strategic non-financial measures for the 2025 annual bonus

The overall weighting of Strategic non-financial measures was 15%, within which the Customers, clients & colleagues category was weighted at 10% and the Risk & operational excellence category at 5%. The measures used in the Strategic non-financial assessment for bonus reflect key strategic priorities of the Group. Many outcomes are measured using an external provider, such as customer / client satisfaction or Investment Banking fee ranking and share.

The Committee assessed progress in relation to each of the Strategic non-financial measures and agreed an overall outcome of 9% out of a maximum of 15%. Detail supporting this assessment is set out in the tables that follow.

The overall assessment was based on the following scale:

For Customers, clients & colleagues (max weighting 10%)	Overall outcome for the category
0% to 2.0%	Behind track on most measures
2.0% to 4.0%	Slightly behind track on most measures
4.0% to 6.0%	On track on most measures
6.0% to 8.0%	Slightly ahead on most measures
8.0% to 10%	Ahead of track on most measures

For Risk & operational excellence (max weighting 5%)	Overall outcome for the category
0% to 1.0%	Behind ambition
1.0% to 2.0%	Slightly behind ambition
2.0% to 3.0%	On track to meet ambition
3.0% to 4.0%	At ambition
4.0% to 5.0%	Exceeded ambition

Customers, clients & colleagues

Measure	Criteria	Performance	Commentary	Outcome
Customers & clients				
Global Markets revenue ranking and share[1]	Maintain rankings and market share in Barclays Investment Bank	Rank: 6th (2024: 6th) Share: 6.5% (2024: 6.3%)	• Global Markets revenue rank maintained; revenue share has increased since 2024. • We continue to make progress towards our goal of achieving 70 top five ranks with our Top 100 clients.	Slightly ahead of track
Investment Banking fee ranking and share[2]		Rank: 6th (2024: 6th) Share: 3.0% (2024: 3.3%)	• Investment Banking fee rank has been maintained; fee share has decreased since 2024, driven by global fee wallet expansion, impacting our overall share.	Slightly behind track
Customer and client satisfaction	Improve customer and client satisfaction	Barclays UK NPS[3]: +25 (2024: +17) US Consumer Bank Contact Centre Agent Servicing tNPS[4]: +52 (2024: +51) US Consumer Bank digital tNPS: +63 (2024: +63) UK Corporate Bank overall client satisfaction[5]: 66% (2024: 62%)	• Barclays UK: we improved NPS to +25, our highest score since we began tracking in 2013, and +8 on December 2024. Premier NPS was a significant driver, reaching +37 at year-end. • US Consumer Bank: Contact Centre Agent Servicing tNPS increased by 1 point to +52. Digital tNPS remained consistent at +63. • UK Corporate Bank: overall client satisfaction has increased by 4 percentage points.	Slightly ahead of track
Complaints	Reduce customer complaints	Barclays UK total complaints (movement year on year): +33% (2024: -36%)	• The increase in complaints year on year was driven by an IT incident in January 2025 that impacted many of our customers. Excluding this, complaints reduced by 2%.	Behind track
Digital engagement	Increase digital engagement	Barclays UK digitally active customers: 13.9m (2024: 13.4m) US Consumer Bank digitally interacting customer[6]: 96.2% (2024: 95.9%) UK Corporate Bank self-service take up: c.50% (2024: c.40%)	• Digital engagement has improved in all areas. • Barclays UK: The number of digitally active customers increased. • US Consumer Bank: digitally interacting customer measure improved, driven by continued investment in our mobile app and digital capabilities, including enhancements to registration and self-service. • UK Corporate Bank: significant increase in self-service take up (+ 10 percentage points).	Slightly ahead of track

Notes:

1 Global Markets market share for Barclays is based on external reported revenues of peer banks BoA, BNP, CITI, DB, GS, JPM, MS and UBS.

2 Investment Banking market share for Barclays calculated by Dealogic for the period covering 1 January 2025 to 31 December 2025.

3 © Ipsos 2025, Financial Research Survey (FRS), 12 months ended December 2025 (Dec 2024). Results based on a sample of 7,546 (6,646) Barclays main current account customers and 1,028 (865) Barclays Premier main current account customers. Total sample of ~50,000 GB adults (aged 16+) a year, weighted to align with overall profile of GB population.

4 US Consumer Bank Contact Center Agent Servicing tNPS measures US Consumer Bank customer experience across Contact Centre Agent Servicing, including Care and Chat, Fraud, Disputes, and Credit.

5 UK Corporate Bank OSAT (overall client satisfaction) calculated by Savanta based on proportion of clients surveyed rating Barclays' UK Corporate Bank as 'Excellent' or 'Very Good', data as at December 2025.

6 Measured at exit at end of December 2025. Includes primary consumer card customers. Excludes Interactive Voice Response (IVR).

Remuneration report (continued)

4) 2025 annual bonus (continued)

Measure	Criteria	Performance	Commentary	Outcome
Colleagues				
Inclusion	Maintain inclusion indicators	81% (2024: 81%)	• Inclusion Index score has been maintained, with continued focus on driving an inclusive culture. • 88% of colleagues told us they felt included in their team (2024: 89%).	On track
Engagement	Maintain engagement at healthy levels	85% (2024: 85%)	• Employee engagement has been maintained at 85%, 4 percentage points above the Qualtrics 2024 upper quartile Financial Services benchmark.	Ahead of track
Culture	Maintain culture indicators	Of colleagues surveyed: 89% believe strongly in the goals and objectives of Barclays (2024: 88%) 93% believe that they and their team do a good job of role modelling our Values every day (2024: 93%) 92% believe that they and their team do a good job of role modelling our Mindset every day (2024: 92%)	• The vast majority of colleagues believe in the goals and objectives of Barclays, which has been a key focus since we launched our three-year plan in February 2024. • Scores on Mindset and Values role modelling remain high, consistent with recent years. • Our consistently excellent culture-change programme continued to embed these standards across the organisation. Throughout 2025, local initiatives across divisions and functions supported Group-wide efforts to simplify processes, strengthen risk and control, and drive efficiency. The consistently excellent standard is embedded in HR tools, processes and products from hiring and induction, to performance management, promotions and development programmes.	Slightly ahead of track
				Total Customers, clients & colleagues: 6% out of 10%

Risk & operational excellence

Category	Performance commentary
Risk awareness	• The Committee was satisfied that the Group operated in line with its Board-approved risk appetite. • In 2025, we completed the delivery of 1,995 'Being consistently excellent' workshops to our colleagues globally. They provide our people with the skills and knowledge to take personal accountability for driving higher standards across the organisation, recognise what they can do differently to deliver improvements and build consistent practices to raise the standard of execution, with a focus on remediating risk and control weaknesses. • In 2025, we launched a Risk and Control Digital Credential to all colleagues, our externally accredited digital credential which is flexible, role - relevant and builds confidence in managing risk and control – critical for delivering consistently excellent outcomes. • Excluding charges for motor finance redress[1], litigation and conduct costs increased to £157m (2024: £130m), driven by FCA investigations concerning financial crime systems and controls, and compliance with the UK money laundering regulations, which resulted in settlements totalling £48m. • Conduct breaches have reduced year on year.
Operational excellence	• During 2025, total operational risk losses[2] increased to £143m (2024: £127m) and the number of recorded events for 2025 (2,943) increased from the level for 2024 (2,392). 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. • In January 2025, an IT incident relating to our UK mainframe operating system impacted many of our customers. Despite this, there was an overall 44% reduction in major technology incidents since 2024, indicating improvement in proactive mitigation. • High standards of internal service delivery retained during 2025, with the >95% ambition being met throughout the year.
	Total Risk & operational excellence: 3% out of 5%
	Overall Strategic non-financial outcome for the 2025 annual bonus: 9% out of 15%

Notes:

1 £235m charge in Q325 (2024: £90m) for motor finance redress. Litigation and conduct costs were £392m in 2025 including the charges for motor finance redress.

2 The data disclosed includes operational risk losses for reportable events impacting the Barclays Group business areas, having an impact greater than £10,000 and excludes 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, prior year losses are updated.

Remuneration report (continued)

4) 2025 annual bonus (continued)

Assessment of performance against the Strategic objectives set for the 2025 annual bonus (20% weighting)

The Committee assessed personal performance for C.S. Venkatakrishnan and Anna Cross against both their individual strategic objectives set for their respective roles and their shared strategic objectives. The assessment against these Strategic objectives makes up 20% of the total bonus opportunity.

The table below summarises performance against the shared strategic objectives.

Shared strategic objectives for C.S. Venkatakrishnan and Anna Cross

Objective	Outcomes
Deliver key financial targets including RoTE and capital distributions	• Achieved all our 2025 financial targets, with operational and financial performance improvement driven by disciplined execution of our plan to make Barclays Simpler, Better and More balanced. • Delivered Group statutory RoTE of 11.3%, in line with our upgraded target of >11%, with all five divisions delivering double-digit RoTE. • Group net interest income (NII) was £12.8bn (excluding Barclays Investment Bank (IB) and Head Office), of which Barclays UK was £7.7bn, meeting 2025 guidance of £12.6bn and £7.6bn respectively. • The Group's cost: income ratio improved to 61% (2024: 62%) driven by positive operating leverage for the third consecutive year. • Total shareholder distributions of £3.7bn announced in relation to 2025 (2024: £3.0bn), on track to return at least £10bn to shareholders from 2024 to 2026[1].
Maintain robust capital ratios across the Group and within the main operating entities	• Strong balance sheet, with Group CET1 ratio of 14.3%, or 14.0% if the £1.0bn share buyback announced with the FY25 results is factored in, at the top-end of the 13%-14% target range. • Similarly strong capital ratios prevail in all main operating entities: at the end of 2025, Barclays Bank PLC's CET1 ratio was 12.7% and Barclays Bank UK PLC's CET1 ratio was 14.5%, well in excess of regulatory minima.
Continue to reduce organisational complexity and upgrade legacy technology	• Eliminated our remaining non-core businesses, selling our stake in Entercard, and further simplified our business model, including operating Private Bank and Wealth Management (PBWM) through two core areas, PBWM UK and PBWM International. • Continued to invest in enterprise-wide platforms across infrastructure, data and digital, strengthening resilience while reducing complexity and cost. Almost 90% of our technology estate is now in the cloud. • Introduced new technology, such as the AI-powered Help Hub Assistant in Barclays UK, to support us in delivering seamless, connected services that anticipate customer and client needs and provide faster, more personalised, more intuitive services.
Deliver better income quality, growth within higher-returning divisions and greater RWA productivity in the Investment Bank	• Stable income streams (Financing, Retail and Corporate) comprised 74% of the total Group income in 2025. • Continued to rebalance the Group, successfully deploying £20bn of RWAs since 2024 into the three highest-returning UK businesses. • Investment Bank RWAs remained stable for the fourth consecutive year and made up 55% of Group RWAs in 2025. • Improved the Investment Bank's return on RWAs, driven by focus on more-stable income streams and on disciplined client management, capital deployment, and technology enhancements.
Drive growth in our home UK market	• Grew UK retail lending, with strong net mortgage growth and higher card balances in Barclays UK and £3bn lending to small businesses. • The UK Corporate Bank delivered robust income growth of 16%, underpinned by a strong deposit franchise and growing debt balances. We positively repositioned ourselves among peers and grew lending market share by 1%[2], with total loan growth of £4.6bn. • PBWM UK grew the UK Digital Investing business with c.65,000 new accounts opened on our Smart Investor platform (up 11% year on year), launched a pilot of a new digitally-enabled mass affluent proposition and expanded the UK Private Markets proposition.

Notes:
1 This multi-year plan is subject to supervisory and Board approval, anticipated financial performance and our published CET1 ratio target of 13-14%.
2 Source: Bank of England (December) 2025 market data.

Remuneration report (continued)

4) 2025 annual bonus (continued)

In addition to the shared strategic objectives described on the previous page, the table below summarises performance against the strategic objectives for C.S. Venkatakrishnan.

Strategic objectives for C.S. Venkatakrishnan

Objective	Outcomes
Continue to drive better customer and client experience and outcomes, through technology and improved offerings	• Launched new customer technology, platforms and products across our various businesses, including a new mortgage platform, a redesigned Savings Hub for Barclays UK customers and more opportunities to self-serve through digital channels for UK Corporate Bank clients, and saw improvements in customer satisfaction scores across our business. • Barclays UK channel transactional Net Promoter Score (tNPS) increased to +61 for branch servicing and Premier Net Promoter Score (NPS) reached +37, the highest level to date[1]. • UK Corporate Bank saw a 4 percentage point improvement in the overall client satisfaction score (an independent benchmarking score measured by Savanta), with 66% of clients surveyed rating us 'Excellent' or 'Very Good'. • PBWM further enhanced client journeys and investment capabilities on our Smart Investor platform and were awarded Best Stock & Shares ISA Provider from Moneyfacts and received a 'Value for Money' consumer rating from Boring Money. • Investment Banking and Global Markets maintained our rank of sixth[2] – the highest of any bank domiciled outside the US. Our Research team continues to rank highly amongst our institutional client base – #4 overall global research firm and #3 for developed markets[3]. • US Consumer Bank saw tNPS for digital and contact-centre agent servicing averaging 63 and 52 respectively, consistent with 2024 for digital and improved by one point for contact centre performance.
Drive delivery 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, which is now embedded in HR tools, processes and products from hiring and introduction, to performance management, promotions and development programmes. • Delivered over 1,995 colleague workshops during 2025 on what it means to deliver to a consistently excellent standard, creating a strong shared understanding across the organisation.
Drive leadership accountability to further strengthen our risk management and controls	• Local initiatives across divisions and functions supported Group-wide efforts to simplify processes, strengthen risk and control, and drive efficiency, further embedding the consistently excellent standard. • Launched the Risk and Control Digital Credential – our first Group-wide, externally accredited online learning programme, certified by the Institute of Risk Management – with almost 25,000 colleagues having achieved the accreditation by the end of 2025.
Continue to invest in talent and continue to grow a winning culture	• Strengthened how we identify, assess and develop high-potential talent, introducing greater rigour and consistency through implementing our Talent Management Standards. Delivered accelerator programmes and sponsorship initiatives and offered senior leaders a suite of practical tools, targeted workshops, and resources to develop their skills. • 86% of colleagues have told us that their people leader clearly communicates the actions they need to take to deliver consistently excellent outcomes in their role.

Notes:
1 Highest since we started tracking in 2016. Source: © Ipsos 2025, Financial Research Survey (FRS).
2 Global Markets ranking based on external reported revenues. Peer banks include BoA, BNP, CITI, DB, GS, JPM, MS and UBS. Investment Banking ranking sourced from Dealogic for the period 1 January 2025 to 31 December 2025.
3 Source: Extel.

The Committee recognised C.S. Venkatakrishnan's outstanding performance during 2025, his leadership of the organisation, the progress delivered against the Group's three-year plan, and substantial achievements against both his individual and shared personal objectives. The Committee assessed that an outcome of 17.5% out of a maximum of 20% was appropriate.

Remuneration report (continued)

4) 2025 annual bonus (continued)

The table below summarises performance against the strategic objectives for Anna Cross.

Strategic objectives for Anna Cross

Objective	Outcomes
Continue to simplify, standardise and automate Group Finance processes to improve effectiveness and efficiency	• Agreed a transformation strategy for Group Finance to standardise and automate processes, and strengthen controls, which is expected to drive significant efficiency enhancements over the coming years. • Delivered material automation in Product Control and Financial Control, and standardisation of cost reporting activities, with further potential to simplify and automate in the future. • Launched nine Artificial Intelligence and Machine Learning initiatives in the Group Finance function, delivering measurable benefits, with many more use cases in the pipeline.
Oversee the effective management of risk and control across Group Finance	• Group Finance continued to enhance risk management and controls for compliance with rules, laws and regulations, and work continued to strengthen the control environment around regulatory reporting. • The risk and control agenda remains a priority in Group Finance, with a constant focus on identifying further improvements.
Appropriate management of capital and resources to ensure we comply with governance and regulatory requirements	• The Group continues to exceed regulatory requirements for CET1, Tier 1, total capital, leverage and Minimum Requirement of Own Funds and Eligible Liabilities. • The Group has operated toward the upper half of its CET1 target range of 13%-14% throughout the year, after taking into account the impact of announced share buybacks.
Retain focus on the talent and culture agenda across Group Finance	• Consistent focus on talent management and succession planning has enabled 71% of all senior vacancies in Group Finance to be filled internally. • Continued to focus on culture and colleague engagement, improving key measures, e.g. Inclusion index 79% (2024: 78%) and Wellbeing index 85% (2024: 83%). • Further strengthened colleague engagement across Group Finance, at 83% (2024: 81%).

The Committee recognised Anna Cross's outstanding performance during 2025, ensuring delivery towards the achievement of the Group's three-year plan, and the substantial achievements against both her individual and shared personal objectives. Based on that performance, the Committee assessed that an outcome of 17.5% out of a maximum of 20% was appropriate.

5) Vesting of the 2023-2025 LTIP cycle (also covers columns 6 and 7 of the single total figure for 2025)

The total LTIP values included in the single total figure for 2025 for C.S. Venkatakrishnan and Anna Cross are based on the amounts that are due to be released from 9 March 2026 in relation to the 2023-2025 LTIP awards granted in March 2023.

The total LTIP values that will vest to C.S. Venkatakrishnan and Anna Cross (column 7 of the single total figure) have been estimated using the Q4 2025 average share price of £4.1493, as this Annual Report 2025 was finalised prior to the first vesting date. Of the estimated LTIP values, 59% relates to share price appreciation between the grant date of the award and the share price used to estimate the award value. Column 5 of the single total figure shows the estimated LTIP values excluding the impact of share price appreciation and column 6 shows the additional value arising due to that share price growth.

Release is dependent on, among other things, performance over the period from 1 January 2023 to 31 December 2025. In determining what proportion of the awards would vest, the Committee considered the performance achieved against the Financial (70% weighting), Strategic non-financial (20% weighting) and Risk scorecard (10% weighting) performance measures that were set shortly before the award was granted.

The outcome for each of the Financial measures would be 0% for performance below threshold. The outcome for threshold performance under the average return on tangible equity and average cost: income ratio measures would be 0%, and for the relative total shareholder return measure would be 25%, rising on a straight-line basis to 100% for achievement of maximum performance for each of those measures. The CET1 ratio measure operates differently, as described in the table on the following page.

A summary of the assessment of performance is also provided in that table.

Remuneration report (continued)

5) Vesting of the 2023-2025 LTIP cycle (continued)

2023-2025 LTIP outcomes

Measure	Weighting	Threshold	Maximum vesting	Actual	% of award vesting
Average return on tangible equity (RoTE) (excluding material items[1,2])	25%	0% of award vests for RoTE of 8.0%, rising on a straight-line basis	25% of award vests for RoTE of 12.5% or higher	11.4%	18.9%
Average cost: income ratio (excluding material items[3])	10%	0% of award vests for average cost: income ratio of 62.5%, rising on a straight-line basis	10% of award vests for average cost: income ratio of 58.0% or lower	61.1%	3.1%
Maintain CET 1 ratio within the target range	10%	If CET1 is below the target range during the period, the Committee will consider what portion of this element should vest, based on the reasons for the CET1 shortfall If CET1 is above the range and does not make progress towards the range over the period, the Committee will consider what portion of the element should vest, based on the reasons for the elevated levels of CET1 versus target range and the associated impacts	10% vests if either: • CET1 is within the range during the period or • CET1 is above but making progress towards the target range	2023: 13.8% 2024: 13.6% 2025: 14.3%	10% (more information is provided below the table)
Relative total shareholder return[4]	25%	6.25% of award vests for performance at median of the peer group[5], rising on a straight-line basis	25% of award vests for performance at or above the peer group[5] upper quartile	Rank 5 (out of 18)	25.0%
Strategic non-financial measures (details from page 184)	20%	The evaluation focused on key strategic non-financial measures, which the Committee assessed to determine the percentage of the award that will vest, between 0% and 20%. The measures are organised around three main categories: Climate & sustainability (weighted 10%), Customers & clients (weighted 5%), and Colleagues (weighted 5%)			13.5%
Risk scorecard (details on page 185)	10%	The Risk scorecard captures a range of risks and is aligned with the annual incentive risk alignment framework shared with the regulators. The framework measures performance against three broad categories – Capital & liquidity, Control environment, and Compliance – using a combination of quantitative and qualitative metrics			6.8%
Total					77.3%
Final 2023-2025 LTIP vesting outcome approved by the Committee					**77.3%**

Notes:
1 Using average tangible shareholders' equity based on a CET1 ratio at the mid-point of the Group target range 13% to 14%.
2 Material items consist of post-tax structural cost actions (2025: £217m; 2024: £209m; 2023: £739m taken in Q423) and post-tax charges in respect of motor finance redress (2025: £176m; 2024:£68m).
3 Material items consist of structural cost actions (2025: £285m; 2024: £273m; 2023: £927m taken in Q423) and charges in respect of motor finance redress (2025: £235m; 2024:£90m).
4 Performance assessed over the period from 1 January 2023 to 31 December 2025. Start and end total shareholder return data was the Q4 average for 2022 and 2025 respectively and was measured in GBP for each company.
5 The peer group is comprised of banks in the UK, Europe and North America of comparable size to Barclays and whose weekly returns have a high degree of correlation with Barclays. The peer group for the 2023–2025 LTIP award was: Banco Santander, Bank of America, BBVA, BNP Paribas, Citigroup, Credit Agricole, Deutsche Bank, HSBC, ING Group, Lloyds Banking Group, Morgan Stanley, NatWest Group, Société Générale, Standard Chartered, UBS, and UniCredit.

The Group's external target range for the CET1 ratio is 13% to 14%, which reflects the judgement of the Board as to the appropriate CET1 ratio for the Group to operate within. As the CET1 ratio was 14.3% at the end of 2025, above the top of the LTIP target range, the Committee considered (as required under the performance target) what portion of this element should vest, based on the reason why the CET1 ratio was outside the target range. Taking into account the share buyback announced with FY25 results, the CET1 ratio as of 31 December would be 14.0%, at the top of the target range. The Committee was satisfied that the elevated CET1 ratio was temporary, that the Group's capital position had been appropriately and sensibly managed in the interests of shareholders over the performance period, and that it was therefore appropriate for this portion of the LTIP to vest in full.

The Committee was satisfied that the total vesting outcome of 77.3% was consistent with the performance delivered over the period, and that the underlying financial health of the Group is strong. Based on that, it concluded that no discretionary reduction to the vesting outcome was required, so the award should vest at 77.3% of the maximum number of shares under the total award, to be released in five equal tranches annually, starting from March 2026.

Remuneration report (continued)

5) Vesting of the 2023-2025 LTIP cycle (continued)

The 2023-2025 LTIP award was granted in line with the Group's usual annual timetable, in early March 2023. The share price at grant of £1.6896 was 5% higher than the share price at the time of the prior year LTIP grant. This level of share price movement between successive grants is not unusual. There was a larger increase in share price over the lifetime of the award, by 146% between the date of grant and the Q4 2025 average share price of £4.1493 on which the value vesting is estimated. As the share price growth was largely over 2024 and 2025, reflective of strong performance following the announcement of the three-year plan at the Investor Update in February 2024, the Committee concluded that there was no windfall gain and that therefore no adjustment was required.

Assessment of the Strategic non-financial measures for the 2023-2025 LTIP

A summary of the Committee's assessment against the Strategic non-financial performance measures over the three-year performance period follows. The measures used reflect key strategic priorities of the Group. Many of the outcomes are either measured by an external provider, such as NPS or Investment Banking fee ranking and share, or are subject to independent limited assurance by KPMG (indicated by the 'Δ' symbol)[1], including Climate & sustainability measures.

Measure	Criteria	Performance commentary
Climate & sustainability		
Progress towards our Sustainable and Transition Financing target	Facilitate $1trn of Sustainable and Transition Financing between 2023 and end of 2030	• Facilitated $260.7bn$^{\Delta}$ of Sustainable and Transition Financing, on a cumulative basis, since 2023. • Progress towards delivering our target of facilitating $1trn of Sustainable and Transition Financing will be non-linear and depend on market demand and wider regulatory and policy factors. We will continue to review and adapt our approach to Sustainable and Transition Financing in response to the evolving market environment (see page 92 for more detail).
Reducing our financed emissions	30% reduction in power portfolio emissions intensity (2020-2025) 15% reduction in energy portfolio absolute emissions (2020-2025)	• Successfully achieved 2025 financed emissions reduction targets for both the Upstream Energy and Power portfolios. • Cumulatively, Power portfolio emissions intensity has decreased by 35% from our updated 2020 baseline (see page 86 for more detail). • Cumulatively, absolute financed emissions from the Upstream Energy portfolio have decreased by 41% from the 2020 baseline.
Reducing our operational emissions	90% reduction in Scope 1 and 2 GHG emissions (market-based[2], against a 2018 baseline) by the end of 2025 100% renewable electricity sourcing for our global real estate portfolio[3] by the end of 2025	• Achieved 2025 net zero operations targets: – Reduced our Scope 1 and 2 market-based emissions by 97%$^{\Delta}$ against a 2018 baseline - exceeding our 90% reduction target – Continued to source 100%$^{\Delta}$ renewable electricity for our global real estate portfolio.
Supporting our communities	LifeSkills: Upskill 8.7 million people from 2023-2027 LifeSkills: Place 250,000 people into work from 2023-2027 Unreasonable Impact (partnership with the Unreasonable Group): Support a further 200 businesses solving social and environmental challenges from 2023-2027	• 6.3 million people upskilled since 2023, making good progress towards our 2023-2027 target. • Placed 154,776 people into work since 2023, making good progress towards our 2023-2027 target. • 126 businesses solving social and environmental challenges supported since 2023, on track to support an additional 200 entrepreneurs over five years.
		Total Climate & sustainability: 8% out of 10%

Notes:
1 Δ 2025 data subject to independent limited assurance under ISAE (UK) 3000 and ISAE 3410. Current limited assurance scope and conclusion can be found within the Sustainability Resource Hub: home.barclays/our-sustainability-/sustainability-resource-hub/reporting-and-disclosures/
2 Market-based method is a GHG Protocol accounting method for Scope 2 emissions, that reflects the GHG emissions associated with the choices a consumer makes regarding their electricity supplier or product, like the purchase of Energy Attribute Certificates (EACs). For more information please see the GHG Protocol Scope 2 Guidance: ghgprotocol.org/sites/default/files/2023-03/Scope%202%20Guidance.pdf
3 On this page a reference to global real estate portfolio includes offices, campuses, branches, warehouses, and data centres within our operational control.

Remuneration report (continued)

5) Vesting of the 2023-2025 LTIP cycle (continued)

Measure	Criteria	Performance commentary
Customers & clients		
Drive world-class outcomes for customers and clients	Maintain client rankings and market share in Barclays Investment Bank	• Markets global revenue rank[1] was maintained at 6th over the period. Revenue share has decreased slightly vs. 2022 (7.3% to 6.5%) but is on an upwards trajectory since 2024.
		• Investment Banking fee rank[2] was maintained at 6th. Fee share has been largely maintained vs. 2022 (3.1% to 3.0%).
	Improve Net Promoter Scores	• Barclays UK: NPS score[3] improved by 14 points over the period, ending at +25. • US Consumer Bank: Digital tNPS improved by 3 points and Contact Centre Agent Servicing tNPS[4] increased by 8 points over the period[5]. • UK Corporate Bank: overall client satisfaction[6] improved by 6 percentage points over the period.
	Reduce Barclays UK customer complaints and improve resolution time	• Complaint volumes increased over the period driven by complaints associated with the IT incident on 31 January 2025. • 94% of complaints were resolved within 56 days in 2025. Excluding complaints related to the IT incident this would have been 98%.
	Increase digital engagement	• Steady increase in the number of Barclays UK digitally active customers over the period to 13.9 million.
		Total Customers & clients: 2.5% out of 5%

Notes:
1 Global Markets market share for Barclays is based on external reported revenues of peer banks BoA, BNP, CITI, DB, GS, JPM, MS and UBS.
2 Investment Banking fee share for Barclays calculated by Dealogic for the period covering 1 January 2022 to 31 December 2025.
3 Based on © Ipsos 2025, Financial Research Survey (FRS).
4 US Consumer Bank Contact Center Agent Servicing tNPS measures US Consumer Bank customer experience across Contact Centre Agent Servicing, including Care and Chat, Fraud, Disputes, and Credit. In 2022, Chat was not included.
5 US Consumer Bank Consumer Bank Digital tNPS and Contact Centre Agent Servicing: Results for 2022 are reported at month end December 2022, 2023-2025 are a full year average score.
6 UK Corporate Bank OSAT (overall client satisfaction) calculated by Savanta based on proportion of clients surveyed rating Barclays' UK Corporate Bank as 'Excellent' or 'Very Good', data as at December 2022 and 2025.

Measure	Criteria	Performance commentary
Colleagues		
Inclusion	Improve inclusion indicators	• Inclusion Index score remains at 81% (consistent with 2024) but is 1 percentage point below 2022.
Engagement	Maintain engagement at healthy levels	• Employee engagement levels are at 85% – 1 percentage point above 2022 and 4 percentage points above the Qualtrics 2024 upper quartile Financial Services benchmark.
Culture	Maintain culture indicators	• In 2025, 89% of employees have told us that they believe strongly in the goals and objectives of Barclays, up 1 percentage point compared to 2022. • The vast majority of colleagues believe they and their teams role model the Values and Mindset every day (93% for Values and 92% for Mindset).
		Total Colleagues: 3% out of 5%
		Overall Strategic non-financial outcome for the 2023-2025 LTIP: 13.5% out of 20%

Assessment of the Risk scorecard for the 2023-2025 LTIP

A summary of the Committee's assessment against the Risk scorecard performance measure over the three-year performance period is provided below.

Category	Performance commentary
Capital and liquidity	• Group CET1 ratio is 14.3%, above the 13% to 14% target range. • Stress testing confirmed the Group's resilience across capital, liquidity and profitability, ensuring continued viability under adverse conditions. • Our Liquidity Coverage Ratio was well above the 100% regulatory requirement in the period.
Control environment	• Over the period, the business invested in the overall control environment, and made progress on simplifying and enhancing the Group-wide framework. • Particular areas of focus over the period included work to strengthen controls relating to cyber security and financial crime prevention and detection, and to enhance processes in relation to regulatory reporting and regulatory change.
Compliance	• A key area of focus has been enhancing the financial crime control environment to address emerging threats and evolving laws, rules and regulations. • Compliance Risks were refreshed and re-categorised into six core risks, with Financial Crime Risk separated into a standalone principal risk category, to reinforce the visibility and focus on this key area of risk to the business.
	Overall Risk scorecard outcome for the 2023-2025 LTIP: 6.8% out of 10%

Remuneration report (continued)

LTIP awards granted during 2025

Awards were granted to C.S. Venkatakrishnan and Anna Cross on 20 June 2025 under the 2025-2027 LTIP. The value used to calculate the number of shares under each award was based on an adjusted fair value per share of £2.79925, which takes into account that dividends do not accrue during the vesting period, with the expected dividend stream determined by an independent adviser. The table that follows provides details of those awards.

	% of salary	Number of shares	Face value at grant	Performance period
C.S. Venkatakrishnan	550 %	3,124,051	£8,745,000	2025-2027
Anna Cross	500 %	1,696,883	£4,750,000	2025-2027

The performance measures for the 2025-2027 LTIP awards are as follows:

Performance measure	Weighting	Threshold	Maximum vesting
Financial measures			
Average RoTE (excluding material items)[1]	50%	10% of award vests for average of 2026 and 2027 RoTE of 10.0%, rising on a straight-line basis	50% of award vests for average of 2026 and 2027 RoTE of 14.0% or higher
Relative total shareholder return[2]	25%	6.25% vests for performance at the median of the peer group[3], rising on a straight-line basis	25% of award vests for performance at or above the peer group[3] upper quartile
Strategic non-financial measures			
The evaluation will focus on a range of key metrics, with a detailed retrospective narrative on progress during the year. Performance against the measures will be assessed by the Committee to determine the percentage of the award that may vest between 0% and 25%. The measures will focus on sustainability, customers and clients, and will likely include the following:			
Sustainability, customers & clients	25%	Sustainability (including climate) – with measures to include: • Financing the transition • Reducing our financed emissions • Achieving net zero operations • Supporting our communities Driving world-class outcomes for customers and clients – with measures to include: • Improve customer and client satisfaction • Reduce customer complaints • Maintain rankings and market share in Barclays Investment Bank • Increase digital engagement	

Notes:

1 Material items are defined as those large, atypical one-offs that are called out in the financial reporting. The exclusion is not automatic, and the Committee will determine whether each item should be treated as material for these purposes at the time that outcomes are determined.

2 Performance assessed over the period from 1 January 2025 to 31 December 2027. Start and end total shareholder return will be the Q4 average for 2024 and 2027 respectively and will be measured in GBP for each company.

3 The peer group is comprised of banks in the UK, Europe and North America of comparable size to Barclays and with a high degree of correlation to Barclays of weekly share price returns. The peer group for the 2025-2027 LTIP award is Bank of America, BNP Paribas, Citigroup, Credit Agricole, Deutsche Bank, Goldman Sachs, HSBC Holdings, ING Groep, Intesa Sanpaolo, JP Morgan Chase & Co, Lloyds Banking Group, Morgan Stanley, NatWest Group, Standard Chartered, and UBS Group.

Statement of the implementation of the Directors' Remuneration Policy in 2026

An overview of how the Directors' Remuneration Policy (DRP) will be implemented in 2026 is provided alongside the summary of the policy on page 172.

2026 salary and market competitiveness of the Executive Directors' total compensation opportunities

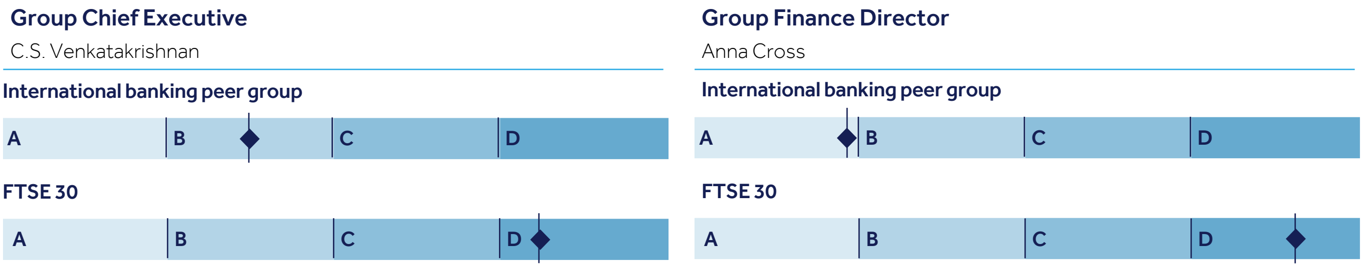
Pay benchmarking data is used as a reference point to ensure that the total compensation opportunities provided to the Executive Directors, which are driven by the terms of the DRP and their salaries, are appropriately positioned relative to other international banks, which are considered the most relevant comparators to Barclays based on size and complexity. Barclays has deep roots in the UK, supporting retail customers, small businesses and corporations, and also includes a top-tier investment bank, with a strong global ranking, and has a significant and important US presence. Our international banking peer group therefore consists of other large universal banks from continental Europe and the UK, and large US universal and investment banks. Five of the 11 firms in the peer group are US-based, reflecting the Group's large US operations and key competitors. Some of those peers are larger than Barclays, and it is recognised that market pay levels for executive directors of US companies are often higher than those of UK companies. To maintain balance, the international banking peer group also includes other large UK-listed banks most comparable to Barclays.

An annual review of the Executive Directors' salaries, conducted in the same way and at the same time as for the wider workforce, is a feature of the DRP. The Committee reviewed the salary for each Executive Director as part of the year-end pay review process for colleagues across the Group, taking into consideration the significant personal contribution each of them made during 2025, and their critical role in the delivery of our strategy. The Committee determined that salary should increase by 3.2% for C.S. Venkatakrishnan and 5.3% for Anna Cross, to £1,641,000 and £1,000,000 respectively, effective 1 March 2026. In reaching that decision, it considered the maximum total compensation opportunity for each Executive Director, which is driven by their respective salaries, and noted that in each case maximum total compensation is materially below the median of the international banking peer group, and in the lower quartile for the Group Finance Director. This is despite the new DRP, which provides the EDs with higher maximum total compensation opportunities than they had under the previous DRP, after several peers also increased their Executive Directors' pay opportunities materially last year.

The Committee also considered the context of the salary increase budgets offered for the wider UK workforce. The percentage salary increase for C.S. Venkatakrishnan is in line with the salary increase budget offered for employees covered by collective bargaining with Unite the union – c.4% for junior employees and c.3.2% overall (subject to agreement of the 2026 pay deal with Unite). Following the increase, his maximum total compensation opportunity sits between the market lower quartile and median (in the 3rd quartile) compared to the equivalent opportunities across international banking peers, as shown in the chart below. The percentage salary increase for Anna is slightly higher, reflecting her significant contribution to performance in 2025, the competitive positioning of her maximum total compensation opportunity (in the lower quartile of the international banking peer group), as well as internal relativities to other members of the Group Executive Committee. Even after the increase, Anna's maximum total compensation opportunity remains in the lower quartile of the international banking peer group, as shown in the chart below.

The charts also show a comparison of the maximum total compensation opportunity for each Executive Director with the equivalent roles at the companies that make up the FTSE 30 (i.e. the 30 largest FTSE 100 constituents by market capitalisation). In this comparison the Executive Directors' maximum total compensation opportunities are more competitive, but within the range of opportunities for the FTSE 30 group. The Committee noted that it would be unlikely for the Group to fill either of the Executive Director roles by recruiting from other FTSE 30 companies outside financial services, recognising the necessity for candidates for these roles to have the right breadth and depth of banking knowledge and experience – particularly given Barclays' mix of businesses, as outlined above. However, this comparison is provided alongside the international banking peer group for additional UK context.

Executive Director maximum total compensation opportunity relative to market benchmarks



A Lower quartile B 3rd quartile C 2nd quartile D Upper quartile
Positioning of maximum total compensation opportunity at Barclays relative to market benchmarks

Notes:

- Data reflects maximum total compensation opportunity, excluding pension and benefits.
- Market benchmark data was provided by Willis Towers Watson, based on publicly disclosed data in respect of each company's 2024 or 2024/25 financial years, incorporating assumptions where companies do not disclose a maximum total compensation opportunity. For the FTSE 30, maximum total compensation opportunities have been increased to assume modest salary increases of 3% since the underlying data was published, reflecting that maximum total compensation in respect of 2026 will be higher than for 2025.
- Barclays' international banking peer group currently comprises the following international banks: Bank of America, BNP Paribas, Citigroup, Deutsche Bank, Goldman Sachs, HSBC Holdings, JPMorgan Chase & Co, Lloyds Banking Group, Morgan Stanley, Standard Chartered, and UBS Group.

Remuneration report (continued)

Performance measures for the 2026 annual bonus

Performance measures for the annual bonus are set each year to cover a range of financial and non-financial goals that support the key strategic objectives of the Group, as described on page 175. For the 2026 annual bonus, no changes were made to the performance measures compared to the 2025 annual bonus, which included several changes to reflect shareholder feedback in the context of the DRP set out in last year's Remuneration report.

The performance measures and weightings that result are shown below:

Performance measure	Weighting	Metrics
Financial measures		
Profit before tax (with CET1 underpin[1]) (excluding material items[2])	55%	A performance target range has been set for this financial measure, which will be disclosed in the next Remuneration report.
Cost: income ratio (excluding material items[2])	10%	A performance target range has been set for this financial measure, which will be disclosed in the next Remuneration report.
Strategic non-financial measures		
The evaluation will focus on a range of key metrics, with a detailed retrospective narrative on progress against each during the year. Performance against the measures will be assessed by the Committee to determine the percentage of the award that may vest between 0% and 15%. The measures are organised around two categories and will likely include the following:		
Customers, clients & colleagues	10%	Driving world-class outcomes for customers and clients – with measures to include: • Improve customer and client satisfaction • Reduce customer complaints • Maintain rankings and market share in Barclays Investment Bank • Increase digital engagement Protecting and strengthening our culture through our Purpose, Values and Mindset – with measures to include: • Maintain inclusion indicators • Maintain engagement at healthy levels • Maintain culture indicators
Risk & operational excellence	5%	Supporting a consistently excellent operating standard, risk management and controls: • Performance measured against two categories – risk awareness and operational excellence – using a combination of quantitative and qualitative metrics
Strategic objectives		
Strategic objectives	20%	Joint personal objectives: • Deliver key financial targets including RoTE and capital distributions • Maintain robust capital ratios across the Group and within the main operating entities • Continue to reduce organisational complexity and leverage new digital capabilities • Drive more balanced returns by deepening relationships with customers and clients and diversifying the mix of businesses • Deliver more stable income streams and continue growth in our home UK market C.S. Venkatakrishnan: • Continue to invest in talent and continue to grow a winning culture • Continue to drive better customer and client experiences and outcomes, through technology and improved offerings • Drive delivery to a consistently excellent standard • Drive leadership accountability to further strengthen our risk management and controls Anna Cross: • Continue to simplify, standardise and automate Group Finance processes to improve effectiveness and efficiency • Oversee the effective management of risk and control across Group Finance • Manage capital and resources appropriately to ensure we comply with governance and regulatory requirements • Retain focus on the talent and culture agenda across Group Finance

Notes:

1 Pay-out of the PBT element will also depend on the CET1 ratio at the end of the performance year. If the CET1 ratio is below the MDA hurdle at the end of the performance year, the Committee will consider what part if any of this element should pay out.

2 Material items are defined as those large, atypical one-offs that are called out in the financial reporting. As in previous years, the exclusion is not automatic, and the Committee will determine whether each item should be treated as material for these purposes at the time that outcomes are determined.

Remuneration report (continued)

2026-2028 LTIP awards and performance measures

The Committee decided to grant awards under the 2026-2028 LTIP cycle to C.S. Venkatakrishnan and Anna Cross with face values at grant equal to 550% and 500% of salary respectively – which will be based on salary before applying the 1 March 2026 increases outlined earlier in this Remuneration report.

As every year, the Committee carefully reviewed the performance measures for the Executive Directors' 2026-2028 LTIP. It considered the ambitions and targets set out for 2026, as well as the new financial and business performance targets through to 2028, and concluded that the measures adopted last year for the 2025-2027 LTIP should remain unchanged for the 2026-2028 LTIP, save a very small change to how the RoTE measure is assessed. For the 2026-2028 LTIP, the RoTE assessment will be based on the average RoTE over the three-year performance period, measuring progress against the 2026 target, as well as the new RoTE target for 2028, whereas the last two LTIP cycles have assessed RoTE over a shorter, one- or two-year period.

The 2026-2028 LTIP award will be subject to the following forward-looking performance measures:

Performance measure	Weighting	Threshold	Maximum vesting
Financial measures			
Average RoTE (excluding material items[1])	50%	10% of award vests for average 2026-2028 RoTE of 10.5%, rising on a straight-line basis	50% of award vests for average 2026-2028 RoTE of 14.25% or higher
Relative total shareholder return[2]	25%	6.25% vests for performance at the median of the peer group[3], rising on a straight-line basis	25% of award vests for performance at or above the peer group[3] upper quartile
Strategic non-financial measures			
The evaluation will focus on a range of key metrics, with a detailed retrospective narrative on progress during the year. Performance against the measures will be assessed by the Committee to determine the percentage of the award that may vest between 0% and 25%. The measures will focus on sustainability, customers and clients, and will likely include the following:			
Sustainability, customers & clients	25%	Sustainability (including climate) – with measures to include: • Financing clients' transition • Reducing our financed emissions • Achieving net zero operations • Supporting our communities Driving world-class outcomes for customers and clients – with measures to include: • Improve customer and client satisfaction • Reduce customer complaints • Maintain rankings and market share in Barclays Investment Bank • Increase digital engagement	

Notes:
1 Material items are defined as those large, atypical one-offs that are called out in the financial reporting. The exclusion is not automatic, and the Committee will determine whether each item should be treated as material for these purposes at the time that outcomes are determined.
2 Performance is assessed over the period from 1 January 2026 to 31 December 2028. Start and end total shareholder return will be the Q4 average for 2025 and 2028 respectively and will be measured in GBP for each company.
3 The peer group is comprised of banks in the UK, Europe and North America of comparable size to Barclays and with a high degree of correlation to Barclays of weekly share price returns. The peer group for the 2026-2028 LTIP award is Bank of America, BNP Paribas, Citigroup, Credit Agricole, Deutsche Bank, Goldman Sachs, HSBC Holdings, JP Morgan Chase & Co, Lloyds Banking Group, Morgan Stanley, NatWest Group, Santander, Société Générale, Standard Chartered, and UBS Group.

The award will vest in two tranches – 75% will vest on the third anniversary of grant, followed by a two-year holding period, and the remaining 25% will vest on the fourth anniversary of grant, followed by a one-year holding period, such that all the shares that vest must be retained until at least the fifth anniversary of grant (save for sales to cover taxes payable on vesting). The number of shares awarded to each Executive Director will be based on the market share price on the date of grant, and additional shares will accrue equivalent to dividends paid on unvested share awards (as is now permitted under the new UK bank pay regulations).

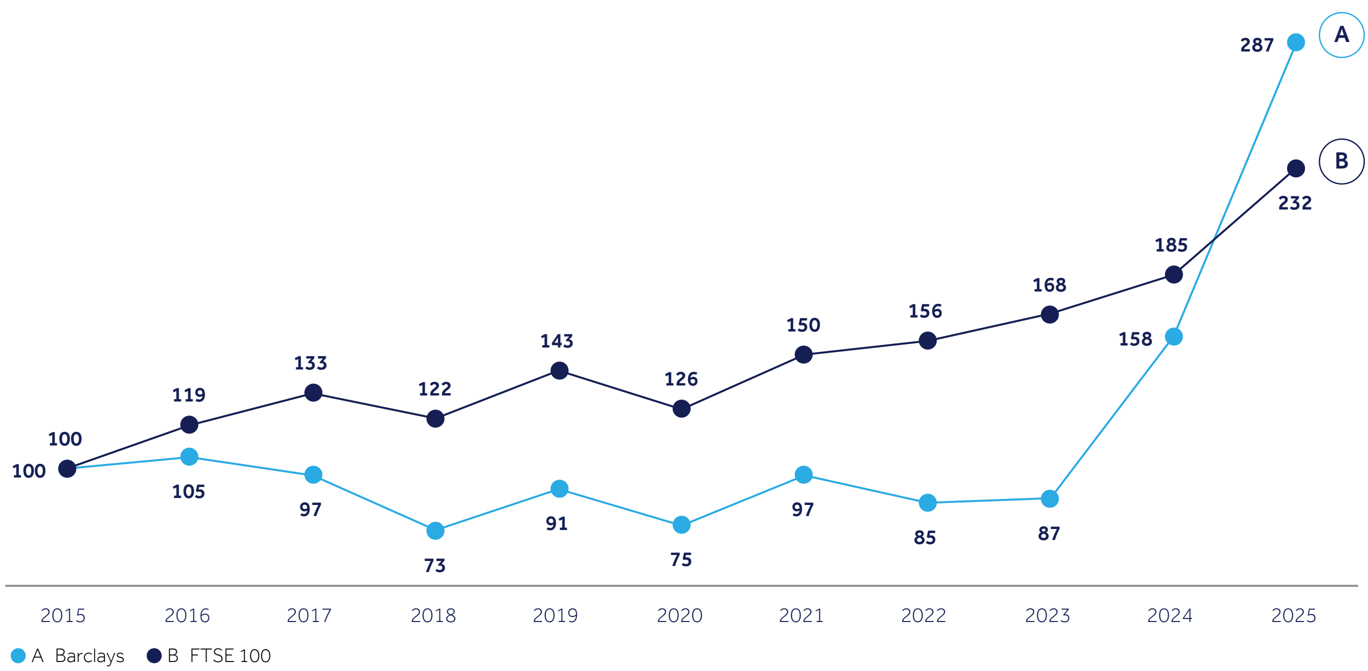
Remuneration report (continued)

Additional remuneration disclosures

Group performance graph and Group Chief Executive remuneration

The performance graph below compares the total shareholder return of Barclays shares with the total shareholder return of the FTSE 100 index over the 10 years ended 31 December 2025. The FTSE 100 index has been selected because it represents a cross-section of leading UK companies, of which Barclays is a long-standing constituent.

Total shareholder return – rebased to 100 in 2015
Year ended 31 December



Group Chief Executive remuneration
(£000)

Year	2016	2017	2018	2019	2020	2021		2022	2023	2024	2025
Group Chief Executive	Jes Staley[1]	Jes Staley[1]	Jes Staley[1]	Jes Staley[1]	Jes Staley[1]	Jes Staley[2]	C.S. Venkata-krishnan[3]	C.S. Venkata-krishnan	C.S. Venkata-krishnan	C.S. Venkata-krishnan[4]	C.S. Venkata-krishnan
Single total remuneration figure for Group Chief Executive	4,233	3,873	3,362	5,929	4,220	2,121	866	5,197	4,641	11,622	15,045
Annual bonus award as a % of maximum	60.0%	48.5%	48.3%	75.0%	38.6%	n/a[2]	92.6%	75.4%	53.3%	81.0%	83.0%
Long-term incentive plan vesting as a % of maximum	n/a[5]	n/a[5]	n/a[5]	48.5%	23.0%	n/a[2]	n/a[5]	n/a[5]	n/a[5]	67.5%	77.3%

Notes:
1 Jes Staley's remuneration figures for performance years 2016 to 2020 reflect the single total figures of remuneration as disclosed at the time. These have not been restated for the decision made by the Committee during 2023 that Jes Staley's unvested bonus and LTIP awards should be forfeited, as outlined in the Remuneration report 2023.
2 Jes Staley stepped down as Group Chief Executive on 31 October 2021. The remuneration shown for 2021 is in respect of his services as an Executive Director between 1 January 2021 and 31 October 2021. This figure does not include variable remuneration as the Committee determined that Jes Staley should be ineligible for 2021 bonus and should forfeit his unvested LTIP awards.
3 The 2021 remuneration shown is in respect of C.S. Venkatakrishnan's services during 2021 following his appointment as Group Chief Executive on 1 November 2021.
4 The 2024 remuneration figure in respect of C.S. Venkatakrishnan has been updated to reflect the LTIP amount based on the share price on the vesting date of the first tranche of the 2022-2024 LTIP as the LTIP value disclosed in the 2024 Remuneration report was an estimate, based on the Q4 2024 average share price, as the 2024 Annual Report was finalised prior to the vesting date.
5 Not applicable as the individual was not a participant in a long-term incentive cycle that vested in the period.

Remuneration report (continued)

Group Chief Executive pay ratios

The table below shows, for each year since 2019, the ratios of the Group Chief Executive's total remuneration to the total remuneration of UK employees. The change in these pay ratios from 2024 to 2025 is explained below the table.

	Option	25th percentile	Median	75th percentile
2025	A	360 x	248 x	148 x
2024[1]	A	290 x	201 x	118 x
2023	A	122 x	83 x	49 x
2022	A	154 x	101 x	58 x
2021[2]	A	95 x	62 x	35 x
2020[3]	A	144 x	95 x	53 x
2019[3]	A	213 x	140 x	77 x

Notes:
1 2024 Group Chief Executive pay ratio figures have been updated to reflect the actual 2022-2024 LTIP value based on the share price at the time of vesting of the first tranche. The LTIP value disclosed in the 2024 Remuneration report was an estimate, based on the Q4 2024 average share price.
2 2021 pay ratios reflect the sum of the single total figures for 2021 remuneration for C.S. Venkatakrishnan and Jes Staley, for their respective periods of service as Group Chief Executive in 2021. Jes Staley was ineligible for an annual bonus in respect of 2021 after he stepped down as Group Chief Executive.
3 The 2020 and 2019 ratios reflect the disclosed single total figures for 2020 and 2019 remuneration for Jes Staley and have not been restated for the decision made by the Committee in 2023 that Jes Staley's unvested bonus and LTIP awards should be forfeited, as outlined in the Remuneration report 2023.

The Directors' Remuneration Report regulations provide three options that companies may use to calculate total pay for the employees at the 25th percentile, median and 75th percentile. Option A was selected as this is the most robust methodology, calculating total pay for all employees on the same basis that the single total figure for remuneration is calculated for Executive Directors. Total pay for each employee includes earned fixed pay, which is made up of salary, any Role Based Pay and any relevant allowances, annual incentives awarded for 2025 performance, and an estimate of pension and benefits for 2025 (based on what new UK hires at each corporate grade currently receive). Other elements of pay such as overtime and shift allowances have been excluded as the amounts are not material. Calculations use full-time equivalent pay data taken from our HR systems for all UK employees, using the employee population on 31 December for each year.

Total pay and fixed pay for the UK employees at the 25th percentile, median and 75th percentile are set out in the table below.

	25th percentile		Median		75th percentile	
	Total pay	Fixed pay	Total pay	Fixed pay	Total pay	Fixed pay
2025	£41,783	£34,602	£60,603	£48,629	£101,858	£79,750
2024	£40,094	£33,277	£57,854	£46,628	£98,224	£77,333
2023	£38,194	£31,897	£55,801	£45,230	£95,341	£75,583
2022	£33,711	£28,300	£51,493	£41,608	£89,911	£71,071
2021	£31,404	£26,035	£48,253	£39,461	£85,407	£67,408
2020	£29,380	£24,706	£44,631	£37,460	£79,324	£64,272
2019	£27,875	£23,348	£42,362	£35,158	£77,488	£62,263

The pay ratios have increased between 2024 and 2025. This is due to the increase in the Group Chief Executive single total figure for remuneration, though employee pay has also increased, up 4%, 5% and 4% at the 25th percentile, median and 75th percentile respectively.

The Group Chief Executive single total figure for 2025 remuneration is 29% higher than for 2024, largely due to two factors:

- The majority of the increase is due to share price appreciation over the lifetime of the 2023-2025 LTIP award. The share price increased by 146% between the date of grant and the Q4 2025 average share price of £4.1493, on which the value vesting is estimated. This share price increase accounts for 59% of the LTIP value. The analysis of pay for the wider workforce does not capture any similar benefits from the increase to the share price, either on shares granted as part of deferred compensation or on shares employees acquired through participation in the Group's all-employee share plans.
- The LTIP vesting outcome for the 2023-2025 LTIP is higher than for the previous LTIP due to improved performance against the financial measures (2023-2025: 77.3%; 2022-2024: 67.5%). More information on the LTIP vesting outcome is provided from page 182.

The increase in the Group Chief Executive's maximum bonus opportunity, implemented following the approval of the DRP at the 2025 AGM, had only a small inflationary impact on the single total figure for 2025 remuneration. This is because the increase in bonus opportunity is largely offset by the fixed pay reduction, approved as part of the policy and effective 7 May 2025.

Excluding share price appreciation on the LTIP, the 2025 CEO pay ratios would be 226:1, 156:1 and 93:1 compared to the employee 25th percentile, median and 75th percentile respectively.

Remuneration report (continued)

The Group Chief Executive pay ratios are an outcome of all remuneration decisions for the Executive Directors and the wider workforce that are made within the framework of the Group's remuneration philosophy. To ensure Executive Director remuneration outcomes are suitably commensurate with those of the wider workforce, the Committee specifically considers each year whether the annual bonus and LTIP outcomes for the Executive Directors appropriately reflect the Group's performance, and the remuneration outcomes for the wider workforce, when considering whether a discretionary adjustment should be made to the Executive Directors' incentive outcomes. In respect of the Group Chief Executive's 2025 annual bonus and 2023-2025 LTIP award vesting, the Committee concluded that no discretionary adjustments were warranted. The considerations are explained in more detail in the Committee Chair's annual statement.

As such, the Committee is satisfied that the single total figure for 2025 remuneration for the Group Chief Executive, the total pay and fixed pay outcomes for UK employees, and the resulting pay ratios, reflect the application of the Group's remuneration philosophy and are commensurate with the pay outcomes for the wider workforce.

Annual percentage change in remuneration of Directors and employees

The table below shows the percentage change in the Executive Directors' fixed pay, benefits and bonus each year between 2020 and 2025, compared with the percentage change in each of those components of pay for UK-based employees of Barclays Group and for employees of Barclays PLC, the Group's parent company. The percentage changes from 2024 to 2025 are explained below the table.

For the Executive Directors, year-on-year percentage change figures are calculated using the single total figures for remuneration, annualised to a full-year equivalent where the individual served as an Executive Director for only part of the year.

		Fixed pay	Benefits	Annual bonus
2024/2025	C.S. Venkatakrishnan	(30%)	(20%)	49%
	Anna Cross	(31%)	93%	48%
	Median UK employee	4%	10%	12%
	Median employee of Barclays PLC[1]	0%	1%	37%
2023/2024	C.S. Venkatakrishnan	3%	(55%)	56%
	Anna Cross	3%	(12%)	52%
	Median UK employee	3%	13%	12%
	Median employee of Barclays PLC[1]	2%	2%	20%
2022/2023	C.S. Venkatakrishnan	3%	(38%)	(27%)
	Anna Cross	4%	17%	(25%)
	Median UK employee	9%	11%	(5%)
	Median employee of Barclays PLC[1]	1%	10%	(43%)
2021/2022	C.S. Venkatakrishnan	2%	853%	(16%)
	Anna Cross	n/a	n/a	n/a
	Tushar Morzaria	2%	82%	(20%)
	Median UK employee	5%	10%	3%
	Median employee of Barclays PLC[1]	10%	15%	(2%)
2020/2021	C.S. Venkatakrishnan	n/a	n/a	n/a
	Tushar Morzaria	2%	(10%)	152%
	Jes Staley	1%	(12%)	n/a
	Median UK employee	5%	6%	42%
	Median employee of Barclays PLC[1]	11%	0%	38%

Note:
1 The Barclays PLC comparison is included because this is a statutory requirement, though Barclays PLC employs only a very small number of Head Office employees (61 in 2025).

For C.S. Venkatakrishnan and Anna Cross, the 2024 to 2025 fixed pay changes reflect the fixed pay reductions agreed under the DRP, effective 7 May 2025. The annual bonus outcomes for C.S. Venkatakrishnan and Anna Cross are up 49% and 48% respectively, largely due to increases in their respective maximum bonus opportunities, also agreed as part of the DRP, and largely offset by the fixed pay reductions. The percentage change in benefits is -20% for C.S. Venkatakrishnan and +93% for Anna Cross, reflecting relatively small changes in absolute value – a decrease of c.£19,000 and an increase of c.£14,000 respectively.

For UK employees across the Group, the 4% increase in median fixed pay primarily reflects the salary increases awarded in early 2025 following last year's pay review process, while the 12% increase in median bonus reflects the increase in this year's Group incentive pool. The 10% increase in benefits costs is largely due to an increase in the cost of providing private medical cover in 2025.

Barclays PLC only employs a very small number of predominantly senior Head Office employees (61 in 2025), and there is frequent movement of employees between Barclays PLC and other entities within the Barclays Group. For comparison purposes, the Barclays PLC figures are therefore based only on the 48 individuals who were employed by Barclays PLC in both years. The increase in median bonus is larger for this population than the increase for UK-based employees of Barclays Group. This is due to some relatively large year-on-year bonus increases across this very small population.

Remuneration report (continued)

The table below shows the percentage change in fee each year between 2020 and 2025 for the Chairman and the Non-Executive Directors serving on the Barclays PLC Board during 2025, including fees for Board Committee memberships and/or subsidiary board positions. The changes in fees shown relate to changes in responsibilities of the Non-Executive Directors and annual fee increases. The Non-Executive Directors appointed to the Barclays PLC Board during 2025 are not shown, as they did not receive relevant fees prior to 2025 so no percentage change figures can be calculated.

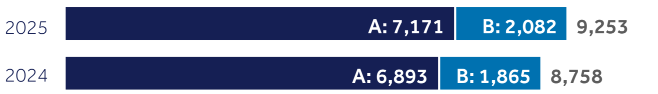
	2024/2025 fees[1,2]	2023/2024 fees[1]	2022/2023 fees[1]	2021/2022 fees[1]	2020/2021 fees[1]
Nigel Higgins	8%	2%	5%	0%	0%
Robert Berry[3]	14%	5%	9%	n/a	n/a
Tim Breedon[4]	3%	0%	1%	(19%)	64%
Dawn Fitzpatrick[5]	13%	5%	11%	18%	14%
Mary Francis	2%	4%	24%	5%	8%
Brian Gilvary	2%	(2%)	2%	3%	95%
Sir John Kingman	2%	3%	n/a	n/a	n/a
Marc Moses[6]	31%	2%	n/a	n/a	n/a
Diane Schueneman[7]	4%	(2%)	12%	4%	(4%)
Brian Shea[8]	23%	n/a	n/a	n/a	n/a
Julia Wilson	8%	21%	107%	13%	n/a

Notes:
1 In the year that a Non-Executive Director was appointed to or stepped down from the Barclays PLC Board, fees for that year are annualised to a full-year equivalent. Additional information has been provided in the notes that follow where 2024/2025 percentage changes in fees, which excludes benefits, were greater than 10%.
2 Fees were increased by 8% for the Group Chairman and by 2% for the Non-Executive Director roles on the Barclays PLC Board and its Board Committees, with effect from 1 January 2025.
3 The increase in fees paid from 2024 to 2025 for Robert Berry was primarily driven by a review and increase in fees for Non-Executive Directors of Barclays Capital Securities Limited.
4 Tim Breedon stepped down from the Barclays PLC Board with effect from 30 April 2025.
5 The increase in fees paid from 2024 to 2025 for Dawn Fitzpatrick was primarily driven by a review and increase in fees for Non-Executive Directors of Barclays Capital Securities Limited.
6 Marc Moses joined the Barclays Capital Securities Limited Board with effect from 1 January 2025 and was appointed as its Chair on 15 September 2025, therefore increasing the fees paid from 2024 to 2025.
7 Diane Schueneman stepped down from the Barclays PLC and Barclays Execution Services Limited Boards with effect from 31 January 2025.
8 Brian Shea was appointed to the Barclays PLC and Barclays Execution Services Limited Boards with effect from 19 July 2024 and received pro-rata fees for that year. For 2025, the full-year fees were paid. He was also appointed Chair of Barclays Execution Services Limited with effect from 1 February 2025 and received pro-rata fees for this role that year, therefore increasing the fees paid from 2024 to 2025.

Relative importance of spend on pay

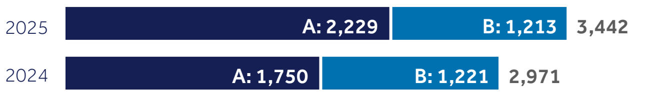
A year-on-year comparison of Group compensation costs and of distributions to shareholders is shown below. The distributions shown relate to dividends paid and share buyback programmes completed during the year. The distributions for 2025 do not include the dividends and share buyback programme announced on 10 February 2026.

Group compensation costs
£m



A Non-performance compensation costs[10]
B Performance costs

Distributions to shareholders[9]
£m



A Share buybacks
B Dividends

Notes:
9 The chart shows the value of dividends paid and the repurchase of shares from share buyback programmes during the year. For example, for 2025, the figure includes the 2025 interim dividend and the full year dividend declared in relation to 2024, and three share buyback programmes together totalling £2,229m. The shareholder distributions announced on 10 February 2026 are not reflected in this chart.
10 Relates to costs arising from salaries and other elements of fixed pay, social security costs, post-retirement benefits and other compensation costs.

Remuneration report (continued)

Chairman and Non-Executive Directors

Remuneration for Non-Executive Directors reflects their responsibilities and time commitment, and the fees paid are comparable with those paid in Barclays' international peer group, with a particular focus on the UK-headquartered banks. Fees shown reflect actual fees paid for periods of service on the Board, any Board Committees and, where applicable, subsidiary Boards and Board Committees.

Non-Executive Directors are reimbursed expenses that are incurred for business reasons. Any tax that arises on these reimbursed expenses is paid by Barclays.

Chairman and Non-Executive Directors: Single total figure for 2025 remuneration (audited)

	Fees		Benefits		Total	
	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Chairman						
Nigel Higgins[1]	**925**	857	**12**	9	**937**	866
Non-Executive Directors						
Robert Berry	**328**	288	**—**	—	**328**	288
Tim Breedon[2]	**136**	396	**—**	—	**136**	396
Dawn Fitzpatrick	**263**	233	**—**	—	**263**	233
Mary Francis	**222**	218	**—**	—	**222**	218
Brian Gilvary	**246**	241	**—**	—	**246**	241
Sir John Kingman	**601**	589	**—**	—	**601**	589
Diony Lebot[3]	**103**	—	**—**	—	**103**	—
Mary Mack[4]	**76**	—	**—**	—	**76**	—
Marc Moses	**253**	193	**—**	—	**253**	193
Diane Schueneman[5]	**37**	425	**—**	—	**37**	425
Brian Shea	**211**	77	**—**	—	**211**	77
Julia Wilson	**366**	338	**—**	—	**366**	338

Notes:
1 Nigel Higgins does not receive a fee in respect of his role as Chairman of Barclays Bank PLC.
2 Tim Breedon stepped down from the Board with effect from 30 April 2025.
3 Diony Lebot was appointed to the Board with effect from 17 March 2025.
4 Mary Mack was appointed to the Board with effect from 1 June 2025.
5 Diane Schueneman stepped down from the Board with effect from 31 January 2025.

Chairman and Non-Executive Directors: Statement of implementation of remuneration policy in 2026

The fees for the Chairman and Non-Executive Directors (including Board and Board Committee roles) are reviewed annually. A review was undertaken in the early part of 2026 and the fees for the Chairman were increased by 8.1% and fees for the Non-Executive Directors were increased by c.3.2% (with amounts rounded down to the nearest £100), both with effect from 1 January 2026. The Board intends to undertake a more detailed review of Non-Executive Directors' fees over the coming year. The updated fees are set out in the table below, and further information regarding fee increases is available in the Committee Chair's annual statement from page 158.

	1 January 2026 £	1 January 2025 £
Chairman[1]	1,000,000	925,000
Board member	101,400	98,300
Additional responsibilities		
Senior Independent Director	40,500	39,300
Chair of Board Audit or Risk Committee	90,100	87,400
Chair of Board Remuneration Committee	78,900	76,500
Membership of Board Audit, Remuneration or Risk Committee	33,700	32,700
Membership of Board Nominations Committee	16,900	16,400
Membership of Board Sustainability Committee	16,000	15,600

Note:
1 The Chairman does not receive any fees in addition to the Chairman fees shown above.

Remuneration report (continued)

Directors’ shareholdings and share interests

Interests in Barclays PLC shares (audited)

The table below shows the number of ordinary shares of 25p each of the Company (ordinary shares) owned beneficially by each person who served as a Director during 2025 (including any ordinary shares owned beneficially by their connected persons). The holding of these ordinary shares carries no additional or different voting rights to those of other holders or holdings of ordinary shares. The rights attaching to ordinary shares are set out on page 155.

For the Executive Directors, the table shows the number of ordinary shares over which each holds awards that are subject either to deferral terms or deferral terms plus performance measures, and the number of shares owned outright includes shares purchased by the Director as well as shares received in relation to remuneration. The numbers shown for shares that are subject to performance measures represent the maximum number of shares that may be released if those performance measures were to be satisfied in full. All Barclays employees, including the Executive Directors, are prohibited from investment activities that may create conflicts of interest, and in particular from using personal hedging strategies to undermine the risk alignment effects embedded in remuneration, or any other hedging in respect of Barclays securities.

The total share interests at 6 February 2026, being the latest practicable date for inclusion in this report, were the same as shown below for all Directors in service as at 31 December 2025. Each Director’s individual shareholding constituted less than 1% of the issued share capital of the Company as at 31 December 2025 and 6 February 2026. The Executive Directors and Non-Executive Directors do not currently participate in any share option plans operated by Barclays.

Interests in Barclays PLC shares as at 31 December 2025 (or date of retirement from the Board, if earlier)[1]	Owned outright	Unvested deferred awards: Subject to performance measures	Unvested deferred awards: Not subject to performance measures	Total
Executive Directors				
C.S. Venkatakrishnan	4,897,066	9,093,764	3,306,166	17,296,996
Anna Cross	1,053,937	5,258,511	652,355	6,964,803
Chairman				
Nigel Higgins	1,908,754	—	—	1,908,754
Non-Executive Directors				
Robert Berry	30,344	—	—	30,344
Tim Breedon[2]	235,449	—	—	235,449
Dawn Fitzpatrick	974,775	—	—	974,775
Mary Francis	102,534	—	—	102,534
Brian Gilvary	184,252	—	—	184,252
Sir John Kingman	15,680	—	—	15,680
Diony Lebot	1,616	—	—	1,616
Mary Mack	907	—	—	907
Marc Moses	19,121	—	—	19,121
Diane Schueneman[3]	144,962	—	—	144,962
Brian Shea	6,114	—	—	6,114
Julia Wilson	46,952	—	—	46,952

Notes:

1 Where American Depository Shares (ADS) are held, the ordinary shares equivalent is shown in the table. One ADS is the equivalent of four ordinary shares.
2 Tim Breedon stepped down from the Board with effect from 30 April 2025 and as a result his share interests are shown as at that date.
3 Diane Schueneman stepped down from the Board with effect from 31 January 2025 and as a result her share interests are shown as at that date.

Remuneration report (continued)

Executive Directors' shareholdings and share interests (audited)

The charts below show the value of Barclays shares held as at 31 December 2025 by C.S. Venkatakrishnan and Anna Cross, in each case using the Q4 2025 average Barclays ordinary share price of £4.1493.

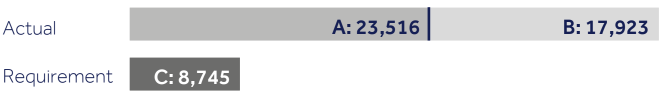
Under the DRP, Executive Directors have a contractual obligation to build up the required shareholding within five years from their date of appointment as an Executive Director. For C.S. Venkatakrishnan, the shareholding requirement is 550% of year-end salary, and for Anna Cross it is 500% of year-end salary. For two years after stepping down as an Executive Director, they must maintain a shareholding at a level equal to the shareholding required immediately prior to stepping down, or the actual number of shares held on stepping down if lower (subject to the Committee determining that the resulting level of shareholding is appropriate given the relevant Executive Director's tenure).

Barclays shares held beneficially by each Executive Director count towards the shareholding requirement, as well as unvested shares that are not subject to performance conditions (net of estimated income tax and social security). Unvested shares that are still subject to performance conditions do not count towards the shareholding requirements, but contribute to aligning the Executive Directors' interests with those of shareholders through share price exposure, and are therefore also shown below (net of estimated income tax and social security). For the unvested shares subject to performance conditions, the proportion that is ultimately released may range from 0% to 100% depending on the achievement of the performance measures for each award, and on continued employment in accordance with the relevant plan rules and the DRP.

Executive Directors are issued a shareholding statement twice yearly, reminding them of the level of shareholding they are required to build and maintain under the shareholding requirement, and informing them of the value of their current holdings. As at 31 December 2025, C.S. Venkatakrishnan's and Anna Cross's shareholding exceeded their respective shareholding requirements.

After an Executive Director has stepped down, some of the continuing shareholding requirement will likely be met via shares held within the Group's employee share plans and nominee accounts. In many cases this will be sufficient to cover the requirement in full. To the extent it is not, compliance with the balance of the requirement will be monitored and maintained through self-certification.

C.S. Venkatakrishnan
£000



Based on 31 December 2025 salary of £1,590k.

Anna Cross
£000

Based on 31 December 2025 salary of £950k.

A Actual shareholdings, including unvested shares not subject to performance conditions (estimated after-tax value)
B Unvested shares subject to performance conditions (estimated after-tax value), which do not count towards the shareholding requirement
C Shareholding requirement

Payments to former Directors (audited)

Former Group Finance Director: Tushar Morzaria

In 2025, Tushar Morzaria was provided with UK and US tax compliance services in respect of Barclays employment income.

Former Group Finance Director: Chris Lucas

As disclosed in the 2013 Remuneration report (page 115), Chris Lucas was eligible to receive life assurance cover, private medical cover and payments under the Executive Income Protection Plan (EIPP). These benefits ceased on 22 September 2025.

Former Non-Executive Director: Diane Schueneman

Following Diane Schueneman stepping down as a Non-Executive Director on 31 January 2025, she remained a member of the Barclays US LLC (the US Intermediate Holding Company) Board. Diane received fees of $240,075 between 1 February 2025 and 31 December 2025 for this role.

Former Non-Executive Director: Tim Breedon

Following Tim Breedon stepping down as a Non-Executive Director on 30 April 2025, he remained the Chair and member of the Barclays Bank Ireland PLC Board. Tim received fees of €240,267 between 1 May 2025 and 31 December 2025 for this role.

Remuneration report (continued)

Previous AGM voting outcomes

The table below shows the shareholder voting results in respect of our 2024 Remuneration report and DRP approved by shareholders at the AGM held on 7 May 2025.

	For (% of votes cast and total number)	Against (% of votes cast and total number)	Withheld (total number)
Vote on the 2024 Remuneration report at the 2025 AGM	98.00%	2.00%	
	9,825,476,891	200,513,221	11,251,816
Vote on the Directors' Remuneration Policy at the 2025 AGM	96.98%	3.02%	
	9,709,663,457	302,390,857	25,187,614

Barclays Board Remuneration Committee

Committee responsibilities

The Board Remuneration Committee is responsible for overseeing remuneration at Barclays. The role of the Committee, as set out in its Terms of Reference, is to:

- Set the overarching principles and parameters of remuneration policy across the Group
- Consider and approve the remuneration arrangements of (i) the Group Chair, (ii) the Executive Directors, (iii) members of the Barclays Group Executive Committee and any other senior executives specified by the Committee from time to time, and (iv) all other Group employees whose total annual compensation exceeds an amount determined by the Committee from time to time
- Exercise oversight over remuneration issues (including retirement benefits).

The Committee's Terms of Reference are available at **home.barclays/who-we-are/our-governance/board-committees**

Advisers to the Committee

The Committee appointed PricewaterhouseCoopers (PwC) as its independent adviser in October 2017. The Committee considered the advice provided by PwC to the Committee during the year and was satisfied that the advice is independent and objective. PwC is a signatory to the voluntary code of conduct in relation to executive remuneration consulting in the UK. PwC was paid £194,902 (excluding VAT) in fees for its advice to the Committee in 2025 relating to the remuneration of the Directors (either exclusively or along with other employees within the Committee's Terms of Reference). In addition to advising the Committee, PwC provided unrelated consulting advice to the Group, covering strategic business planning, regulatory compliance, governance, risk and controls, target operating model design, cost optimisation, taxation, technology enablement, pensions and benefits, workforce and HR transformation, and sustainability including ESG frameworks.

Throughout 2025, Willis Towers Watson (WTW) provided the Committee with market data on compensation, as context when considering incentive levels and remuneration packages. WTW was paid £79,000 (excluding VAT) in fees for these services. In addition to the services provided to the Committee, WTW also provides market data on compensation for other roles below Board level, pensions and benefits advice and brokerage services to the Barclays Group, and administration services to a number of the Group's pension funds.

In the course of its deliberations, the Committee also considered the views of the Group Chief Executive, the Group Human Resources Director and the Group Reward and Performance Director/Co-Heads of Reward and Performance. The Group Finance Director and the Group Chief Risk Officer provided regular updates on Group and business financial performance and risk matters respectively. The Head of Corporate Communications attended when requested to advise on reward communications and disclosures. The Company Secretary advised on governance-related matters. No Barclays employee or Director was responsible for decisions of the Committee relating to his or her own remuneration. No other advisers provided services to the Committee in the year.

Committee effectiveness in 2025

An internal evaluation of the performance of the Committee was conducted for 2025, in line with the provisions of the Code. The results of the review confirmed that the Committee was operating effectively. Further information on the review of the Board and its Committees can be found in the Board Nominations Committee report from page 126.

Remuneration report (continued)

Committee activity in 2025 and early 2026

The following table summarises the Committee's activity during 2025[1], and at the January and February 2026 meetings at which remuneration decisions reported in this Remuneration report were finalised. The Committee is also regularly provided with updates on: the operation of its Remuneration Control Framework, headcount and employee attrition, and extant LTIP performance.

		January 2025	February 2025	June 2025	October 2025	December 2025	January 2026[2]	February 2026
Overall remuneration	Finance and Risk updates	▪	▪		▪	▪	▪	▪
	Incentive funding including risk and control adjustments	▪	▪		▪	▪	▪	▪
	Remuneration report 2024	▪	▪					
	Group budgets for fixed pay increases	▪	▪		▪	▪	▪	
	Wider workforce considerations	▪	▪	▪	▪	▪	▪	▪
	Incentive funding approach			▪				
	Barclays' Fair Pay Agenda	▪	▪			▪	▪	▪
	Regulatory changes for Material Risk Takers			▪	▪	▪	▪	
	All-colleague share award				▪	▪		▪
	Remuneration report 2025					▪	▪	▪
Executive Directors' and senior executives' remuneration	Executive Directors' and senior executives' bonus outcomes	▪	▪			▪	▪	▪
	Directors' Remuneration Policy	▪	▪					
	Annual bonus and LTIP performance measures and target calibration	▪	▪			▪	▪	
Governance	Regulatory and stakeholder matters	▪	▪	▪	▪	▪	▪	▪
	Discussion with independent adviser	▪	▪	▪	▪	▪	▪	▪
	Remuneration Review Panel update			▪	▪	▪		▪
	Review of Committee effectiveness		▪					▪

Notes:

1 During 2025, there were five scheduled Committee meetings and one ad hoc Committee meeting was called.

2 Two Committee meetings were held in January 2026.

Other Governance

This section aims to provide an overview of certain governance matters of particular relevance to ESG ratings agencies and investors across a range of sustainability matters. It covers topics such as our Code of Conduct, whistleblowing, tax, financial crime, health and safety and how we manage our data privacy and security as well as resilience. This section also includes our approach to managing social and environmental impacts as well as our Governance disclosures as part of the TCFD recommendations.

This section does not discuss general corporate governance matters. Refer to the Board Governance report from page 113 in the Annual Report for information relating to the Board, ExCo and Board Committees, our Board governance framework and how we complied with the requirements of the 2024 UK Corporate Governance Code during 2025.

Other Governance

Climate and sustainability governance

Oversight and management of climate and sustainability-related issues are embedded within our governance structure[1].

Barclays' climate and sustainability governance structure consists of the Barclays PLC Board (Board) and its Committees along with Executive and Management Committees which span both business and legal entity lines. The Board sets the Group's climate and sustainability strategy and oversees its implementation by senior management.

Climate and sustainability governance structure[2]

Board

- Barclays PLC Board
- Board Sustainability Committee
- Board Risk Committee
- Board Audit Committee
- Board Remuneration Committee

Group Committees

- Group Executive Committee (Group ExCo)
- Group Risk Committee
- Group Sustainability Committee
- Disclosure Committee
- Group Reputation Risk Committee
- Climate Risk Committee

Business / Legal Entity / Function

- Business / Legal Entity Functions / Committees and Forums
- Operational Sustainability Steering Committee
- BBPLC Business-Level Committees for transaction reviews
- Principal Investments Equity Committee
- Sustainability Change Portfolio Governance Board

Senior management

- Group Chief Compliance Officer
- Group Chief Operating Officer
- Group Chief Risk Officer
- Business CEOs
- Group Finance Director
- Group Head of PPCR
- Group Sustainability Chief Information Officer
- Group Head of Climate Risk
- BX Risk and Finance Chief Operating Officer
- Group Head of Sustainable and Transition Finance
- Head of Sustainability, Group
- Head of Sustainability, Business

Notes:

1 The committees, forums and governance bodies described here are non-exhaustive and their construct and Terms of Reference may vary on a legal entity basis or across the Group.

2 The presentation of Group Committees and senior management is not directly illustrative of the committees / forums they report into.

Climate and sustainability governance changes during 2025

In 2025, two new leadership roles were established within Group Sustainability: Head of Sustainability, Group and Head of Sustainability, Business, see page 204. Both roles report to the Group Head of Sustainable and Transition Finance, and were created to enhance the Group's ability to deliver on its sustainability ambitions by seeking to align strategic policy development with effective implementation of sustainability policies and environmental and social risk management across Barclays.

Other Governance (continued)

Board and Board Committee oversight of climate and sustainability-related risks and opportunities

Roles and responsibilities of the Board and Board Committees with respect to climate and sustainability-related matters

Board	Board Sustainability Committee	Board Risk Committee	Board Audit Committee	Board Remuneration Committee
Responsible for the overall leadership of the Group (with direct oversight of strategy, culture and strategic reputational matters relating to the Group). The Board sets the Group's strategy, including in respect of climate and sustainability matters.	Responsible for oversight of climate matters and the Group's sustainability agenda (including in relation to nature and human rights). The Committee supports the Board in considering the suitability and monitoring the implementation of the Group's climate and sustainability strategy.	Responsible for monitoring principal risks (including climate risk), considering the Group's risk appetite and tolerances, along with reviewing the Group's risk profile and commissioning, receiving and considering reports on key risk issues.	Responsible for overseeing the integrity of the Group's financial disclosures and the effectiveness of the internal control environment. The Committee oversees financial and narrative reporting, which encompasses climate and sustainability disclosures within the Annual Report.	Responsible for setting the overarching principles and parameters of remuneration policy across the Group. The Committee has responsibility for aligning Executive Director remuneration with strategic priorities, including in relation to climate and sustainability matters.

Barclays PLC Board

The Board and, as appropriate, its Committees are responsible for the oversight of climate and sustainability matters, including climate-related risks and opportunities.

During 2025, the Board received four reports from the Board Sustainability Committee, with a key focus on the Barclays Transition Update. Other matters covered included updates on Barclays' approach to nature and managing human rights risk. The Board also received an update on the Group's sustainable finance strategy. Please see the Key Board activities section from page 122 for further detail about what the Board considered in relation to climate and sustainability matters in 2025.

Outside of formal Board briefings, the Group Head of Public Policy and Corporate Responsibility and Group Head of Sustainable and Transition Finance also engaged with Board members on matters relating to the Group's climate and sustainability strategy.

The Board is supported in its work by its Committees, each of which has its own Committee Terms of Reference setting out its remit and decision-making powers. The Chairs of each Committee report regularly on their Committee's work to the Board.

Board Sustainability Committee

During 2025, the Board Sustainability Committee met four times. It played a key role in reviewing the Barclays Transition Update ahead of its approval by the Board. It was kept updated on external developments and stakeholder perspectives in relation to climate and sustainability matters. The Committee also continued to have oversight of wider sustainability priorities, including nature and human rights.

Please refer to the report of the Board Sustainability Committee from page 147 for further detail on the work of this Committee.

Board Risk Committee (BRC)

The Board Risk Committee plays an important role in overseeing and challenging the Group's progress towards achieving its climate targets and assessing the impact of climate risk on the Group's overall risk profile and financial position.

During 2025, the BRC received regular updates from the Head of Climate Risk. These covered matters including external regulatory trends, the global policy environment, progress against financed emissions reduction targets and actions taken to address physical risks. The BRC also received quarterly climate risk dashboards during the year, providing updates on key climate risk metrics.

The BRC received regular business risk updates from the main business areas during the year which included assessments of principal risks, including climate risk.

Please refer to the report of the BRC from page 142 for further detail on the work of this Committee.

Board Audit Committee

The Board Audit Committee has oversight of the climate and sustainability disclosures within the Group's narrative reporting, seeking views from the Board Sustainability Committee on those disclosures where appropriate. During 2025, the Board Audit Committee received updates on developments in sustainability reporting, including those required by the European Corporate Sustainability Reporting Directive, and reviewed how the impacts of climate and sustainability reporting requirements are reflected in preparing the Group's financial statements.

Please refer to the report of the Board Audit Committee from page 134 for further detail on the work of this Committee.

Board Remuneration Committee

The principal activities of the Board Remuneration Committee include: setting the Barclays Group Remuneration Policy; determining the incentive pool, factoring in climate and sustainability-related performance measures that impact annual bonus awards of all employees, and; aligning Executive Director remuneration with strategic priorities, including in relation to climate and sustainability matters.

For 2025, performance against climate and sustainability-related measures was considered in the determination of the incentive pool, impacting bonus awards of all employees. Climate and sustainability-related measures are also included in the 2026-2028 LTIP for the Executive Directors of Barclays PLC as part of the broader category of measures relating to Sustainability, customers & clients, weighted at 25%. These measures will likely include financing clients' transition, reducing our financed emissions and achieving net zero operations, as well as supporting our communities.

Please refer to the Remuneration report from page 158 for further detail on the work of the Board Remuneration Committee.

Other Governance (continued)

Management's role in assessing and managing sustainability and climate-related risks and opportunities

Oversight and management of Barclays' climate and sustainability strategy continues to be embedded in business-as-usual management structures, including executive committees. These committees are mandated and form part of Barclays' formal governance architecture. Each committee is itself governed by Terms of Reference that lay out the duties, decision-making authority and escalation route of any material issues. The executive management committees receive regular briefings on matters including climate change and consider both risks and opportunities. Climate and sustainability-related risks are assessed and escalated where relevant through the various risk forums.

Group Executive Committee (Group ExCo)

The Group Head of PPCR is a member of Group ExCo and is accountable for ensuring the Group's societal purpose is present in strategic decision-making at the highest levels in the organisation. The Group Head of PPCR, and their team, regularly update Group ExCo on a range of Public Policy and Corporate Responsibility matters, covering key government and regulatory policy, regulator engagement and sustainability matters. Updates provided to Group ExCo in 2025 on sustainability matters included updates on the Barclays Transition Update, planned enhancements to Barclays' approach to human rights and the Group's sustainable finance strategy.

The Group Chief Risk Officer is a member of Group ExCo and is accountable for the approach to managing climate-related financial and operational risks to Barclays; this is implemented within the Group's Enterprise Risk Management Framework (ERMF).

The Group Sustainability Committee, established by Group ExCo in 2023, continued to provide updates to Group ExCo on a range of sustainability issues.

Executive remuneration

Annual bonus outcomes and Long Term Incentive Plan (LTIP) award outcomes for the Executive Directors of Barclays PLC are assessed against a framework of measures set by the Remuneration Committee at the start of the performance period for each award.

For the Executive Directors of Barclays PLC, an element of their 2026-2028 LTIP award will be driven by non-financial performance measures, including measures relating to climate and sustainability. The climate and sustainability-related measures will be included as part of the broader category of measures relating to Sustainability, customers & clients, weighted at 25%. The climate and sustainability measures will likely include financing clients' transition, reducing our financed emissions and achieving net zero operations, alongside other measures relating to supporting our communities.

See the Remuneration report from **page 158**.

Group Risk Committee (GRC)

The GRC is the designated forum to review and recommend, where necessary, submissions to the BRC. The GRC is the most senior risk executive body responsible for reviewing and overseeing the risk profile and risk practices of the Group. This includes coverage of all principal risks (including climate risk), and any other material risks, to which the Group is exposed.

In relation to climate, the GRC reviews and recommends proposed risk appetite for climate risk and relevant limits to the BRC. The GRC oversees monitoring and reporting of climate risk, reviews periodic updates on exposures to climate risk (including physical and transition risk metrics), progress against financed emission reduction targets for sectors and mitigation plans, external developments and trends on climate risk, results of scenario analysis and stress test exercises including implications on risk appetite and limits.

The GRC is also responsible for the oversight of design and effectiveness of risk frameworks for managing climate risk.

The GRC receives escalations from the Climate Risk Committee, noting none were received in 2025.

Group Sustainability Committee (GSC)

The GSC is a sub-committee of Group ExCo and is chaired by the Group Head of PPCR. GSC members include senior sustainability representatives from across the businesses, including the Group Head of Sustainable and Transition Finance, as well as members representing key functions across the Group.

The GSC is responsible for approving and recommending sustainability matters on behalf of Group ExCo to the Board Sustainability Committee as appropriate. The GSC is also responsible for determining, agreeing or recommending sustainability position statements, frameworks, targets, relevant disclosures and advocacy areas necessary to support strategy delivery and agreeing the strategic change priorities to support overall sustainability strategy.

Climate Risk Committee (CRC)

The CRC was established in 2021 as a sub-committee of the GRC to support the oversight of climate risk. The authority of the CRC is delegated by the GRC, and the Group Head of Climate Risk is the Chair of CRC.

The CRC has reviewed or approved a range of updates, including those on risk appetite and plans for embedding climate risk considerations into business activities. Additionally, quantitative and qualitative metrics, emerging climate risk trends and progress against targets are presented and discussed at the CRC.

Other Governance (continued)

Disclosure Committee (DisCom)

DisCom, which is chaired by the Group Finance Director, has been set up as a sub-committee of the Group ExCo. DisCom is convened to review and monitor the integrity of the Group's financial and narrative statements and other information provided to stakeholders, whether by means of announcement or otherwise. In addition to reporting to the Group ExCo, DisCom also reports to the Board Audit Committee (BAC).

DisCom is convened to undertake a number of specific duties, including:

- financial reporting: to review and monitor the integrity of the Group's financial statements, interim management statements, preliminary announcements (if prepared), and any other formal announcements relating to the Group's financial performance; and
- narrative reporting: to review and monitor the integrity of the Group's narrative statements, including but not limited to the BPLC, BBPLC and BBUKPLC Annual Reports, the BPLC Country Snapshot and the Modern Slavery Statement.

Group Reputation Risk Committee (GRRC)

The GRRC is a sub-committee of the Group ExCo which reviews and challenges, and directs as appropriate, the management and mitigation of Reputation Risk matters in the Barclays Group as they are brought to the attention of the GRRC via relevant Reputation Risk assessment and escalation processes. This includes Reputation Risk associated with climate and sustainability-related matters. The GRRC is co-chaired by the Head of Public Policy and Corporate Responsibility and Group Chief Compliance Officer, and members include the Group Risk Officer and Group General Counsel.

Group Chief Executive (Group CEO)

The Group CEO is responsible for driving Barclays' focus on external societal and environmental stewardship, and overseeing progress towards Barclays' ambition to be a net zero bank by 2050. The Group CEO is Chair of Group ExCo.

The Group CEO is closely involved in identifying and promoting the development of Barclays' climate and sustainable finance growth opportunities in the transition to a low-carbon economy.

The Group CEO chairs the Sustainable Markets Initiative's (SMI) Financial Services Task Force, leading the CEO-led group on key themes including Nature and Transition Technologies. Participation in the SMI, an action-oriented, sector-led organisation, provides Barclays an opportunity to work with real economy players, providing insights that help us to best support our clients' transitions.

Chief Risk Officer (CRO)

The Group CRO is accountable for the approach to managing climate-related impacts on financial and operational risks to Barclays. This encompasses management and oversight of risk processes for identification, assessment, measurement, monitoring, limit setting and the supporting governance.

Group Head of PPCR

The Group Head of PPCR leads the Group's overall sustainability agenda. Specifically, the role is responsible for overseeing the development and implementation of Barclays' sustainability strategy.

Group Head of Sustainable and Transition Finance

The Group Head of Sustainable and Transition Finance leads the Group Sustainability team and the Sustainable Finance teams, reporting jointly to the Group Head of PPCR, the Global Co-Head of Investment Banking and the Global Head of Markets.

The role leads the strategic direction and execution of Barclays' policies and practices across a broad range of sustainability matters, including climate change, nature and human rights as well as the development and execution of the Group's sustainable finance strategy to support clients navigate the opportunities and challenges of the transition to a low-carbon economy. In these capacities, the role includes driving sustainable and transition finance growth, strengthening client support and transition advisory, as well as overseeing the development of standards and metrics to advance sustainable finance and supports innovation in sustainable product development.

Group Head of Climate Risk

The Group Head of Climate Risk is the accountable executive for the management and oversight of climate risk. The scope of climate risk (which is a principal risk within the ERMF) encompasses the management of financial and operational risks from climate change. The Group Head of Climate Risk reports directly to the Group CRO and is the Chair of CRC.

The Group Head of Climate Risk is responsible for the development and implementation of climate risk governance, including ownership of Barclays' Climate Risk Framework, Standard and Policy. The Group Head of Climate Risk is also responsible for integrating climate risk considerations into existing risk management processes and overseeing risk management activities for climate risk, including identifying, assessing, and monitoring climate risk drivers and proposing risk appetite, alongside setting limits and controls for managing climate-related impacts on financial and operational risks . The Group Head of Climate Risk also leads the development of climate risk methodologies and Barclays' approach to financed emissions calculation, including the BlueTrack™ methodology.

Other Governance (continued)

Sustainability Chief Information Officer

The Sustainability Chief Information Officer (CIO) integrates technology, data, AI and change execution expertise in a single function. The Sustainability CIO works in partnership with the business and functions to deliver new and enhance existing capabilities, which seek to enable and accelerate delivery against Barclays' sustainability strategy.

Head of Sustainability, Group

Leads development of Group-wide sustainability policy and strategy, setting Barclays' positioning on key sustainability topics and driving innovation through pilots, partnerships, and emerging commercial opportunities. Represents Group Sustainability externally with NGOs, investors, and global platforms while fostering collaboration and strategic engagement across the organisation.

Head of Sustainability, Business

Leads the implementation of Group-wide sustainability policies and environmental and social risk management across Barclays, providing specialist input on client and transaction due diligence and our Sustainable and Transition Finance Frameworks. Works closely with clients to understand their sustainability strategies and supports delivery of programmes that embed sustainability-related risk considerations, supporting long-term business resilience and growth.

Implementation - business working-level committees, forums and reports

Operational Sustainability Steering Committee

The Operational Sustainability Steering Committee (OSSCo) is responsible for oversight of Barclays Execution Services' sustainability operations strategy. The OSSCo is chaired by the Barclays Execution Services Chief Operating Officer and comprises leadership from Corporate Real Estate Solutions (CRES) and Location Strategy, Procurement, Functions Technology, Climate Risk and Legal.

The OSSCo approves and monitors progress against our sustainability operations targets and milestones, reviews sustainability operations programmes and provides strategic direction regarding the prioritisation of initiative deliverables. The OSSCo provides updates to the GSC annually. The GSC is responsible for approving and recommending sustainability matters on behalf of Group ExCo to the Board Sustainability Committee as appropriate.

BBPLC business-level committees for transaction reviews

Business-level committees are convened for senior management to review transactions with potential material Reputation Risk to Barclays, These may include transactions involving climate and sustainability-related risks. Where particularly heightened risks are identified, these transactions may be escalated to the Group Reputation Risk Committee. Matters reviewed by these committees include transactions, relationships, agreements, strategies and other business activities.

Principal Investments Equity Committee

The Principal Investments Equity Committee (the 'Committee') undertakes the senior approval responsibilities relating to the execution and management of all principal strategic equity and workout equity transactions managed on behalf of Barclays PLC and all other Barclays Group entities. The formation and authority of this Committee comes from the Group CEO, acting through the Group ExCo. The Committee consists of senior stakeholders who meet on a regular basis which, when considering the Barclays Climate Ventures portfolio, includes the Group Head of Sustainable and Transition Finance.

Sustainability Change Portfolio Governance Board

The Sustainability Change Portfolio Governance Board is responsible for the strategic integration, governance and control (including budgetary), prioritisation, risk management and approval of change (subject to agreed tolerances) of the Group Sustainability portfolio of work. The Board is chaired by the Group Head of Sustainable and Transition Finance.

Managing impacts in lending and financing

At Barclays, we recognise the importance of risk identification and management in the provision of financial services to our customers and clients.

This supports the longevity of our business and also enhances our ability to serve our clients and support them in improving their own sustainability practices and disclosures.

Managing environmental and social impacts

We have developed an approach for sustainability-related matters which sits under the management of the Reputation Risk Principal Risk within the Barclays Enterprise Risk Management Framework (ERMF), and governs our identification, assessment and management of environmental and social impacts associated with our client and customer relationships and transactions in relevant sensitive sectors and areas. This approach is defined in an internal standard which reflects objectives and responsibilities for all areas of Barclays.

Our position statements on Climate Change, Forestry and Agricultural Commodities, Protected Areas, and the Defence and Security Sector set out our approach to financing certain sensitive sectors.

Further details about these position statements can be found on **pages 46, 47,** and **Sustainability Resource Hub**

Enhanced due diligence

Clients in-scope of the above mentioned position statements are subject to enhanced due diligence, via a detailed Sustainability Enhanced Due Diligence (SEDD) questionnaire, which is used to evaluate their performance on a range of environmental and social issues and may be supplemented by a review of client policies/procedures, further client engagement and adverse media checks as appropriate. This review generates an outcome based on alignment with position statements and identified environmental and social issues. The review outcome determines whether further review by the Environmental and Social Risk Management (ESRM) team within Group Sustainability is required, Client engagement may be undertaken as part of the periodic review cycle (either annual or biennial). We follow a risk-based approach where certain clients require further risk assessment prior to execution of transactions.

We undertook 770 (2024:775) reviews in 2025, being a combination of client reviews and individual transaction reviews per sector detailed below.

Sector	2025	2024
Agriculture	**12**	26
Commodity Traders	**7**	6
Defence, Aerospace & Security	**490**	426
Infrastructure	**5**	0
Manufacturing	**5**	1
Metals & Mining	**23**	26
Oil & Gas	**89**	106
Paper & Forestry	**12**	14
Power & Utilities	**113**	128
Other	**14**	42
Total	**770**	775

Engagement

As part of our management of environmental and social impacts, we may require further client engagement in relation to the specific environmental and social issues that we have identified as part of our SEDD process.

We have used this engagement as an opportunity to gain a more detailed understanding of the risks and challenges that the client is facing and to better understand any climate transition plan that they may have.

Escalation and decision-making

We assess the risk of client relationships, and associated transactions, through SEDD, and escalate to the relevant business unit review committee (e.g. IB Sustainability Review Committee, BBPLC Transaction Review Committee), where appropriate, for consideration and, if transaction-related, a decision on whether to proceed. Business unit review committees comprise of business management and representatives from the control functions, including Reputation Risk.

Should the front office business team or the ESRM team believe the issues are sufficiently material and the front office business team wish to proceed, these clients/relationships would be escalated to the Group Reputation Risk Committee (GRRC) for more senior consideration and decision. GRRC includes representation from the Group Executive Committee.

These Committees may make the following determinations:

- approve the transaction or relationship;
- reject the transaction or relationship;
- approve the transaction or relationship subject to prescribed modifications; and
- escalate the review of the transaction or relationship to the Barclays Group CEO.

Further details about the roles of these Committees and their activities during 2025 are set out on **pages 202** and **203.**

Other Governance (continued)

Equator Principles

For project finance, we conduct assessments for environmental and social risks and impacts in line with the Equator Principles including, where appropriate, relevant International Finance Corporation (IFC) Performance Standards. Barclays categorises projects based on their risk and impact profile per Equator Principles guidance and will conduct commensurate due diligence (often with the support of an independent consultant) and will work with the client to address any material identified gaps. Barclays was one of the four banks that contributed to developing the Principles ahead of their launch in 2003. During 2025, 11 transactions (2024: six transactions) reached financial close and were reviewed for environmental and social risks and impacts under the scope of the Equator Principles.

Further details can be found at: **equator-principles.com/**

Equator Principles transactions in 2025

	Category		
Sector	**A**	**B**	**C**
Infrastructure	1	2	
Power	2	6	
Region	**A**	**B**	**C**
Americas	1	3	
EMEA	2	5	
Country designation	**A**	**B**	**C**
Designated	2	8	
Non-designated	1		
Independent review	**A**	**B**	**C**
Yes	3	8	
No			
Finance type	**A**	**B**	**C**
Project finance	3	8	

Category A: Projects with potentially significant adverse social or environmental risks and/or impacts that are diverse, irreversible or unprecedented.
Category B: Projects with potentially limited adverse social and environmental risks and/or impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures.
Category C: Projects with minimal or no social or environmental risks and/or impacts.

Sensitive sector and area position statements

In addition to setting sector-specific financed emissions reduction targets, consistent with our Purpose and driven by consideration of all relevant risks and other factors, we have outlined our approach to financing certain sensitive sectors and areas in our position statements, each of which contains various requirements and expectations,taking into account regional and jurisdictional considerations, and other provisions relevant to how we apply them.

Our position statements are periodically reviewed and updates considered in light of the rapidly changing external environment, including, for example, public policy, laws and regulation, technological advancement, geopolitical or regional developments.

Our approach is informed by engagement with our stakeholders, including shareholders, clients, subject specialists and civil society groups.

Our Climate Change Statement sets out our positions and approach to certain sensitive sectors. In cases where clients are identified as not meeting the non-mandatory expectations and Barclays has an active relationship with those clients, we encourage them to adhere to these expectations; where clients are unable or unwilling to do so over time, we will review the relationship and may reduce our support.

We believe we can best balance our climate ambition, shareholder expectations and deliver our strategy through working with clients on their transition (including using tools such as SEDD and Client Transition Framework (CTF)), as well as financing clients' transition and scaling climate technology. Reflecting society's need for available and affordable energy, we also remain a significant provider of capital to the conventional energy and power sector. Financing for clients in this sector is managed in line with Barclays' risk appetite, with decisions informed by transition progress, commercial returns, client engagement and market realities.

Barclays' approach recognises that energy security and transition progress must advance in parallel and that continued investment in both is critical to meeting evolving client needs and supporting economic stability.

Further details on Sustainability Enhanced Due Diligence can be found on **page 205** and Client Transition Framework on **page 74**.

Long-lead expansion policy exceptions

The combined number and aggregate value of new financing or renewal of existing financing granted by exception in 2025 under the Non-diversified Group restriction in the Climate Change Statement is detailed below.

Non-diversified Groups, Exceptions Granted	Total
Client Groups	2
Financing Transaction Count	4
Financing Transaction Value (£m)	377

We will keep our policies, targets and progress under review in light of the output of both SEDD and CTF reviews, the evolving landscape and the need to support governments and clients, in our efforts to meet our ambition to be a net zero bank by 2050.

Additional positions and approaches to financing sensitive sectors and areas are set out in our position statements relating to Forestry and Agricultural Commodities, Protected Areas and Defence and Security.

Further details on our environmental and human rights-related position statements can be found on **page 45 and 46** and **Sustainability Resource Hub**

Other Governance (continued)

Human rights

Barclays is continuing to develop and enhance our approach to respecting human rights.

The Barclays Group Statement on Human Rights, updated in 2024, reiterates our commitment to respecting human rights as defined in the International Bill of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. Our approach is guided by the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.

In 2025, Barclays continued to develop its overall approach to human rights by delivering training to various businesses and functions across the Group, strengthening our due diligence screening processes, and increasing engagement with our clients on human rights risks.

For further information of our management of environmental and social impacts in our lending please see **page 205**.

Corporate culture

We continue to work to build our colleagues' understanding of human rights risk and responsibilities. In 2025, Group Sustainability delivered 15 human rights trainings across the Group. For example, we supported frontline bankers to better understand human rights risks and potential leverage opportunities in specific high-risk sectors.

We also trained specific Risk functions, such as Financial Crime and Business Banking Client Risk Assessment, to empower colleagues to better identify human rights risk.

For more information on Skills, culture and training, see **page 98**.

Saliency assessments

In 2025, we initiated human rights saliency assessments across all five business divisions, namely the Investment Bank (IB), Barclays UK (BUK), UK Corporate Bank (UKCB), Private Bank and Wealth Management (PBWM), and US Consumer Bank (USCB), as well as Human Resources. We have undertaken these assessments with specialist external human rights support. We are in the process of concluding the outputs of this assessment and will aim to develop an action plan in response to these conclusions in 2026.

Policies and enhanced due diligence

We continue to monitor external developments and review our approach to human rights due diligence accordingly.

Our sustainability-related risk approach currently includes SEDD for clients in-scope of the Climate Change, Forestry and Agricultural Commodities, Protected Areas, and Defence and Security Statements (please see 'Managing environmental and social impacts' on page 205 for further information). Where the SEDD process identifies a potential human rights issue, the client will be referred to the Environmental and Social Risk Management team for additional review.

During 2025, we continued to strengthen our approach to Equator Principles due diligence. Our project finance volumes in scope of the Equator Principles have grown and we recognise this activity as a potential driver of social and human rights risk. As part of this, we have increased engagement with clients around risks and impacts. This included undertaking a site visit to a project with a heightened risk profile, directly engaging management teams during due diligence to assess whether risks were being managed appropriately, and providing guidance on strengthening impact management.

For example, Barclays provided financing for an infrastructure project. During due diligence, Group Sustainability identified potential human rights and social risks associated with the project. We had extensive engagement with the client on these risks and worked collaboratively with the client, the deal teams, and other financiers in further strengthening the management of the risks and progressing towards alignment with IFC Performance Standards, including around stakeholder engagement and land acquisition.

This included providing detailed feedback on resettlement action plans and livelihood restoration. As the final step in our due diligence process, representatives from the deal team and Group Sustainability jointly engaged directly on the ground with local community leaders, impacted residents, and the project's environmental and site management teams. These conversations helped us to understand whether social and human rights risks were being appropriately managed.

Focus areas for progress

Corporate culture

Strengthen a culture of respect for human rights

- Build capacity to support colleagues' understanding of human rights risks and responsibilities

Saliency assessments

Identify salient issues beyond corporate and investment bank financing portfolios

- Extend saliency assessment to other areas of the bank, looking to engage with internal and external stakeholders

Policies and EDD

Enhance sustainability policies and due diligence to reflect salient issues for corporate and investment bank financing portfolios

- Review existing sustainability policies and EDD and work to integrate salient issues
- Evolve our approach to engaging with clients when responding to salient issues

Just transition

Support a transition to a low-carbon economy which accounts for the societal risks as well as the opportunities

- Continue industry engagement to help shape the definition and implementation of a just transition

Remedy

Develop our approach to remedy

- Explore approach to remedy in engagement with clients

Other Governance (continued)

Just transition

Barclays aims to contribute to a just transition that seeks to manage the negative societal impacts of the transition on people, maximise socio-economic opportunities for people, and engage with affected people on these impacts and opportunities. In pursuing this aim, Barclays seeks to consider its stakeholders, including its workers, communities, customers, and supply chains.

Barclays is committed to respecting the rights of people and communities in the context of the transition.

We continued our involvement in the Aberdeen Just Transition Collaboration with Aberdeen City Council, BP, Shell UK, and SSE, which is exploring ways to support a just energy transition for local communities and workers. In 2025, the collaboration appointed a third-party partner to take this work forward.

In 2025, Barclays also continued engagement to help shape development of a just transition approach for the financial sector. For example, we continued our engagement with the LSE Just Transition Finance Lab, of which we are a founding funder. We co-hosted a roundtable with the lab exploring 'Gridlock or Greenlight? The impact of social risks to the cost and pace of the energy transition'. The event brought together participants from financial institutions, real-economy companies, and civil society to explore how effective management of these risks can preserve commercial value, mitigate impacts, and maximise opportunities for people to achieve win-win outcomes for communities and businesses as clean energy and grid infrastructure scale.

Throughout 2025, we also actively engaged with peers on how financial institutions can advance a just transition, leading a session at Thun Group on what a just transition means for banks and how this connects with other human rights and labour risks.

Remedy

We continue to reflect on the financial sector's approach to remedy, including how considerations of remedy can be incorporated into our human rights due diligence and engagement with clients.

Modern slavery and human rights in our supply chain

We take the following steps with an intent to identify, assess and manage the risk of modern slavery and other adverse human rights impacts in our supply chain.

Risk assessments

We continue to assess the inherent risk of modern slavery across Barclays' TPSPs, as outlined in our Barclays Group Statement on Modern Slavery.

It remains challenging to identify the inherent risk of modern slavery beyond Tier 1 of our supply chain. To strengthen our approach, in 2025, we started to integrate human rights and modern slavery risk-related questions into our procurement sourcing workflow, informed by our 2024 supply chain human rights saliency assessment[1].

We evaluate responses to this process to determine whether due diligence is required.

Management of modern slavery and adverse human rights risk

We aim to embed modern slavery and broader human rights considerations into our procurement processes through:

- General contract terms, which can be subject to negotiation, contain obligations on TPSPs to respect human rights, and to implement reasonable due diligence procedures to help identify, prevent, minimise and/or mitigate modern slavery and human trafficking in TPSPs' operations or supply chain delivering products or services to Barclays.
- TPSP CoC, which sets our expectations on:
  - freely chosen employment,
  - avoidance of child labour,
  - avoidance of discrimination, harassment and abuse,
  - worker freedom of association and collective bargaining,
  - workplace arrangements, working conditions and third-party employment agencies,
  - wages and benefits,
  - occupational health and safety,
  - grievances and whistleblowing, and
  - privacy of workers.

Ongoing TPSP due diligence and engagement

In 2025, we continued to ask TPSPs identified for due diligence to register with Sedex[2] and complete a self-assessment questionnaire (SAQ), to allow us to gain insights into their business practices, policies and working conditions. The SAQ questions are framed on the ETI Base Code methodology[3]. Additionally, we have access to SMETA[4] reports for TPSPs registered with Sedex, which we plan to use, along with the SAQs to understand how TPSPs respond to findings raised.

Assessing the effectiveness of our actions

We had an ambition for our TPSPs making up 70% of our addressable spend[5] to have a modern slavery policy or standard in place by end of 2025. In 2025, 74%[6] of our TPSPs had a modern slavery policy or standard in place, exceeding our ambition. In 2026, we aim to review our approach to modern slavery-related supply chain metrics. Further information on our approach can be found in our Barclays Group Statement on Modern Slavery.

Notes:

1 Refer to page 249 of Barclays PLC Annual Report 2024 to find out more on our supply chain human rights saliency assessment.
2 Sedex (Supplier Ethical Data Exchange) is a global technology company that specialises in data, insights and professional services to empower supply chain sustainability. Their platform, tools and services enable businesses to easily manage supplier sustainability risks and improve on their social, environmental and ethical performance.
3 The Ethical Trading Initiative (ETI) Base Code is founded on the ILO Conventions, and includes assessment of all key labour exploitation and child labour indicators, such as freely chosen employment and no harsh or inhumane treatment of workers.
4 SMETA (Sedex Members Ethical Trading Audit) methodology assesses the audited site against the ETI Base Code, the standards of the ILO Conventions and local law. The ILO Conventions set out basic principles and rights at work.
5 Addressable spend is a subset of external costs incurred by Barclays in the normal course of business where Procurement has oversight over spend. It excludes costs such as regulatory fines or charges, exchange fees, taxation, employee expenses or litigation costs and property rent.
6 We measure our performance by verifying the percentage of managed TPSPs (by addressable spend) that have self-certified to having: (i) a standalone Modern Slavery Policy and related Standards or; (ii) hold the Modern Slavery BS 25700:2022 Standard or; (iii) insert Modern Slavery considerations into relevant policies, e.g. Human Resources, Hiring of Workers, Supply Chain. The 2025 key performance indicator is based on supply chain data extracted on 14 January 2026.

Other Governance (continued)

Supporting our supply chain

With approximately 7,100 companies from across 30 countries providing goods and/or services to Barclays, our supply chain helps our businesses deliver for our customers, clients and colleagues.

The Barclays Group engages with Third-Party Service Providers (TPSPs)[1], seeking to integrate sustainability considerations across our supply chain.

Please see further details on our requirements of our Third-Party Service Providers at: **home.barclays/who-we-are/our-suppliers/our-requirements-of-external-suppliers/**

Third-Party Service Provider operational and reputational risk management

Barclays asks its TPSPs to (i) make responsible decisions that, where relevant, take our stakeholders' needs into account in both the short and long term and (ii) to comply with all applicable laws, rules and regulations within the geographies in which they operate.

Barclays' standard approach[2] to TPSP onboarding and contract renewal begins by assessing the inherent risk associated with the goods and/or services being provided in-line with Barclays' TPSP risk assessment process. TPSPs that are assessed as being above a low risk of exposure from a business risk perspective are subject to Barclays' Supplier Control Obligations (SCOs). Prior to contractual agreement and service go-live, these TPSPs are required to confirm adherence to the SCOs (subject to negotiation) and the TPSP CoC.

TPSPs to whom the SCOs apply will be actively managed and subject to controls assurance on an annual basis to assess whether the control requirements and expectations outlined within the TPSP CoC are being met. Where TPSPs are unable to meet our expectations defined within the SCOs and the TPSP CoC, the issue will be managed, as appropriate, in-line with Barclays' Issue Management Standard. The TPSP CoC and SCOs are published on the Barclays public website for all new and existing TPSPs to view and are refreshed at least annually to help ensure Barclays' expectations continue to be met.

Payment on time

Prompt payment is critical to the cash flow of every business, and especially to smaller businesses within the supply chain as cash flow issues are a major contributor to business failure. We aim to pay our TPSPs within clearly defined terms, and to help ensure there is a proper process for dealing with any issues that may arise. We measure prompt payment globally by calculating the percentage of TPSP spend paid within 45 days following invoice date. The measurement applies against all invoices by value over a three-month rolling average period for all entities where invoices are managed centrally. At the end of 2025, we achieved 94% on-time payments to our TPSPs, continuing to exceed our public commitment to annually pay 85% of TPSPs on time (by invoice value).

Barclays continues to enhance its processes to improve faster payments to its TPSPs. Through these efforts and its reporting obligation under UK legislation, Barclays PLC and its subsidiaries have for the second consecutive year received the GoodBusinessPays Fast Payer Award, supported by the UK Department of Business & Trade.

Our supplier ecosystem

At Barclays, we continue to engage with suppliers of varying size[3] and mission[4],with the intent to build stronger value driven partnerships that deliver innovative solutions and enhance outcomes for our customers and clients.

We expect our TPSPs to support our efforts to build a robust supply chain by recruiting, utilising and developing businesses of varying size and mission.

Notes:

1 TPSP means any entity that has entered into an arrangement with Barclays in order to provide business functions, activities, goods and/or services to Barclays.

2 Where financial institutions and market counterparties provide services to Barclays, the nature of the services leveraged may require an alternate onboarding approach and as such some control expectations may not be applicable. This is assessed at the point of onboarding.

3 Size: micro, small, and medium-sized enterprises where revenue and/or employment eligibility limits are defined by the local country standards.

4 Mission: for- profit businesses aiming to achieve local, social and environmental goals (i.e. Social Enterprises and B Corp businesses)

Please see further details on our climate change initiatives in our supply chain within our Achieving net zero operations section from **page 93** within the **Climate and Sustainability report**.

Other Governance (continued)

Supporting our retail customers

Supporting customers through Barclays UK

Barclays has a large retail presence in the UK, offering a wide range of products and services to more than 20 million customers through Barclays UK.

Access to banking

Customers are looking for more convenient, simpler ways to bank that fit their lives, including banking digitally: we have over 13 million digitally active customers. We are continuing to help deliver these solutions at pace.

Alongside our investment in technology enabling digital customers to access tools and products whenever they need them, we are transforming our physical locations across the UK with a view to ensuring that customers can still access banking face to face when customers need us.

We are committed to ensuring all our customers have the access to cash they need. In 2025 we have continued to collaborate with other banks, the Post Office and LINK through our new Joint Venture Cash Access UK Ltd, extending our network of Banking Hubs and shared cash deposit solutions across the UK. We are more than halfway towards our joint commitment to open 350 Banking Hubs over the course of this parliament, with 204 Shared Banking Hubs opened by the end of the year and where we maintain the highest face-to-face presence of any high street bank each week.

We also recognise the importance of our traditional branches to provide access to banking services; we are now halfway through the rollout of next generation 'Smart ATMs' and are on track to complete this transformation in 2026. These devices offer full account servicing capability, which can now be accessed through our banking app, as well as via card. Nearly all our branches now have these machines externally too, meaning customers have greater access to their accounts via our branch channel.

Recognising the shared challenge of digital inclusion, we have welcomed the UK Government's strategy on Financial Inclusion, and are proud to be partnering with other banks, broadcasters and telecommunication firms to agree how we can work together to improve digital outcomes for all.

Alongside these changes, we are investing in multi-skilled training for our colleagues, so they are better able to serve customers in ways that meet their needs today as well as breaking down internal barriers to enable quicker resolution of customer queries.

Economic crime and scams

We take our responsibility to protect our customers' money very seriously and are proud to have one of the lowest scam rates and highest reimbursement rates in the industry[1]. This is due to our continued investment in robust security systems and our established programme to educate customers and reduce the likelihood of them falling victim to scams.

We have a dedicated Fraud and Scams hub on the Barclays website, which hosts a variety of content and resources to help the public learn how to keep themselves safe.

Additionally, for each of the 450 million+[2] payments our UK customers make every month, our fraud detection systems and machine learning models help detect in less than a second if it is likely to be a fraudster rather than the customer, or if our customer appears at risk of being scammed. If the transaction appears as risky, the customer is presented with additional checks prior to the payment being released.

We continue to invest in security features aimed at providing protection against fraud and scams, including 'App ID', which allows customers to verify that they are speaking to a Barclays colleague and not an impersonator.

We are also part of the 'Do not originate' scheme, created in partnership with the telecommunications industry, UK Finance and Ofcom, aimed at preventing our most common inbound helpline phone numbers from being used in a scam.

We are committed to providing measures that help prevent Authorised Push Payment (APP) scams taking place and building increased consumer protection standards for customers through both the UK Payment Systems Regulator's (PSR) new APP Scam Regulations that came into effect in October 2024 and the previous Contingent Reimbursement Model code.

We are a founding member of Stop Scams UK, a cross-industry group made up of banks, telecoms and tech firms that have come together to seek to put an end to scams by collaborating, sharing best practices and engaging with the government and regulators to make it harder for scammers to operate.

We have published a series of policy recommendations to tackle the spread of scams.

Notes:
1 The PSR's latest report covering 2023 includes the UK's 14 largest banking groups, along with the data for 11 other smaller firms that were in the top 20 highest receivers of fraud.
2 450 million + payments covers all retail/ card transactions and payments across all product types.

Frontier Economics report on Tackling Fraud and Scams: **home.barclays/news/press-releases/2023/08/eight-in-ten-brits-feel-unsafe-on-social-media-due-to-scammers/**

Digital accessibility

Digital services and workplace tools must be designed and developed to be easy to see, hear, understand and use for all customers and colleagues, including people with disabilities. There are legal obligations under national and international laws and regulations, alongside a moral duty to ensure that people with disabilities are not left out or left behind from using our digital services.

All digital services and content must comply with our Barclays digital accessibility standards. These standards align to the minimum conformance of the Web Content Accessibility Guidelines (WCAG) v2.2 AA level and apply to both internal projects as well as external suppliers.

We have invested in accessibility training, tooling and specialists to help embed accessibility at scale along with effective governance and oversight to meet increased regulations.

The Barclays Accessibility Statement **barclays.co.uk/who-we-are/our-suppliers/our-requirements-of-external-suppliers/**

Other Governance (continued)

Building financial wellbeing

As part of our aim to deliver a world-class money management experience and help money work for our customers, particularly with a focus on driving financial confidence, we are delivering more educational content on managing their money at all life stages.

We are providing knowledge and expertise through our colleagues, including helping customers to use our digital platforms via the Digital Wings Platform. The Barclays Money Management Hub gives us the ability to provide proactive money management information directly to customers, giving them a better grasp on their spending behaviours and steps they can take to improve their financial wellbeing and gain greater control over their finances.

We also have a range of early intervention strategies which aim to support customers whose account behaviours may be showing signs of lacking financial resilience. These strategies largely focus on proactive communication with the customer, based on sets of customer behavioural triggers, and look to support customers to help them maintain or regain control of their finances. Where customers engage with these contact strategies, our Barclays Financial Assistance colleagues provide broad money management advice and, where appropriate, may suggest a range of solutions to manage their financial situation. This suite of solutions includes forbearance and non-forbearance options.

Gambling

At Barclays, we recognise that gambling and financial difficulty can sometimes go hand in hand, and asking for help isn't always easy. That's why we've invested in dedicated training for our customer-facing colleagues, equipping them to spot the signs and provide meaningful support. For customers who need extra help, our Specialist Colleagues are ready to handle sensitive conversations with care and guide them towards trusted charities and organisations for further assistance.

Through the Barclays app, customers now receive personalised insights and gentle nudges designed to help them stay in control of their spending. These include notifications when gambling transactions increase, prompts to review spending patterns, and easy access to tools that can help set limits or block gambling payments. We seek to help empower customers with timely, practical support before issues escalate.

Barclays is also participating in the Money Mental Health Policy Institute Gambling Harms Action Labs, a cross-bank initiative aimed at reducing gambling-related financial and mental health harms. Our involvement focuses on collaborative innovation, customer empowerment, and data-driven solutions to strengthen protections and support for vulnerable customers.

Further details can be found at:
barclays.co.uk/gambling-support/

Domestic abuse

We are committed to supporting customers affected by domestic abuse. Through our ongoing partnership with Refuge – the UK's largest domestic abuse service provider – we help connect those impacted to specialist advice and practical support. This includes assisting survivors with opening bank accounts and accessing essential banking services, even when standard documentation isn't available. We're proud to remain a signatory to the UK Finance Domestic Abuse Code of Practice, which sets out how banks and building societies should protect and empower customers who are survivors of economic or financial abuse.

Homelessness

We continue to support customers who face challenges providing standard documentation – including those experiencing homelessness – by helping them open a basic current account. This ensures access to essential banking services, which can be a vital step towards financial stability and independence.

Our approach includes working with trusted charities and local organisations to verify identity where traditional documents aren't available, and providing guidance to make the process as simple and stress-free as possible. By removing barriers, we seek to help give everyone the opportunity to manage their money safely and securely.

Bereavement

Throughout 2025, we have continued to try to make this extremely difficult time in people's lives a little easier. Our programme of work to enhance the customer experience has included: launching a digital settlement form to help customers stay in their channel of choice, and delivering a series of webpage and communication enhancements to make it easier to navigate and understand information.

Further details can be found at:
barclays.co.uk/what-to-do-when-someone-dies/notify-us/

Authorised users

The Authorised User feature gives customers the ability to manage their current account with the help of a trusted person in their life. Whether they need someone to spend on their behalf or help managing their finances, customers have access to a reliable and accessible tool, at no additional cost.

Further details can be found at:
barclays.co.uk/ways-to-bank/authorised-users/manage-account/

Specialist support team

In 2025, circa 34,000 Barclays UK colleagues completed the mandatory Customers in Vulnerable Circumstances annual eLearning module. This training strengthens awareness and understanding of vulnerability across both frontline and head office teams. We have also continued to deliver dedicated vulnerability induction training for new colleagues, ensuring they are equipped to identify and support customers who may be vulnerable or experiencing significant life events.

Other Governance (continued)

Accessibility & Vulnerability (A&V) Framework

In 2025, Barclays continued to enhance its Accessibility & Vulnerability Framework to help ensure equitable and inclusive service for all customers. Key developments include: streamlining colleague processes by automating the Alternative Format journey, reducing it from a two-step process to a single step for greater efficiency; and enhancing customer experience by introducing a search functionality within the digital journeys and prioritising adjustments to help customers disclose themselves. These improvements help ensure both colleagues and customers benefit from a more seamless and supportive journey when managing vulnerable circumstances.

Barclays UK Performance Framework

The Framework seeks to mitigate the risks of inappropriate performance management practices, including by (among other things) seeking to ensure there is no undue pressure on colleagues to sell products, which can result in mis-selling. The Performance Framework operates controls to provide insight and subsequent oversight that the business is operating aligned to the expectations set out in the Performance Framework Policy Standards.

Basic current account

Since 2015, we have been offering our basic current account to individuals who may not be eligible for a standard account to access banking, including over the counter services, access to ATMs, and digital banking and free text alerts to manage finances. There were over 590,000 Barclays basic current accounts open at the end of December 2025[1].

Access to a transactional bank account enables consumers to benefit from bill reductions through paying by direct debit and access to cheaper goods and services on the internet, to help them along their financial journey. If their circumstances change, customers on the basic current account are able to apply for a standard Barclays Current Account at any time. Periodically we also review accounts to upgrade customers from basic current account to Barclays Bank Account where eligible.

Number of basic current accounts

Note:
1 In 2025, we upgraded more than 39,000 customers from our Barclays Basic Bank Account to our Barclays Bank Account.

Barclays' mortgages and first-time buyers

2025 saw a continued reduction in the rate environment with multiple Bank of England Base Rate decreases, leading to mortgage rates decreasing – reducing the impact to customers who are rolling off longer-term fixed rates, however, we recognise for some this can still create a rate shock and we seek to continue to supporting these customers, whether through our standard lending policy or under the Mortgage Charter.

We remain focused on supporting those buying their first home. This year saw us launch 95% Loan-to-Value lending outside of the Mortgage Guarantee Scheme to support first-time buyers, along with a number of changes following the FCA Rules Clarification around stress testing and other policy changes aimed at responsibly increasing the borrowing power of customers. In 2025, we have helped over 50,000 first-time buyer customers accounting for approximately 35% of our gross lending.

Financial inclusion in our US consumer business

The Community Reinvestment Act (CRA) is a US federal law designed to encourage financial institutions to help meet the needs of borrowers in all segments of their communities, including low and moderate-income neighbourhoods. Barclays meets the CRA requirement by supporting and investing in local Community Development Financial Institutions (CDFIs), small-medium businesses and non-profits.

The success of CDFIs, small-medium businesses and non-profits are key to a thriving community. Barclays has predefined goals with specific performance targets that we must meet each year in order to be considered in compliance with CRA guidelines. Barclays has met its CRA goals for 2025, evidencing that we are continuing to invest in the communities where we live, work and serve.

Barclays Bank Delaware (BBDE), including Barclays US Consumer Bank (USCB), is committed to fair and equitable treatment of all prospective and existing customers without regard to race, sex, colour, national origin, religion, age, marital status, disability, sexual orientation, military status, gender identity, familial status, Limited English Proficiency, receipt of public assistance income, and good faith exercise of rights under the Consumer Credit Protection Act.

We place a high priority on fair treatment of prospective and existing customers by BBDE and maintain diligent oversight of business practices and processes to ensure fairness. We also believe our commitment to fair lending and fair treatment principles and practices aligns with Barclays' core Values of Respect, Integrity, Service, Excellence, and Stewardship. We strive to develop long-term relationships by providing products and services that meet prospective and existing customer needs, avoid causing poor outcomes for, or harm to, customers, clients and markets arising from the delivery of the firm's products and services, and place our prospective and existing customers' interests at the heart of our strategy, planning, and decision-making processes.

No form of illegal discrimination will be tolerated at BBDE or USCB and we recognise that only through the efforts of all colleagues can we ensure that all prospective and existing customers receive fair and equitable treatment.

Other Governance (continued)

The Barclays Way

The Barclays Way is our Code of Conduct. Together with our policies and practices, this provides a clear path towards achieving a positive and dynamic culture within the Group.

Our commitment to being a responsible business includes seeking to ensure that:

- we conduct ourselves in line with The Barclays Way, our Code of Conduct, to create the best possible working environment for our colleagues;
- we treat our customers fairly and the products and services we deliver are transparent and responsible;
- we operate in line with relevant laws and regulations including those applicable to financial crime; and
- we safeguard the data that has been entrusted to us.

Our Code of Conduct reflects the trust that millions of people place in us every day. We know that trust is earned by repeatedly doing the right thing. We believe the best way to build that trust is to invest in our culture and support our people in the choices they make every day, with guidance and policies that help them do this.

That starts with our Purpose, Values and Mindset, and is locked into our organisation through The Barclays Way, the touchstone for everyone in Barclays on the standard of conduct we expect, setting an unequivocal tone from the top about who we are and what we stand for.

"The Barclays Way is intrinsic to the trust that millions of customers, clients, other stakeholders and shareholders, place in us every day. That trust is earned by consistently delivering to the highest standard, investing in our culture, and supporting our people to thrive at work."

The Barclays Way governs our way of working across our business globally. It constitutes a reference point covering all aspects of colleagues' working relationships, specifically but not exclusively with other Barclays employees, customers and clients, governments, regulators, business partners, suppliers, competitors and the broader community.

It is aligned to the Code of Professional Conduct, published by the Chartered Banker Professional Standards Board, which sets out the ethical and professional attitudes and behaviours expected of bankers. Barclays subscribes to this code and is committed to embedding its broad principles into our business.

The Barclays Way includes information and guidance on how employees are expected to behave and take personal accountability for making decisions. We apply a range of criteria, aimed at building a sustainable, strong and profitable business for the long term and adding value to our business relationships and the broader communities in which we live and work. We provide guidance across all key stakeholder groups, including in relation to servicing our customers and clients, promoting respect, inclusion and performance in the workplace and maintaining strong governance, robust controls and strict ethical standards.

The Barclays Way also includes advice and guidance on speaking up and raising concerns. It is important for the success of Barclays, and for the safety and wellbeing of our customers, clients and colleagues, that we encourage a culture that supports speaking up when things aren't as they should be. All colleagues are required to undertake training on The Barclays Way.

We know that our success is measured not only by our commercial performance, but also by our contribution to society and the way we work together for a better financial future for all our stakeholders. We are focused on the areas where we can have the greatest long-term impact: investing in our communities; managing the environmental and social impacts of our business; and working with our customers, clients and communities as they navigate the opportunities and challenges of the transition to a low-carbon economy.

Employee survey results
%

"I believe that my team and I do a good job of role modelling the Values every day"

% of colleagues completing mandatory training on The Barclays Way

100%

The Barclays Way Code of Conduct is available at: **home.barclays/citizenship/the-way-we-do-business/code-of-conduct/**

Other Governance (continued)

Whistleblowing

We support a culture where colleagues feel safe to speak up.

At Barclays, we are committed to fostering a culture where colleagues feel safe and empowered to speak up. We strive to provide a respectful and inclusive environment, encouraging all colleagues to raise concerns about actions or behaviours that do not align with our Values.

According to the Autumn 2025 Your View survey, 81% of global respondents agreed that it is 'safe to speak up' at Barclays. Colleagues are encouraged to speak up directly to their management, Compliance, HR or Legal. For those who may not feel comfortable using these channels, the Raising Concerns process offers an alternative, ensuring every concern is carefully assessed and referred to the most appropriate team for review and, where appropriate, investigation. All concerns are taken seriously, managed with sensitivity and confidentiality, and information about reporting channels is available both internally and externally.

One key avenue via which concerns are reviewed is the whistleblowing programme, which is highlighted to colleagues globally through annual mandatory training, via our colleague intranet page and through communications and awareness sessions. Whistleblowing relates to concerns that are in the wider public interest, including breaches of policy, law, regulation, or any behaviour that could harm the Group's reputation or financial wellbeing.

Concerns assessed by Raising Concerns as whistleblowing are directed to a dedicated, impartial team within the Compliance function. All whistleblowing concerns are taken seriously, and robust controls are in place to protect the confidentiality and identity of whistleblowers. Barclays maintains a zero-tolerance approach to retaliation against whistleblowers or anyone providing information as part of an investigation. Any act of retaliation may result in disciplinary action, up to and including dismissal.

In 2025, the whistleblowing team received a total of 56 (2024: 69) whistleblowing concerns, including 9 (2024: 15) retaliation concerns.

Of the whistleblowing concerns closed in 2025, 16% (2024: 22%) were found to have some level of substantiation, and other issues were identified in a further 33% (2024: 19%). No retaliation concerns closed in 2025 were substantiated. As a result of whistleblowing investigations, 35 (2024: 57) actions were implemented to address issues identified, including recommendations to enhance processes and controls.

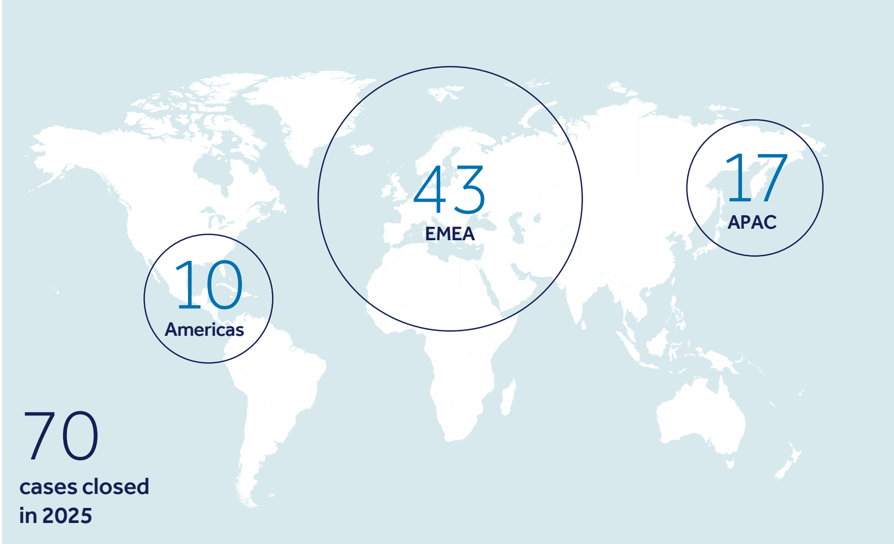
Oversight of the whistleblowing programme is provided by the Chair of the Group Board Audit Committee, who serves as the Group Whistleblowers' Champion, the Chair of the Barclays Bank UK PLC (BBUKPLC) Board Audit Committee, who serves as the BBUKPLC Whistleblowers' Champion, and the Chair of the Barclays Capital Securities Limited (BCSL) Board Audit Committee, who serves as the BCSL Whistleblowers' Champion[1].

These Champions are responsible for ensuring the integrity, independence and effectiveness of the whistleblowing programme, supported by periodic impartial reviews and assurance of the whistleblowing process.

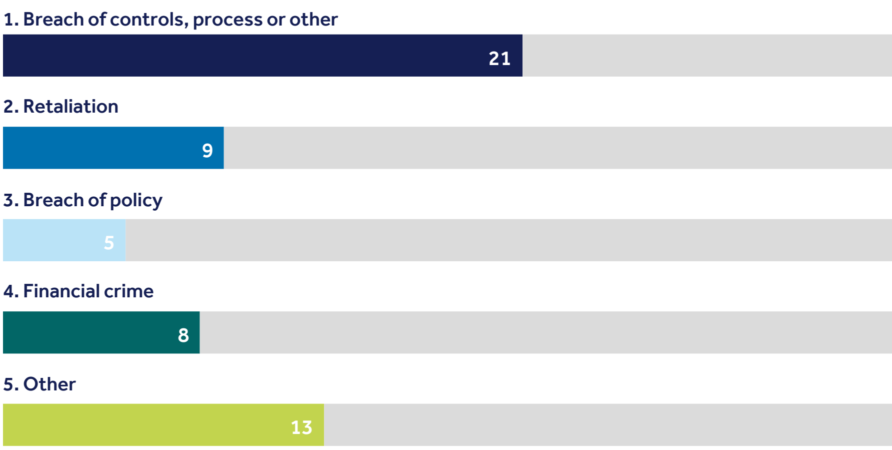
Barclays is a member of Protect, the UK whistleblowing charity.

Note:
1 Barclays Capital Securities Limited (BCSL), which is authorised as a PRA-designated investment firm.

Whistleblowing cases closed by region



Whistleblowing cases opened by (top 4) categories



Other Governance (continued)

Tax

Barclays supports a fair and transparent tax system.

"We were shortlisted for the 2025 PwC Building Trust Award for Tax Reporting in the FTSE 350 (Multinationals) Group."

Barclays takes a responsible approach to tax. We have strong governance and risk management over tax risk and are committed to transparency around tax.

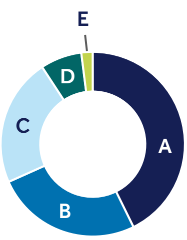
We know that it is important for our stakeholders, including our investors, customers and clients, regulators and tax authorities to understand our approach to tax and the tax contributions we make in the countries in which we operate.

Our success in being able to clearly explain our approach to tax and understand what matters to our stakeholders is reflected in Barclays being one of three companies shortlisted for the 2025 PwC Building Trust Award for Tax Reporting in the FTSE 350 (Multinationals) Group. This award, for which we have been shortlisted every year since 2022 and which we won in 2023, recognises the clear explanations that companies provide about their tax affairs and responsiveness to both stakeholder interest and the continually changing tax transparency landscape.

Taxes paid globally

£3,261m

Taxes paid globally in more detail
(£m)



A	Corporation tax and withholding taxes	1,393
B	Employer payroll taxes	835
C	Irrecoverable VAT	731
D	Bank levy	237
E	Other taxes including business rates	65

2025 total tax contribution

£7,182m

Tax contribution

We continue to make substantial tax contributions across the jurisdictions in which we operate, both in terms of taxes paid and taxes collected. Our total tax contribution for 2025 was £7,182m. This includes taxes paid of £3,261m which represent a cost to us, and taxes collected on behalf of governments of £3,921m.

Barclays was ranked as the fifth-largest UK taxpayer, in terms of taxes paid, in the most recent PwC Total Tax Contribution survey of the One Hundred Group ('100 Group'). The 100 Group represents members of the FTSE 100 along with several large UK private companies. Over the last decade we have paid over £14bn of taxes in the UK alone.

For further details, see our Country Snapshot report at: **home.barclays/annualreport**

Approach to tax

Barclays is driven by a common Purpose: working together for a better financial future. Our approach to taxation, also known as our tax strategy, is aligned with this Purpose as well as our Values of Respect, Integrity, Service, Excellence and Stewardship.

Our approach to tax has three core objectives:

- Responsible approach to tax;
- Effective interaction with tax authorities; and
- Transparency in relation to our tax affairs.

We manage our tax affairs in accordance with our Tax Principles, Tax Code of Conduct and HMRC's Code of Practice on Taxation for Banks and aim to file our returns on time and pay the correct amount of tax. We make clear disclosures to tax authorities and we are committed to only dealing with customer and client assets that have been appropriately declared to the relevant tax authority.

We are also committed to being a leader in tax transparency. We have published details of the taxes we pay by country and our approach to tax every year since 2013, and have chosen to expand our external publications such as the Country Snapshot.

Our Country Snapshot is publicly available, sets out our approach to tax in detail, including our Tax Principles, and is reviewed and approved annually by the Barclays PLC Board.

Key highlights from our approach to tax include:

- We follow clear Tax Principles that we have published. These allow us to balance the needs of our stakeholders and make clear that tax planning must support genuine commercial activity;
- As a result of this approach, transactions which artificially transfer profits into a low tax jurisdiction would not be consistent with our Tax Principles;
- We seek to comply with the spirit as well as the letter of the law and we take account of established practice in the territories in which we operate. We are transparent in both the disclosure of our tax affairs to tax authorities as well as our tax reporting to other stakeholders; and
- We aim to comply with all of our tax obligations in the territories in which we operate and where there is uncertainty we may seek external tax advice in order to help ensure our tax filings are appropriate.

Other Governance (continued)

Tax governance, control and risk management

As a global systemically important bank, our Group-wide risk and governance procedures are subject to continuous review and scrutiny. More details on our approach to tax governance, control and risk management can be found in our Country Snapshot, the key highlights of which include:

- Our Board has ultimate responsibility for tax matters and the Board Audit Committee is responsible for overseeing the Group's tax matters;
- At Barclays, risks are identified and managed through our ERMF, which supports the business in its aim to embed effective risk management and a strong risk management culture. Under the ERMF all risks, including tax risk, are managed in accordance with a 'three lines of defence' model;
- As part of the 'first line of defence' the tax department identifies and manages tax risk by developing appropriate policies, standards and controls to apply across our organisation. Risk and Compliance comprise the 'second line of defence', and Barclays Internal Audit is the 'third line of defence', and these functions review, challenge and provide assurance to the Board in relation to the effectiveness of governance, risk management and controls including those relating to tax risk;
- We are subject to the Sarbanes-Oxley Act 2002 control requirements in relation to financial statements disclosures including those related to tax;
- Our tax department comprises appropriately qualified in-house professionals who are subject to clear standards including that they uphold our Tax Principles and follow our Tax Code of Conduct, which is an integral part of how we operate;
- Our governance requires that suitably qualified people are involved in decisions related to tax, tax is fully taken into account when making business decisions and tax risk is identified, assessed and kept under review; and
- We have no tolerance for tax evasion, have measures in place to prevent tax evasion facilitation and have well-established mechanisms for speaking up about unethical or unlawful behaviour through our raising concerns and whistleblowing processes, which apply equally to tax matters.

Stakeholder engagement and management of uncertainties related to tax

Our reputation is very important to us and we take our external stakeholders' expectations into account when we make decisions in relation to our tax affairs. More details on our approach to stakeholder engagement and managing stakeholder concerns related to tax can be found in our Country Snapshot, and key highlights include:

- We believe that it is important to be transparent in the disclosure of our tax affairs both to tax authorities and stakeholders more broadly;
- Our dealings with tax authorities are handled proactively, constructively and transparently, in real-time where possible;
- We recognise that early resolution of our tax affairs is in everyone's interest. We have ongoing engagement with tax authorities to discuss their inquiries and material issues in relation to our tax affairs, and we respond to feedback from tax authorities;
- Where we face significant uncertainty in relation to the application of tax law, we may seek to agree with the tax authority how the tax law should apply;
- Where relevant we seek to reach agreement with tax authorities using mechanisms available to all taxpayers including Advance Pricing Agreements and Mutual Agreement Procedures to clearly establish in which territories our profits should be taxed;
- We engage with governments, tax authorities and NGOs through public consultations and other discussions to assist with the development of tax policy and the improvement of tax systems, and maintain our transparency with these stakeholders; and
- We co-operate with tax authorities globally to reduce the scope for individuals and companies to evade tax, and have met all of our 2025 information reporting obligations under the Common Reporting Standard and Foreign Account Tax Compliance Act.

The BPLC Board Audit Committee is responsible for overseeing the Group's tax matters. Please refer to **page 134** for details of BPLC Board Audit Committee oversight of tax-related matters.

Other Governance (continued)

Financial crime

Barclays is committed to conducting its global activities with integrity and respecting its regulatory, ethical, and social responsibilities to:

- Protect customers, employees, and others with whom we do business; and
- Support governments, regulators, and law enforcement in wider financial crime prevention.

Barclays has no appetite for Financial Crime Risk issues and events that are material, systemic, not promptly remediated, not reported to regulators in a timely manner where required, and/or are likely to result in regulatory enforcement.

The Financial Crime Risk Management Framework (FCRMF) outlines how the Group manages financial crime risk. The Group Chief Compliance Officer is accountable for developing, maintaining and overseeing the Group-wide FCRMF.

The Financial Crime Risk Management consists of processes and tools under three categories:

- Risk identification, assessment and testing;
- Risk mitigation and management; and
- Risk monitoring and reporting.

The FCRMF is supported by a Group-wide Financial Crime Policy. The Financial Crime Policy sets control objectives for the first line of defence to manage four key risks: anti-bribery and corruption (ABC); anti-money laundering and counter-terrorist financing (AML); anti-tax evasion facilitation (ATEF) and; sanctions, including proliferation financing. This combined approach allows us to identify and manage relevant synergies and connections between these risks.

Employees are made aware that failure to comply with the Financial Crime Policy may give rise to disciplinary action, up to and including dismissal.

Anti-bribery and corruption

Bribery and corruption comprises:

- Improperly obtaining or retaining business;
- Improperly securing a business or personal advantage;
- Inducing another person to perform their role in breach of an expectation of good faith, impartiality or trust; and
- Using entrusted authority or power for personal/third party gain, to trade influence or to obtain any other unethical or illegal benefit.

Barclays and its employees are prohibited from engaging in or facilitating any form of bribery and corruption (giving and receiving, directly or indirectly). The Financial Crime Policy contains the minimum risk-based control requirements that all our businesses, legal entities and employees must follow. The Financial Crime Policy is designed to ensure that Barclays' employees know how to identify and manage the legal, regulatory and reputational risks associated with all forms of bribery and corruption.

Anti-money laundering

Money laundering, the processing of assets derived from criminal activity, and terrorist financing have been identified as major threats to the international financial services community and therefore to Barclays. The Financial Crime Policy includes the requirement for Barclays businesses and legal entities to have adequate systems, procedures, and controls in place to manage the risk of Barclays being used to facilitate money laundering and terrorist financing. The requirements of UK legislation apply to Barclays globally. As a transatlantic bank, the Financial Crime Policy takes into account US anti-money laundering requirements, in addition to EU and other jurisdictions in which we operate. Barclays also takes into account guidance issued by bodies such as the Wolfsberg Group.

Anti-tax evasion facilitation

Tax evasion is a financial crime and a predicate offence to money laundering in the UK and many other countries in which we operate. Barclays takes a zero-tolerance approach to deliberate facilitation of tax evasion in any country and has procedures in place to prevent it. We also expect the same from our employees and third parties providing services for or on our behalf. Barclays is committed to preventing tax evasion facilitation by our employees or third parties acting for or on our behalf.

Sanctions

Sanctions are restrictions on activity with targeted countries, regions, governments, entities, individuals and industries that are imposed by bodies such as the European Union, the United Nations, (including but not limited to the proliferation of nuclear, chemical, or biological weapons). In order to protect its reputation and other legitimate business interests, in certain circumstances Barclays' sanctions risk appetite may be more conservative than its legal obligations.

The Financial Crime Policy is designed to ensure that Barclays and its employees know how to identify and manage the risks associated with sanctions, including the risk that activity is undertaken through Barclays in breach of sanctions regulations.

For further details of the Barclays approach to Financial Crime compliance and prevention, please see our Financial Crime Compliance Statement in the Sustainable Resource Hub at **home.barclays/our-sustainability-/sustainability-resource-hub/statements-and-policy-positions/**

Other Governance (continued)

Health and safety

Policy and standard

Barclays has a suite of health and safety (H&S) policies and standards, and clear roles and responsibilities for leadership and colleagues. These combine under a single high-level statement of commitment endorsed by the Group ExCo.

Health and safety management system

Barclays has implemented and maintains a comprehensive H&S management system globally, which is certified to the international standard ISO 45001 in the USA, UK, India, Singapore, Hong Kong, Dubai and Japan.

Health and safety risk assessment and assurance

Barclays H&S management system is validated through H&S assurance and risk assessment programmes. Risk assessments identify hazards and the control measures required to proportionately manage the associated risks, whilst H&S assurance validates that control measures are designed effectively, implemented and operating effectively, and that site monitoring is taking place.

While H&S legislative requirements vary globally, our assurance and risk assessment programmes apply a risk-based approach, designed by our internal H&S team and informed by their experience, specific legislative requirements and relevant factors such as building type, building criticality, activities, and occupancy.

Incident management

Barclays' incident reporting system ensures incidents are recorded and investigated appropriately, as required by local regulatory statute, and escalated as required by Barclays' risk management frameworks.

Measure	2025	2024
Lost Time Incidents (per 100 employees)	**0.026**	0.018

Contractor management

Suppliers are subject to a supplier H&S risk evaluation during onboarding, annually thereafter and when they notify a change in service delivery. In addition, suppliers complete an annual control obligation review.

Health and safety training

Colleagues complete regular mandatory H&S training with additional information and guidance provided on Barclays' H&S intranet. This information includes risk assessments, guidance and templates for personal emergency evacuation plans, display screen equipment assessments, manual handling, occupational stress, and lone working.

Governance

Key indicators (KIs) and control environment characteristics (CECs) are defined to support the oversight and monitoring of Barclays' global H&S performance. These are reviewed at least annually and reported at least quarterly.

KIs include quantitative and qualitative measures against defined tolerance. Examples of KIs and CECs include:

- Annual review, or where change occurs, of health and safety hazard risk assessments;
- 100% of reported incidents are reviewed (and investigated where required);
- 100% of regulatory reportable incidents are reported within required timescale;
- Quarterly horizon scanning of new/revised local H&S legislation;
- Completion of H&S site assurance visits within required risk-rated frequencies;
- Completion of fire risk assessments within required risk-rated frequencies; and
- Provision of necessary mandatory H&S training content.

Barclays' programme of internal control testing supports the effective performance of KIs and CECs, and enables improvement opportunities to be identified and acted upon. H&S performance is reported to the Group H&S Forum which oversees effective management of H&S globally. Barclays operates a reward and recognition scheme through which colleagues are recognised for improving controls, including those supporting the H&S management system.

Management information

The H&S team collates and reviews management information including incident, risk assessment and H&S assurance data to identify themes and trends. Relevant insights, emerging themes and other information are reported to and reviewed by the Group H&S Forum.

2025 improvements

H&S improvements delivered in 2025 include:

- Extending ISO 45001 certification in line with our continuous improvement strategy;
- Embedding an improved H&S site assurance and fire risk assessment execution schedule;
- Enhancing colleague accessibility for completing display screen equipment assessments; and
- Evolving driving for work programme to create improved risk management information.

The Health and Safety Risk Management Framework overview is as follows:

	Health and Safety Forum		
Leadership	**Statement of Commitment for Health and Safety**		
H&S Data	**Data: Performance against commitment**		
Risk Categories	**Premises**	**People**	**Physical Security**
Risks	Premises or infrastructure incidents (excluding Physical Security incidents) result in harm to people	Harm to colleagues' welfare as a result of health and wellbeing-related hazard mismanagement	Physical security incidents resulting in harm to staff or external parties
Policies	Premises – Property and Health & Safety Policy	Health Services & Wellbeing Policy	Physical Security Policy
Standards	Premises – Health & Safety Standard	Health Services & Wellbeing Standard	Physical Security Standard

Managing data privacy, security and resilience

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

Data privacy

Many of the jurisdictions in which the Barclays Group 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 the Group 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 Policy and associated Standards set out what is expected of all Group businesses and functions when collecting, using and sharing personal information.

To promote clear accountability, the Data Privacy Policy and associated Standards include responsibilities for the Business Senior Manager who has ultimate responsibility for the processing of personal data within that business. An agreed assurance programme measures compliance with the Data Privacy Policy and associated Standards. Barclays Group colleagues must complete annual data privacy training which is reviewed and refreshed each year, with additional tailored training provided as necessary. The Group Data Protection Officer (GDPO) 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 upon. When we receive complaints, we seek to address these 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 publicly accessible 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 contracts, 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 Information Security Office operates 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 of 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. The nature of such controls is described in further detail below.

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 and evolve 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

The stability and resilience of our systems, workforce and premises, and the continued provision of third-party services, all have a direct impact on the quality of our service.

Other Governance (continued)

Resilience and security are key priorities 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 Group-wide business services and their interdependencies across the Group, including technology, third-party services and our people and premises. Recovery plans and business response plans have been developed for a range of different disruption events, such as cyber or data integrity disruptions, technology failures, or the unavailability of our colleagues. 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 which is underpinned by a Policy, Standards, methodologies and procedures, and is aligned to the requirements and expectations defined by our regulators. Our Operational Resilience Framework is integrated with Barclays' Enterprise Risk Management Framework (ERMF) and sets the tone from the top. The Standards are embedded within the Barclays Controls Framework and provide a consistent approach across the Group.

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

Please refer to **page 142** for details of Barclays PLC Board Risk Committee oversight relating to operational resilience.

Please refer to the 'Material existing and emerging risks' section in our Risk review on **pages 236** to **237** for further details on cyber attacks, data management and information protection.

Please refer to the 'Supervision and regulation' section in our Risk review on **page 353** for further details on our regulatory approach to managing such risks.

Chief Information Security Office

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

The Group Chief Information Security Officer (CISO) heads Barclays' Chief Information Security Office. Barclays' Group CISO reports directly to the Group Co-Chief Operating Officers (members of the Group Executive Committee). Barclays' Group CISO is responsible for assessing and managing Barclays' risks from cybersecurity threats, and overseeing key areas that include cybersecurity operations (including cyber-threat intelligence), proactive defence (which includes penetration testing and vulnerability management), security architecture and engineering, cyber posture and assurance (which includes third-party security management), data security, and identity and access management. The Group CISO is also supported by a team of CISOs and BISOs (Business Information Security Officers) for business units, regions 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 has more than 25 years of experience managing cybersecurity for global financial institutions, leading large-scale initiatives across all cybersecurity domains, including cyber defence, application security, vulnerability assessment, data protection, third-party risk, cyber resilience, and security engineering. 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 health care, telecommunications and financial institutions. They are supported by teams of subject matter experts and analysts in a variety of specialisations.

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 12 Standards supporting the Group Information and Cybersecurity Policy (as more fully described below). These Cyber Control Standards Councils feed into the Cybersecurity Risk Category Controls Forum, the Group Controls Committee, the Group Risk Committee, and ultimately the Board Risk Committee. In addition, the Group Co-Chief Operating Officers hold business reviews that include management updates on the status of cybersecurity across the Group, and a standalone Chief Operating Office 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' ERMF, there is an Information and Cyber Security Policy supported by 12 Standards which define the minimum requirements for cybersecurity matters across the Barclays Group.

The Policy is embedded into the Group's ERMF with Standards to implement cybersecurity risk management. 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, Third Party Information and Cyber Security, 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.

Other Governance (continued)

The Board Risk Committee, within its oversight of Operational Risk as a principal risk, is responsible for overseeing risks arising from cybersecurity threats. In 2025, the 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 cyber attack scenario, Barclays' vulnerability management, privileged access to Barclays' systems, and regulatory developments. In addition, the Group Co-Chief Operating Officers provided updates to the Board detailing the progress being made to strengthen cybersecurity capabilities and reduce risk across the organisation as the threat environment continues to evolve.

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 2025, individual testing activities were undertaken as part of the Chief Information Security Office's threat-led assurance model to assess Barclays' cyber defence capabilities.

Barclays also engages and 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, threat intelligence, fraud prevention, and industry benchmarking.

An important part of Barclays' security and cybersecurity environment is its Joint Operations Centres (JOCs), which operate 24/7 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 escalating, significant incidents, the Barclays Crisis Management Team monitors the response by Incident Management Teams, Resilience Leads, and others, and will invoke the relevant Barclays Crisis Leadership Teams (CLTs) if the severity of the incident so requires. CLTs are business-led teams at entity, business unit, and regional levels that provide strategic leadership in a crisis, maintain incident management oversight, and co-ordinate 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 parties and their respective suppliers and partners 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 parties and their respective suppliers and partners, limiting the Group's ability to effectively protect and defend against certain threats.

Certifications

Barclays holds four ISO 27001 certifications (i.e., the international standard on how to manage information security), the 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 non-completion 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.

Risk review

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

Risk management strategy

Overview of Barclays' approach to risk management. A detailed overview together with more specific information on policies that the Group determines to be of particular significance in the current operating environment can be found in the Barclays PLC Pillar 3 Report 2025 or at barclays.com

Material existing and emerging risks

Insight into the level of risk across our business and portfolios, the material existing and emerging risks and uncertainties we face and the key areas of management focus.

Risk review (continued)

Barclays' risk management strategy

This section introduces the 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 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 Group.

It is approved by the Barclays PLC Board on recommendation of the Group Board Risk Committee and the Group Chief Risk Officer.

The ERMF sets out:

- principal risks faced by the 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
- risk management and segregation of duties: The ERMF defines a Three Lines of Defence model
- roles and responsibilities for key risk management and governance: The accountabilities of the Group CEO, Group CRO and other senior managers, as well as an overview of Barclays PLC committees.

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 the detail of the control requirements to ensure the control objectives set by the policies are met.

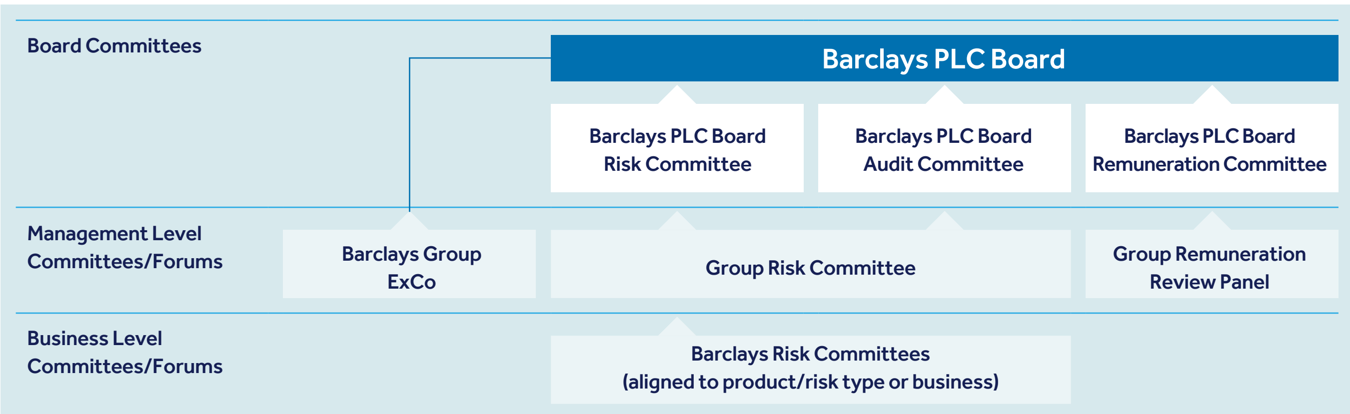
Segregation of duties – the 'Three Lines of Defence' model

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 comprises all employees engaged in the revenue-generating and client-facing areas of the 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 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 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 Group, and to oversee the performance of the 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 firm. These 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 bank 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 bank is exposed.

Tesco Bank

On 1 November 2024, the Group completed the acquisition of Tesco Bank. Following the acquisition, the Tesco Bank business has begun to transition across to the Group risk framework, with dispensations in place for material divergences from existing Group policy requirements. Full alignment and changes to the Tesco Bank risk approach are part of the wider integration programme and activities.



Risk management (continued)

Principal risks

The ERMF identifies ten principal risks namely: climate risk, credit risk, market risk, treasury and capital risk, operational risk, model risk, compliance risk, financial crime, reputation risk and legal risk. Financial crime risk was elevated to a principal risk in the ERMF, 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 Group and reinforce independent assessment, management and oversight of financial crime risk.

Each of the principal risks is overseen by an accountable executive within the Group 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 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 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, supported by limits to enable and control specific exposures and activities that have material concentration risk implications.

Risk committees

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

In addition to setting the risk appetite of the Group, the Board is responsible for approving the ERMF, and reviewing reputation risk matters. It receives regular information on the risk profile of the Group, and has ultimate responsibility for risk appetite and capital plans.

Further, there are two Board-level committees which oversee the application of the ERMF and implementation of key aspects, the Barclays PLC Board Risk Committee (BRC) and the Barclays PLC Board Audit Committee (BAC). Additionally, the Barclays PLC Board Remuneration Committee oversees pay practices focusing on aligning pay to sustainable performance.

- The Barclays PLC Board Risk Committee (BRC): the BRC monitors the 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 BRC also reviews certain key risk methodologies, the effectiveness of risk management, and the Group's risk profile, including the material issues affecting each business portfolio and forward risk trends. The committee also commissions regular updates and in-depth analyses of significant risk topics, which are presented by business heads, the Group CRO or senior risk managers.
- The Barclays PLC Board Audit Committee (BAC): the BAC receives regular reports on the effectiveness of internal control systems, quarterly reports on material control issues of significance, quarterly papers on accounting judgements, including a review of the adequacy of impairment allowances.
- The Barclays 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.

The terms of reference and additional details on membership and activities for each of the principal Board committees are available from the corporate governance section of the Barclays website at: home.barclays/who-we-are/our-governance/board-committees/

The GRC is the most senior executive body responsible for reviewing and monitoring the risk profile of the Group. This includes coverage of all principal risks (with the exception of certain decisions on matters impacting reputation risk), and any other material risks, to which the Group is exposed. The GRC reviews and recommends the proposed risk appetite and associated limits to the BRC. The committee covers all business units and legal entities of the Group and incorporates specific coverage of Barclays Bank Group.

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 Group considering the external environment. The BRC semi-annually reviews and discusses a report titled '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 Group identifies, escalates and manages risk matters. Barclays is committed to maintaining a robust risk culture in which:

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

The Group CEO works with the Executive Management to embed a strong risk culture within the firm, 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 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/our-sustainability-/sustainability-resource-hub/statements-and-policy-positions/ for more details.

Material existing and emerging risks

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

The 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 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 Group faces. For example, certain other factors beyond the 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 Group.

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

i) Business conditions, general economy and geopolitical issues

The 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 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 2025, global economic conditions have been marked by uncertainty driven by a rapidly developing geopolitical environment, the impact of US trade policies, diverging monetary policies, continued economic slowdown in China and structural economic issues in the UK and the EU. Without limitation, the 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) uncertainty about the impact of trade policies, export controls and tariff implementation across the globe dampening business and consumer sentiment and economic activity through constrained consumer spending and business investment outside of sectors such as artificial intelligence (AI) and defence. These factors could lead to economic stagnation or even recessionary dynamics across Europe, the UK and the US which could have a material adverse effect on the Group's results of operations and profitability.
- In the US, executive and legislative initiatives in areas such as trade, foreign policy, energy, immigration, federal government spending, regulatory and institutional change, among others, has led to uncertainty about the long term net impact of these factors on the wider economy and the overall effects on prices, labour markets, consumer spending, business sentiment and fiscal balances. A significant proportion of the Group's portfolio is located in the US, including a major credit card portfolio and a range of corporate and investment banking exposures. If the aforementioned factors have a long term negative impact on interest rates, inflation, business performance, employment, competitiveness and economic output, this could lead to higher levels of impairment and/or lower revenues, which could have a material adverse effect on the Group's results of operations and profitability.
- The US administration's approach to foreign policy and regulatory and institutional frameworks has departed from that of previous administrations. The challenges to the status quo could have long term impacts on the US and its trading partners and there is a risk that this will result in disruption to the long term standing of the US. A potential deterioration of the perceived US exceptionalism that drives demand for US assets and sustains the USD's role as a reserve currency could materialise in episodes of uncertainty and volatility in global financial markets that could negatively impact the business environments the Group and its clients operate in.
- The adoption of tariffs and other protectionist measures and countermeasures could further complicate the economic outlook for the EU, China and other export-driven emerging markets given their trade surpluses. A worsening economic outlook for these markets could have a material adverse effect on the 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, chemicals and renewables among others, are under pressure from competitive imports and changing trade patterns. 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, while headline GDP growth in 2025 has been broadly in line with its target of around 5%, recently released economic data has shown a weakening with a continued property market slump and a more challenging environment for its export-driven sectors, while concerns remain over the longer term risks of deflation, weak domestic demand and an ageing demographic, which will all have led to a more uncertain outlook. The combination of these risks pressuring the financial sector and precipitating wider systemic concerns could affect the exposures of the Group across global markets which are subject to contagion effects.

Material existing and emerging risks (continued)

- The UK, which is the Group's main retail banking market, faces a number of structural challenges. While the Labour government has identified economic growth as a priority, it has so far remained subdued, falling short of market expectations. Furthermore, the fiscal position of the UK has remained challenging and there are risks of further economic headwinds, such as supply chain disruptions and trade fragmentation leading to higher inflation, which could have a material adverse effect on the Group's results of operations and profitability. The long term impact of the Labour government's fiscal policy could be detrimental for growth as well as for business and consumer sentiment, with risks to the Group's retail and corporate businesses.
- Weak economic sentiment is also reflected in the market's view of UK assets, widening spreads for UK government and UK corporate debt, softening of the housing market and lowering valuations of UK equities compared with non-UK peers. This may have a material adverse impact on the collateral held by the Group in relation to its secured lending portfolios and may result in higher impairments and capital requirements. The UK stock market in particular continues to face structural headwinds, ranging from economic uncertainty and sectoral concentration to limited domestic capital deployment and regulatory constraints, potentially undermining its competitiveness and investor appeal, leaving the Group, and its large UK corporate clients, indirectly exposed to potential risks relating to capital access and strategic positioning.
- The loss of 'the presumption of conformity' is widely reported to have raised costs for UK customers and clients exporting to the EU as it results in their products no longer being presumed to be in line with corresponding EU rules. This, together with the risk of regulatory divergence between the UK and the EU has had, and may continue to have, an adverse impact on both the Group's EU and UK operations. Efforts to recalibrate the relationship between both parties are ongoing with the first review of the EU–UK Trade and Cooperation Agreement (TCA) expected in 2026. The trend for the EU–UK relationship is shifting from a minimalist post-Brexit stance toward structured cooperation on trade, climate, security, mobility and regulatory alignment, but risks to materialisation remain.

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

- A prolonged slowdown in the markets where the Group operates, with lower economic output, higher unemployment and depressed property prices, which could lead to increased impairments in relation to a number of the Group's portfolios (including, but not limited to, the UK mortgage portfolio, the unsecured lending portfolio (including credit cards) and commercial real estate exposures).
- Increased market volatility (in particular in currencies and interest rates), which could impact the Group's trading book positions and affect the underlying value of assets held in the banking book, including securities held by the 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 Group's liquidity position;
- A credit rating downgrade for one or more members of the Group (either directly or indirectly as a result of a downgrade in the UK sovereign credit ratings), which could significantly increase the Group's cost of funding and/or reduce its access to funding, widen credit spreads and have a material adverse impact on the Group's interest margins and liquidity position; and/or
- A market-wide widening of credit spreads or reduced investor appetite for the Group's debt securities, which could negatively impact the Group's cost of and/or access to funding.

In addition to weak/unfavourable economic conditions, other risk factors could adversely affect the business environment in which the Group operates:

- During 2025, financial markets volatility and risk of disorderly markets have been driven by developments in the technological sector, where the deployment of AI and high expectations of returns have led to historic levels of capital expenditure and equity valuations on a select few, mostly US, corporations. Concentration risk and a potential valuation bubble if reality fails to meet expectations could lead to strong market corrections and negative wealth effects, which in turn, may impact the wider economy and cause a deterioration in the business and economic environment.
- Economic activity is largely 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 state sponsored actors using asymmetric tactics.
- Financial institutions are often perceived to have a role in global developments or events like geopolitical conflicts, climate change, digitalisation, fraud, money laundering, and sanctions, which give rise to reputational risks which are complicated to navigate.
- Disruptions to global supply chains have underlined the potential for further adverse impacts on the markets in which the Group operates. Further geopolitical deterioration, particularly in Ukraine, the Middle East and/or South China Sea, and trade protectionism related de-coupling of production chains could also have a negative impact on the markets in which the Group operates.
- Diverging financial, conduct and prudential regulations between the jurisdictions where the 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 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 the 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 the Group's customers, clients, employees and suppliers.

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

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

Material existing and emerging risks (continued)

Interest rate cuts could put pressure on the 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 customer and client deposits. In that scenario the maturing structural hedges (portion maturing as part of the amortising structure) will be replenished at lower rates and this could adversely affect the profitability and prospects of the Group. Higher interest rates could result in higher funding costs either due to higher refinancing costs or due to deposit balance mix changes as customers and 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 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 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 Group's liquid asset portfolio. Consequently, this could create more volatility than expected through the Group's fair value through other comprehensive income (FVOCI) reserve and could adversely affect the profitability and prospects of the Group.

iii) Competition in the banking and financial services industry

The 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 Group expects that competition in the financial services industry will remain intense and may have a material adverse effect on the 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 deposit tokenisations and stablecoins) and 'buy now pay later' lending, both of which have been the subject of significant FCA initiatives in recent years, with the FCA starting to regulate 'buy now pay later' lending from 15 July 2026. 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 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 Group has continued to take steps to expand its investment in and to integrate AI technologies. 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 Group's customers and clients. For related competition risks refer to c) "New and emergent technology" in v) Operational Risk below.

Ongoing or increased competition and/or disintermediation of banking services may put pressure on the pricing of the Group's products and services, which could reduce the Group's revenues and profitability, or may cause the 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 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 Group's ability to attract or retain clients and customers. Any such impact could, in turn, reduce the Group's revenues.

iv) Regulatory change agenda and impact on business model

The Group's business is 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 Group's business may have an effect beyond the country in which they are enacted, either because the Group's regulators, which include 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 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 Group.

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

Material existing and emerging risks (continued)

- 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 and ensuring the orderly and transparent operation of global financial markets, including the FCA's ongoing consultation regarding the imposition of a motor finance customer compensation scheme, the consumer duty in the UK, and the FCA's 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, and the UK regulators' 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, including an increasing focus on streamlining and simplifying regulation;
- following on from the simplification of the UK listing regime in July 2024 and the introduction of a new regime for public offers and admission to trading of securities in the UK in January 2026, the reforms to the regulatory frameworks supporting the wholesale financial markets, including recent (and expected) changes to the UK regime for asset management, changes to the bond and derivative transparency regime and potential reforms regarding the quality and accessibility of bond market data through the establishment of a consolidated tape;
- 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 and IT systems failures) on the UK and EU 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 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 enacted (or to be enacted) by UK regulators, as well as any areas of divergence between the UK and EU regulatory regimes;
- the harmonisation of EU market access for non-EU banks, which will limit the Barclays Bank Group's ability to service EU customers from the UK going forward;
- 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, implementation of the fundamental review of the trading book (FRTB) proposals, the application of input and output floors and the leverage ratio, as well as reforms to other aspects of prudential regulation, including the large exposures framework, and amendments to the Bank of England's approach to setting a minimum requirement for own funds and eligible liabilities (MREL);
- the review of regulation of the US banking sector under the current US administration, including easing capital requirements or other prudential requirements;
- the review of regulation of the EU financial sector with a view to enhancing competitiveness of EU banks in particular, which will likely include the easing of regulatory burdens and capital requirements, simplification of regulations and an enhanced supervisory role for the European Supervisory Authorities;
- greater monitoring of, and implementation of policies to address capital requirements, liquidity risk, and credit risk management and continuing focus on review and assurance activities, reporting methodology and data quality in relation to these prudential requirements;
- increasing regulatory expectations of firms around governance and risk management frameworks, particularly for the management of climate change and other sustainability-related risks, enhanced sustainability 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 taking a different or opposing stance in relation to legislation and rules related to sustainability, and jurisdictional divergence, potentially leading to conflict between initiatives;
- the incorporation of climate change considerations, including transition risks in particular, within the global prudential framework;
- the operation of, and recent and prospective reforms to, the UK ring-fencing regime, which 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;
- the introduction of measures in the UK designed to preserve access to cash for consumers (including the retention of specific branches) and, more generally, 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 Group's ability to implement globally consistent and efficient operating models;
- 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 to corporate criminal liability in the Economic Crime and Corporate Transparency Act 2023 in the UK, which also introduced a failure to prevent fraud offence from September 2025, and prospective amendments to further expand the scope of corporate criminal liability;

Material existing and emerging risks (continued)

- the application and enforcement of economic sanctions, including those with extra-territorial effect and those arising from geopolitical tensions;
- individual operating entities within the Barclays Group may be required to comply with additional regulatory requirements in order to facilitate the Barclays Group's resolution planning;
- continuing regulatory focus on data privacy, including the processing of personal data, safeguards against unauthorised or improper access or disclosure, adherence to cookie and cookie banner compliance, and the use of personal data in AI systems;
- continuing regulatory focus on policies and procedures for identifying and managing cybersecurity risks, cybersecurity governance and the corresponding disclosure and reporting obligations;
- ongoing requirements to allocate and monitor management accountability within the 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 SMCR; and
- continuing regulatory focus on the effectiveness of internal systems and controls and risk management frameworks.

For further details on the regulatory supervision of, and regulations applicable to, the Group, refer to the Supervision and regulation section on **page 342**.

v) Change delivery and execution risks

The 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 Group's strategy is focused on a plan to become simpler, better and more balanced. This strategy is intended to enable the 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 Group's strategic priorities, involving delivering on both externally driven programmes and 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 Group's strategy may be limited by operational capacity and the increasing complexity of the regulatory environment in which the Group operates. In addition, whilst the 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 Group's business, results of operations, financial condition, customer outcomes, prospects and reputation.

The 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 Group may face challenges from changing circumstances and external factors which are beyond the Group's control, including the rapid growth of energy demand, lingering geopolitical uncertainty, and the lack of policy consistency between, and within, jurisdictions. Achieving the Group's climate-related ambitions and targets 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, progress by clients towards their own net zero goals, and supportive public policies in markets where the Group operates. If there is a lack of progress in the aforementioned areas, the Group may fail to achieve its climate related ambitions and targets, and this could have a material adverse effect on the Group's business, operations, financial condition, prospects and reputation.

vi) Holding company structure of Barclays PLC and its dependency on distributions from its subsidiaries

Barclays PLC is a holding company and its principal sources of income are, and are expected to continue to be, distributions (in the form of dividends and interest payments) from operating subsidiaries which also hold the principal assets of the Group. As a separate legal entity, Barclays PLC relies on such distributions in order to be able to meet its obligations as they fall due (including its payment obligations with respect to its debt securities) and to create distributable reserves for capital distributions (such as dividends to ordinary shareholders and share buybacks).

The ability of Barclays PLC's subsidiaries to pay dividends and interest and Barclays PLC's ability to receive such distributions from its investments in its subsidiaries and other entities will be subject not only to the financial performance of such subsidiaries and entities and prevailing macroeconomic conditions but also to applicable laws, capital regulations (including internal MREL requirements) and other restrictions (including restrictions imposed by governments and/or regulators, which limit management's flexibility in determining capital distributions and capital allocation). These laws, capital regulations and restrictions could limit the payment of dividends and distributions to Barclays PLC by its subsidiaries and any other entities in which it holds an investment from time to time, which could restrict Barclays PLC's ability to meet its obligations and/or to make capital distributions (such as dividends to ordinary shareholders and share buybacks).

vii) Application of resolution measures and stabilisation powers under the UK Banking Act

Under the UK Banking Act 2009, as amended (Banking Act), substantial powers are granted to the Bank of England (or, in certain circumstances, HM Treasury), in consultation with the PRA, the FCA and HM Treasury, as appropriate, as part of the UK's special resolution regime (SRR). These powers enable the relevant UK resolution authority to implement resolution measures and stabilisation options with respect to a UK bank or investment firm and certain of its affiliates (currently including Barclays PLC) (each, a relevant entity) in circumstances in which the relevant UK resolution authority is satisfied that the resolution conditions are met.

Material existing and emerging risks (continued)

The SRR consists of five stabilisation options: (i) private sector transfer of all or part of the business or shares of the relevant entity; (ii) transfer of all or part of the business of the relevant entity to a 'bridge bank' established by the Bank of England; (iii) transfer to an asset management vehicle wholly or partly owned by the Bank of England; (iv) the cancellation, transfer or dilution of the relevant entities' equity (including Barclays PLC's ordinary share capital) and write-down or conversion of the relevant entity's capital instruments and liabilities (the bail-in tool); and (v) temporary public ownership (i.e. nationalisation).

In addition, the relevant UK resolution authority may, in certain circumstances, in accordance with the Banking Act require the permanent write-down or conversion into equity of any outstanding Additional Tier 1 securities, Tier 2 securities or internal eligible liabilities prior to, or together with, the exercise of any stabilisation option. In addition, any such action could result in the dilution, transfer or cancellation of Barclays PLC's ordinary share capital, and/or the write-down or conversion of capital instruments and internal eligible liabilities and therefore reduce or extinguish Barclays PLC's obligations to relevant shareholders and or creditors. Measures that could be taken to reduce or eliminate the risk of resolution action being taken include restricting Barclays PLC's ability to pay dividends to ordinary shareholders.

Shareholders and creditors should assume that, in a resolution situation, public financial support will only be available to a relevant entity as a last resort after the relevant UK resolution authorities have assessed and used, to the maximum extent practicable, the available resolution tools, including the bail-in tool (the Bank of England's preferred approach for the resolution of the Group is a bail-in strategy with a single point of entry at Barclays PLC). The exercise of any of such powers under the Banking Act or any suggestion of any such exercise could materially adversely affect the value of Barclays PLC ordinary shares, could lead to shareholders losing some or all of their investment and could mean that creditors may not recover all or any of the sums they are owed.

The 'no creditor worse off' safeguard within the Banking Act requires that no shareholder or creditor must be left worse off from the use of resolution powers than they would have been if the relevant entity had entered insolvent liquidation.

Whilst shareholders and creditors may be entitled to compensation where there is determined to have been a shortfall following a valuation, there can be no assurance that shareholders and creditors would recover any such compensation promptly or that such compensation will be equivalent to the full losses that they have incurred whether in resolution or otherwise.

viii) M&A and strategic initiatives

The Group may, from time to time, pursue acquisitions, disposals or other strategic initiatives which could subject it to a variety of risks and uncertainties.

In connection with acquisitions, actual results associated with acquired businesses may differ from the anticipated results, including with respect to: (i) overall future performance of the assets and liabilities acquired and the ability to capitalise on anticipated growth opportunities; (ii) level of integration achieved, and the cost and timing of any integration and the resulting ability to realise expected synergies; (iii) failure to retain key employees, customers and suppliers of the acquired business (iv) cost and timing to achieve separation from any legacy businesses; and (v) the extent to which contingent risks arise in the acquired business.

In connection with disposals, the Group may be required to continue to provide transitional services to the transferred business for a period of time.

In respect of transactions announced but not yet completed, it may be necessary to obtain regulatory and other approvals, or satisfy other conditions, before completion can occur, and there can be no assurance that such approvals will be obtained or such conditions satisfied (either at all or on terms which are acceptable to the Group). Transactions that are announced may be subject to lengthy delays or may not proceed to completion.

Strategic activity of this nature is time-consuming and could produce unforeseen regulatory or operating difficulties, cause the Group to incur additional expenses or require incremental financial, capital, management and other resources. The Group may also be exposed to post-transactional contractual claims in connection with acquisitions, disposals or other strategic activity.

Any of these risks could result in a failure to realise the anticipated benefits of any such strategic activity, or otherwise have a material adverse effect on the Group's results of operations, financial conditions and prospects.

ix) Card Partnerships

The Group maintains several co-branded credit cards and credit card partnership agreements in the US and the UK. 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 Group's business, results of operations, financial condition and prospects.

x) Evolving landscape with respect to artificial intelligence (including generative and agentic artificial intelligence) (AI) and machine learning technologies

The use of rapidly evolving technologies such as AI, by the Group and its third-party service providers, while presenting significant benefits, can also present risks and challenges to the Group's business. Use of AI (and particularly the growing use of agentic AI) may expose the Group to liability, reputational harm, regulatory actions and threats of litigation, particularly if such technology produces errors or hallucinations, or results in output that is biased, harmful, discriminatory or that infringes the intellectual property or data privacy rights of third parties, or otherwise if such technology does not function as intended.

Material existing and emerging risks (continued)

The use of AI by the Group's third-party service providers in their business activities, whether or not disclosed or known to the Group, could also expose the Group to risks. While the Group believes it conducts appropriate diligence prior to onboarding third-party service providers, the failure of one or more such service provider to meet the Group's expectations may have an adverse effect on the Group's operations or financial condition, result in legal or regulatory violations, jeopardise the Group's intellectual property rights, cause the Group to be in breach of its contracts or give rise to issues pertaining to data privacy and data protection. This may arise as a result of a service provider, including by use of AI tools in contravention of agreements with the Group, inputting the Group's confidential or proprietary information into AI tools, sourcing data for development, training or fine-tuning of the tool from unlawful sources or in an otherwise unlawful manner or implementing the roll-out of new AI tools or functionalities without the Group's approval. See "supplier exposure" for more information regarding risks arising with respect to suppliers.

In addition, laws and regulations focused on the use and provision of AI technologies may impose certain obligations on the Group. For example, emerging AI regulations may require the Group to conduct complex impact assessments, risk evaluations or other compliance reviews prior to deploying AI tools for certain high-risk applications, including automated decision-making that affects individuals. Such assessments can be resource-intensive, time-consuming and may require input from third party specialist advisers. Any failure to conduct these assessments properly, or at all, could result in regulatory enforcement action, monetary penalties, mandatory cessation of AI system usage, litigation and potential liability, as well as other adverse consequences. Furthermore, the regulatory framework for AI continues to evolve and is largely unsettled and fast-moving to varying extents in the jurisdictions in which the Group operates. Uncertainty in the legal regulatory regime relating to AI may require significant resources to modify and maintain business practices to comply with laws, the nature of which cannot be determined at this time.

Several jurisdictions around the globe, including Europe and certain U.S. states, have already proposed or enacted laws governing AI. For example, the EU Artificial Intelligence Act (the "EU AI Act"), which came into force on 1 August 2024, will generally become fully applicable after a two-year transitional period, with certain obligations taking effect at an earlier or later time. The EU AI Act introduces various requirements for AI systems and models placed on the market or put into service in the EU, including specific transparency and other requirements for general purpose AI systems and the models on which they are based. In the US, while the White House signed an Executive Order Removing Barriers to American Leadership in Artificial Intelligence which prioritises deregulation, several states are considering enacting or have already enacted regulations concerning the use of artificial intelligence technologies.

These include the California Transparency in Frontier Artificial Intelligence Act, the Utah Artificial Intelligence Consumer Protection Amendments, the updated California Consumer Privacy Act regulations (which came into effect 1 January 2026) and the Colorado Consumer Protections for Artificial Intelligence Act (effective 30 June 2026). While the UK does not currently have in place any general statutory regulation of AI, some form of regulation is anticipated, although its content and timing is currently uncertain.

Other jurisdictions may decide to adopt similar or more restrictive legislation that may render the use of such technologies challenging or risky. Divergence in legislation and regulatory approach across jurisdictions may make it harder for the Group to conduct its business using AI, lead to regulatory fines or penalties, require the Group to change its product offerings or business practices, or limit the Group's use of AI. If the Group's use of AI is restricted, it could lead to business disruption and the Group's business may be less efficient or may be at a competitive disadvantage. Replacement of these technologies with compliant alternatives could require substantial capital expenditures or lead to a loss of proprietary data or historical optimisation. Additionally, if new regulations substantially restrict the Group's usage of AI to drive business efficiencies, the Group could face significantly higher operating costs to re-hire personnel or obtain third-party support to perform tasks previously handled by automated systems, requiring costly and time-intensive recruitment, training or outsourcing arrangements. Moreover, the Group's failure, or perceived failure, to comply fully with developing laws and regulations relating to AI or machine learning technologies, or meet evolving and varied stakeholder expectations and industry standards, could harm the Group's business, reputation, financial condition, and operating results.

See "Processing errors" and "Model risk" for more information regarding the potential consequences of integrating AI into the Group's product or service offerings, "Data management, information protection and AI" for more information relating to risks relating to data protection and compliance with existing and future laws and regulations, and "Cyber attacks" for more information on the cybersecurity risks relating to AI technologies.

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. Climate risk is a principal risk under Barclays' ERMF. The Climate Risk Policy focuses on managing the impacts of climate change across the Group's financial and operational risk categories as defined in the Climate Risk Framework. Climate risk may also drive non-financial risks such as reputational and legal risk, which continue to be managed under their respective risk frameworks.

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 (among other things).

A transition to a low-carbon economy requires policy and regulatory changes, technological innovations, and reshaped consumer behaviour and market sentiment. This can lead to transition risks from increased costs and reduced revenues.

The potential impacts of both physical and transition risks 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

Material existing and emerging risks (continued)

shifting demands for goods and services. These impacts could subsequently affect the business model and profitability of both the Group and its clients. There is significant uncertainty surrounding the timeframes in which both these physical and transition risks may manifest, adding further challenges to the Group in assessing, quantifying and managing the risks associated with climate change within its downstream financed portfolios. Additionally, divergence in climate policies and regulatory standards across different jurisdictions may lead to inconsistencies in reporting, risk assessment methodologies and compliance requirements, making it challenging for the Group to adopt a unified approach to managing climate risk and meeting regulatory 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.

In 2025, mounting evidence pointed to a rise in physical risks, with acute events such as wildfires, droughts, and flash floods affecting multiple geographies globally. The UK experienced its hottest summer on record, with temperatures exceeding the long-term average by 1.5°C. In the US, the number of wildfires reported by the National Interagency Fire Centre surpassed the 10-year average, while proposed reforms to the Federal Emergency Management Agency (FEMA) raised concerns about future disaster recovery capacity. There is also evidence of chronic physical risks materialising, with the Met Office's annual State of the UK Climate Report confirming that temperature and rainfall extremes are becoming more prevalent. The intensification of physical risks could increase risks in the Group's portfolios (e.g. UK mortgage portfolio) and also damage the Group's facilities and infrastructure, leading to a potential adverse impact on its financial position.

The Group recognises climate risk as an amplifier of existing risk categories, exerting influence across multiple principal risk types and heightening their severity. The Group's wholesale credit corporate clients that are most exposed to climate-related risks—particularly those operating in high-emitting sectors with limited transition preparedness—are likely to experience operational and financial challenges. Such vulnerabilities can lead to a deterioration in creditworthiness, thereby increasing credit risk within the Group's portfolios. In addition, both physical and transition risk drivers have the potential to trigger price shocks, devalue market instruments, prompt deposit outflows, and erode the value of sovereign bonds. These developments could adversely impact the Group's liquidity position and capital buffers, while also necessitating adjustments to funding strategies and capital planning requirements. The Group's Risk Register process reflects the potential effects of climate risk drivers on the Group's principal risks and its portfolios. Based on the 2025 assessment, climate risk is assessed as having a higher materiality rating within the Group Risk Register for Credit Risk and Treasury & Capital Risk than across other principal risk categories.

The Group may face difficulties from changing circumstances and external factors which are beyond the Group's control, which can provide challenges to the Group in meeting its climate-related ambitions and targets. These difficulties include geopolitical issues, energy security and other considerations such as policy environment, technological advancements and market dynamics for a low-carbon economy. 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 climate goals and supportive government policies in markets where the Group operates. Furthermore, the Group's business and operations have been, and may continue to be, adversely impacted by the perception that its response to climate change is ineffective, insufficient, or otherwise inappropriate, which could result in potential adverse impacts on its financial position.

For further information on Barclays approach to climate change, refer to the **Climate Risk Management Section**

ii) Credit risk

Credit risk is the risk of loss to the Group from the failure of clients, customers or counterparties, including sovereigns, to fully honour their obligations to 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 Group to accurately estimate credit losses through ECLs could have a material adverse effect on the Group's business, results of operations, financial condition, and prospects.

For further details, refer to **Note 8**.

b) Specific portfolios, sectors and concentrations

The 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 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 Group's business, results of operations, financial condition, and prospects:

- Consumer affordability: higher inflation and higher interest rates could increase the cost of living and negatively impact a customer's ability to service debt payments, leading to increased arrears in both unsecured and secured products. The risk is further heightened with uncertainty around global fiscal policy including tariffs and sovereign debt which could increase inflation and weaken economic growth. 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: the 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 including from taxes, would add pressure to sectors heavily reliant on consumer discretionary

Material existing and emerging risks (continued)

spending. This represents a potential risk in the Group's UK corporate portfolio as a higher probability of default exists for retailers, hospitality and leisure providers and their landlords while these pressures remain.

- Real Estate: UK property represents a significant portion of the Group's overall retail credit exposure. The Group remains at risk of increased impairment from a material fall in property prices. The impact of affordability shocks as customers switch from lower to higher rates has continued to decrease during 2025 and arrears rates have stabilised. Any future increase in interest rates, however, would likely lead to an increase in missed payments and reduction in market demand which would put downward pressure on property prices and, in turn, impact the Group's impairment and capital position. Furthermore, certain segments of the housing market could be subject to specific valuation impacts (for example, properties within the residential loan portfolio may be exposed to physical or transition climate risks). The Group's corporate exposure is conservatively positioned with low loan-to-value ratios but remains vulnerable to a weak commercial real estate market. Landlords serving business tenants whose income is based on discretionary consumer spending are also at risk from reduced rent collection.
- Leveraged Finance Underwriting: the Group takes on non-investment grade underwriting exposures, including single name risk, particularly in the US and the UK. The market environment has remained constructive and highly competitive in 2025, despite geopolitical tensions and concern around the impact of tariffs.
- Oil & Gas 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 to renewable sources of energy may place greater financial demands on oil and gas companies.
- Information Technology: companies may struggle to monetise their technology offerings, including usage of AI or alternatively, may find their offerings disrupted by other emerging new technology. The Group's clients also face heightened risk from data security breaches and ransomware and/or cyber attacks as well as from the malicious use of AI, all of which could negatively impact their ability to service debt obligations.
- Sovereign wholesale exposure: the Group is exposed to sovereigns with sovereign debt to GDP ratios above 100% with low economic growth. Failure to reduce public spending could cause debt levels to become unmanageable and damage investor confidence, potentially delaying economic recovery which, in turn, could materially adversely affect the Group's results of operations including, but not limited to, increased credit losses.
- Private Credit: the private credit industry operates largely outside of the traditional banking system and public markets, and is characterised by risks associated with the use of leverage, illiquid investments, structural complexity and limited disclosure. As a result, certain other risks to which the Group is exposed may be amplified by its activities in the private credit sector. In addition, due to the interconnectedness between private credit and other areas of economic activity and second order losses resulting from private credit exposure, private credit presents a risk to financial system stability.

The 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 Group's results due to, for example, increased credit losses and higher impairment charges.

Impact to the creditworthiness of the 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 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 Group portfolios.

For further details on the 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 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, amid ongoing geopolitical conflicts, shifting trade policies, and persistent inflationary pressures. A disruptive transition to lower interest rate levels, deteriorating trade, and intensifying geopolitical tensions could heighten market risks for the Group's portfolios.

In addition, the 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 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 Group's business, results of operations, financial condition and prospects.

For further details on the 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 Group:

a) Liquidity risk

Liquidity risk is the risk that the 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 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

Material existing and emerging risks (continued)

activities. Key liquidity risks that the Group faces include:

- **Stability of the Group's deposit funding profile:** deposits which are payable on demand or at short notice could be adversely affected by the 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 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 Group's unsecured and secured wholesale funding or affect the Group's access to such funding.
- **Impacts of market volatility:** adverse market conditions, with increased volatility in asset prices, could: (i) negatively impact the 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 Group to execute secured financing transactions; and (iii) expose the 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 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 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 Group's access to money or capital markets and/or the terms on which the 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 Group.

b) Capital risk

Capital risk is the risk that the 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 Group's pension plans. Key capital risks that the Group faces include:

- **Failure to meet prudential capital requirements:** this could lead to the 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 and / or credit ratings and restrictions on distributions (including in respect of its shares and/or additional tier 1 instruments), leading to an inability to comply with the Group's distribution policy and/or the need to take additional measures to strengthen the Group's capital or leverage position.
- **Adverse changes in FX rates impacting capital ratios:** the 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 Group's regulatory capital ratios are sensitive to foreign currency movements. Failure to appropriately manage the Group's balance sheet to take account of foreign currency movements could result in an adverse impact on the 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 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 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 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 Group is exposed to capital or income volatility because of changes in credit spreads on its (non-traded) assets and liabilities. The 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 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 Group.

For further details on the 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 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 Group and across the financial services industry, which has impacted the Group in the past and may continue to impact the Group in the future, whether arising through failures in the Group's technology systems, cyber and/or data integrity disruptions, unavailability of services supplied by third parties, or unavailability of personnel and premises.

Material existing and emerging risks (continued)

A challenge for the Group, as for all companies, is the ability to recover from and remain within impact tolerance for a pervasive cyber attack which impacts a number of applications, data and infrastructure services, or a third party. Failure to build resilience and recovery capabilities into business processes, or into the services on which the Group's business processes depend, may result in significant customer harm, costs to reimburse losses incurred by the 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) Cyber attacks

Cyber attacks 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 Group experiences numerous attempts to compromise its cybersecurity protections. In 2025, cybersecurity incidents experienced by the Group included phishing and cyber incidents within our supply chain.

The Group cannot provide absolute security against cyber attacks. 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. Additionally, the Group's deployment of agentic AI with access to systems, data and third-party tools creates an expanded attack surface for cyber attacks, as threat actors may exploit inadequate permissioning controls to manipulate agents into executing unauthorised actions, accessing sensitive information or initiating malicious transactions beyond their intended scope, and the autonomous nature of these systems may enable attackers to conduct multi-step attacks that evade traditional security controls before detection occurs.

Cyber attacks can originate from a wide variety of sources and target the Group in numerous ways, including via the Group's networks, systems, applications, devices, or parties such as service providers and other suppliers, counterparties, employees, contractors, customers or clients, presenting the Group with a vast and complex defence perimeter.

Moreover, the 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 Group's ability to effectively protect and defend against certain threats. Some of the 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 Group's data and ransomware attacks that disrupted service providers' or suppliers' operations and, in some cases, have had impacts on the Group's operations. Such cyber attacks are likely to continue. Many of the Group's' agreements with third parties include liability or indemnification provisions, but the Group may not be able to recover sufficiently, or at all, under these provisions to adequately offset any losses or other adverse impacts the Group may incur from third party incidents.

Inadequacies in, or failures in the adherence to, the 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 Group's ability to successfully prevent and defend against cyber attacks. Furthermore, certain legacy technologies that are at or approaching end-of-life may not be able to maintain acceptable levels of security.

The Group's assessment of its cybersecurity risk reflects 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; and geopolitical events that could impact the Group directly, or indirectly through its critical suppliers or national infrastructure.

Certain cybersecurity risks to the Group may be unknown to management and therefore not fully accounted for in the Group's cybersecurity assessments, strategy and programme priorities.

The Group uses targeted external independent reviews to help ensure that the Group's assessment of cybersecurity risk is comprehensive and dynamic, and the Group continues to implement enhancements identified through previous cybersecurity testing and reviews.

Common types of cyber attacks 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 cyber attack of any type has the potential to cause serious harm to the 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 Group's brand and reputation, and other financial loss. The impact of a successful cyber attack 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.

Material existing and emerging risks (continued)

While the 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.

A successful cyber attack may result in significant fines and penalties to the Group. In addition, any new regulatory measures introduced to mitigate these risks are likely to result in increased technology and compliance costs for the Group.

For further details on the Group's approach to cyber attacks, see the operational risk performance section. For further details on cybersecurity regulation applicable to the Group, refer to the Supervision and regulation section.

c) New and emergent technology

Technology is fundamental to the Group's business and the financial services industry. Technological advancements present opportunities to develop new and innovative ways of doing business across the Group, with new solutions being developed both in-house and in association with third party companies.

The rapid development in AI is an area of technological advancement that the Group is monitoring closely. This includes the identification of potential use cases for responsible adoption of AI in the 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, the Group may be unable to protect certain materials created using AI technologies with copyrights or patents given the position of courts and intellectual property offices in the US and in some other jurisdictions on the need for a certain level of human inventorship. Additionally, inventions or works of authorship created using AI technologies may be based on, rely on, or contain materials that were used in the training of such technologies and which are subject to third-party intellectual property rights. This could expose the Group to claims of intellectual property infringement or misappropriation. Other related risks include exposure to open-source software risks when using AI-based coding tools (that have been developed using vast amounts of open-source software) to write software. The use of copyrighted materials in AI and machine learning technology has not been fully interpreted by courts, creating additional uncertainty regarding potential intellectual property risks.

In addition, while AI can present significant benefits, it also presents significant and evolving risks and challenges to the Group's business, such as those related to algorithmic fairness, data life-cycle management, data ethics, data privacy and security and records management (e.g. the risks arising from any failure to appropriately identify and retain prompts, logs, outputs and intermediate artefacts from an AI process in accordance with business needs, as set out in the applicable retention schedule, and data protection laws). AI also poses data sourcing, technology integration and process issues and programme bias in decision-making algorithms. Any of these risks could impair the adoption and acceptance of AI and result in regulatory investigations or actions, litigation, client dissatisfaction, reputational harm and adverse effects on its business and financial condition. These risks may be more significant for certain AI tools (for example, agentic AI has the potential to exacerbate certain risks, such as those relating to data privacy and security, due to its autonomous nature) or if AI is deployed in an uncoordinated but widespread way within the Group (particularly relating to the use of AI agents).

If the output from AI in the Group's products, systems or solutions is deemed to be inaccurate or questionable, or if the use of AI does not operate as anticipated or perform as promised (including in relation to confidential information and personal data), the Group may be exposed to additional liability, reputational harm, potential regulatory enforcement and threats of litigation, as further described at "Evolving landscape with respect to artificial intelligence (including generative and agentic artificial intelligence) (AI) and machine learning technologies," "Model risk" and "Data management, information protection and AI".

Alongside those risks associated with the deployment of AI, risks could also arise from decisions not to deploy the technology. As the adoption of AI quickens, risks arising from competition with the Group's peers are intensified. Any failures to adequately leverage AI technologies, or the adoption of an overly conservative approach to AI implementation, could cause the Group to miss significant business opportunities, fall behind competitors, and adversely affect its growth prospects and financial performance. Pressure to recruit personnel with specific AI-based skill sets and to upskill existing employees in this context may give rise to significant costs and/or may be difficult to sustain, and such steps do not necessarily mitigate these risks from competitors.

d) Fraud

The nature of fraud is wide-ranging and continues to evolve, as criminals seek opportunities to target the Group's business activities and exploit changes in customer behaviour, product and channel use (such as the increased use of digital products and enhanced online services). Fraud attacks vary, can be highly sophisticated (e.g. leveraging deepfake and automation capabilities), and be orchestrated by organised crime groups or individuals.

Bad actors use various techniques to target customers and colleagues directly (i.e. third party fraud) or the Group directly (i.e. first party fraud such as, for example, intentionally providing false information to Barclays for personal gain). Authorised Push Payment (APP) 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 Group and its customers, loss of business, missed business opportunities, and reputational damage, all of which could have a material adverse impact on the Group's business, results of operations, financial condition, and prospects.

e) Data management, information protection and AI

The Group holds and processes large volumes of data, including personal information, financial data and other confidential information, and the 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 Group's clients, customers, prospective clients and customers and their employees; (ii) clients and customers of the Group's clients and customers and their employees; (iii) the Group's suppliers, counterparties and other external parties, and their

Material existing and emerging risks (continued)

employees; and (iv) the Group's employees and prospective employees.

This data may also be held and processed for the Group by third-party vendors, partners, or suppliers which therefore exposes the Group to risks from vulnerabilities and non-compliance in its supply chain.

The international nature of both the 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 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 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 Group's management; and (v) require the 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 Group's measures to safeguard data, including personal information, or even the perception that those measures are inadequate, could expose the Group to the risk of loss or unavailability of data or data integrity issues and/or cause the Group to lose existing or potential clients and customers, and thereby reduce the Group's revenues. Furthermore, any failure or perceived failure by the 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 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 Group's reputation, subject the Group to material fines or other monetary penalties, make the 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.

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 Group's business, even if unfounded. AI technologies are highly reliant on the collection and analysis of large amounts of data, which may be overbroad, insufficient, or contain biased, inaccurate or incomplete information.

There often exists a lack of transparency regarding the sources of data (including personal data) used to train or develop AI technologies or how inputs are converted to outputs and the Group may not be able to fully validate this process and its accuracy (particularly where it is part of a complex, multi-step process and inaccurate or incomplete information may be compounded across many steps, such as in agentic AI systems). This could result in outputs that include or are derived from inaccurate, incomplete or erroneous information, or that include AI bias, AI hallucinations, harmful content, discrimination, violation of privacy law or intellectual property infringement or misappropriation. Additionally, if the AI model in a tool used by the Group has been trained by a third party in a manner that is not compliant with data protection laws, there is a risk that the Group will be held liable in certain jurisdictions (e.g. the EU).

For further details on data protection regulation applicable to the Group, refer to the **supervision and regulation** section and for further detail on the associated risks, refer to the sections entitled "Evolving landscape with respect to artificial intelligence (including generative and agentic artificial intelligence) (AI) and machine learning technologies" and "New and emergent technology".

f) Algorithmic trading

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

g) Processing errors

The 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 the 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 Group works to implement AI technologies into the 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 Group's ability to accurately execute, track or report transactions. There can be no assurances that AI usage will enhance the 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 as further described in c) New and emergent technology and vi) Model risk. Furthermore, events that are wholly or partially beyond the Group's control, such as a spike in transaction volume, could adversely affect the Group's ability to process transactions or provide banking and payment services.

Processing errors could result in the 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.

Material existing and emerging risks (continued)

Any of these events could materially disadvantage the Group's customers, clients and counterparties (including them suffering financial loss) and/or result in a loss of confidence in the Group which, in turn, could have a material adverse effect on the 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 Group depends on suppliers for the provision of many of its services and the development of technology, including AI technology. Whilst the 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 Group's ability to continue to provide material services to its customers. In addition, the use of third-party AI technologies, and the use of AI by suppliers, may expose the Group to risk, 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. Over-reliance on a small number of suppliers of AI services may create operational resilience and concentration risk, heightening the potential for macro-level disruption if any one provider experiences outage, compromise, or model instability. For further information on AI-related risks, including in connection with suppliers, please see the sections entitled "Evolving landscape with respect to artificial intelligence (including generative and agentic artificial intelligence) (AI) and machine learning technologies", "New and emergent technology", "Data management, information protection and AI," and "Model risk". Failure to adequately manage supplier risk could have a material adverse effect on the 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, goodwill and intangible assets, 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 and subsequent feedback from the Group's regulators, this could result in material losses to the Group, beyond what was anticipated or provided for, including as a result of changes to treatments or stated capital or liquidity positions 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 Group's distribution policy could be impacted and/or additional measures may be required to strengthen the Group's capital or leverage position, which may also lead to the Group's inability to achieve stated targets. Further development of accounting standards and regulatory interpretations could also materially impact the Group's results of operations, financial condition and prospects.

j) Tax risk

The 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 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 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 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 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 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 have required system and process changes that introduce additional operational risks.

k) Ability to hire and retain appropriately qualified employees

As a regulated financial institution, the Group requires diversified and specialist skilled colleagues. The 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 the Group's reputation, macroeconomic factors (including increased competition for limited resources during economic growth periods), governmental factors (including labour, immigration and related policies in the jurisdictions in which the Group operates), regulatory factors (including compensation restrictions for senior executives), and operational factors (including adequate processes and systems to support the hiring and retention of qualified employees). Failure to attract or prevent the departure of appropriately specialised employees could have a material adverse effect on the Group's business, results of operations,

Material existing and emerging risks (continued)

financial condition and prospects. Additionally, this may result in disruption to service which could in turn lead to customer harm and reputational damage.

vi) Model risk

Model risk is the potential for adverse consequences from decisions based on incorrect or misused model outputs and reports. The 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 Group making inappropriate business decisions and/or inaccuracies or errors in the Group's risk management and regulatory reporting processes.

In addition, the rapid development of AI, especially agentic AI, creates further challenges due to the unique and heightened risks presented by these model types. This includes risks arising from AI hallucinating and providing false information, the exacerbation of bias and fairness risk due to the automation of outcomes and the absence or insufficiency of human oversight (particularly relating to agentic AI). 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 Group's business, results of operations, financial condition and prospects.

For further details on the Group's approach to model risk, refer to the **model risk management** and model risk performance sections and the section on "New and emergent technology".

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 Group's products and services (conduct risk) and the risk to the Group, its clients, customers or markets from a failure to comply with the laws, rules and regulations (LRR) applicable to the firm.

Previously, financial crime risk was managed as part of compliance risk, but was elevated to a principal risk in the ERMF, effective from 1 January 2025. Consequently, the Compliance Risk taxonomy at the Group was revised to better reflect material and emerging risks. Compliance risks have been categorised into six core areas, including:

a) Wholesale conduct risk

The Group's businesses are exposed to risk of detriment to colleagues, customers or market participants as a result of failures to adhere to proper standards of wholesale conduct when carrying out the Group's business activities.

Examples of wholesale conduct which could have a material adverse effect on business include: (i) undertaking business communications via unauthorised channels and / or inappropriate conduct or behaviour; (ii) business conflicts of interest that lead to the detriment of customers or market participants; (iii) trade lifecycle processes that do not meet regulatory requirements or harm market participants; (iv) the risk of engaging in insider dealing behaviours or breaching of information barriers; and (v) the risk of engaging or attempting to engage in market manipulation.

b) Customer protection risk

The Group must ensure that its customers, particularly those that are vulnerable, are able to make well-informed decisions on how best to use our financial services and understand the protections available to them if something goes wrong. Poor customer outcomes can result from the failure to: (i) design and distribute products and services that deliver good customer outcomes; (ii) remediate, provide redress, or appropriately respond to complaints; (iii) identify and safeguard client money and assets, including deposits; (iv) manage investment products and services in line with customer expectation; and (v) provide customer services that deliver good customer outcomes.

c) Product design and review risk

Products and services must meet the needs of clients, customers, markets and the Group throughout their life cycle. However, there is a risk that the design and review of the Group's 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 Group.

d) Regulatory compliance risk

The Group must ensure that business activities, and those carrying them out, observe relevant laws, codes, rules and regulations that are applicable to them. We must also ensure our employees are adequately supervised, manage personal conflicts of interest, and disclose activities which may harm customers, the Group and the markets in which the Group operates.

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 Group, with an increased focus on governance and rigor, 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 Group.

e) Data privacy risk

The Group must ensure that personal data is handled in a way that meets data privacy laws, rules and regulations and the rights and expectations of individuals. We do this by establishing mechanisms to govern and oversee the use of personal data and managing personal data in line with individuals' rights and expectations. Any failure complying with applicable rules, laws and regulations may subject the Group to potential contractual liability, claims, litigation, fines; reputational damage; and cause enhanced regulatory oversight.

Material existing and emerging risks (continued)

f) Laws, rules and regulations risk

The Group is subject to a range of laws, rules and regulations. A failure to comply with these may have an adverse effect on the 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 Group's approach to compliance risk, refer to the **compliance risk management** and **compliance risk performance** sections.

viii) Financial crime risk

Financial crime risk is 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 risk management incorporates anti-bribery & corruption, anti-money laundering (including terrorist financing), tax evasion facilitation and sanctions risks (including proliferation financing). The Group is subject to laws and regulations governing these areas, including "failure to prevent" offences whereby the Group may be liable for failure to prevent crimes carried out by persons acting on its behalf.

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 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 Barclays to win or retain business; (v) Barclays proprietary investments, joint ventures and mergers and acquisition or (vi) suppliers who act for and on behalf of the Group .

Money laundering, the processing of assets derived from criminal activity, and terrorist financing have been identified as major threats to the international financial services community and therefore to the Group. The UK has legislation designed to manage the risk of money laundering and to combat terrorism (together 'AML') and outlines the offences and penalties for failing to comply. This legislation, together with regulations, rules and industry guidance, forms the cornerstone of AML obligations for UK firms. The requirements of UK legislation apply to the Group globally and as a transatlantic bank, Barclays AML standards take account of US AML requirements, in addition to the EU and other jurisdictions in which we operate.

The Group also takes account of guidance issued by bodies such as the Wolfsberg Group.

Sanctions are restrictions on activity with targeted countries, regions, governments, entities, individuals, and industries that are imposed by bodies such as the European Union (EU), the United Nations (UN), (including but not limited to the proliferation of nuclear, chemical, or biological weapons). As a global financial institution, The Group must comply with applicable sanctions laws, rules and regulations in every jurisdiction in which it operates, or which apply to it because of the place of incorporation of its Group members. In order to protect its reputation and other legitimate business interests, in certain circumstances, Barclays' sanctions risk appetite may be more conservative than its legal obligations.

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 Group may be exposed to facilitation 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.

Failure to appropriately manage these financial crime risks may undermine market integrity and may result in harm to the Group's clients, customers, counterparties or employees, diminished confidence in financial products and services, damage to the Group's reputation, regulatory breaches and/or financial penalties. .

ix) Reputation risk

Reputation risk is the risk that an action, transaction, investment, event, decision or business relationship will reduce trust in the 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 Group's overall reputation and any one transaction, investment or event (in the perception of key stakeholders) can reduce trust in the Group's integrity and competence.

The 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 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 Group (including its employees, clients and other associations) conducts its business activities, or the 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 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 Group's business, results of operations, financial condition and prospects. Claims of potential greenwashing arising from sustainability-related statements made

Material existing and emerging risks (continued)

by the 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 Group (refer to 'iv) Operational risk' above).

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

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

x) Legal risk and legal, competition and regulatory matters

The 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 (particularly in relation to issues perceived as politically sensitive, such as policies and initiatives around diversity, equity and inclusion or sustainability), 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 Group's businesses and business practices. In each case, this exposes the Group and its employees to the risk of investigation or enforcement action, loss or the imposition of penalties, damages or fines from the failure of members of the 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.

The risk of non-compliance with the relevant rules and regulations may manifest itself where regulatory rules take the form of principles or outcome-based regulation. Uncertainty in regulatory expectations (including as a result of interpretation of principles-based regulation) may also lead to the risk that a regulator or another public body may look back at the Group's historical conduct and find that there has been a mismatch between the prevailing market practices at the relevant time and the regulatory expectations, guidance or interpretations that have since developed.

A breach of applicable laws, rules and/or regulations by the Group or its employees could result in criminal prosecution, regulatory censure, withdrawal or restriction of regulatory authorisations, licences and permissions, potentially significant fines, remedial orders and other sanctions in the jurisdictions in which the Group operates. Where clients, customers or other third parties are harmed by the Group's conduct, this may also give rise to civil legal proceedings, including class actions. In this regard, the growing claimant law firm market and the globalisation of class actions have enabled mass tort litigation and multi-claimant litigation on matters relating to competition, data breaches and sustainability.

Any such litigation could lead to unmeritorious or speculative claims, inconsistent outcomes and the potential for disproportionate costs and burdens for the Group.

Clients and customers of the Group who qualify as eligible complainants under the Financial Services and Markets Act (as amended) may also bring complaints against the Group before the Financial Ombudsman Service (FOS). As the Ombudsman has a relatively high degree of discretion when adjudicating complaints, dispute resolution through the FOS is inherently more uncertain than adjudication through the courts in traditional civil legal proceedings. FOS decisions have knock-on impacts on the Group, as the Group is required under the relevant regulatory rules to consider and take appropriate measures to provide redress to customers who may have suffered similar detriments but have not complained.

Other legal disputes may also arise between the 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 Group being liable to third parties or may result in the Group's rights not being enforced or not being enforced in the manner intended or desired by the Group.

Following the landmark Supreme Court judgment in *Johnson v FirstRand Bank Ltd (London Branch) (t/a MotoNovo Finance) [2025] UKSC 33*, which found that an unfair relationship under the Consumer Credit Act 1974 existed between a motor finance lender and its customer based on the particular facts of that case, the FCA is consulting on an industry-wide compensation scheme for affected motor finance customers. The FCA has stated that, if it introduces a redress scheme, it expects to publish a policy statement and final rules in February or March 2026, with compensation to consumers beginning later in 2026. The nature, extent and timing of any remediation action, if required, under the FCA compensation scheme remain uncertain.

Further details of legal, competition and regulatory matters to which the Group is currently exposed are set out in Note 25. In addition to matters specifically described in Note 25, the Group is engaged in various other legal proceedings which arise in the ordinary course of business.

The Group is also subject to requests for information, investigations and other reviews (including skilled person reviews) by regulators and other public bodies. These may be in connection with business activities in which the Group is, or has been, engaged, or areas of particular regulatory focus, such as financial crime, money laundering or terrorist financing. In addition, regulatory authorities' approaches and expectations, including their policies and priorities for enforcement investigations or actions, may change from time to time. The 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 Group (including, but not limited to, regulatory capital and liquidity reporting and sustainability disclosures).

Material existing and emerging risks (continued)

Financial institutions, including the Group, may face increasing litigation, conduct, enforcement and contract liability risks related to climate change, environmental degradation and other social, governance and sustainability-related issues as a result of their business activities. There are an increasing number of new climate and sustainability-related laws and regulations, many of which are beginning to diverge between jurisdictions. Divergence has also been notable in respect of diversity, equity and inclusion, where the enforcement landscape and legal obligations in certain jurisdictions are increasingly at odds with agendas in others. In particular, in the US, changing federal enforcement priorities and legal interpretations regarding diversity and inclusion programmes present unknown and evolving risks. Broader climate and sustainability-related legislation is also at risk of imposing requirements on international companies which do not align with regulatory frameworks in other jurisdictions in which those companies operate in some cases meaning that multiple sets of diverging jurisdictional requirements are being applied to the same company.

There is growing demand from investors and customers for sustainable products and services as well as greater transparency in respect of business operations. This has been accompanied by increased regulatory and NGO scrutiny which can create litigation or enforcement risk, either for not disclosing relevant information or due to the information disclosed.

In particular, there has been an increasing focus on greenwashing, with greater consumer protection powers afforded to the Competition and Markets Authority under the Digital Markets, Competition and Consumers Act 2024 which can be used to tackle greenwashing.

Certain stakeholders have taken legal action (including under "soft law" mechanisms) against the 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, environmental degradation and other social, governance and sustainability-related issues, or because the Group's response to climate change or other sustainability factors is perceived to be ineffective, insufficient or inappropriate, including relative to the Group's stated ambitions.

On the other hand, laws, regulatory processes and policies seeking to restrict or prohibit doing certain business with entities are often identified as "boycotting" or "discriminating" against particular industries. In certain jurisdictions there has been a push towards policies and regulation which restrict consideration of sustainability factors in investment processes or otherwise, in order 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 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 Group may incur significant expense, regardless of the ultimate outcome, and any such matters could expose the Group to any of the following outcomes: substantial monetary damages or settlements (including with respect to third-party litigation funding) 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 Group's business operations including the withdrawal or restriction of authorisations, licences or permissions; 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 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 Group's business, results of operations, financial condition and prospects.

Principal risk management

Climate risk management

In Barclays' Climate Risk Framework (CRF), 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.

Overview

The Group has developed the CRF for managing financial and operational risks stemming from climate change. It is underpinned by the Climate Risk Policy and Climate Risk Standard. The CRF, Climate Risk Policy and Climate Risk Standard apply to Barclays' business activities, with a focus on lending, capital markets and investments.

Barclays' approach to managing climate risk is proportionate to the level of risk it faces, with a focus on prioritising and monitoring of material physical and transition risks within Barclays' portfolios (for physical and transition risk definitions, please see the Barclays climate strategy section on page 68). The approach is customised to reflect portfolio characteristics, size and exposure to specific climate risk drivers.

Climate risk is recognised as a driver of other existing financial risks (Credit, Market, Treasury and Capital) and operational risks, and is not treated as a standalone risk type. The non-financial risks (e.g. reputation risks) associated with climate change continue to be managed under their respective frameworks.

To operationalise its CRF, Barclays has and continues to implement new processes, tools, models and data repository as applicable, whilst also enhancing its existing ones. The Group regularly reviews its approach and practices for alignment with regulatory developments and industry-standard practices for climate risk. Barclays has designed and implemented targeted controls to manage climate-related risks.

Organisation, roles and responsibilities

The Group Head of Climate Risk is the accountable executive for the management and oversight of climate risk.

On behalf of the Board, the BRC plays an important role in overseeing and challenging the Group's progress towards achieving its climate targets and assessing the impact of climate risks on the Group's overall risk profile and financial position. The Group and its legal entities have various governance structures, including committees and forums, to oversee and manage climate risk effectively. Additionally, Heads of Climate Risk have been appointed across key Barclays legal entities (as applicable) to support the oversight and management of climate risk.

Barclays has implemented controls to manage climate-related risks. The Climate Risk Control Forum provides oversight of climate related controls, including reviewing risk events, policy and issues management.

Please see pages 209-210 for further details on the governance structures and primary accountable executives responsible for managing climate risk.

Risk appetite

Barclays' approach to setting risk appetite for climate risk is aligned with its ambition to be a net zero bank by 2050 and its commitment to align its financing with the goals and timelines of the Paris Agreement, including working towards its 2030 financed emissions reduction targets. Climate risk considerations have been included in the risk appetite qualitative statements and quantitative constraints.

The risk appetite for climate risk is managed through risk limits, triggers and indicators set across different Principal Risks (including Credit Risk, Market Risk and Treasury & Capital Risk), portfolios, sectors, asset classes and products. 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 continues to regularly review its risk appetite and makes enhancements to maintain alignment with the Group's strategic objectives as a part of its business planning process. The risk appetite is formally reviewed and approved by the Board annually.

Please see page 64 of the Barclays Transition Update for further details on Barclays' climate risk appetite.

Risk Identification

Barclays employs a multi-layered risk identification approach, beginning with the analysis of transmission channels through which climate risk can drive risks in Barclays' traditional risk categories.

Horizon scanning is conducted to identify emerging risk themes, potential risk drivers, and key regulatory updates.

Assessments are performed to identify and analyse the vulnerability of different geographies and industry sectors to various physical and transition risk drivers. Countries and sectors judged to be at elevated risk are subject to heightened risk management. Refer to page 261 for details on sector exposures.

To identify property level physical hazards for Barclays' asset-backed lending and financing portfolios such as Private Bank and Wealth Management, Mortgages and Structured Lending and Financing portfolios, Barclays uses third party data providers in addition to the internal data sources.

Climate risks identified through these processes guide Barclays in defining priorities and focus areas for granular assessment within principal risk categories, such as Credit, Market, and Operational risk. The below table provides examples of how Barclays' CRF considers potential key effects of climate risk drivers on Barclays' financial and operational Principal Risk types.

Principal risk management (continued)

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 Barclays' 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 Barclays' 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 Barclays' 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 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 Barclays' 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.

Risk Register and Materiality Assessment

Barclays uses its Risk Register process to assess the potential effects of climate risk drivers on principal risks and its portfolios. The Group Risk Register contains risks that may impact forward-looking business plans of the Group and its key legal entities and 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 an adverse but plausible stress scenario. The Risk Register process has been extended to cover materiality assessment over the short, medium and long term for climate risk (please see page 67 for further details). Climate risk is assessed as having a higher materiality rating within the Group Risk Register for credit risk and treasury & capital risk than across other principal risk categories. The Group Risk Register is refreshed on at least an annual basis and is subsequently used to support strategic planning and risk management activities.

Risk assessment

The Group has developed a suite of tools and practices to assess climate risk, leveraging both qualitative insights and quantitative techniques. These tools and practices enable evaluation of potential exposures and vulnerabilities across portfolios of other principal risk types.

For credit risk, Barclays has integrated climate risk considerations into key processes of the credit lifecycle, including credit assessment, annual review and transaction approval processes. 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. The outputs from Climate and Environmental lens assessments are used to inform various credit processes. Climate risk factors are included in the downside cashflow modelling within the credit analysis process, and influence internal credit ratings when there is demonstrable evidence that such factors can have material adverse impact on the counterparty's financial position.

For the UK Mortgage portfolio, where appropriate, evaluation for climate risks is considered in the property valuation and credit-granting processes. Barclays actively monitors concentrations of physical risk in the BUK Mortgage portfolio and manages these as appropriate - focus to date has been on managing risk across the highest flood risk bands. Additionally, Energy Performance Certificate (EPC) ratings have been identified and assessed for portfolios that are particularly vulnerable to transition risk.

For market risk, the impact of climate risk is measured by applying a multi-asset combined stress scenario, which stresses the core risks susceptible to climate risks over long and short-term horizons (short-term is anything less than 10 days, while long-term is anything longer than 10 days). The estimated impact is calculated and reported internally on a weekly basis. The pattern of stress losses arising from the stress scenario is used to estimate and set ongoing limits, under which Barclays monitors and controls market risk arising from climate change.

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). The climate-related risk variables and stress scenarios have been integrated in the Group-wide internal stress testing framework to understand and quantify potential impact on Barclays' capital position (refer to page 106 for more details). Further, TCR considerations also include the assessment of liquidity and pension risk.

Principal risk management (continued)

For liquidity risk, assessments are informed by the application of industry and country classifications and evaluated using internal stress testing and portfolio-specific analysis to determine material areas of climate 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, the primary objective is to ensure resilience against physical climate-related events. Climate risks are assessed within existing business-as-usual operational risk processes, with climate considerations embedded into premises management and operational recovery planning to strengthen business continuity and response capabilities. Climate risk factors have been integrated into Structured Scenario Assessments, which capture extreme but plausible operational tail risks. In addition to this, Barclays' material third party suppliers' vulnerabilities to physical risk events are assessed, and where appropriate, control requirements are set to manage these risks. For further details on reputational risk, refer to the Managing Impacts in lending and financing section.

Barclays' work on assessing climate-related risks has focused on the short (0-1 year) and medium term (1-5 years) horizons, in line with our financial planning cycle. However, the longer-term climate (> 5 years) risks have been considered using both quantitative approaches, such as reverse stress testing, and qualitative analysis.

Risk monitoring and reporting

Barclays has adopted an integrated approach to managing and mitigating climate risks, combining continuous monitoring at a portfolio level, and bottom-up transaction-level assessments.

At the portfolio level, Barclays translates its climate risk appetite into a series of limits, triggers, and indicators to control risk-taking across different Principal Risks (including Credit Risk, Market Risk and Treasury & Capital Risk), portfolios, material sectors, asset classes and products. These limits are subject to regular monitoring and reporting to the relevant governance forums and committees.

At a transaction level, Barclays integrates climate considerations into credit decisioning and underwriting processes. Enhanced oversight and additional scrutiny have been introduced for new deals originated in elevated climate risk sectors, particularly those where Barclays has set sector targets and/or external position statements. Within the Global Markets business activities (Lending/Underwriting Structured Finance), new guidelines have been implemented to support new transactions and annual reviews across portfolios (including Commercial / Residential Real Estate, ABS, CLOs, Structured Credits and Equities). The guidelines and criteria for additional scrutiny are reviewed and updated regularly.

Barclays' bespoke tool BlueTrack™ is used for measuring emissions and setting emission reduction sector targets for its financed portfolio. Currently, BlueTrack™ covers nine sectors as mentioned in pages 85-95. Barclays has developed the Client Transition Framework (CTF) to evaluate corporate clients' progress towards low-carbon business models. Details of the clients in scope of the CTF and its methodology are on page 74. 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.

Stress testing, scenario analysis, ICAAP, and ILAAP are also used by Barclays to manage and mitigate financial risks. These exercises help the assessment of Barclays' resilience under adverse scenarios, with the aim of ensuring the bank maintains sufficient capital and liquidity buffers to withstand shocks. For further details on Barclays' approach to scenario analysis, please see page 104-107.

Climate risk-related management information packs, including exposure and risk metrics for climate risk, are produced and reported to various committees and governance forums, including CRC. The oversight by committees within Group and its legal entities seek to ensure proper oversight and monitoring of climate-sensitive exposures.

Barclays seeks to continuously monitor regulatory developments, including emerging disclosure standards on climate and wider sustainability areas, and build internal capabilities to meet these new requirements. This also includes strengthening our scenario analysis capabilities and evaluating the feasibility of conducting scenario analysis for longer time horizons. During 2025, Barclays conducted an exploratory exercise to extend climate scenario analysis from a 5 year period to a 10 year period. We continue to reflect on the outcomes of this exercise to deepen our understanding and support the further development of long term assessment capabilities.

Key enhancements

Barclays remains committed to maintaining a robust risk management framework for climate risk, with a continued focus on achieving greater maturity and integration across its operational processes. In 2025, notable enhancements were made in the following areas:

- The climate risk models within Barclays' capital assessment framework have been further refined and updated in line with the strategic plan to advance modelling capabilities. These models undergo independent model validation to ensure robustness and regulatory alignment.
- The physical risk assessment capabilities have been strengthened to ensure greater consistency in scenario design across diverse hazards and geographies. These enhancements also enable the integration of secondary transmission channels including insurance market dynamics, changes in consumer preferences and additional macroeconomic variables.
- Barclays has continued to enhanced its control environment for climate risk by implementing new controls, reinforcing existing ones and developing a comprehensive control library to support consistent monitoring and adherence.
- In response to regulatory requirements, progress has been made within Barclays Europe to embed nature risk into its stress testing framework and ICAAP assessments, compared with last year's exploratory exercise. This includes enhancements to stress testing models, and the adoption of a joint climate- and nature-informed scenario narrative. The focus was on key nature-related risk drivers, including pollution, water stress. land use change, soil degradation, decline in pollinators and waste management (including recycling acceleration).

Principal risk management (continued)

Credit risk management (audited)

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

Overview

The credit risk that the 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, fair value through other comprehensive income (FVOCI) 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 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 entities, 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 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; 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; and review and validation of credit risk measurement models.

The credit risk management teams in each legal entity are accountable to the relevant Legal Entity CRO, who reports to the 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 a Senior Credit Officer. For exposures in excess of the Senior Credit Officer's authority, approval by Group Senior Credit Officer/Board Risk Committee is also required. The Group Credit Risk Committee, attended by Senior Credit Officers, provides a formal mechanism for the Group Senior Credit Officer to exercise the highest level of credit authority over the most material Group single name exposures.

Credit risk mitigation

The 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 Group's normal practice is, on a legal entity basis, 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 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 Group also often seeks to enter into a margin agreement (e.g. Credit Support Annex) with counterparties with which the 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 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.

Principal risk management (continued)

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 (credit linked notes) issuance. As these are fully funded upfront they provide for a direct reduction in credit risk exposure on referenced pools.

In addition, referenced pools of assets can be securitised with specific tranches of risk sold to investors to provide direct reduction in credit risk exposures.

Detailed policies are in place to appropriately recognise and record credit risk mitigation. For more information, refer to **pages 132** to **135** of the Barclays PLC Pillar 3 Report 2025 (unaudited).

Governance and oversight of ECLs under IFRS 9

The Group's organisational structure and internal governance processes oversee the estimation of ECL across several areas, including: i) setting requirements in policy, including key assumptions and the application of key judgements; ii) the design and execution of models; and iii) review of ECL results.

i) Impairment policy requirements are set and reviewed regularly, at a minimum annually, to maintain adherence to accounting standards. Key judgements inherent in policy, including the estimated life of revolving credit facilities and the quantitative criteria for assessing the significant increase in credit risk (SICR), are separately supported by analytical study. In particular, the quantitative thresholds used for assessing SICR are subject to a number of internal validation criteria, particularly in retail portfolios where thresholds decrease as the origination Probability of Default (PD) of each facility increases. Key policy requirements are also aligned to the Group's credit risk management strategy and practices, for example, wholesale customers that are risk managed on an individual basis are assessed for ECL on an individual basis upon entering Stage 3; furthermore, key internal risk management indicators of high risk are used to set SICR policy, for example, retail customers identified as high risk account management are automatically deemed to have met the SICR criteria.

ii) ECL is estimated in line with internal policy requirements using models which are validated by a qualified independent party to the model development area, the Independent Validation Unit (IVU), before first use and on a regular basis, at a minimum every three years. Each model is designated an owner who is responsible for:

- model maintenance: monitoring of model performance including backtesting by comparing predicted ECL versus flow into stage 3 and coverage ratios; proposing material changes for independent IVU approval; and recalibrating model parameters on more timely data
- proposing post-model adjustments (PMA) to address model weaknesses or to account for situations where known or expected risk factors and information have not been considered in the modelling process. All PMAs relating to model deficiencies, regardless of value are approved by IVU for a set time period. Material PMAs are approved before first use whilst immaterial PMAs are approved as part of IVU's annual review process. PMAs representing Expert Judgement are validated by Risk, as the second line of defence and approved for a set time period. The most material PMAs are also approved by the CRO.

Models must also assess ECL across a range of future economic conditions. These economic scenarios are generated via an independent model and ultimately set by the Senior Scenario Review Committee. Economic scenarios are regenerated at a minimum twice annually but more frequently if deemed appropriate, and also to align with the Group's medium term planning exercise. Each model used in the estimation of ECL, including key inputs, are governed by a series of internal controls, which include the validation of completeness and accuracy of data in golden source systems, documented data transformations and documented lineage of data transfers between systems.

iii) The Group Impairment Committee, formed of members from both Finance and Risk and attended by both the Group Finance Director and the Group CRO (or their delegates), is responsible for overseeing impairment policy and practice across the Group and will approve impairment results. Reported results and key messages are communicated to the BAC, which has an oversight role and provides challenge of key assumptions, including the basis of the scenarios adopted. Impairment results are then factored into management decision making, including but not limited to, business planning, risk appetite setting and portfolio management.

Market risk management (audited)

The risk of loss arising from potential adverse changes in the value of the 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 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 Investment Bank 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 Group committees, including the Market Risk Committee (MRC).

Principal risk management (continued)

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 BRC recommends market risk appetite to the Board for their approval. The Market Risk Principal Risk Lead (PR Lead) is responsible for the Market Risk Control Framework and, under delegated authority from the Group CRO, agrees with the business CROs a limit framework within the context of the approved market risk appetite.

The Market Risk Committee (MRC) reviews and makes recommendations concerning the 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 PR 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 BBPLC CRO 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.

The head of each business is accountable for all market risks associated with its activities, while the head of the market risk team covering each business is responsible for implementing the risk control framework for market risk.

For more information on market risk management, refer to the **Barclays PLC Pillar 3 Report pages 156 to 165** (unaudited).

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 the **market risk performance** section for a review of management VaR.

Treasury and capital risk management

This comprises:

- **Liquidity risk:** The risk that the 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 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 Group's pension plans.
- **Interest rate risk in the banking book:** The risk that the 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 Group is exposed to capital or income volatility because of changes in credit spreads on its (non-traded) assets and liabilities.

The Treasury function manages treasury and capital risk exposure on a day-to-day basis with the Group Treasury Committee acting as the principal management body. 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 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 226 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 the Group 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 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 Board.

The liquidity risk management 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 Board. The framework incorporates a range of ongoing business management tools to monitor and stress test the Group's balance sheet and recovery plan, including limit setting. Limit setting and transfer pricing are tools 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 Group's obligations as they fall due.

Principal risk management (continued)

The Board approves the Group funding plan, internal stress tests, regulatory stress test results, recovery plan and liquidity risk qualitative statement that supports the Group risk appetite. The Group Treasury Committee is responsible for monitoring and managing liquidity risk in line with the Group's funding management objectives, funding plan and risk appetite. The 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 BRC reviews the risk profile, liquidity risk qualitative statement, and the impact of stress scenarios on the Group funding plan/forecast in order to agree the Group's projected funding abilities. The Group BRC also approves liquidity limits to define the Group's risk appetite liquidity constraint.

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 Group and 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 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 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 Treasury and Capital Risk function provides oversight of capital risk. Production of the Barclays 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 Group and 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 Group's objectives.

The Board approves the Group capital plan, internal stress tests and results of regulatory stress tests, and the Group recovery plan. The Group Treasury Committee is responsible for monitoring and managing capital risk in line with the Group's capital management objectives, capital plan and risk frameworks. The Treasury and Capital Risk Committee monitors and reviews the capital risk profile and control environment, providing second line oversight of the management of capital risk. The BRC reviews the risk profile, and reviews risk appetite at least annually and the impact of stress scenarios on the Group capital plan/forecast in order to agree the Group's projected capital adequacy.

Local management assures compliance with an entity's minimum regulatory capital requirements by reporting to local Asset and Liability Committees (ALCOs) with oversight by the Group Treasury Committee, as required. In 2025, 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 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 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 Group could be required or might choose to make extra contributions to the pension fund. The 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 customer and counterparties deposit taking and lending activities, investments in the liquid asset portfolio and funding activities. As per the 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 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.
- **Customer behavioural risk:** the risk that net interest income could be adversely impacted by the discretion that customers and counterparties may have in respect of being able to vary from their contractual obligations with Barclays. 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 entity ALCOs and/or treasury committees, together with the Group Treasury Committee, are responsible for monitoring and managing IRRBB risk in line with the Group's management objectives and risk frameworks. The GRC 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 Group's banking books.

Principal risk management (continued)

In addition, the 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 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 Group's strategy, the stated risk appetite and stakeholder needs.

The 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 Group Controls and Risk Committee, the BRC or the BAC. In addition, specific reports are prepared by Operational Risk on a regular basis for the GRC and the BRC.

Legal entities, 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 Group Head of Operational Risk and Risk Oversight is responsible for establishing, owning and maintaining an appropriate group-wide Operational Risk Framework and for overseeing the portfolio of operational risk across the Group.

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 the 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: Data & Records Management Risk; Financial Reporting Risk; Fraud Risk; Cyber & Information Security Risk; Operational Recovery Planning Risk; People Risk; Premises Risk; Physical Security Risk; Risk Reporting Risk; Change Delivery Management Risk; Supplier Risk; Tax Risk; Technology Risk; and Transaction Processing Risk.

The Operational Risk Taxonomy also includes operational risks associated with other Principal Risks, including Compliance, Financial Crime, Legal, Climate, Model, Reputation Risk and the operational failures of Financial Principal Risk processes.

For definitions of the Group's Operational Risk Categories and connected risks, refer to the management of operational risk section in the **Barclays PLC Pillar 3 Report 2025.**

Model risk management

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

Overview

The Bank uses models to support a broad range of activities, including formulating business strategies, informing business decisions, identifying and measuring risks, valuing exposures, conducting stress testing, assessing adequacy of capital, managing client assets, measuring compliance with internal risk limits, maintaining the formal control apparatus of the Group, meeting financial and regulatory reporting and disclosure requirement.

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. Model risk can lead to financial loss, poor business and strategic decision making, or damage to a bank's reputation.

Organisation, roles and responsibilities

Model Risk is a principal risk within the ERMF and is centrally governed by the Group's 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. The Head of AI/ML Risk, reports into the Global Head of MRM.

MRM establishes model risk policies 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.

The Model Risk Framework, which is owned by the Head of MRM, provides the overview for management and governance of Model risk in Barclays, including key components such as the Model Risk Policy, the AI Policy and supporting standards, reporting and escalation paths for breaches of policy.

Principal risk management (continued)

The Model Risk Policy prescribes the end-to-end requirements for the identification, measurement and management of model risk covering model documentation, development, monitoring, annual assessment and review, independent validation, approval, and change and reporting processes, and assigns clear roles and responsibilities for the end-to-end management of model risk.

The Artificial Intelligence (AI) Policy lays out the requirements for management and oversight of risks associated with use of AI and is supported by the AI standard. The primary objectives of this Policy are to:

- Define Ethical AI Principles to enable ethical, lawful, and appropriate use of AI.
- Establish an enterprise-wide definition of AI, define risks stemming from use of AI and define prohibited, high, medium and low risk uses of AI to enable consistent identification of AI Systems, and the risks associated with their use.
- Define governance and escalation pathways to provide transparency on AI use and associated risks to Senior Management.
- Define control objective for AI training and literacy.

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 Control Forum (MR CF) that oversees the consistent and effective implementation of the Operational Risk Framework (ORF) as relating to Model Risk. The MR CF 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. These committees consider Model Risk matters relevant to them and escalate as required in compliance with the Operation of Committees Policy and internal applicable governance policies.

Cross functional oversight of AI Risk in the bank, is provided by the Group AI Governance Council, under the mandate of Head of AI/ML Risk.

The Head of AI/ML Risk is also responsible for establishing the AI Risk Appetite, and enabling reporting of compliance with the AI Policy and AI Standard to the Group and local entity Board Risk Committee(s).

In addition, the Model Strategy and Oversight (MSO) Team, which is a first line independent 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;
- Participates in 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 Barclays products and services (Conduct 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 wholesale conduct, customer protection, data privacy, regulatory compliance, product design and review, and laws, rules and regulation risks. Barclays has no appetite for material breaches of LRR, or Compliance Risk issues and events that are material, systemic, not promptly remediated, not reported to regulators in a timely manner where required, and/or are likely to result in regulatory enforcement.

Organisation, roles and responsibilities

The Compliance Risk Management Framework (CRMF) outlines how the Barclays Group manages and measures its Compliance Risk Profile. The Group Chief Compliance Officer is accountable for developing, maintaining and overseeing a group-wide CRMF. The Group Chief Compliance Officer is responsible for providing effective oversight of Compliance Risk in line with the CRMF at the Entity and Subsidiary level. This includes overseeing the development and maintenance of the relevant Compliance Risk policies and associated standards, the monitoring of and reporting on the consistent application and the effectiveness of the implementation of the controls by management, to manage Compliance Risk. It is the responsibility of the first line of defence to establish controls to mitigate and monitor its compliance risk exposure. 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 and support senior managers in LRR risk management.

Principal risk management (continued)

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 achieve the right conduct outcomes and evolve a compliance-focused culture.

The Bank's Chief Compliance Officers provides independent check and challenge to Business Senior Management to ensure their Compliance Risk management accountabilities are carried out effectively, including, but not limited to risk assessments, mitigation plans and reporting.

The governance of Compliance Risk within the Group is fulfilled through management committees and forums operated by the first and second lines of defence, with clear escalation and reporting lines into Board level committees. The Barclays Group and Barclays Bank Group Risk Committee and the Barclays Bank UK Group Risk Committee are the primary second line governance committee for the oversight of the Compliance Risk profile and responsibilities include the identification and discussion of any emerging Compliance Risk exposures in the Barclays Group and Barclays Bank Group.

Culture and conduct

We believe the stronger the Group's culture, the better the choices our people will make and the stronger the business will be for all stakeholders. While the Group's culture helps us reduce the impact of poor conduct on customers, we also do not intend to repeat the errors of the past.

The Group's most senior leaders spend significant time setting the right tone at Barclays, and the Purpose and Values are now deeply embedded in their messages. The Barclays Way sets out the standards and behaviour all employees must demonstrate and guides the execution of our business. We also strengthen our culture with clear and effective controls. We continue investing to enhance controls to support the Group's commitment to conducting all activities with integrity.

For details of the Board's role in embedding our Culture, Purpose, Values and Mindset, please refer to **page 123** of the Directors' Report.

The Barclays Mindset

The Barclays Mindset acts as an operating manual for how to get things done. It focuses on three key elements that are core to our success – Empower, Challenge and Drive. Research shows that when we demonstrate behaviours aligned to these three elements, outcomes are better, colleagues are more engaged and they are more likely to stay longer to build their career at Barclays.

For further details, see **page 30** in the Strategic Report for more information on the Barclays Mindset.

Managing Compliance risks

See **page 146** in the Directors' report in addition to **page 341** in the risk review section for more information on how the Group defines, manages and mitigates Compliance risks.

Product design and review risk

It is important that the design of products and services meets the needs of clients, customers and markets as well as being aligned with Barclays' policies. We do this by operating two processes, which together form our product design and review risk framework.

We have a process that supports the Group in the approval and implementation of New and Amended Products and Approval process (known as the NAPA Process, set out in the Barclays NAPA Policy and Standards).

This process outlines the requirements and risk assessment standards that must be met to help ensure that new and amended products and services are appropriately designed prior to their launch.

In addition we have a complementary process that reviews the existing portfolio of products and services throughout their lifecycle (known as the Product Review Process, set out in the Barclays Product Review Policy and Standard). This process considers information about the performance and operation of the product or service through a conduct lens.

Wherever a product or service is found to be outside appetite, the product or service owner must seek to ensure actions are taken to address it. These actions are validated by functional areas, including Legal and Compliance.

Areas of Barclays that undertake Investment activity also operate additional product governance processes and controls, reflecting the higher risk of these more complex products and the importance of products and services meeting the needs of Clients.

The BPLC, BBPLC and BBUKPLC Board Risk Committees review, on behalf of their respective Boards, the management of Compliance risk and the Compliance risk profile for their respective entities. Please refer to the report of the BPLC Board Risk Committee on **pages 142** to **146** and the reports of the BBPLC and BBUKPLC Board Risk Committees within the BBPLC and BBUKPLC 2025 Annual Reports available at **home.barclays/investor-relations/reports-and-events/annual-reports/ for more information**.

Customer communications

It is important that engagement with customers is open and honest and that we treat them fairly to avoid foreseeable harm and to make sure they are not exploited or misled. The Group continues to take steps to ensure that customers' needs and priorities are understood before making recommendations and that the communications we provide allow informed decisions to be made. We work to achieve this through a number of controls which focus on ensuring our customers receive clear information in order to understand the risks and benefits of the products we offer. For example:

- communications are sufficient, targeted and distributed to recipients whom Barclays knows or reasonably believes may stand to benefit from the communication, and are communicated in a manner and style that will be understood by the average recipient (or likely recipient),
- communications are withdrawn from further circulation when they are no longer accurate or fit for purpose, and
- customers do not receive inadequate advice, misleading information, unsuitable products or unacceptable service.

Principal risk management (continued)

The Group's processes include a review of relevant communications which are supported by the Compliance and Legal functions to help ensure we meet both internal customer engagement standards and we are compliant with external regulations. Furthermore annual mandatory training is completed by marketing colleagues. The training covers key customer and brand standards along with the role and key policies set by external regulators e.g. regulatory requirements may require communications to be provided that are accessible to customers, or provide customers with the option to 'opt out'.

Remediation and redress

Barclays recognises that customer harm may occur as a result of our error, actions or inactions, and that we must undertake appropriate activity designed to ensure our customers are put back in the position they would have been in had the issue not occurred.

Remediation can be proactive, where we have identified the issue ourselves (for example through identifying a pattern in customer complaints), or reactive, where identified by a third party such as a regulator of Barclays.

Where it is appropriate, Barclays works to ensure the operation of consistent principles for remediation which includes timely notification to the relevant regulatory bodies.

Financial Crime Risk management

The risk that Barclays 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 management incorporates anti-bribery and corruption, anti-money laundering (including terrorist financing), tax evasion facilitation and sanctions risks (including proliferation financing).

Barclays has no appetite for Financial Crime risk issues and events that are material, systemic, not promptly remediated, not reported to regulators in a timely manner where required, and/or are likely to result in regulatory enforcement. Barclays 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.

Barclays strives to prevent detect and report 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 Group manages and measures its Financial Crime risk profile. The Group Chief Compliance Officer is accountable for developing and overseeing the implementation of the FCRMF and the Financial Crime Policy. This includes defining the relevant control objectives, principles and other core requirements for the activities of the Group. It is the responsibility of the first line of defence to maintain and embed the necessary risk and control environment for effective risk management and to ensure accurate, transparent and timely reporting on Financial Crime risk to the relevant governance fora.

Senior managers are accountable within their areas of responsibility for the identification and management of 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, providing check and challenge to the business and ensuring that accountabilities are carried out effectively.

The governance of Financial Crime Risk within Barclays is fulfilled through management committees and forums operated by the first and second lines of defence, with clear escalation and reporting lines into Board level committees. The Group Chief Compliance Officer provides reporting as required by Executive and Corporate Governance to support the oversight of the Group Financial Crime Risk profile.

In addition, Legal Entity and Regional Chief Compliance Officers and entity Money Laundering Reporting Officers (MLROs) will provide reporting as required by their entity Executive and Corporate (Board-level) Governance arrangements to support the oversight of the entity Financial Crime Risk profile.

Reputation Risk management

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

Overview

A reduction of trust in the Group's integrity and competence may reduce the attractiveness of the 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 Barclays PLC Board is responsible for reviewing and monitoring the effectiveness of the Barclays Group management of reputation risk.

The Group Chief Compliance Officer is responsible for developing and overseeing the implementation of Reputation Risk Management Framework, Policies and Associated Standards. The Reputation Risk Management Framework (RRMF) sets out what is required to manage reputation risk across the Group, including escalations to the Group Reputation Risk Committee, as required.

Principal risk management (continued)

Each colleague is responsible for identifying, assessing and escalating reputation risk.

The Barclays Bank Group and Barclays Bank UK Group are required to operate within established reputation risk appetite, and its component businesses prepare reports for its respective Risk and Board Risk Committees highlighting their most significant current and potential reputation risks and issues and how they are being managed. These reports are a key internal source of information for the quarterly reputation risk reports which are prepared for the Barclays Group ExCo and reviewed by the Group Board twice yearly.

Legal Risk management

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

Overview

In conjunction with the Barclays Operational Risk Framework, the Group wide Legal Risk Management Framework (LRMF) 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 professionals, and escalation of legal risk as necessary. Legal risk is also mitigated by the requirements of the Compliance Risk Management Framework (CRMF), including the responsibility of legal professionals to proactively identify, communicate and provide legal advice on applicable laws, rules and regulations. Notwithstanding these mitigating actions, the Group operates with a level of residual legal risk, for which the Group has limited tolerance.

Organisation, roles and responsibilities

The 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 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 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 Group General Counsel is responsible for developing and maintaining the Group wide LRMF. This includes defining the relevant legal risk policies and producing the Group wide qualitative statement for legal risk as part of Barclays' risk appetite statement. The legal entity General Counsels are responsible for the adoption and effective implementation of 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 Group Risk Committee is the most senior executive body responsible for reviewing and monitoring the effectiveness of risk management across the Group. Escalation paths from this committee exist to the Barclays PLC Board Risk Committee.

Risk performance - Climate risk

Climate 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, extreme weather events like storms, hurricanes etc and dependencies on stable weather conditions for their operations and products. These higher risk industry segments 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 vulnerability to climate risks as elevated sectors. In each sector there are a range of vulnerabilities; whilst Barclays distinguishes 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 included in this table as they are also susceptible to climate-related risks, even though Residential Real Estate is not classified as an economic sector. The UK mortgage portfolio exposures are included with the Residential Real Estate and flagged as elevated, while recognising that this portfolio contains a range of vulnerabilities to climate-related risks.

Risk performance - Climate risk (continued)

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

			2025				2024				
			£m				£m				
	Physical Risk[2]	Transition Risk[2]	Loans & advances[3]	Loan commitments[4]	Total	Of which: Elevated	Loans & advances[3]	Loan commitments[4]	Total	Of which: Elevated	% Change
Agriculture, food and forest products (logging)			**3,227**	**856**	**4,083**	**4,035**	**3,430**	**803**	**4,233**	**4,179**	**(4%)**
Agriculture	✓	✓	3,227	856	4,083	4,035	3,430	803	4,233	4,179	
Energy and water			**3,951**	**16,964**	**20,915**	**20,757**	**2,846**	**17,010**	**19,856**	**19,684**	**5%**
Power utilities[5]	✓	✓	3,521	15,279	18,800	18,800	2,284	15,401	17,685	17,685	
Metals (waste and recycling)			73	85	158	—	66	106	172	—	
Water utilities	✓	✓	357	1,600	1,957	1,957	496	1,503	1,999	1,999	
Manufacturing			**5,845**	**31,063**	**36,908**	**11,887**	**5,527**	**30,519**	**36,046**	**12,344**	**2%**
Automotive		✓	689	4,213	4,902	4,670	673	4,460	5,133	4,782	
Cements		✓	67	214	281	281	34	303	337	337	
Chemicals		✓	387	3,642	4,029	3,761	380	3,729	4,109	3,736	
Food, beverage and tobacco		✓	918	5,638	6,556	652	925	5,906	6,831	814	
Manufacturing - others[6]		✓	2,819	14,956	17,775	562	2,745	13,368	16,113	698	
Metals		✓	285	251	536	229	281	387	668	262	
Oil and gas (refining)	✓	✓	300	1,262	1,562	1,562	118	1,454	1,572	1,572	
Packaging manufacturers: metal, glass and plastics			105	187	292	—	135	242	377	—	
Paper and forest products (excluding logging)			260	545	805	—	219	544	763	—	
Steel		✓	15	155	170	170	17	126	143	143	
Materials and building			**23,910**	**13,131**	**37,041**	**1,439**	**22,786**	**12,596**	**35,382**	**1,270**	**5%**
Construction and materials	✓		1,768	1,524	3,292	1,439	1,956	1,326	3,282	1,270	
Real estate management and development			22,142	11,607	33,749	—	20,830	11,270	32,100	—	
Mining and quarrying			**1,240**	**7,905**	**9,145**	**9,145**	**1,406**	**7,538**	**8,944**	**8,883**	**2%**
Mining (incl. diversified miners)[7]	✓	✓	129	1,522	1,651	1,651	263	1,612	1,875	1,814	
Oil and gas (extraction)	✓	✓	1,111	6,383	7,494	7,494	1,143	5,926	7,069	7,069	
Transport and storage			**1,930**	**7,591**	**9,521**	**6,817**	**1,735**	**7,508**	**9,243**	**6,716**	**3%**
Aviation	✓	✓	365	2,412	2,777	2,684	232	2,346	2,578	2,474	
Oil and gas (midstream)	✓	✓	112	2,502	2,614	2,614	163	2,566	2,729	2,729	
Other transport services			754	1,442	2,196	—	686	1,318	2,004	—	
Ports	✓		101	25	126	126	87	88	175	175	
Road haulage		✓	366	520	886	471	430	484	914	495	
Shipping		✓	232	690	922	922	137	706	843	843	
Wholesale and retail distribution and leisure			**2,362**	**6,179**	**8,541**	**4,559**	**2,487**	**5,560**	**8,047**	**4,270**	**6%**
Oil and gas (wholesale)		✓	766	1,670	2,436	2,015	889	1,340	2,229	1,882	
Others		✓	1,596	4,509	6,105	2,544	1,598	4,220	5,818	2,388	
Other financial institutions			**534**	**542**	**1,076**	**—**	**380**	**469**	**849**	**—**	**27%**
Real estate management and development (REITs)			534	542	1,076	—	380	469	849	—	
Home Loans			**177,333**	**11,879**	**189,212**	**184,252**	**168,061**	**11,433**	**179,494**	**174,520**	**5%**
Residential real estate	✓		177,333	11,879	189,212	184,252	168,061	11,433	179,494	174,520	
Carbon-related assets/ Elevated risk sector: Grand total			**220,332**	**96,110**	**316,442**	**242,891**	**208,658**	**93,436**	**302,094**	**231,866**	**5%**
Total Loans & advances & Loan commitments			**429,998**	**403,314**	**833,312**	**833,312**	**414,483**	**407,799**	**822,282**	**822,282**	**1%**
Carbon-related assets / Total Loans & advances and Loan commitments			**51 %**	**24 %**	**38%**	**29 %**	**50%**	**23%**	**37%**	**28%**	**1%**
Sub-total of sectors spanning in multiple industries											
Oil and gas			2,289	11,817	14,106	13,685	2,313	11,286	13,599	13,252	4%

Notes:

1 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.

2 Physical risk and transition risk indicators are added for elevated risk sectors to indicate the primary drivers of risk. See page 67 for further details.

3 Loans & advances includes debt securities at amortised cost amounting to £68,475m (2024: £68,210m) of which carbon related assets are £1,233m (2024: £1,929m). These carbon related assets comprise £414m (2024: £1,388m) in Materials and buildings, £281m (2024: £241m) in Other financial corporations, £391m (2024: £228m) in Transport and storage, £131m (2024: £63m) in Energy and water and £15m (2024: £9m) in Wholesale and retail distribution and leisure.

4 Loan commitments excludes the fair value exposures of £21,292m in 2025 (2024: £15,350m).

5 Power utilities includes exposure towards renewable energy of £4,968m (2024: £3,565m).

6 Manufacturing - others includes areas such as Medical and surgical equipment, Mining, quarrying and construction machinery, Special purpose machinery, Aerospace, Soaps and detergents, Cleaning and polishing preparations, Brushes, Stationery goods, Valves and compressors, Agricultural machinery & tractors, etc.

7 Diversified miners with minority interests in thermal coal mining are included in this category.

Risk performance - Climate risk (continued)

Nature priority sectors

As per TNFD's recommendation, certain industry segments ("nature priority sectors") are considered to have material nature-related dependencies and impacts. The table below shows Barclays exposure to these sectors which we have produced by mapping the industry codes provided by the TNFD to Barclays Industry classifications.

The monitoring and reporting of our exposures to these priority sectors will evolve as approaches to nature-related risk management continue to develop. As a results, metrics and methodologies applied may change in future. It is also important to note that nature-related risks within a sector can vary substantially at the company or project level.

Credit exposures to nature priority sectors [1, 2]

	2025 (£m)			2024 (£m)			
	Loans & advances[3]	Loan commitments[4]	Total	Loans & advances[3]	Loan commitments[4]	Total	% change
Agriculture	3,227	856	**4,083**	3,430	803	4,233	(4%)
Food, Beverage and tobacco	918	5,638	**6,556**	925	5,906	6,831	(4%)
Paper and forest products	260	545	**805**	219	544	763	6%
Oil and gas	2,289	11,817	**14,106**	2,313	11,286	13,599	4%
Power utilities[5]	3,521	15,279	**18,800**	2,284	15,401	17,685	6%
Cement	67	214	**281**	34	303	337	(17%)
Chemicals	387	3,642	**4,029**	380	3,729	4,109	(2%)
Construction and materials	2,073	2,126	**4,199**	2,315	1,941	4,256	(1%)
Manufacturing - personal care products	43	1,253	**1,296**	49	578	627	107%
Manufacturing - semiconductors and semiconductor equipments	270	733	**1,003**	254	582	836	20%
Manufacturing - textiles, apparel and luxury Goods	103	380	**483**	152	459	611	(21%)
Metals	285	251	**536**	347	453	800	(33%)
Mining (incl. diversified miners)[6]	129	1,522	**1,651**	263	1,612	1,875	(12%)
Packaging manufacturers: metal, glass and plastics	105	187	**292**	135	242	377	(23%)
Steel	15	155	**170**	17	126	143	19%
Automotive	689	4,213	**4,902**	673	4,460	5,133	(5%)
Aviation	365	2,412	**2,777**	232	2,346	2,578	8%
Other transport services	754	1,442	**2,196**	686	1,318	2,004	10%
Ports	101	25	**126**	87	88	175	(28%)
Road haulage	366	520	**886**	430	484	914	(3%)
Shipping	232	690	**922**	137	706	843	9%
Pharmaceuticals	111	6,260	**6,371**	345	6,491	6,836	(7%)
Sewerage, waste collection, treatment and disposal	234	471	**705**	244	484	728	(3%)
Water utilities	357	1,600	**1,957**	512	1,508	2,020	(3%)
Nature priority sector assets: Grand total	**16,901**	**62,231**	**79,132**	**16,463**	**61,850**	**78,313**	**1%**
Total Loans and advances and Loan commitments	**429,998**	**403,314**	**833,312**	**414,483**	**407,799**	**822,282**	**1%**
Nature priority sectors assets / Total Loans and advances and Loan commitments	**4%**	**15%**	**9%**	**4%**	**15%**	**10%**	**(1%)**

Notes:
1 The scope of nature priority sector mapping is based on our periodic assessment of version 1 of the TNFD published in September 2023.
2 The TNFD highlights real estate development as a priority sector for nature. Barclays has £34,825m (2024: £32,949m) of Loans and advances and Loan commitments to Real estate management and development related to nature priority sectors, of which the majority is from real estate investment activity. As a result, this has been excluded from the priority sector assets for Nature.
3 Loans and advances includes debt securities at amortised cost amounting to £68,475m (2024: £68,210m) of which nature related assets are £522m (2024: £291m). These nature related assets comprise £391m (2024: £228m) in Transport and storage and £131m (2024: £63m) in Energy and water.
4 Loan commitments excludes the fair value exposures of £21,292m in 2025 (2024: £15.350m).
5 Power utilities includes exposure towards renewable energy of £4,968m (2024: £3,565m).
6 Diversified miners with minority interests in thermal coal mining are included in this category.

Risk performance - Climate risk (continued)

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 2025 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]

	31.12.2025 (£m)	Of which: Elevated	31.12.2024 (£m)	Of which: Elevated	% Change
Agriculture, food and forest products	**44**	**44**	**95**	**95**	**(54)%**
Agriculture	44	44	95	95	
Energy and water	**24,702**	**24,702**	**28,979**	**28,979**	**(15%)**
Power utilities[2]	22,569	22,569	27,868	27,868	
Water utilities	2,133	2,133	1,111	1,111	
Manufacturing	**38,765**	**11,755**	**31,901**	**10,973**	**22%**
Automotive	5,888	5,888	5,347	5,347	
Cements	140	140	344	344	
Chemicals	2,674	2,674	4,146	3,894	
Food, beverage and tobacco	7,133	347	7,591	115	
Manufacturing - others	19,950	988	10,618	49	
Metals	554	499	1,280	623	
Oil and gas (refining)	614	614	601	601	
Packaging manufacturers: metal, glass and plastics	502	—	1,056	—	
Paper and forest products	705	—	918	—	
Steel	605	605	—	—	
Materials and building	**7,218**	**900**	**6,190**	**731**	**17%**
Construction and materials	1,133	900	810	731	
Real estate management and development	6,085	—	5,380	—	
Mining and quarrying	**7,683**	**7,683**	**6,290**	**6,244**	**22%**
Mining (Incl. diversified miners)[3]	843	843	585	539	
Oil and gas (extraction)	6,840	6,840	5,705	5,705	
Transport & storage	**16,156**	**13,447**	**17,190**	**15,182**	**(6%)**
Aviation	3,822	3,822	4,292	4,292	
Oil and gas (midstream)	7,979	7,979	10,076	10,076	
Other transport services	1,763	—	1,620	—	
Ports	—	—	64	64	
Road haulage	954	8	633	245	
Shipping	1,638	1,638	505	505	
Wholesale and retail distribution and leisure	**4,722**	**2,508**	**4,160**	**1,066**	**14%**
Oil and gas (wholesale)	776	484	235	100	
Others	3,946	2,024	3,925	966	
Other financial institutions	**1,919**	**—**	1,774	—	**8%**
Real estate management and development (REITs)	1,919	—	1,774	—	
Carbon-related assets/ Elevated risk sector: Grand total	**101,209**	**61,039**	**96,579**	**63,270**	**5%**
Capital market financing total	**425,697**		**415,433**		**2%**
Financing to carbon-related sector / Total capital market financing %	**24%**		**23%**		**1%**
Sub-total of sectors spanning in multiple industries					
Oil and gas	16,209	15,917	16,617	16,482	(2) %

Notes:
1 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.
2 Power utilities includes exposures towards renewable energy of £3,024m (2024: £2,428m).
3 Diversified miners with minority interests in thermal coal mining are included in this category.

Risk performance - Climate risk (continued)

Subsidence: Total Volume of stock (as % of total UK Mortgages portfolio) per risk band

Subsidence is driven by the interplay of precipitation, temperature and soil type factors, which result in volumetric changes to the soil. Increased volatility in weather conditions, as a result of climate change, contributes to the acceleration of subsidence impacts. Some areas, particularly those with high concentrations of clay soil, for example London, are more susceptible to subsidence. This shrink-swell impact can cause localised property level impacts, resulting in impacts to the valuation of a property, or impacts to affordability through remediation costs and high insurance premiums.

Barclays works with a third-party climate data provider to support climate risk data enhancements within the UK Mortgages portfolio. This includes the ability to map subsidence risk at a property level granularity. The subsidence risk scoring is based on soil properties, in particular the extent to which the soil will shrink under hot and dry weather conditions, as well as the predicted temperature and probability of extreme rainfall. These variables are combined with subsidence claims per postcode to generate a pseudo-quantitative score, where a property in class 9 is around nine times as likely as a property in class 1 to make a subsidence claim. A small proportion of the UK Mortgage portfolio is not mapped to a subsidence risk score (c.6.3%). This is due either to a lack of data coverage (i.e. the property is not covered by underlying maps), or a lack of certainty in address matching.

		As at 30 September 2025	As at 30 September 2024
Risk Band	**Qualitative Risk Score**	**Volume %**	**Volume %**
0	No Subsidence Risk	-	-
1	Low	9.6	9.6
2		36.2	36.1
3		23.2	23.4
4	Moderate	4.7	4.7
5		4.4	4.6
6		3.3	3.3
7	High	2.3	2.4
8		0	0
9		0.2	0.2
10	Very High	5.1	5.3
11		0	0
12		2.5	2.6
13		0	0
14		0	0
15		2.1	2.2
Missing		6.3	5.6

Note:
Data collected from 3rd party source based on one quarter lag. 30 September 2025 closest available dataset.

Flood: Total Volume of stock (as % of total UK Mortgages portfolio) per risk band

Flooding in the UK is forecast to increase over time, with the potential for this increase to accelerate if greenhouse gas emissions are not reduced. The increased risk of flooding has the potential to impact the valuation of properties directly, as well as indirectly where areas may become high risk and property demand falls. Remediation costs, high insurance premiums or potential lack of insurance coverage have the potential to impact affordability.

Barclays works with a third-party climate data provider to support climate risk data enhancements within the UK Mortgages portfolio. This has enabled Barclays to move from postcode level to property level flood data granularity. Flood Risk bands are based on average annual loss, generated using flood hazard frequency and flood depth from tidal, surface, pluvial and fluvial flooding and accounting for the mitigating impact of flood defences where these are present. Properties in the Moderate and High Risk bands are expected to face above average insurance costs given their elevated exposure to flood risk. Those within the Very High band and which meet certain requirements (e.g. owner-occupied, built before-2009, are a single residential unit or a building comprising of two or three residential units) are considered likely to be eligible for Flood Re (a government subsidised flood insurance scheme) until the scheme's expected expiry in 2039.

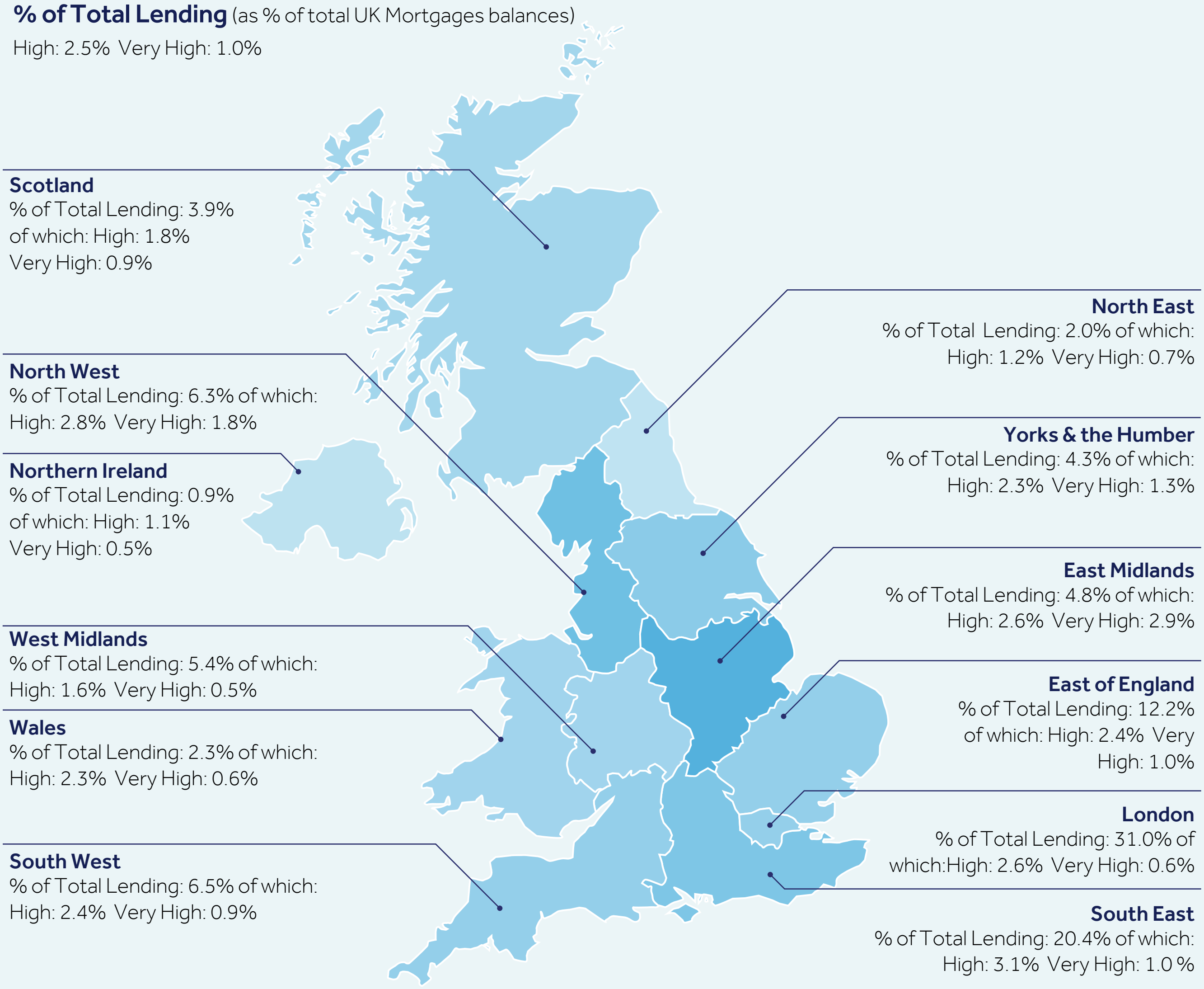
	As at 30 September 2025	As at 30 September 2024
Risk Band	**Volume %**	**Volume %**
Negligible	80.2	80.9
Very Low	7.4	7.6
Low	1.8	1.8
Moderate	1.6	1.6
High	2.6	2.6
Very High	1.2	1.2
Missing	5.3	4.3

Note:
Data collected from 3rd party source based on one quarter lag. 30 September 2025 closest available dataset.

Risk performance - Climate risk (continued)

Flood: Very High & High Flood Risk Exposure per region (as % of Total Regional Exposure)
The map below represents the proportion of properties within the UK Mortgages portfolio at High and Very High risk of flood per region as a percentage of the total regional exposure (excluding Kensington Mortgage Company originated properties). The flood metrics are presented on current risk levels and are based on average annual loss, generated using flood hazard frequency and flood depth from tidal, surface, pluvial and fluvial flooding and accounting for the mitigating impact of flood defences where these are present. The mapping covers c.95% of the UK Mortgages portfolio on a total exposure basis - the remaining c.5% of properties are not currently mapped to flood risk ratings on a property level basis as a result of a lack of data coverage (i.e. the property is not covered by underlying maps), or a lack of certainty in address matching.

% of Total Lending (as % of total UK Mortgages balances)
High: 2.5% Very High: 1.0%



Darker shades indicate higher proportion of high or very high flood risk exposure
High and Very High Flood Risk are shown as % of regional exposure

Note:
Data collected from third party source based on one quarter lag. 30 September 2025 closest available dataset.

Risk performance - Climate risk (continued)

Coastal Erosion: Total Volume of stock (as % of total UK Mortgages portfolio) per risk band

Coastal Erosion is defined as the loss or displacement of land, or the long-term removal of sediment and rocks along the coastline due to the action of waves, currents, tides, wind-driven water, waterborne ice, or other impacts of storms. The increased volatility of weather conditions, as a result of climate change contribute to the acceleration of coastal erosion impacts.

Coastal erosion risk is calculated using the modelled hazard level and the likelihood of that particular hazard impacting the value of the property. For example, a score of 100 (Very High Risk) might be assigned to a property within an area of predicted coastline retreat. In this situation, the likelihood of the ground collapsing is high (the coastal erosion data has determined that the current surface will no longer exist in a defined number of years) and the potential severity of damage to the property is also high (the building itself could partially or completely collapse into the sea).

	As at 30 September 2025	As at 30 September 2024
Risk Band	**Volume %**	**Volume %**
Negligible	93.7	94.4
Low	-	-
Moderate	-	-
Very High	-	-
Missing	6.3	5.6

Note:
Data collected from 3rd party source based on one quarter lag, 30 September 2025 closest available dataset.

Current and Potential Energy Performance Certificate (EPC): Total Volume of stock (as % of total UK Mortgages portfolio) per EPC rating

The transition risk in the UK Mortgages portfolio is assessed via the distribution of Current & Potential EPC ratings across the portfolio. One of the levers to decarbonise the UK housing stock for the UK Government is to tighten energy efficiency requirements. In 2024, the UK Government announced that the minimum EPC rating of rental properties will be raised to EPC C (from EPC E) by 2030. It is anticipated that any tightening of Minimum Energy Efficiency Standards (MEES) will focus initially on buy-to-let properties. Buy-to-Let properties which are privately rented are currently required to have a minimum EPC rating of E. The transition risk identified has the potential to impact the valuation of properties directly, alongside impacting affordability as properties which fall under MEES may no longer be able to be rented out or the landlord may need to pay for retrofitting to be brought up to standard.

EPC ratings range from A (most efficient) to G (least efficient). Current & Potential EPC ratings are used as the basis for assessing expected energy costs but do not give a precise picture of emission intensity. The UK Mortgages portfolio is mapped to the Government EPC Register. Properties may not feature on the Government EPC Register as some properties may have never been required to have an EPC rating (not been sold or rented out since 2007), their EPC rating may have expired (EPC ratings are valid for 10 years) or the property may be in Scotland or Northern Ireland (which use separate databases). Whilst Barclays' proportion of 'missing EPC ratings' has declined year on year, the issue of missing EPC ratings is prevalent across the industry.

Current EPC: Residential and Buy-to-let balances and volume of stock per EPC rating as at September 2025[1]

Current EPC Rating	Residential Mortgage Balances	Balance as % of Residential Mortgages portfolio	Volume as % of Residential Mortgages portfolio	Buy-to-Let Mortgage Balances	Balance as % of Buy-to-Let Mortgages portfolio	Volume as % of Buy-to-Let Mortgages portfolio
	£m	%	%	£m	%	%
A	1,011	0.7	0.5	17	0.1	0.1
B	24,534	16.5	15.3	1,724	11	9.2
C	31,462	21.1	20.3	5,176	32.9	33.9
D	45,311	30.4	28.2	5,285	33.6	34.1
E	16,364	11	9.4	1,308	8.3	8.4
F	3,632	2.4	2	80	0.5	0.5
G	685	0.5	0.4	23	0.1	0.1
Missing	25,988	17.4	23.9	2,105	13.5	13.7
Total	**148,987**	**100**	**100**	**15,718**	**100**	**100**

Note:
1 Data matching provided by 3rd party source based on one quarter lag, 30 September 2025 closest available dataset - EPC monitoring based on 30 September 2025 portfolio and 30 September 2025 Government EPC Register. If no valid EPC is mapped, the expired EPC (where available) is included as a proxy.

Risk performance - Climate risk (continued)

EPC: Residential and Buy-to-let balances and volume of stock per EPC rating as at September 2024[1]

Current EPC Rating	Residential Mortgage Balances	Balance as % of Residential Mortgages portfolio	Volume as % of Residential Mortgages portfolio	Buy-to-Let Mortgage Balances	Balance as % of Buy-to-Let Mortgages portfolio	Volume as % of Buy-to-Let Mortgages portfolio
	£m	%	%	£m	%	%
A	601	0.4	0.3	19	0.1	0.1
B	23,205	16.5	15.2	1,940	11	9.1
C	26,952	19.1	18.4	5,456	30.9	31.8
D	42,000	29.8	27.4	5,986	33.9	34.2
E	16,695	11.9	9.9	1,587	9	9.2
F	3,817	2.7	2.1	98	0.6	0.6
G	723	0.5	0.4	25	0.1	0.1
Missing	26,769	19.1	26.3	2,529	14.4	14.9
Total	**140,762**	**100**	**100**	**17,640**	**100**	**100**

Note:
1 Data matching provided by 3rd party source based on one quarter lag, 30 September 2024 closest available dataset - EPC monitoring based on Sept-24 portfolio and Sept-24 Government EPC Register. If no valid EPC is mapped, the expired EPC (where available) is included as a proxy.

Potential EPC[1]: Residential and Buy-to-let balances and volume of stock per EPC rating as at September 2025[2]

Potential EPC Rating	Residential Mortgage Balances	Balance as % of Residential Mortgages portfolio	Volume as % of Residential Mortgages portfolio	Buy-to-Let Mortgage Balances	Balance as % of Buy-to-Let Mortgages portfolio	Volume as % of Buy-to-Let Mortgages portfolio
	£m	%	%	£m	%	%
A	15,459	10.4	9.8	412	2.6	2.9
B	59,211	39.7	38.3	7,253	46.1	46.6
C	39,260	26.4	22.7	5,268	33.5	32.7
D	6,874	4.6	4.2	596	3.8	3.7
E	1,769	1.2	1	69	0.4	0.4
F	349	0.2	0.2	11	0.1	0.1
G	76	0.1	0	3	0	0
Missing	25,989	17.4	23.8	2,106	13.5	13.6
Total	**148,987**	**100**	**100**	**15,718**	**100**	**100**

Notes:
1 The potential EPC is the EPC rating that a property can reasonably be expected to achieve if the recommended energy efficiency upgrades are undertaken.
2 Data matching provided by 3rd party source based on one quarter lag, 30 September 2025 closest available dataset - EPC monitoring based on Sept-25 portfolio and Sept-25 Government EPC Register. If no valid EPC is mapped, the expired EPC (where available) is included as a proxy.

Potential EPC: Residential and Buy-to-let balances and volume of stock per EPC rating as at September 2024[1]

Potential EPC Rating	Residential Mortgage Balances	Balance as % of Residential Mortgages portfolio	Volume as % of Residential Mortgages portfolio	Buy-to-Let Mortgage Balances	Balance as % of Buy-to-Let Mortgages portfolio	Volume as % of Buy-to-Let Mortgages portfolio
	£m	%	%	£m	%	%
A	13,892	9.9	9.3	474	2.7	2.9
B	52,672	37.4	36	8,017	45.4	45.8
C	37,461	26.6	22.4	5,802	32.9	31.8
D	7,471	5.3	4.6	716	4.1	4
E	2,012	1.4	1.1	87	0.5	0.5
F	398	0.3	0.2	13	0.1	0.1
G	87	0.1	0.1	3	0	0
Missing	26,769	19	26.3	2,528	14.3	14.9
Total	**140,762**	**100**	**100**	**17,640**	**100**	**100**

Note:
1 Data matching provided by 3rd party source based on one quarter lag, 30 September 2024 closest available dataset - EPC monitoring based on Sept-24 portfolio and Sept-24 Government EPC Register. If no valid EPC is mapped, the expired EPC (where available) is included as a proxy.

Business Banking - Livestock & Dairy Exposure

Given methane's global warming potential the Livestock & Dairy sector is a significant contributor to the UK's emissions footprint and is therefore susceptible to the transition risks of climate change, namely changes in Consumer sentiment, or policy, via introduction of potential emissions taxation. The Client Transition Tool is completed for Barclays Bank UK Business Banking clients in Livestock & Dairy sectors for all new or refinanced lending to assess transition trajectories against Barclays' targets and benchmarks. This tool provides further granularity on clients' transition plans and progress. The Client Transition Tool has been enhanced in 2025 to make it easier for Relationship Manager's to complete on behalf of clients and increase the consistency in scoring Alongside this, Barclays Bank UK have also implemented an improved Climate and Environment Lens questionnaire for clients in elevated climate risk sectors to provide enhanced insight into the climate risk of Barclays Bank UK clients.

The Barclays Bank UK Group utilises exposure data to identify what proportion of the Business Banking Agriculture portfolio consists of lending to Dairy & Livestock clients.

Risk performance - Credit risk

Credit risk

Credit risk: summary of contents

Risk performance - Credit risk (continued)

Credit Risk

All disclosures in this section, pages 265 to 314 are unaudited unless otherwise stated.

Overview

Credit risk represents a significant risk to the Group, arising primarily from loans and advances and counterparty credit risk from derivative contracts with clients.

The credit risk disclosures exclude financial assets not subject to credit risk, such as equity securities, and certain contingent liabilities including performance guarantees.

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

Summary of performance in the year

Gross exposure

Gross loans and advances, including debt securities at amortised cost, increased by £15.7bn to £435.3bn (2024: £419.6bn) principally driven by growth in UK Mortgages (£9.2bn), UK Corporate Banking (£4.4bn), UK Cards (£1.4bn), IB (£1.1bn), and a £0.9bn increase in USCB from the partnership with GM. Offsets included £(1.0)bn ESHLA repayments, £(0.8)bn government scheme lending repayments in Business Banking, and the impact of a stronger sterling against the US dollar (c.7%).

Partnership with General Motors (GM)

Barclays USCB entered into an exclusive co-branded credit card partnership with GM on August 22, 2025. As at December 31, 2025, gross loans and advances at amortised cost include £1.3bn of balances arising from this arrangement, comprising £1.2bn of consumer and £0.1bn of the business card receivables, together with an associated impairment allowance of £0.1bn.

Exposure net of risk mitigation

The Group's net exposure to credit risk increased by 3% to £1,108bn (2024: £1,074bn), primarily reflecting higher cash and balances at central banks (£19.6bn), cash collateral and settlement balances (£10.7bn) and increased holding of trading portfolio assets (£11.1bn). This was partially offset by a decrease in assets at fair value through other comprehensive income (£4.8bn) and a decrease in assets held for sale driven by the disposal of the German consumer finance business (£3.7bn). Overall, the credit risk mitigation held against total exposure remained broadly stable at 41% (2024: 42%).

Credit quality

Delinquencies remained broadly stable across the Group, supported by a range of ongoing risk management actions designed to maintain the Group's defensive position amid macroeconomic headwinds. The Corporate loan portfolio continued to benefit from high-quality exposures and credit protection, and single name charges remained idiosyncratic in nature.

Further analysis of the credit quality of assets is presented in the approach to management and representation of credit quality section.

Stage movements

Stage 2 gross exposures decreased by £(6.5)bn, primarily reflecting transfers to Stage 1 following the rebuild of UK Mortgages impairment models, which now better capture consumer behaviour, and the impact of a stronger sterling against the US dollar.
Stage 3 balances increased to £7.5bn (2024: £7.4bn) due to single name charges in IB, partially offset by repayments in Business Banking.

Refer to **page 268** for further details.

Scenario

Global growth slows modestly as rising US tariffs and retaliatory measures disrupt trade flows, though domestic demand in advanced economies remains resilient. For Q425, macroeconomic scenarios have been refreshed and are designed around a wide range of economic outcomes, with the Downside 2 (DS2) scenario broadly aligned to Barclays' 2025 Internal Stress Test (IST25), incorporating climate-related drivers.

Refer to the Barclays' resilience to climate scenarios on **page 102** for further details.

ECL

Impairment allowances on loans and advances at amortised cost including off-balance sheet exposures, increased to £5.7bn (2024: £5.5bn) largely attributable to a single name charge in IB, elevated US macroeconomic uncertainty, GM portfolio acquisition and Tesco stage migration. This was partially offset by UK Cards model remediation and a stronger sterling against the US dollar. On-balance sheet coverage remained strong and stable at 1.2% (2024: 1.2%).

Credit impairment charges/(releases)

Credit impairment charges increased to £2,279m (2024: £1,982m) reflecting acquisition of the GM portfolio, a single name charge in IB and elevated US macroeconomic uncertainty.

Management adjustments

Economic uncertainty adjustments increased to £115m (2024: £78m), reflecting an additional provision for elevated US macroeconomic uncertainty following tariff developments. This was partially offset by the retirement of adjustments following the rebuild of UK Mortgages impairment models, which now better capture consumer responses to the macroeconomic outlook.

Refer to the Management adjustment to models for impairment section on **page 281** for further details.

Climate

Barclays assesses climate-related physical and transition risks through scenario analysis and targeted reviews of climate-sensitive portfolios. The DS2 scenario is broadly aligned with the climate-aware IST25, and selected portfolios incorporate enhanced customer-level climate-risk modelling.

Assets Held for Sale

The sale of the German consumer finance business, previously classified as held for sale, has been completed. The 'Held for Sale' section continues to include credit risk disclosures for a co-branded card portfolio in the USCB.

Further detail can be found in the Financial statements section in Note 8 Credit impairment charges/(releases). Description of terminology can be found in the glossary, available at **home.barclays/annualreport**.

Refer to the **credit risk management** section for the details of governance, policies and procedures.

Risk performance - Credit risk (continued)

Maximum exposure and effects of netting, collateral and risk transfer

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

The Group mitigates the credit risk to which it is exposed through netting and set-off, collateral and risk transfer. Further detail on the Group's policies to each of these forms of credit enhancement is presented on pages 131 to 132 of the Barclays PLC Pillar 3 Report 2025 (unaudited).

Collateral obtained

Where collateral has been obtained in the event of default, the 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 Group as at 31 December 2025, as a result of the enforcement of collateral, was £47m (2024: £12m).

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

	Maximum exposure	Netting and set-off	Cash collateral	Non-cash collateral	Risk transfer	Exposure net of risk mitigation
As at 31 December 2025	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
On-balance sheet:						
Cash and balances at central banks	229,752	—	—	—	—	229,752
Cash collateral and settlement balances	130,532	—	—	—	—	130,532
Loans and advances at amortised cost:						
Retail mortgages	177,333	—	(11)	(177,294)	(6)	22
Retail credit cards	36,952	—	—	—	—	36,952
Retail other	13,914	—	(1,064)	(2,657)	(43)	10,150
Corporate loans	133,324	(2,977)	(1,429)	(76,288)	(9,683)	42,947
Total loans and advances at amortised cost	361,523	(2,977)	(2,504)	(256,239)	(9,732)	90,071
Of which credit-impaired (Stage 3):						
Retail mortgages	1,883	—	—	(1,883)	—	—
Retail credit cards - excluding POCI	486	—	—	—	—	486
Retail credit cards - POCI	24	—	—	—	—	24
Retail other - excluding POCI	116	—	—	(90)	—	26
Retail other - POCI	15	—	—	—	—	15
Corporate loans	2,355	—	(22)	(1,410)	(426)	497
Total credit-impaired loans and advances at amortised cost	4,879	—	(22)	(3,383)	(426)	1,048
Debt securities at amortised cost	68,475	—	—	(136)	—	68,339
Reverse repurchase agreements and other similar secured lending	17,622	—	—	(17,622)	—	—
Trading portfolio assets:						
Debt securities	94,359	—	—	(639)	—	93,720
Traded loans	12,249	—	—	(4,907)	—	7,342
Total trading portfolio assets	106,608	—	—	(5,546)	—	101,062
Financial assets at fair value through the income statement:						
Loans and advances	47,672	—	(17)	(43,588)	—	4,067
Debt securities	3,214	—	—	(359)	—	2,855
Reverse repurchase agreements	132,488	—	(1,396)	(130,734)	—	358
Other financial assets	83	—	—	—	—	83
Total financial assets at fair value through the income statement	183,457	—	(1,413)	(174,681)	—	7,363
Derivative financial instruments	252,459	(194,743)	(30,758)	(12,646)	(4,121)	10,191
Financial assets at fair value through other comprehensive income	74,390	—	—	(2,390)	(134)	71,866
Other assets	847	—	(1)	—	—	846
Assets held for sale	5,801	—	—	—	—	5,801
Total on-balance sheet	1,431,466	(197,720)	(34,676)	(469,260)	(13,987)	715,823
Off-balance sheet:						
Contingent liabilities	25,374	—	(1,768)	(768)	(194)	22,644
Loan commitments	424,606	—	(492)	(52,384)	(2,437)	369,293
Total off-balance sheet	449,980	—	(2,260)	(53,152)	(2,631)	391,937
Total	1,881,446	(197,720)	(36,936)	(522,412)	(16,618)	1,107,760

The above table excludes any credit risk mitigation that does not impact the expected credit loss for financial assets measured at amortised cost. Off-balance sheet exposures are shown gross of provisions of £416m (2024: £439m), see Note 24 for further details. In addition to the above, the Group holds forward starting reverse repos with notional contract amounts of £81.5bn (2024: £108.6bn) which are fully collateralised. Corporate loans at amortised cost include £1.8bn (2024: £3.3bn) of BBLS, CBILS and CLBILS supported by UK government guarantees of £1.8bn (2024: £3.2bn), 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.

Risk performance - Credit risk (continued)

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

	Maximum exposure	Netting and set-off	Cash collateral	Non-cash collateral	Risk transfer	Exposure net of risk mitigation
As at 31 December 2024	£m	£m	£m	£m	£m	£m
On-balance sheet:						
Cash and balances at central banks	210,184	—	—	—	—	210,184
Cash collateral and settlement balances	119,843	—	—	—	—	119,843
Loans and advances at amortised cost:						
Retail mortgages	168,061	—	(22)	(168,026)	—	13
Retail credit cards	34,779	—	—	—	—	34,779
Retail other	13,808	—	(1,106)	(2,502)	(36)	10,164
Corporate loans	129,625	(3,006)	(1,107)	(67,909)	(11,548)	46,055
Total loans and advances at amortised cost	346,273	(3,006)	(2,235)	(238,437)	(11,584)	91,011
Of which credit-impaired (Stage 3):						
Retail mortgages	1,875	—	—	(1,874)	—	1
Retail credit cards - excluding POCI	396	—	—	—	—	396
Retail credit cards - POCI	40	—	—	—	—	40
Retail other - excluding POCI	217	—	(21)	(175)	—	21
Retail other - POCI	17	—	—	—	—	17
Corporate loans	2,490	—	(32)	(1,108)	(415)	935
Total credit-impaired loans and advances at amortised cost	5,035	—	(53)	(3,157)	(415)	1,410
Debt securities at amortised cost	68,210	—	—	(583)	(90)	67,537
Reverse repurchase agreements and other similar secured lending	4,734	—	—	(4,734)	—	—
Trading portfolio assets:						
Debt securities	78,014	—	—	(657)	—	77,357
Traded loans	13,470	—	—	(878)	—	12,592
Total trading portfolio assets	91,484	—	—	(1,535)	—	89,949
Financial assets at fair value through the income statement:						
Loans and advances	45,068	—	(17)	(41,766)	—	3,285
Debt securities	2,965	—	—	(182)	—	2,783
Reverse repurchase agreements	141,773	—	(2,429)	(138,905)	—	439
Other financial assets	110	—	—	—	—	110
Total financial assets at fair value through the income statement	189,916	—	(2,446)	(180,853)	—	6,617
Derivative financial instruments	293,530	(230,434)	(30,637)	(12,633)	(5,284)	14,542
Financial assets at fair value through other comprehensive income	78,055	—	—	(1,104)	(246)	76,705
Other assets	891	—	(1)	—	—	890
Assets held for sale	9,544	—	—	—	—	9,544
Total on-balance sheet	1,412,664	(233,440)	(35,319)	(439,879)	(17,204)	686,822
Off-balance sheet:						
Contingent liabilities	25,346	—	(2,664)	(441)	(248)	21,993
Loan commitments	423,149	—	(550)	(55,327)	(1,899)	365,373
Total off-balance sheet	448,495	—	(3,214)	(55,768)	(2,147)	387,366
Total	1,861,159	(233,440)	(38,533)	(495,647)	(19,351)	1,074,188

Risk performance - Credit risk (continued)

Expected Credit Losses

Loans and advances at amortised cost by geography

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 and geographical breakdown of loans and advances at amortised cost and the impairment allowance by stage; and includes purchased or originated credit-impaired (POCI) balances. POCI balances represent a fixed pool of assets purchased at a deep discount to face value reflecting credit losses incurred from the point of origination to date of acquisition. The table also presents stage allocation of debt securities and off-balance sheet loan commitments and financial guarantee contracts.

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 wholesale portfolios, impairment allowance on undrawn exposure is reported on the liability side of the balance sheet as a provision.

Loans and advances at amortised cost by geography (audited)

	Gross exposure					Impairment allowance				
	Stage 1	Stage 2	Stage 3 excluding POCI	Stage 3 POCI	Total	Stage 1	Stage 2	Stage 3 excluding POCI	Stage 3 POCI	Total
As at 31 December 2025	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Retail mortgages	159,825	13,757	1,836	—	175,418	15	16	60	—	91
Retail credit cards	14,922	1,943	279	24	17,168	171	398	174	—	743
Retail other	9,867	1,512	286	15	11,680	98	178	214	—	490
Corporate loans[1]	54,182	6,936	1,392	—	62,510	125	180	422	—	727
Total UK	238,796	24,148	3,793	39	266,776	409	772	870	—	2,051
Retail mortgages	1,829	72	131	—	2,032	2	—	24	—	26
Retail credit cards	18,801	2,536	1,776	—	23,113	395	796	1,395	—	2,586
Retail other	2,482	206	63	—	2,751	3	5	19	—	27
Corporate loans	66,671	3,702	1,767	—	72,140	82	135	382	—	599
Total Rest of the World	89,783	6,516	3,737	—	100,036	482	936	1,820	—	3,238
Total loans and advances at amortised cost	328,579	30,664	7,530	39	366,812	891	1,708	2,690	—	5,289
Debt Securities at amortised cost	68,126	371	—	—	68,497	13	9	—	—	22
Total loans and advances at amortised cost including Debt Securities	396,705	31,035	7,530	39	435,309	904	1,717	2,690	—	5,311
Off-balance sheet loan commitments and financial guarantee contracts[2]	410,493	16,473	812	5	427,783	144	240	32	—	416
Total[3,4]	807,198	47,508	8,342	44	863,092	1,048	1,957	2,722	—	5,727

Risk performance - Credit risk (continued)

	Net Exposure					Coverage ratio				
	Stage 1	Stage 2	Stage 3 excluding POCI	Stage 3 POCI	Total	Stage 1	Stage 2	Stage 3 excluding POCI	Stage 3 POCI	Total
As at 31 December 2025	£m	£m	£m	£m	£m	%	%	%	%	%
Retail mortgages	159,810	13,741	1,776	—	175,327	—	0.1	3.3	—	0.1
Retail credit cards	14,751	1,545	105	24	16,425	1.1	20.5	62.4	—	4.3
Retail other	9,769	1,334	72	15	11,190	1.0	11.8	74.8	—	4.2
Corporate loans[1]	54,057	6,756	970	—	61,783	0.2	2.6	30.3	—	1.2
Total UK	238,387	23,376	2,923	39	264,725	0.2	3.2	22.9	—	0.8
Retail mortgages	1,827	72	107	—	2,006	0.1	—	18.3	—	1.3
Retail credit cards	18,406	1,740	381	—	20,527	2.1	31.4	78.5	—	11.2
Retail other	2,479	201	44	—	2,724	0.1	2.4	30.2	—	1.0
Corporate loans	66,589	3,567	1,385	—	71,541	0.1	3.6	21.6	—	0.8
Total Rest of the world	89,301	5,580	1,917	—	96,798	0.5	14.4	48.7	—	3.2
Total loans and advances at amortised cost	327,688	28,956	4,840	39	361,523	0.3	5.6	35.7	—	1.4
Debt securities at amortised cost	68,113	362	—	—	68,475	—	2.4	—	—	—
Total loans and advances at amortised cost including debt securities	395,801	29,318	4,840	39	429,998	0.2	5.5	35.7	—	1.2
Off-balance sheet loan commitments and financial guarantee contracts[2]	410,349	16,233	780	5	427,367	—	1.5	3.9	—	0.1
Total[3, 4]	806,150	45,551	5,620	44	857,365	0.1	4.1	32.6	—	0.7

Notes:

1 Includes Business Banking, which has a gross exposure of £12.4bn and an impairment allowance of £326m. This comprises £62m impairment allowance on £9.3bn Stage 1 exposure, £50m on £2.3bn Stage 2 exposure and £214m on £0.8bn Stage 3 exposure. Excluding this, total coverage for corporate loans in UK is 0.8%.

2 Excludes loan commitments and financial guarantees of £22.2bn carried at fair value and includes exposure relating to financial assets classified as assets held for sale.

3 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 £224.1bn and an impairment allowance of £150m. This comprises £18m impairment allowance on £222.4bn Stage 1 exposure, £8m on £1.6bn Stage 2 exposure and £124m on £127m Stage 3 exposure.

4 The annualised loan loss rate is 52bps after applying the total impairment charge of £2,279m.

Risk performance - Credit risk (continued)

Loans and advances at amortised cost by geography (audited)

	Gross exposure					Impairment allowance				
	Stage 1	Stage 2	Stage 3 excluding POCI	Stage 3 POCI	Total	Stage 1	Stage 2	Stage 3 excluding POCI	Stage 3 POCI	Total
As at 31 December 2024	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Retail mortgages	145,039	19,507	1,793	—	166,339	36	61	61	—	158
Retail credit cards	13,497	2,064	179	40	15,780	219	440	91	—	750
Retail other	10,606	1,218	257	17	12,098	135	110	138	—	383
Corporate loans[1]	52,284	7,266	2,171	—	61,721	133	196	420	—	749
Total UK	221,426	30,055	4,400	57	255,938	523	807	710	—	2,040
Retail mortgages	1,651	89	169	—	1,909	2	1	26	—	29
Retail credit cards	17,629	2,953	1,724	—	22,306	334	807	1,416	—	2,557
Retail other	1,844	155	121	—	2,120	3	1	23	—	27
Corporate loans	64,224	3,901	945	—	69,070	76	135	206	—	417
Total Rest of the World	85,348	7,098	2,959	—	95,405	415	944	1,671	—	3,030
Total loans and advances at amortised cost	306,774	37,153	7,359	57	351,343	938	1,751	2,381	—	5,070
Debt securities at amortised cost	64,988	3,245	—	—	68,233	12	11	—	—	23
Total loans and advances at amortised cost including debt securities	371,762	40,398	7,359	57	419,576	950	1,762	2,381	—	5,093
Off-balance sheet loan commitments and financial guarantee contracts[2]	412,255	18,728	1,168	6	432,157	164	250	25	—	439
Total[3,4]	784,017	59,126	8,527	63	851,733	1,114	2,012	2,406	—	5,532

Risk performance - Credit risk (continued)

Loans and advances at amortised cost by geography (audited)

	Net Exposure					Coverage ratio				
	Stage 1	Stage 2	Stage 3 excluding POCI	Stage 3 POCI	Total	Stage 1	Stage 2	Stage 3 excluding POCI	Stage 3 POCI	Total
As at 31 December 2024	£m	£m	£m	£m	£m	%	%	%	%	%
Retail mortgages	145,003	19,446	1,732	—	166,181	—	0.3	3.4	—	0.1
Retail credit cards	13,278	1,624	88	40	15,030	1.6	21.3	50.8	—	4.8
Retail other	10,471	1,108	119	17	11,715	1.3	9.0	53.7	—	3.2
Corporate loans[1]	52,151	7,070	1,751	—	60,972	0.3	2.7	19.3	—	1.2
Total UK	220,903	29,248	3,690	57	253,898	0.2	2.7	16.1	—	0.8
Retail mortgages	1,649	88	143	—	1,880	0.1	1.1	15.4	—	1.5
Retail credit cards	17,295	2,146	308	—	19,749	1.9	27.3	82.1	—	11.5
Retail other	1,841	154	98	—	2,093	0.2	0.6	19.0	—	1.3
Corporate loans	64,148	3,766	739	—	68,653	0.1	3.5	21.8	—	0.6
Total Rest of the World	84,933	6,154	1,288	—	92,375	0.5	13.3	56.5	—	3.2
Total loans and advances at amortised cost	305,836	35,402	4,978	57	346,273	0.3	4.7	32.4	—	1.4
Debt securities at amortised cost	64,976	3,234	—	—	68,210	—	0.3	—	—	—
Total loans and advances at amortised cost including debt securities	370,812	38,636	4,978	57	414,483	0.3	4.4	32.4	—	1.2
Off-balance sheet loan commitments and financial guarantee contracts[2]	412,091	18,478	1,143	6	431,718	—	1.3	2.1	—	0.1
Total[3,4]	782,903	57,114	6,121	63	846,201	0.1	3.4	28.2	—	0.6

Notes:

1 Includes Business Banking, which has a gross exposure of £13.1bn and an impairment allowance of £356m. This comprises £60m impairment allowance on £8.9bn Stage 1 exposure, £60m on £2.8bn Stage 2 exposure and £236m on £1.5bn Stage 3 exposure. Excluding this, total coverage for corporate loans in UK is 0.8%.

2 Excludes loan commitments and financial guarantees of £16.3bn carried at fair value and includes exposure relating to financial assets classified as assets held for sale.

3 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 £204.2bn and an impairment allowance of £156m. This comprises £19m impairment allowance on £202.7bn Stage 1 exposure, £7m on £1.3bn Stage 2 exposure and £130m on £139m Stage 3 exposure.

4 The annualised loan loss rate is 46bps after applying the total impairment charge of £1,982m.

Risk performance - Credit risk (continued)

Loans and advances at amortised cost by product (audited)

The table below presents a product breakdown by stages of loans and advances at amortised cost. Also included is a breakdown of Stage 2 past due balances.

Loans and advances at amortised cost by product (audited)

		Stage 2						
As at 31 December 2025	Stage 1	Not past due	<=30 days past due	>30 days past due	Total	Stage 3 excluding POCI	Stage 3 POCI	Total
Gross exposure	£m	£m	£m	£m	£m	£m	£m	£m
Retail mortgages	161,654	11,072	2,033	724	13,829	1,967	—	177,450
Retail credit cards	33,723	3,832	317	330	4,479	2,055	24	40,281
Retail other	12,349	1,398	207	113	1,718	349	15	14,431
Corporate loans	120,853	10,409	71	158	10,638	3,159	—	134,650
Total	328,579	26,711	2,628	1,325	30,664	7,530	39	366,812
Impairment allowance								
Retail mortgages	17	9	4	3	16	84	—	117
Retail credit cards	566	840	138	216	1,194	1,569	—	3,329
Retail other	101	126	28	29	183	233	—	517
Corporate loans	207	298	7	10	315	804	—	1,326
Total	891	1,273	177	258	1,708	2,690	—	5,289
Net exposure								
Retail mortgages	161,637	11,063	2,029	721	13,813	1,883	—	177,333
Retail credit cards	33,157	2,992	179	114	3,285	486	24	36,952
Retail other	12,248	1,272	179	84	1,535	116	15	13,914
Corporate loans	120,646	10,111	64	148	10,323	2,355	—	133,324
Total	327,688	25,438	2,451	1,067	28,956	4,840	39	361,523
Coverage ratio	%	%	%	%	%	%	%	%
Retail mortgages	—	0.1	0.2	0.4	0.1	4.3	—	0.1
Retail credit cards	1.7	21.9	43.5	65.5	26.7	76.4	—	8.3
Retail other	0.8	9.0	13.5	25.7	10.7	66.8	—	3.6
Corporate loans	0.2	2.9	9.9	6.3	3.0	25.5	—	1.0
Total	0.3	4.8	6.7	19.5	5.6	35.7	—	1.4
As at 31 December 2024								
Gross exposure	£m	£m	£m	£m	£m	£m	£m	£m
Retail mortgages	146,690	16,790	2,034	772	19,596	1,962	—	168,248
Retail credit cards	31,126	4,435	303	279	5,017	1,903	40	38,086
Retail other	12,450	1,056	211	106	1,373	378	17	14,218
Corporate loans	116,508	10,849	144	174	11,167	3,116	—	130,791
Total	306,774	33,130	2,692	1,331	37,153	7,359	57	351,343
Impairment allowance								
Retail mortgages	38	42	13	7	62	87	—	187
Retail credit cards	553	959	122	166	1,247	1,507	—	3,307
Retail other	138	76	17	18	111	161	—	410
Corporate loans	209	316	7	8	331	626	—	1,166
Total	938	1,393	159	199	1,751	2,381	—	5,070
Net exposure								
Retail mortgages	146,652	16,748	2,021	765	19,534	1,875	—	168,061
Retail credit cards	30,573	3,476	181	113	3,770	396	40	34,779
Retail other	12,312	980	194	88	1,262	217	17	13,808
Corporate loans	116,299	10,533	137	166	10,836	2,490	—	129,625
Total	305,836	31,737	2,533	1,132	35,402	4,978	57	346,273
Coverage ratio	%	%	%	%	%	%	%	%
Retail mortgages	—	0.3	0.6	0.9	0.3	4.4	—	0.1
Retail credit cards	1.8	21.6	40.3	59.5	24.9	79.2	—	8.7
Retail other	1.1	7.2	8.1	17.0	8.1	42.6	—	2.9
Corporate loans	0.2	2.9	4.9	4.6	3.0	20.1	—	0.9
Total	0.3	4.2	5.9	15.0	4.7	32.4	—	1.4

Risk performance - Credit risk (continued)

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 gross 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 re-measurement 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 excluding POCI		Stage 3 POCI		Total	
	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Retail mortgages										
As at 1 January 2025	146,690	38	19,596	62	1,962	87	—	—	168,248	187
Transfers from Stage 1 to Stage 2	(8,750)	(3)	8,750	3	—	—	—	—	—	—
Transfers from Stage 2 to Stage 1	12,686	26	(12,686)	(26)	—	—	—	—	—	—
Transfers to Stage 3	(389)	(1)	(502)	(5)	891	6	—	—	—	—
Transfers from Stage 3	108	2	119	—	(227)	(2)	—	—	—	—
Business activity in the year	32,944	4	1,186	2	7	—	—	—	34,137	6
Refinements to models used for calculation[1]	—	(19)	—	(36)	—	6	—	—	—	(49)
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	(7,660)	(26)	(683)	25	(113)	30	—	—	(8,456)	29
Final repayments	(13,634)	(3)	(1,802)	(5)	(431)	(20)	—	—	(15,867)	(28)
Disposals[2]	(341)	(1)	(149)	(4)	(104)	(5)	—	—	(594)	(10)
Write-offs	—	—	—	—	(18)	(18)	—	—	(18)	(18)
As at 31 December 2025	161,654	17	13,829	16	1,967	84	—	—	177,450	117
Retail credit cards										
As at 1 January 2025	31,126	553	5,017	1,247	1,903	1,507	40	—	38,086	3,307
Transfers from Stage 1 to Stage 2	(1,716)	(51)	1,716	51	—	—	—	—	—	—
Transfers from Stage 2 to Stage 1	2,220	444	(2,220)	(444)	—	—	—	—	—	—
Transfers to Stage 3	(728)	(26)	(922)	(351)	1,650	377	—	—	—	—
Transfers from Stage 3	30	15	20	8	(50)	(23)	—	—	—	—
Business activity in the year[3]	4,999	111	617	188	75	54	—	—	5,691	353
Refinements to models used for calculation[1]	—	57	—	(274)	—	1	—	—	—	(216)
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes[4]	(1,906)	(526)	290	782	(6)	1,074	(16)	—	(1,638)	1,330
Final repayments	(302)	(11)	(39)	(13)	(35)	(28)	—	—	(376)	(52)
Disposals[2]	—	—	—	—	(457)	(368)	—	—	(457)	(368)
Write-offs	—	—	—	—	(1,025)	(1,025)	—	—	(1,025)	(1,025)
As at 31 December 2025	33,723	566	4,479	1,194	2,055	1,569	24	—	40,281	3,329

Notes:
1 Refinements to models used for calculation reported within Retail mortgages include a £(49)m movement in the calculated ECL for the UK Mortgages portfolio. In Retail credit cards, this include a £(204)m movement in UK Cards and a £(12)m movement in US Cards portfolio, respectively. These reflect model enhancements made during the year. Barclays 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 in the businesses.
2 The £594m of gross disposals reported within Retail mortgages include £584m transfer of facilities to a non-consolidated SPV for the purpose of securitisation and £10m relates to sale of the Italian mortgage loans. The £457m of gross disposals reported within Retail credit cards relate to debt sales undertaken during the year.
3 Business activity in the year reported within Retail credit cards include £1.2bn related to acquisition of the GM co-branded card portfolio within USCB.
4 'Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes' reported within Retail credit cards include a gain recognised on the reassessment of purchased or originated credit-impaired (POCI) assets, where the expected credit loss on POCI assets is lower than anticipated at the time of purchase. The resulting increase in carrying value is recognised within gross exposure rather than as a negative impairment allowance.

Risk performance - Credit risk (continued)

Loans and advances at amortised cost (audited)

	Stage 1		Stage 2		Stage 3 excluding POCI		Stage 3 POCI		Total	
	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Retail other										
As at 1 January 2025	12,450	138	1,373	111	378	161	17	—	14,218	410
Transfers from Stage 1 to Stage 2	(733)	(12)	733	12	—	—	—	—	—	—
Transfers from Stage 2 to Stage 1	372	24	(372)	(24)	—	—	—	—	—	—
Transfers to Stage 3	(206)	(3)	(119)	(28)	325	31	—	—	—	—
Transfers from Stage 3	58	2	4	4	(62)	(6)	—	—	—	—
Business activity in the year	4,683	37	494	58	37	34	—	—	5,214	129
Refinements to models used for calculation	—	—	—	—	—	—	—	—	—	—
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes[1]	(1,080)	(62)	(16)	55	34	180	(2)	—	(1,064)	173
Final repayments	(3,195)	(23)	(379)	(5)	(205)	(20)	—	—	(3,779)	(48)
Disposals[2]	—	—	—	—	(43)	(32)	—	—	(43)	(32)
Write-offs	—	—	—	—	(115)	(115)	—	—	(115)	(115)
As at 31 December 2025	12,349	101	1,718	183	349	233	15	—	14,431	517
Corporate loans										
As at 1 January 2025	116,508	209	11,167	331	3,116	626	—	—	130,791	1,166
Transfers from Stage 1 to Stage 2	(3,993)	(19)	3,993	19	—	—	—	—	—	—
Transfers from Stage 2 to Stage 1	3,316	70	(3,316)	(70)	—	—	—	—	—	—
Transfers to Stage 3	(895)	(5)	(748)	(32)	1,643	37	—	—	—	—
Transfers from Stage 3	441	18	459	14	(900)	(32)	—	—	—	—
Business activity in the year[3]	28,142	49	1,134	40	341	29	—	—	29,617	118
Refinements to models used for calculation[4]	—	(65)	—	(24)	—	—	—	—	—	(89)
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	3,727	(21)	(41)	95	(108)	476	—	—	3,578	550
Final repayments	(26,236)	(28)	(2,008)	(56)	(511)	(10)	—	—	(28,755)	(94)
Disposals[2]	(157)	(1)	(2)	(2)	(121)	(21)	—	—	(280)	(24)
Write-offs	—	—	—	—	(301)	(301)	—	—	(301)	(301)
As at 31 December 2025	120,853	207	10,638	315	3,159	804	—	—	134,650	1,326

Notes:

1 'Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes' reported within Retail other include a gain recognised on the reassessment of purchased or originated credit-impaired (POCI) assets, where the expected credit loss on POCI assets is lower than anticipated at the time of purchase. The resulting increase in carrying value is recognised within gross exposure rather than as a negative impairment allowance.

2 The £43m of gross disposals reported within Retail other and £280m of gross disposals reported within Corporate loans relate to debt sales undertaken during the year.

3 Business activity in the year reported within Corporate loans include £0.1bn related to acquisition of the GM co-branded card portfolio within USCB.

4 Refinements to models used for calculation reported within Corporate loans include a £(89)m movement in the calculated ECL for the UKCB and IB portfolio. These reflect model enhancements made during the year. Barclays 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 in the businesses.

Risk performance - Credit risk (continued)

Reconciliation of ECL movement to credit impairment charge/(release) for the period

	Stage 1	Stage 2	Stage 3 excluding POCI	Stage 3 POCI	Total
	£m	£m	£m	£m	£m
Retail mortgages	(20)	(42)	20	—	(42)
Retail credit cards	13	(53)	1,455	—	1,415
Retail other	(37)	72	219	—	254
Corporate loans	(1)	(14)	500	—	485
ECL movements excluding disposals and write-offs[1]	(45)	(37)	2,194	—	2,112
ECL movement on loan commitments and other financial guarantees	(20)	(10)	7	—	(23)
ECL movement on other financial assets	(1)	1	(6)	—	(6)
ECL movement on debt securities at amortised cost	1	(2)	—	—	(1)
Recoveries and reimbursements[2]	9	(29)	(147)	—	(167)
ECL charge on assets held for sale[3]					181
Total exchange and other adjustments					183
Total credit impairment charge for the year					2,279

Notes:
1 In 2025, gross write-offs amounted to £1,459m and post write-off recoveries amounted to £83m. Net write-offs represent gross write-offs less post write-off recoveries and amounted to £1,376m.
2 Recoveries and reimbursements include £84m for reimbursements where the 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 £83m.
3 ECL charge on assets held for sale relate to the charges on a co-branded card portfolio in USCB and the German consumer finance business.

Risk performance - Credit risk (continued)

Loan commitments and financial guarantees (audited)[1]

	Stage 1		Stage 2		Stage 3 excluding POCI		Stage 3 POCI		Total	
	Gross exposure £m	ECL £m	Gross exposure £m	ECL £m	Gross exposure £m	ECL £m	Gross exposure £m	ECL £m	Gross exposure £m	ECL £m
Retail mortgages										
As at 1 January 2025	11,093	—	340	—	2	—	—	—	11,435	—
Net transfers between stages	131	—	(141)	—	10	—	—	—	—	—
Business activity in the year	8,970	—	—	—	—	—	—	—	8,970	—
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	(8,097)	—	(44)	—	(10)	—	—	—	(8,151)	—
Limit management and final repayments	(342)	—	(30)	—	(2)	—	—	—	(374)	—
As at 31 December 2025	11,755	—	125	—	—	—	—	—	11,880	—
Retail credit cards										
As at 1 January 2025	162,471	53	2,515	13	122	—	6	—	165,114	66
Net transfers between stages	(1,837)	13	1,760	(13)	77	—	—	—	—	—
Business activity in the year	28,148	18	341	3	1	—	—	—	28,490	21
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	(6,183)	(24)	(1,845)	9	(72)	—	(1)	—	(8,101)	(15)
Limit management and final repayments	(13,584)	(8)	(220)	(9)	(24)	—	—	—	(13,828)	(17)
Disposal[2]	(5,291)	—	(221)	—	(10)	—	—	—	(5,522)	—
As at 31 December 2025	163,724	52	2,330	3	94	—	5	—	166,153	55
Retail other										
As at 1 January 2025	8,416	6	440	—	25	—	—	—	8,881	6
Net transfers between stages	(31)	—	28	—	3	—	—	—	—	—
Business activity in the year	625	—	1	—	—	—	—	—	626	—
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	(341)	(5)	7	—	12	—	—	—	(322)	(5)
Limit management and final repayments	(797)	—	(33)	—	(20)	—	—	—	(850)	—
Disposal[2]	(756)	—	(30)	—	(1)	—	—	—	(787)	—
As at 31 December 2025	7,116	1	413	—	19	—	—	—	7,548	1
Corporate loans										
As at 1 January 2025	230,275	105	15,433	237	1,019	25	—	—	246,727	367
Net transfers between stages	(122)	41	216	(41)	(94)	—	—	—	—	—
Business activity in the year	48,961	28	2,701	61	405	—	—	—	52,067	89
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	9,733	(57)	(480)	36	(291)	11	—	—	8,962	(10)
Limit management and final repayments	(60,949)	(26)	(4,265)	(56)	(340)	(4)	—	—	(65,554)	(86)
As at 31 December 2025	227,898	91	13,605	237	699	32	—	—	242,202	360

Notes:
1 Loan commitments reported also include exposure relating to financial assets classified as held for sale.
2 The gross disposals reported within Retail credit cards and Retail other relate to the German consumer finance business; sale of which was completed in Q125.

Risk performance - Credit risk (continued)

Loans and advances at amortised cost (audited)

	Stage 1		Stage 2		Stage 3 excluding POCI		Stage 3 POCI		Total	
	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Retail mortgages										
As at 1 January 2024	150,202	50	19,469	105	2,424	428	—	—	172,095	583
Transfers from Stage 1 to Stage 2	(10,013)	(5)	10,013	5	—	—	—	—	—	—
Transfers from Stage 2 to Stage 1	6,591	29	(6,591)	(29)	—	—	—	—	—	—
Transfers to Stage 3	(388)	—	(530)	(10)	918	10	—	—	—	—
Transfers from Stage 3	82	3	142	2	(224)	(5)	—	—	—	—
Business activity in the year	22,881	8	792	4	7	—	—	—	23,680	12
Refinements to models used for calculation	—	—	—	—	—	—	—	—	—	—
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	(7,297)	(37)	(918)	36	(53)	23	—	—	(8,268)	22
Final repayments	(12,680)	(5)	(2,099)	(11)	(394)	(24)	—	—	(15,173)	(40)
Disposals[1]	(2,688)	(5)	(682)	(40)	(699)	(328)	—	—	(4,069)	(373)
Write-offs	—	—	—	—	(17)	(17)	—	—	(17)	(17)
As at 31 December 2024	146,690	38	19,596	62	1,962	87	—	—	168,248	187
Retail credit cards										
As at 1 January 2024	30,409	523	5,578	1,630	1,720	1,333	—	—	37,707	3,486
Transfers from Stage 1 to Stage 2	(2,093)	(66)	2,093	66	—	—	—	—	—	—
Transfers from Stage 2 to Stage 1	1,933	461	(1,933)	(461)	—	—	—	—	—	—
Transfers to Stage 3	(702)	(26)	(1,079)	(469)	1,781	495	—	—	—	—
Transfers from Stage 3	26	13	25	10	(51)	(23)	—	—	—	—
Business activity in the year[2]	7,217	184	400	118	32	29	40	—	7,689	331
Refinements to models used for calculation[3]	—	5	—	(29)	—	4	—	—	—	(20)
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	658	(450)	838	628	(7)	1,143	—	—	1,489	1,321
Final repayments	(136)	(7)	(41)	(16)	(5)	(3)	—	—	(182)	(26)
Transfers to assets held for sale[4]	(5,495)	(64)	(689)	(161)	(57)	(46)	—	—	(6,241)	(271)
Disposals[1]	(691)	(20)	(175)	(69)	(407)	(322)	—	—	(1,273)	(411)
Write-offs	—	—	—	—	(1,103)	(1,103)	—	—	(1,103)	(1,103)
As at 31 December 2024	31,126	553	5,017	1,247	1,903	1,507	40	—	38,086	3,307
Retail other										
As at 1 January 2024	8,469	59	1,343	118	493	176	—	—	10,305	353
Transfers from Stage 1 to Stage 2	(619)	(8)	619	8	—	—	—	—	—	—
Transfers from Stage 2 to Stage 1	423	27	(423)	(27)	—	—	—	—	—	—
Transfers to Stage 3	(209)	(2)	(151)	(30)	360	32	—	—	—	—
Transfers from Stage 3	82	1	52	4	(134)	(5)	—	—	—	—
Business activity in the year[2]	7,590	105	252	30	24	22	17	—	7,883	157
Refinements to models used for calculation	—	—	—	—	—	—	—	—	—	—
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	(265)	(33)	(125)	13	59	116	—	—	(331)	96
Final repayments	(3,021)	(11)	(194)	(5)	(273)	(41)	—	—	(3,488)	(57)
Disposals[1]	—	—	—	—	(46)	(34)	—	—	(46)	(34)
Write-offs	—	—	—	—	(105)	(105)	—	—	(105)	(105)
As at 31 December 2024	12,450	138	1,373	111	378	161	17	—	14,218	410

Notes:

1 The £4.1bn of gross disposals reported within Retail mortgages include £3.2bn sale of the Italian mortgage portfolio and £0.8bn of transfer of facilities to a non-consolidated SPV for the purpose of securitisation. The £1.3bn of gross disposals reported within Retail credit cards include £0.9bn sale of the outstanding US Cards receivables to Blackstone and £0.4bn of other debt sales undertaken during the year. The £46m of gross disposals reported within Retail other relate to debt sales undertaken during the year.

2 Business activity in the year reported within Retail credit cards and Retail other includes an acquisition of Tesco Bank, comprising £4.2bn of credit card receivables and £4.1bn of unsecured personal loans.

3 Refinements to models used for calculation reported within Retail credit cards include a £(31)m movement in UK Cards and a £11m movement in the US Cards portfolio. These reflect model enhancements made during the year. Barclays 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.

4 Transfers to assets held for sale reported within Retail credit cards relate to a co-branded card portfolio within USCB.

Risk performance - Credit risk (continued)

Loans and advances at amortised cost (audited)

	Stage 1		Stage 2		Stage 3 excluding POCI		Stage 3 POCI		Total	
	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Corporate loans										
As at 1 January 2024	112,505	287	13,302	414	2,554	598	—	—	128,361	1,299
Transfers from Stage 1 to Stage 2	(3,810)	(28)	3,810	28	—	—	—	—	—	—
Transfers from Stage 2 to Stage 1	3,316	75	(3,316)	(75)	—	—	—	—	—	—
Transfers to Stage 3	(1,073)	(6)	(892)	(37)	1,965	43	—	—	—	—
Transfers from Stage 3	269	14	230	22	(499)	(36)	—	—	—	—
Business activity in the year	27,032	45	897	36	415	26	—	—	28,344	107
Refinements to models used for calculation[1]	—	(6)	—	42	—	—	—	—	—	36
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	4,191	(124)	(531)	4	(631)	341	—	—	3,029	221
Final repayments	(25,861)	(46)	(2,322)	(98)	(363)	(21)	—	—	(28,546)	(165)
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	—	—	—	—	(322)	(322)	—	—	(322)	(322)
As at 31 December 2024	116,508	209	11,167	331	3,116	626	—	—	130,791	1,166

Reconciliation of ECL movement to credit impairment charge/(release) for the period

	Stage 1	Stage 2	Stage 3 excluding POCI	Stage 3 POCI	Total
	£m	£m	£m	£m	£m
Retail mortgages	**(7)**	**(3)**	**4**	**—**	**(6)**
Retail credit cards	**114**	**(153)**	**1,645**	**—**	**1,606**
Retail other	**79**	**(7)**	**124**	**—**	**196**
Corporate loans	**(76)**	**(78)**	**353**	**—**	**199**
ECL movement excluding assets held for sale ,disposals and write-offs[4]	**110**	**(241)**	**2,126**	**—**	**1,995**
ECL movement on loan commitments and financial guarantees	**(9)**	**(37)**	**(19)**	**—**	**(65)**
ECL movement on other financial assets	**3**	**5**	**(3)**	**—**	**5**
ECL movement on debt securities at amortised cost	**1**	**(5)**	**—**	**—**	**(4)**
Recoveries and reimbursements[5]	**(21)**	**20**	**(90)**	**—**	**(91)**
ECL charge on assets held for sale[6]					**74**
Total exchange and other adjustments					**68**
Total credit impairment charge for the year					**1,982**

Notes:

1 Refinements to models used for calculation reported within Corporate loans include a £69m movement in IB and a £(33)m movement in the ESHLA portfolio. These reflect model enhancements made during the year. Barclays 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 £1,547m and post write-off recoveries amounted to £76m. Net write-offs represent gross write-offs less post write-off recoveries and amounted to £1,471m.

5 Recoveries and reimbursements include £15m for reimbursements where the 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 £76m.

6 ECL charge on assets held for sale relate to the German consumer finance business.

Risk performance - Credit risk (continued)

Loan commitments and financial guarantees (audited)[1]

	Stage 1		Stage 2		Stage 3 excluding POCI		Stage 3 POCI		Total	
	Gross exposure £m	ECL £m	Gross exposure £m	ECL £m	Gross exposure £m	ECL £m	Gross exposure £m	ECL £m	Gross exposure £m	ECL £m
Retail mortgages										
As at 1 January 2024	7,776	—	448	—	4	—	—	—	8,228	—
Net transfers between stages	(47)	—	41	—	6	—	—	—	—	—
Business activity in the year	8,048	—	—	—	—	—	—	—	8,048	—
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	(4,336)	—	(106)	—	(7)	—	—	—	(4,449)	—
Limit management and final repayments	(348)	—	(43)	—	(1)	—	—	—	(392)	—
As at 31 December 2024	11,093	—	340	—	2	—	—	—	11,435	—
Retail credit cards										
As at 1 January 2024	144,791	59	2,807	54	142	—	—	—	147,740	113
Net transfers between stages	(1,940)	30	1,853	(30)	87	—	—	—	—	—
Business activity in the year	31,376	13	226	5	2	—	6	—	31,610	18
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	2,148	(36)	(1,969)	4	(88)	—	—	—	91	(32)
Limit management and final repayments	(13,904)	(13)	(402)	(20)	(21)	—	—	—	(14,327)	(33)
As at 31 December 2024	162,471	53	2,515	13	122	—	6	—	165,114	66
Retail other										
As at 1 January 2024	8,607	6	535	2	44	—	—	—	9,186	8
Net transfers between stages	(9)	—	(8)	—	17	—	—	—	—	—
Business activity in the year	781	2	1	—	—	—	—	—	782	2
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	110	(2)	(77)	(2)	(13)	—	—	—	20	(4)
Limit management and final repayments	(1,073)	—	(11)	—	(23)	—	—	—	(1,107)	—
As at 31 December 2024	8,416	6	440	—	25	—	—	—	8,881	6
Corporate loans										
As at 1 January 2024	212,889	108	20,418	231	847	44	—	—	234,154	383
Net transfers between stages	1,241	29	(1,555)	(32)	314	3	—	—	—	—
Business activity in the year	50,411	33	1,666	31	193	—	—	—	52,270	64
Net drawdowns, repayments, net re-measurement and movement due to exposure and risk parameter changes	10,109	(39)	(1,383)	70	(46)	(14)	—	—	8,680	17
Limit management and final repayments	(44,375)	(26)	(3,713)	(63)	(289)	(8)	—	—	(48,377)	(97)
As at 31 December 2024	230,275	105	15,433	237	1,019	25	—	—	246,727	367

Note:
1 Loan commitments reported also include exposure relating to financial assets classified as held for sale.

Risk performance - Credit risk (continued)

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 accounts (3.2% of impairment allowance and 2.3% of gross exposure) included within Stage 2 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			
	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 2025[2]	£m	£m	£m	£m	£m	£m	£m	£m
Retail mortgages	**9,824**	**3,470**	**463**	**13,757**	**13**	**2**	**1**	**16**
Retail credit cards	**1,267**	**660**	**16**	**1,943**	**259**	**127**	**12**	**398**
Retail other	**1,051**	**430**	**31**	**1,512**	**146**	**20**	**12**	**178**
Corporate loans	**5,285**	**1,618**	**33**	**6,936**	**131**	**48**	**1**	**180**
Total UK	**17,427**	**6,178**	**543**	**24,148**	**549**	**197**	**26**	**772**
Retail mortgages	**3**	**17**	**52**	**72**	**—**	**—**	**—**	**—**
Retail credit cards	**1,830**	**661**	**45**	**2,536**	**597**	**172**	**27**	**796**
Retail other	**36**	**125**	**45**	**206**	**5**	**—**	**—**	**5**
Corporate loans	**2,211**	**1,467**	**24**	**3,702**	**83**	**50**	**2**	**135**
Total Rest of the World	**4,080**	**2,270**	**166**	**6,516**	**685**	**222**	**29**	**936**
Retail mortgages	**9,827**	**3,487**	**515**	**13,829**	**13**	**2**	**1**	**16**
Retail credit cards	**3,097**	**1,321**	**61**	**4,479**	**856**	**299**	**39**	**1,194**
Retail other	**1,087**	**555**	**76**	**1,718**	**151**	**20**	**12**	**183**
Corporate loans	**7,496**	**3,085**	**57**	**10,638**	**214**	**98**	**3**	**315**
Total Stage 2	**21,507**	**8,448**	**709**	**30,664**	**1,234**	**419**	**55**	**1,708**
As at 31 December 2024[2]	£m	£m	£m	£m	£m	£m	£m	£m
Retail mortgages	9,143	9,681	683	19,507	42	15	4	61
Retail credit cards	1,719	345	—	2,064	367	73	—	440
Retail other	746	464	8	1,218	94	15	1	110
Corporate loans	5,406	1,743	117	7,266	143	52	1	196
Total UK	**17,014**	**12,233**	**808**	**30,055**	**646**	**155**	**6**	**807**
Retail mortgages	3	13	73	89	1	—	—	1
Retail credit cards	2,200	744	9	2,953	620	183	4	807
Retail other	15	72	68	155	—	1	—	1
Corporate loans	2,985	903	13	3,901	103	32	—	135
Total Rest of the World	**5,203**	**1,732**	**163**	**7,098**	**724**	**216**	**4**	**944**
Retail mortgages	9,146	9,694	756	19,596	43	15	4	62
Retail credit cards	3,919	1,089	9	5,017	987	256	4	1,247
Retail other	761	536	76	1,373	94	16	1	111
Corporate loans	8,391	2,646	130	11,167	246	84	1	331
Total Stage 2	**22,217**	**13,965**	**971**	**37,153**	**1,370**	**371**	**10**	**1,751**

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 Exposure exclude the portfolios which have been classified as assets held for sale.

Risk performance - Credit risk (continued)

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 and geography below:

Management adjustments to models for impairment allowance presented by product and geography (audited)

	Impairment allowance pre management adjustments[1]	Economic uncertainty adjustments (a)	Other adjustments (b)	Management adjustments[2] (a+b)	Total impairment allowance[3]	Proportion of Management adjustments to total impairment allowance
As at 31 December 2025	**£m**	**£m**	**£m**	**£m**	**£m**	**%**
Retail mortgages	**76**	**—**	**15**	**15**	**91**	**16.5**
Retail credit cards	**761**	**—**	**—**	**—**	**761**	**—**
Retail other	**406**	**—**	**85**	**85**	**491**	**17.3**
Corporate loans	**714**	**39**	**53**	**92**	**806**	**11.4**
Total UK	**1,957**	**39**	**153**	**192**	**2,149**	**8.9**
Retail mortgages	**25**	**—**	**1**	**1**	**26**	**3.8**
Retail credit cards	**2,505**	**31**	**87**	**118**	**2,623**	**4.5**
Retail other	**27**	**—**	**—**	**—**	**27**	**—**
Corporate loans	**823**	**44**	**13**	**57**	**880**	**6.5**
Total Rest of the World	**3,380**	**75**	**101**	**176**	**3,556**	**4.9**
Total	**5,337**	**114**	**254**	**368**	**5,705**	**6.5**
Debt securities at amortised cost	**21**	**1**	**—**	**1**	**22**	**4.5**
Total including debt securities at amortised cost	**5,358**	**115**	**254**	**369**	**5,727**	**6.4**

As at 31 December 2024	**£m**	**£m**	**£m**	**£m**	**£m**	**%**
Retail mortgages	51	36	71	107	158	67.7
Retail credit cards	787	—	(22)	(22)	765	(2.9)
Retail other	298	—	90	90	388	23.2
Corporate loans	759	42	39	81	840	9.6
Total UK	**1,895**	**78**	**178**	**256**	**2,151**	**11.9**
Retail mortgages	29	—	—	—	29	—
Retail credit cards	2,631	—	(23)	(23)	2,608	(0.9)
Retail other	24	—	4	4	28	14.3
Corporate loans	695	—	(2)	(2)	693	(0.3)
Total Rest of the World	**3,379**	**—**	**(21)**	**(21)**	**3,358**	**(0.6)**
Total	**5,274**	**78**	**157**	**235**	**5,509**	**4.3**
Debt securities at amortised cost	30	—	(7)	(7)	23	(30.4)
Total including debt securities at amortised cost	**5,304**	**78**	**150**	**228**	**5,532**	**4.1**

Notes:
1 Includes £4.3bn (2024: £4.7bn) of modelled ECL, £0.7bn (2024: £0.5bn) of individually assessed impairments, £(0.2)bn (2024: £(0.3)bn) of ECL from assets held for sale (co-branded card portfolio) and £0.6bn (2024: £0.4bn) of ECL from benchmarked exposures and debt securities.
2 Management adjustments related to other financial assets subject to impairment not included in the table above include cash collateral and settlement balances £1m (2024: £(1)m), reverse repurchase agreements £1m (2024: £(2)m) and financial assets at fair value through other comprehensive income £nil (2024: £(2)m) within the IB portfolio.
3 Total impairment allowance consists of ECL stock on drawn and undrawn exposures.

Risk performance - Credit risk (continued)

Economic uncertainty adjustments presented by stage (audited)

As at 31 December 2025	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m
Retail mortgages	—	—	—	—
Retail credit cards	—	—	—	—
Retail other	—	—	—	—
Corporate loans	23	10	6	39
Total UK	**23**	**10**	**6**	**39**
Retail mortgages	—	—	—	—
Retail credit cards	—	31	—	31
Retail other	—	—	—	—
Corporate loans	13	31	—	44
Total Rest of the World	**13**	**62**	**—**	**75**
Total	**36**	**72**	**6**	**114**
Debt securities at amortised cost	1	—	—	1
Total including debt securities at amortised cost	**37**	**72**	**6**	**115**

As at 31 December 2024	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m
Retail mortgages	7	18	11	36
Retail credit cards	—	—	—	—
Retail other	—	—	—	—
Corporate loans	26	10	6	42
Total UK	**33**	**28**	**17**	**78**
Retail mortgages	—	—	—	—
Retail credit cards	—	—	—	—
Retail other	—	—	—	—
Corporate loans	—	—	—	—
Total Rest of the World	**—**	**—**	**—**	**—**
Total	**33**	**28**	**17**	**78**
Debt securities at amortised cost	—	—	—	—
Total including debt securities at amortised cost	**33**	**28**	**17**	**78**

Risk performance - Credit risk (continued)

Economic uncertainty adjustments

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

The Group continues to monitor the elevated tariffs, trade tensions, and geopolitical risks, especially in the US. In response, an adjustment of £81m introduced during Q125 has been retained, with any resulting effects on customer behaviour yet to materialise.

Total economic uncertainty adjustments as at 31 December 2025 are £115m (2024: £78m) and include:

Customer and client uncertainty provisions of £115m (2024: £53m):

Retail mortgages (UK) £nil (2024: £11m): The prior refinancing risk adjustment was retired following the rebuild of the UK Mortgages impairment models, which now better capture sensitivity to interest rate and inflation movements

Retail credit cards (ROW) £31m (2024: £nil): This adjustment reflects elevated US macroeconomic uncertainty, with impacts yet to materialise in consumer behaviour

Corporate loans (UK) £39m (2024: £42m): This adjustment reflects potential cross-default risk on Barclays' lending in respect of clients who have taken out Bounce Back Loans

Corporate loans (ROW) £44m (2024: £nil): This adjustment reflects elevated US macroeconomic uncertainty, with impacts yet to materialise in borrower behaviour

Model uncertainty provisions of £nil (2024: £25m):

Retail mortgages (UK) £nil (2024:£25m): The prior adjustment to address model over-sensitivity was retired following the rebuild of the UK Mortgages impairment models, which now better capture consumer responses to the macroeconomic outlook

Other adjustments

Other adjustments are operational and remain in place until incorporated into the underlying models. These adjustments result from data limitations and model performance related issues identified through model monitoring and other established governance processes.

Total other adjustments as at 31 December 2025 are £254m (2024: £150m) and include:

Retail mortgages (UK) £15m (2024: £71m): The reduction is driven by the retirement of adjustments following the rebuild of the UK Mortgages impairment models

Retail credit cards (UK) £nil (2024: £(22)m): The prior adjustment to address default over-prediction was retired following model remediation in the UK Cards portfolio

Retail credit cards (ROW) £87m (2024: £(23)m): This adjustment reflects provisioning for the GM consumer cards portfolio acquired during the year, while the previously held high-risk account management (HRAM) adjustment was retired following model remediation in USCB

Retail other (UK) £85m (2024: £90m) and Corporate loans (UK) £53m (2024: £39m): These include adjustments for definition of default (DOD) criteria under the Capital Requirements Regulation and model monitoring outcomes, which were re-sized during the year

Corporate loans (ROW) £13m (2024: £(2)m): This adjustment reflects provisioning for the GM business cards portfolio acquired during the year

Debt securities £nil (2024: £(7)m): The movement is driven by the retirement of the Exposure at Default recalibration adjustment following model remediation in the IB portfolio

Risk performance - Credit risk (continued)

Climate Risk ECL assessment

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

Scenario Approach: The IFRS 9 Downside 2 scenario has been updated and aligned to the 2025 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, climate modelling techniques were utilised to inform customer level PD and LGD spreads of physical and transition risk due to climate change for i) the UK Mortgages portfolio (both PD and LGD) and ii) Wholesale elevated risk sector exposures (PD only). The output of this review did not provide variances in ECL deemed sufficiently certain to warrant raising an additional climate-related charge in 2025.

Whilst there have been no separately identifiable charges relating to climate risk in the 2025 reported ECL, it is acknowledged 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.

Refer to the Barclays resilience to climate scenarios on page 102 for further details.

Risk performance - Credit risk (continued)

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 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 weightings. The adverse scenarios are calibrated to a broadly similar severity to the 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 Group's internal planning.

Scenarios used to calculate the Group's ECL charge were refreshed in Q425, with the Baseline scenario reflecting the latest consensus macroeconomic forecasts available at the time of the scenario refresh. The Baseline scenario continues to reflect the rapidly changing trade policies and uncertainty around potential tariffs to be imposed by the US administration and responses by other governments. Global growth slows modestly as rising US tariffs and retaliatory measures disrupt trade flows, dampen business confidence, and weigh on investment, though domestic demand in advanced economies remains resilient. UK and US GDP growth in 2026 is expected to be 1.1% and 2.0% respectively. Labour markets in major economies soften slightly amid increased uncertainty and slower export-orientated activity. However, the weakening is contained and does not rise significantly from current levels. UK and US quarterly unemployment rates peak at 4.9% and 4.5%, respectively. Central Banks continue to loosen monetary policy with both the Bank of England the Federal Reserve finishing 2026 with an interest rate of 3.25%.

The Downside scenarios have been calibrated to capture an escalation of trade tensions, where tariffs imposed by the US prompt retaliation from its trading partners with adverse implications for consumer prices and investment sentiment. A sharp slowdown in immigration coupled with mass deportations disrupts the US labour market, compounding downside risks to growth. In addition, global supply chains are severely disrupted as firms delay investment, reassess production locations and hoard production inputs. Imports into the US contract sharply due to higher prices and exports fall due to retaliation. The combination of trade impact and consumer uncertainty triggers a sharp recession, not only in the US but also in the UK and Europe driven by a severe decline in exports, business sentiment and with investment and consumption plans being put on hold. The rapid fall in external demand and a retrenchment in business investment push up unemployment rates, where job losses are concentrated in trade-exposed sectors (machinery, autos, consumer durables) but also spill into services. The Federal Reserve initially holds rates steady, weighing the inflation shock against the deteriorating real economy. However, as the slowdown deepens and the labour market loosens, the Federal Reserve cuts rates swiftly to stimulate aggregate demand. The Bank of England eases monetary policy amid a disinflationary environment and looser labour markets.

In the Upside scenarios, 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 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 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 movement in weights is driven by the combined impact of two factors: (i) improvement in GDP growth in the Baseline scenario, bringing the Baseline scenario closer to the Upside scenarios; and (ii) model improvements, which increase the Baseline weight and reduce the weights of the tail scenarios. For further details see page 288.

The Group has retained the £81m uncertainty adjustment introduced in Q125 across the US Consumer Bank and Investment Bank businesses, reflecting elevated tariffs, trade tensions, and geopolitical risks, with any resulting effects on customer behaviour yet to materialise. For further details see pages 281 to 283.

The following tables show the key macroeconomic variables used in the five scenarios (5 year annual paths), the 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. 5-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).

Risk performance - Credit risk (continued)

Average macroeconomic variables used in the calculation of ECL (audited)

As at 31 December 2025	2025	2026	2027	2028	2029
Baseline	%	%	%	%	%
UK GDP[1]	1.5	1.1	1.4	1.4	1.4
UK unemployment[2]	4.7	4.9	4.8	4.8	4.7
UK HPI[3]	1.5	2.9	2.5	4.3	3.8
UK bank rate[6]	4.2	3.4	3.4	3.5	3.6
US GDP[1]	2.1	2.0	2.0	2.0	2.0
US unemployment[4]	4.2	4.5	4.4	4.4	4.4
US HPI[5]	3.2	1.7	1.9	2.6	2.6
US federal funds rate[6]	4.2	3.4	3.3	3.3	3.5
Downside 2					
UK GDP[1]	1.5	(2.5)	(1.2)	2.8	1.1
UK unemployment[2]	4.7	5.8	7.7	6.9	5.7
UK HPI[3]	1.5	(24.9)	(5.1)	9.6	14.2
UK bank rate[6]	4.2	2.3	0.5	0.4	1.1
US GDP[1]	2.1	(2.7)	(2.8)	1.6	2.4
US unemployment[4]	4.2	5.7	8.0	7.9	5.9
US HPI[5]	3.2	(8.2)	(1.7)	7.2	7.7
US federal funds rate[6]	4.2	3.6	2.4	1.4	1.2
Downside 1					
UK GDP[1]	1.5	(0.7)	0.1	2.1	1.3
UK unemployment[2]	4.7	5.3	6.3	5.8	5.2
UK HPI[3]	1.5	(11.8)	(1.3)	6.9	8.9
UK bank rate[6]	4.2	2.9	2.0	1.9	2.4
US GDP[1]	2.1	(0.3)	(0.4)	1.8	2.2
US unemployment[4]	4.2	5.1	6.2	6.1	5.1
US HPI[5]	3.2	(3.3)	0.1	4.9	5.1
US federal funds rate[6]	4.2	3.6	2.8	2.4	2.4
Upside 2					
UK GDP[1]	1.5	2.7	3.7	2.9	2.4
UK unemployment[2]	4.7	4.3	4.0	3.9	3.8
UK HPI[3]	1.5	11.9	8.4	5.1	4.1
UK bank rate[6]	4.2	3.1	2.3	2.3	2.6
US GDP[1]	2.1	2.8	3.1	2.8	2.8
US unemployment[4]	4.2	3.9	3.7	3.7	3.7
US HPI[5]	3.2	6.2	4.7	4.8	4.9
US federal funds rate[6]	4.2	3.0	2.5	2.5	2.5
Upside 1					
UK GDP[1]	1.5	1.9	2.6	2.2	1.9
UK unemployment[2]	4.7	4.6	4.4	4.4	4.3
UK HPI[3]	1.5	7.4	5.4	4.7	3.9
UK bank rate[6]	4.2	3.2	2.8	2.8	3.1
US GDP[1]	2.1	2.4	2.6	2.4	2.4
US unemployment[4]	4.2	4.2	4.1	4.1	4.1
US HPI[5]	3.2	4.0	3.3	3.7	3.7
US federal funds rate[6]	4.2	3.3	2.8	2.8	3.0

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 HPI Meth2 All Houses, All Buyers index.
4 Average US civilian unemployment rate 16-year+.
5 Change in year end US HPI = FHFA house price index, relative to prior year end.
6 Average rate.

Risk performance - Credit risk (continued)

As at 31 December 2024	**2024**	**2025**	**2026**	**2027**	**2028**
Baseline	**%**	**%**	**%**	**%**	**%**
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[6]	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[6]	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[6]	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[6]	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[6]	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[6]	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[6]	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[6]	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[6]	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[6]	5.1	4.0	3.8	3.6	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.
6 Average rate.

Risk performance - Credit risk (continued)

Scenario weighting (audited)[1]

	Upside 2 %	Upside 1 %	Baseline %	Downside 1 %	Downside 2 %
As at 31 December 2025					
Scenario weighting	**14.4**	**27.4**	**38.5**	**12.7**	**7.0**
As at 31 December 2024					
Scenario weighting	17.4	26.8	32.5	14.7	8.6

Note:
1 For further details on changes to scenario weights see page 285.

Specific bases shows 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 cumulative position relative to the start point, in the 20 quarter period.

Macroeconomic variables (specific bases) (audited)[1]

	Upside 2 %	Upside 1 %	Baseline %	Downside 1 %	Downside 2 %
As at 31 December 2025					
UK GDP[2]	**14.5**	**10.8**	**1.4**	**(0.3)**	**(3.5)**
UK unemployment[3]	**3.8**	**4.3**	**4.8**	**6.5**	**8.1**
UK HPI[4]	**34.6**	**24.9**	**3.0**	**(12.6)**	**(28.0)**
UK bank rate	**2.3**	**2.8**	**3.6**	**4.6**	**4.6**
US GDP[2]	**14.6**	**12.4**	**2.0**	**(0.2)**	**(4.6)**
US unemployment[3]	**3.7**	**4.1**	**4.4**	**6.6**	**8.8**
US HPI[4]	**26.2**	**19.3**	**2.4**	**(1.5)**	**(8.1)**
US federal funds rate	**2.5**	**2.8**	**3.5**	**4.3**	**4.3**
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	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	2.8	3.3	4.2	5.3	5.3

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 (5 year averages) (audited)[1]

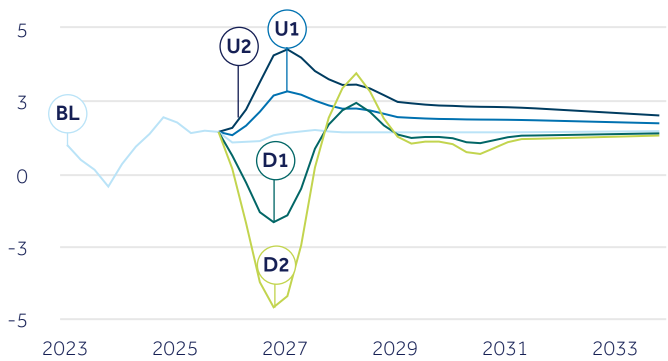
	Upside 2 %	Upside 1 %	Baseline %	Downside 1 %	Downside 2 %
As at 31 December 2025					
UK GDP[5]	**2.7**	**2.0**	**1.4**	**0.9**	**0.3**
UK unemployment[6]	**4.1**	**4.5**	**4.8**	**5.5**	**6.2**
UK HPI[7]	**6.1**	**4.5**	**3.0**	**0.6**	**(2.0)**
UK bank rate	**2.9**	**3.2**	**3.6**	**2.7**	**1.7**
US GDP[5]	**2.7**	**2.4**	**2.0**	**1.1**	**0.1**
US unemployment[6]	**3.9**	**4.1**	**4.4**	**5.4**	**6.3**
US HPI[7]	**4.8**	**3.6**	**2.4**	**1.9**	**1.5**
US federal funds rate	**2.9**	**3.2**	**3.5**	**3.1**	**2.5**
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	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	3.6	4.0	4.2	3.2	2.1

Notes:
1 UK GDP = Real GDP growth seasonally adjusted; UK unemployment = UK unemployment rate 16-year+; UK HPI (31.12.24) = Halifax All Houses, All Buyers Index; UK HPI (31.12.25) = Halifax HPI Meth2 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 Q125 (2024: Q124).
2 Maximum growth relative to Q424 (2024: Q423), based on 20 quarter period in Upside scenarios; 5-year yearly average CAGR in Baseline; minimum growth relative to Q424 (2024: Q423), 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 Q125 (2024: Q124).
4 Maximum growth relative to Q424 (2024: Q423), based on 20 quarter period in Upside scenarios; 5-year quarter end CAGR in Baseline; minimum growth relative to Q424 (2024: Q423), based on 20 quarter period in Downside scenarios.
5 5-year yearly average CAGR, starting 2024 (2024: 2023).
6 5-year average, Period based on 20 quarters from Q125 (2024: Q124).
7 5-year quarter end CAGR, starting Q424 (2024: Q423).

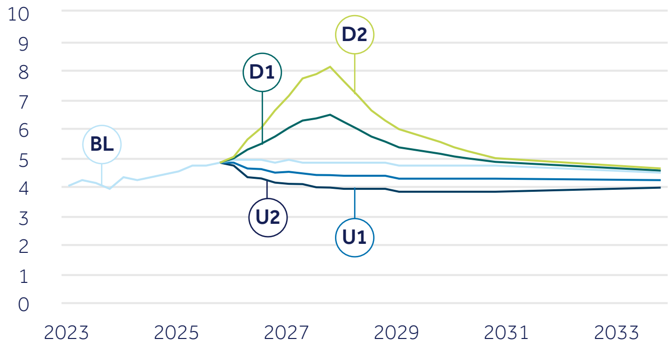
Risk performance - Credit risk (continued)

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.

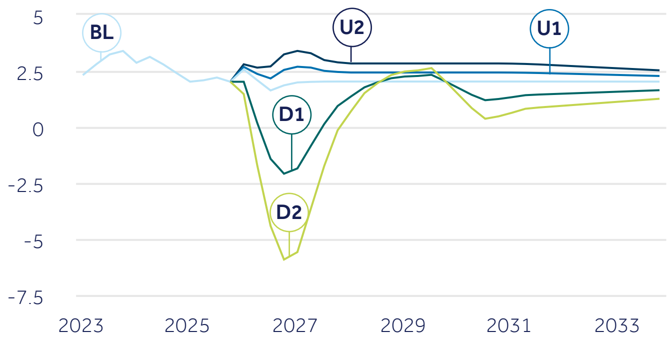
UK GDP
(%)



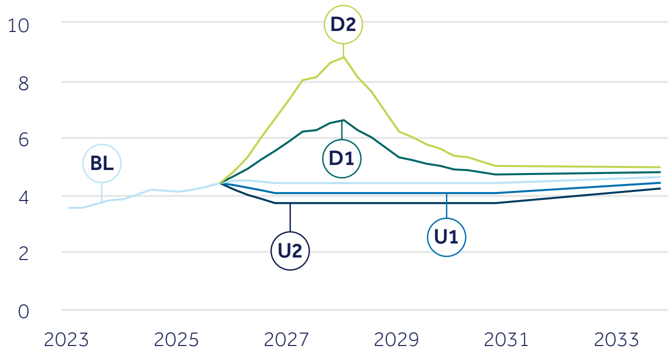
UK unemployment
(%)



US GDP
(%)



US unemployment
(%)



GDP growth based on year on year growth each quarter (Q/(Q-4)).

Risk performance - Credit risk (continued)

ECL sensitivity analysis (audited)

The table below shows the modelled ECL assuming each of the five modelled scenarios are 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 other disclosures.

	Scenarios					
As at 31 December 2025	**Weighted[1]**	**Upside 2**	**Upside 1**	**Baseline**	**Downside 1**	**Downside 2**
Stage 1 Model exposure (£m)						
Retail mortgages	149,004	151,314	150,144	148,760	146,786	144,360
Retail credit cards[2]	61,320	61,096	61,204	61,325	61,569	61,724
Retail other	6,260	6,378	6,326	6,268	6,106	5,927
Corporate loans[2]	220,292	222,057	221,337	220,646	218,634	213,827
Stage 1 Model ECL (£m)						
Retail mortgages	3	1	2	2	6	13
Retail credit cards[2]	561	523	541	561	599	637
Retail other	32	30	31	31	35	38
Corporate loans[2]	231	201	212	221	274	329
Stage 1 Coverage (%)						
Retail mortgages	—	—	—	—	—	—
Retail credit cards	0.9	0.9	0.9	0.9	1.0	1.0
Retail other	0.5	0.5	0.5	0.5	0.6	0.6
Corporate loans	0.1	0.1	0.1	0.1	0.1	0.2
Stage 2 Model exposure (£m)						
Retail mortgages	13,586	11,276	12,446	13,830	15,804	18,230
Retail credit cards[2]	5,307	5,133	5,224	5,301	5,478	5,759
Retail other	1,164	1,046	1,098	1,156	1,318	1,497
Corporate loans[2]	18,172	16,264	17,037	17,836	19,979	24,927
Stage 2 Model ECL (£m)						
Retail mortgages	16	6	8	11	33	79
Retail credit cards[2]	1,183	1,099	1,138	1,175	1,277	1,415
Retail other	81	67	72	77	102	134
Corporate loans[2]	477	383	415	454	604	879
Stage 2 Coverage (%)						
Retail mortgages	0.1	0.1	0.1	0.1	0.2	0.4
Retail credit cards	22.3	21.4	21.8	22.2	23.3	24.6
Retail other	7.0	6.4	6.6	6.7	7.7	9.0
Corporate loans	2.6	2.4	2.4	2.5	3.0	3.5
Stage 3 Model exposure (£m)[3]						
Retail mortgages	1,621	1,621	1,621	1,621	1,621	1,621
Retail credit cards[2]	2,158	2,158	2,158	2,158	2,158	2,158
Retail other	128	128	128	128	128	128
Corporate loans[2]	3,650	3,650	3,650	3,650	3,650	3,650
Stage 3 Model ECL (£m)						
Retail mortgages	43	32	35	38	59	98
Retail credit cards[2]	1,592	1,548	1,573	1,596	1,632	1,663
Retail other	79	76	77	77	80	87
Corporate loans[2,4]	60	57	57	59	64	71
Stage 3 Coverage (%)						
Retail mortgages	2.7	2.0	2.2	2.3	3.6	6.0
Retail credit cards	73.8	71.7	72.9	74.0	75.6	77.1
Retail other	61.7	59.4	60.2	60.2	62.5	68.0
Corporate loans[4]	1.6	1.6	1.6	1.6	1.8	1.9
Total Model ECL (£m)						
Retail mortgages	62	39	45	51	98	190
Retail credit cards[2]	3,336	3,170	3,252	3,332	3,508	3,715
Retail other	192	173	180	185	217	259
Corporate loans[2,4]	768	641	684	734	942	1,279
Total Model ECL	4,358	4,023	4,161	4,302	4,765	5,443

Risk performance - Credit risk (continued)

Reconciliation to total ECL	£m
Total weighted model ECL	**4,358**
ECL from individually assessed exposures[4]	**672**
ECL from benchmarked exposures and others[5]	**542**
ECL from debt securities at amortised cost	**22**
ECL from held for sale assets (co-branded card portfolio)	**(235)**
ECL from post model management adjustments	**368**
Of which: ECL from economic uncertainty adjustments	**114**
Total ECL	**5,727**

Notes:

1 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.

2 Model exposure and ECL reported within Retail credit cards and Corporate loans continue to include a co-branded card portfolio in USCB, classified as assets held for sale.

3 Model exposures allocated to Stage 3 do not change in any of the scenarios as the transition criteria relies only on observable evidence of default as at 31 December 2025 and not on the macroeconomic scenario.

4 Material corporate loan defaults are individually assessed across different recovery strategies. As a result, ECL of £672m is reported as an individually assessed impairment in the reconciliation table.

5 ECL from benchmarked exposures and others includes ECL on Tesco Bank of £400m calculated using a benchmarked approach based on UK cards and UK retail loans. The sensitivity of these exposures would materially reflect the sensitivity of the benchmarked model.

The use of five scenarios with associated weighting results in a total weighted ECL uplift from the Baseline ECL of 1.3%.

Retail mortgages: Total weighted ECL of £62m represents a 21.6% increase over the Baseline ECL (£51m). Total ECL increases to £190m under the Downside 2 scenario, driven by a fall in UK HPI.

Retail credit cards: Total weighted ECL of £3,336m is broadly aligned to the Baseline ECL (£3,332m). Total ECL increases to £3,715m under the Downside 2 scenario, driven by an increase in UK and US unemployment rate.

Retail other: Total weighted ECL of £192m represents a 3.8% increase over the Baseline ECL (£185m). Total ECL increases to £259m under the Downside 2 scenario, largely driven by an increase in UK unemployment rate.

Corporate loans: Total weighted ECL of £768m represents a 4.6% increase over the Baseline ECL (£734m). Total ECL increases to £1,279 under the Downside 2 scenario, driven by a decrease in UK and US GDP.

Risk performance - Credit risk (continued)

			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	139,086	140,828	140,079	139,188	136,671	134,861
Retail credit cards	63,937	63,821	63,859	63,894	63,980	63,975
Retail other	7,952	8,074	8,025	7,968	7,804	7,614
Corporate loans	213,905	216,064	215,215	214,293	212,007	207,062
Stage 1 Model ECL (£m)						
Retail mortgages	1	—	1	1	3	6
Retail credit cards	535	512	523	534	560	586
Retail other	34	32	32	33	36	40
Corporate loans	270	235	247	258	311	363
Stage 1 Coverage (%)						
Retail mortgages	—	—	—	—	—	—
Retail credit cards	0.8	0.8	0.8	0.8	0.9	0.9
Retail other	0.4	0.4	0.4	0.4	0.5	0.5
Corporate loans	0.1	0.1	0.1	0.1	0.1	0.2
Stage 2 Model exposure (£m)						
Retail mortgages	20,401	18,178	19,072	20,134	23,359	26,339
Retail credit cards	6,904	6,747	6,817	6,889	7,052	7,310
Retail other	1,232	1,110	1,159	1,215	1,380	1,570
Corporate loans	21,197	18,889	19,793	20,827	23,238	28,340
Stage 2 Model ECL (£m)						
Retail mortgages	4	1	2	3	8	16
Retail credit cards	1,473	1,387	1,422	1,459	1,567	1,714
Retail other	81	68	72	77	101	134
Corporate loans	532	424	461	505	655	932
Stage 2 Coverage (%)						
Retail mortgages	—	—	—	—	—	0.1
Retail credit cards	21.3	20.6	20.9	21.2	22.2	23.4
Retail other	6.6	6.1	6.2	6.3	7.3	8.5
Corporate loans	2.5	2.2	2.3	2.4	2.8	3.3
Stage 3 Model exposure (£m)[3]						
Retail mortgages	1,062	1,062	1,062	1,062	1,062	1,062
Retail credit cards	2,197	2,197	2,197	2,197	2,197	2,197
Retail other	158	158	158	158	158	158
Corporate loans	4,051	4,051	4,051	4,051	4,051	4,051
Stage 3 Model ECL (£m)						
Retail mortgages	19	12	14	17	29	41
Retail credit cards	1,625	1,585	1,606	1,627	1,663	1,695
Retail other	92	90	91	92	95	97
Corporate loans[4]	71	66	67	69	79	89
Stage 3 Coverage (%)						
Retail mortgages	1.8	1.1	1.3	1.6	2.7	3.9
Retail credit cards	74.0	72.1	73.1	74.1	75.7	77.2
Retail other	58.2	57.0	57.6	58.2	60.1	61.4
Corporate loans[4]	1.8	1.6	1.7	1.7	2.0	2.2
Total Model ECL (£m)						
Retail mortgages	24	13	17	21	40	63
Retail credit cards	3,633	3,484	3,551	3,620	3,790	3,995
Retail other	207	190	195	202	232	271
Corporate loans[4]	873	725	775	832	1,045	1,384
Total Model ECL	4,737	4,412	4,538	4,675	5,107	5,713

Risk performance - Credit risk (continued)

Reconciliation to total ECL	**£m**
Total weighted model ECL	4,737
ECL from individually assessed exposures[4]	461
ECL from benchmarked exposures and others[5]	358
ECL from debt securities at amortised cost	23
ECL from held for sale assets (co-branded card portfolio)	(282)
ECL from post model management adjustments	235
Of which: ECL from economic uncertainty adjustments	78
Total ECL	5,532

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 continue to include a co-branded card portfolio, as its 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 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 observable evidence of default as at 31 December 2024 and not on the macroeconomic scenario.

4 Material corporate loan defaults are individually assessed across different recovery strategies. As a result, ECL of £461m is reported as an individually assessed impairment in the reconciliation table.

5 ECL from benchmarked exposures and others includes ECL on Tesco Bank of £209m calculated using a benchmarked approach based on UK cards and UK retail loans. The sensitivity of these exposures would materially reflect the sensitivity of the benchmarked model.

Risk performance - Credit risk (continued)

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 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, impairment stage, maturity and an indicator of inclusion in carbon-related sectors. A further table is included with geography, impairment stage and maturity allocation of debt securities at amortised cost, off- balance sheet commitments and financial guarantees and contingent liabilities at amortised cost.

Further detail on the Group policies with regard to managing concentration risk is presented in the Barclays PLC Pillar 3 Report 2025 (unaudited).

Credit risk concentration by Industry for contractual maturity, staging and geography

Loans and advances at amortised cost net of impairment allowance

Industry	Geography (audited)					Stage (audited)				Maturity				Carbon related sectors[1]
	United Kingdom	Americas	Europe	Others	Total	Stage 1	Stage 2	Stage 3[4]	Total	< 1 year	1-5 Years	>5 years	Total	
As at 31 December 2025	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
Agriculture, Food and Forest Products	3,153	—	74	—	3,227	2,649	412	166	3,227	642	1,239	1,346	3,227	Yes
Mining and Quarrying	689	358	221	8	1,276	1,233	36	7	1,276	834	347	95	1,276	Yes
Manufacturing	3,841	1,150	760	361	6,112	4,327	1,574	211	6,112	3,068	2,472	572	6,112	Yes
Government and central bank	2,538	—	118	478	3,134	2,979	37	118	3,134	153	455	2,526	3,134	
Banks	717	3,435	1,746	2,740	8,638	8,638	—	—	8,638	8,591	46	1	8,638	
Energy and water	2,219	1,069	294	324	3,906	3,559	177	170	3,906	866	1,730	1,310	3,906	Yes
Materials and Building	20,677	2,414	398	365	23,854	21,356	2,199	299	23,854	4,761	13,251	5,842	23,854	Yes
Wholesale and retail distribution and leisure	7,846	675	251	509	9,281	7,492	1,574	215	9,281	3,433	5,083	765	9,281	
Transport and storage	928	344	205	125	1,602	1,377	112	113	1,602	344	1,070	188	1,602	Yes
Home Loans	175,327	118	832	1,056	177,333	161,637	13,813	1,883	177,333	1,983	8,912	166,438	177,333	Yes
Business and other services	13,154	5,614	4,024	1,354	24,146	20,677	2,679	790	24,146	7,252	14,640	2,254	24,146	
Other Financial Institutions	6,021	30,761	8,521	2,845	48,148	46,359	1,523	266	48,148	15,074	27,033	6,041	48,148	
Cards, unsecured loans and other personal lending	27,615	20,939	1,410	902	50,866	45,405	4,820	641	50,866	10,508	20,291	20,067	50,866	
Total loans and advances at amortised cost	264,725	66,877	18,854	11,067	361,523	327,688	28,956	4,879	361,523	57,509	96,569	207,445	361,523	
Debt securities at amortised cost[3]	28,143	19,395	17,523	3,414	68,475	68,113	362	—	68,475	10,664	31,655	26,156	68,475	
Total loans and advances at amortised cost including debt securities	292,868	86,272	36,377	14,481	429,998	395,801	29,318	4,879	429,998	68,173	128,224	233,601	429,998	
Contingent liabilities	5,521	12,320	5,084	1,544	**24,469**	22,448	1,905	116	**24,469**	24,469	—	—	**24,469**	
Loan commitments	118,101	239,886	35,665	9,662	**403,314**	388,045	14,568	701	**403,314**	403,294	17	3	**403,314**	
Total off-balance sheet[2]	123,622	252,206	40,749	11,206	427,783	410,493	16,473	817	427,783	427,763	17	3	427,783	

Risk performance - Credit risk (continued)

Loans and advances at amortised cost net of impairment allowance

Industry	Geography (audited)					Stage (audited)				Maturity				Carbon related sectors[1]
	United Kingdom	Americas	Europe	Others	Total	Stage 1	Stage 2	Stage 3[4]	Total	< 1 year	1-5 Years	>5 years	Total	
As at 31 December 2024	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	
Agriculture, Food and Forest Products	3,430	—	—	—	**3,430**	2,518	484	428	**3,430**	769	1,109	1,552	**3,430**	Yes
Mining and Quarrying	515	708	189	—	**1,412**	1,335	76	1	**1,412**	346	1,060	6	**1,412**	Yes
Manufacturing	3,578	1,418	828	349	**6,173**	4,764	1,237	172	**6,173**	3,151	2,715	307	**6,173**	Yes
Government and central bank	3,373	—	2	342	**3,717**	3,674	43	—	**3,717**	254	291	3,172	**3,717**	
Banks	730	3,573	1,301	2,721	**8,325**	8,323	2	—	**8,325**	8,166	159	—	**8,325**	
Energy and water	2,109	401	203	287	**3,000**	2,537	206	257	**3,000**	809	1,300	891	**3,000**	Yes
Materials and Building	18,502	2,816	399	220	**21,937**	18,987	2,536	414	**21,937**	4,535	10,944	6,458	**21,937**	Yes
Wholesale and retail distribution and leisure	7,934	831	294	616	**9,675**	7,850	1,565	260	**9,675**	3,647	4,943	1,085	**9,675**	
Transport and storage	763	421	300	96	**1,580**	1,321	164	95	**1,580**	480	925	175	**1,580**	Yes
Home Loans	166,181	113	899	868	**168,061**	146,652	19,534	1,875	**168,061**	1,674	9,585	156,802	**168,061**	Yes
Business and other services	13,266	5,196	3,646	1,031	**23,139**	19,301	3,049	789	**23,139**	6,510	13,524	3,105	**23,139**	
Other Financial Institutions	6,772	30,791	7,121	2,553	**47,237**	45,689	1,474	74	**47,237**	16,552	24,002	6,683	**47,237**	
Cards, unsecured loans and other personal lending	26,745	20,079	994	769	**48,587**	42,885	5,032	670	**48,587**	10,505	19,218	18,864	**48,587**	
Total loans and advances at amortised cost	**253,898**	**66,347**	**16,176**	**9,852**	**346,273**	**305,836**	**35,402**	**5,035**	**346,273**	**57,398**	**89,775**	**199,100**	**346,273**	
Debt securities at amortised cost[3]	25,939	19,721	15,558	6,992	**68,210**	64,976	3,234	—	**68,210**	7,051	32,631	28,528	**68,210**	
Total loans and advances at amortised cost including debt securities	**279,837**	**86,068**	**31,734**	**16,844**	**414,483**	**370,812**	**38,636**	**5,035**	**414,483**	**64,449**	**122,406**	**227,628**	**414,483**	
Contingent liabilities	5,721	10,742	5,514	2,381	**24,358**	21,028	2,835	495	**24,358**	24,358	—	—	**24,358**	
Loan commitments	114,458	243,619	41,361	8,361	**407,799**	391,227	15,893	679	**407,799**	407,731	68	—	**407,799**	
Total off-balance sheet[2]	**120,179**	**254,361**	**46,875**	**10,742**	**432,157**	**412,255**	**18,728**	**1,174**	**432,157**	**432,089**	**68**	**—**	**432,157**	

Notes:

1 Refer to Carbon related assets table on page 257 for more details on the "Exposures towards sectors that highly contribute to carbon related assets" under the respective Industry sectors.

2 The Off-balance sheet contingent liabilities and loan commitments excludes the fair value balance of £22,197m in 2025 (2024: £16,338m) and includes exposures relating to financial assets classified as assets held for sale.

3 Debt securities at amortised cost primarily includes £40,375m (2024: £39,699m) in Government and central bank, £25,064m (2024: £24,007m) in other financial institutions, £414m (2024: £1,388m) in materials & building and £802m (2024: £1,249m) in Banks.
- For analysis of Debt securities by issuer, refer to "Analysis of Debt Securities" on page 309.

4 Loans and advances stage 3 includes POCI assets of £39m (2024: £57m).

Risk performance - Credit risk (continued)

The 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 the Expected Credit Losses section.

The following internal measures are used to determine credit quality for loans:

PD Range %	Internal Default Grade 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
0.75 to < 2.50	12	0.75%	0.98%	1.20%	Satisfactory	Ba2, Ba3	BB, BB-
	13	1.20%	1.38%	1.55%		Ba3	BB-
	14	1.55%	1.85%	2.15%		B1	B+
	15	2.15%	2.33%	2.50%		B1, B2	B+
2.50 to < 10.00	15	2.50%	2.78%	3.05%	Satisfactory	B1, B2	B+
	16	3.05%	3.75%	4.45%		B2	B
	17	4.45%	5.40%	6.35%		B3	B
	18	6.35%	7.50%	8.65%		B3, Caa1	B-
	19	8.65%	9.33%	10.00%		Caa2	B-
10.00 to < 100.00	19	10.00%	10.68%	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, C
100.00 (Default)	22	100%	100%	100%	Credit Impaired	D	D

For retail clients, a range of analytical tools is used to derive the probability of default of clients at inception and on an ongoing basis.

For loans that are not past due, these 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 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, home loans 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 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 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 Group will use its own internal ratings for the securities.

Risk performance - Credit risk (continued)

Balance sheet credit quality

The following tables present the credit quality of the Group's assets exposed to credit risk.

Overview

As at 31 December 2025, the ratio of the Group's on-balance sheet assets classified as strong (0.0 to <0.60%) remained stable at 87% (2024: 86%) of total assets exposed to credit risk. Further analysis of debt securities by issuer and issuer type and netting and collateral arrangements on derivative financial instruments is presented in the Analysis of debt securities section and Analysis of derivatives section.

Balance sheet credit quality (audited)

	PD Range				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
	£m	£m	£m	£m	%	%	%	%
As at 31 December 2025								
Cash and balances at central banks	229,752	—	—	229,752	100	—	—	100
Cash collateral and settlement balances	117,555	12,970	7	130,532	90	10	—	100
Loans and advances at amortised cost:								
Retail mortgages	167,674	6,805	2,854	177,333	94	4	2	100
Retail credit cards	12,288	22,612	2,052	36,952	33	61	6	100
Retail other	7,928	5,601	385	13,914	57	40	3	100
Corporate loans	100,457	28,503	4,364	133,324	76	21	3	100
Total loans and advances at amortised cost	288,347	63,521	9,655	361,523	80	17	3	100
Debt securities at amortised cost	67,920	495	60	68,475	99	1	—	100
Reverse repurchase agreements and other similar secured lending	15,672	1,950	—	17,622	89	11	—	100
Trading portfolio assets:								
Debt securities	79,724	14,144	491	94,359	84	15	1	100
Traded loans	5,339	5,241	1,669	12,249	43	43	14	100
Total trading portfolio assets	85,063	19,385	2,160	106,608	80	18	2	100
Financial assets at fair value through the income statement:								
Loans and advances	27,093	20,037	542	47,672	57	42	1	100
Debt securities	2,030	930	254	3,214	63	29	8	100
Reverse repurchase agreements	96,857	35,131	500	132,488	73	27	—	100
Other financial assets	64	19	—	83	77	23	—	100
Total financial assets at fair value through the income statement	126,044	56,117	1,296	183,457	68	31	1	100
Derivative financial instruments	237,405	14,617	437	252,459	94	6	—	100
Financial assets at fair value through other comprehensive income	74,328	62	—	74,390	100	—	—	100
Other assets	780	65	2	847	92	8	—	100
Assets held for sale	2,461	3,130	210	5,801	42	54	4	100
Total on-balance sheet	1,245,327	172,312	13,827	1,431,466	87	12	1	100

Risk performance - Credit risk (continued)

Balance sheet credit quality (audited)

	PD Range				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
	£m	£m	£m	£m	%	%	%	%
As at 31 December 2024								
Cash and balances at central banks	210,184	—	—	210,184	100	—	—	100
Cash collateral and settlement balances	104,446	15,371	26	119,843	87	13	—	100
Loans and advances at amortised cost:								
Retail mortgages	160,441	5,332	2,288	168,061	96	3	1	100
Retail credit cards	11,157	21,779	1,843	34,779	32	63	5	100
Retail other	6,014	7,390	404	13,808	44	53	3	100
Corporate loans	95,560	29,303	4,762	129,625	73	23	4	100
Total loans and advances at amortised cost	273,172	63,804	9,297	346,273	79	18	3	100
Debt securities at amortised cost	67,645	565	—	68,210	99	1	—	100
Reverse repurchase agreements and other similar secured lending	2,966	1,768	—	4,734	63	37	—	100
Trading portfolio assets:								
Debt securities	65,994	11,478	542	78,014	84	15	1	100
Traded loans	2,543	7,442	3,485	13,470	19	55	26	100
Total trading portfolio assets	68,537	18,920	4,027	91,484	75	21	4	100
Financial assets at fair value through the income statement:								
Loans and advances	25,051	19,444	573	45,068	56	43	1	100
Debt securities	1,756	1,156	53	2,965	59	39	2	100
Reverse repurchase agreements	103,571	37,565	637	141,773	74	26	—	100
Other financial assets	88	22	—	110	80	20	—	100
Total financial assets at fair value through the income statement	130,466	58,187	1,263	189,916	68	31	1	100
Derivative financial instruments	275,232	18,104	194	293,530	94	6	—	100
Financial assets at fair value through other comprehensive income	78,005	50	—	78,055	100	—	—	100
Other assets	815	69	7	891	91	8	1	100
Assets held for sale	1,178	8,235	131	9,544	12	87	1	100
Total on-balance sheet	1,212,646	185,073	14,945	1,412,664	86	13	1	100

Risk performance - Credit risk (continued)

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)

			Gross carrying amount					Allowance for ECL						
Grade	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2025														
1 - 3	0.0 to <0.05%	Strong	11,602	68	—	—	11,670	—	—	—	—	—	11,670	—
4 - 5	0.05 to <0.15%	Strong	91,122	2,291	—	—	93,413	2	1	—	—	3	93,410	—
6 - 8	0.15 to <0.30%	Strong	39,834	2,907	—	—	42,741	5	2	—	—	7	42,734	—
9 - 11	0.30 to <0.60%	Strong	17,191	2,681	—	—	19,872	10	2	—	—	12	19,860	0.1
12 - 14	0.60 to <2.15%	Satisfactory	1,548	2,704	—	—	4,252	—	4	—	—	4	4,248	0.1
15 - 19	2.15 to <11.35%	Satisfactory	296	2,265	—	—	2,561	—	4	—	—	4	2,557	0.2
20 - 21	11.35 to <100%	Higher Risk	61	913	—	—	974	—	3	—	—	3	971	0.3
22	100%	Credit Impaired	—	—	1,967	—	1,967	—	—	84	—	84	1,883	4.3
Total			161,654	13,829	1,967	—	177,450	17	16	84	—	117	177,333	0.1

Credit risk profile by internal PD grade for retail credit cards[3] (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD Range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2025														
1 - 3	0.0 to <0.05%	Strong	1,749	38	—	—	1,787	40	23	—	—	63	1,724	3.5
4 - 5	0.05 to <0.15%	Strong	2,360	5	—	—	2,365	3	—	—	—	3	2,362	0.1
6 - 8	0.15 to <0.30%	Strong	3,082	5	—	—	3,087	7	—	—	—	7	3,080	0.2
9 - 11	0.30 to <0.60%	Strong	5,132	12	—	—	5,144	22	—	—	—	22	5,122	0.4
14	0.60 to <2.15%	Satisfactory	11,536	125	—	—	11,661	127	8	—	—	135	11,526	1.2
19	2.15 to <11.35%	Satisfactory	9,431	2,344	—	—	11,775	321	368	—	—	689	11,086	5.9
21	11.35 to <100%	Higher Risk	433	1,950	—	—	2,383	46	795	—	—	841	1,542	35.3
22	100%	Credit Impaired	—	—	2,055	24	2,079	—	—	1,569	—	1,569	510	75.5
Total			33,723	4,479	2,055	24	40,281	566	1,194	1,569	—	3,329	36,952	8.3

Credit risk profile by internal PD grade for retail other (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD Range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2025														
1 - 3	0.0 to <0.05%	Strong	46	1	—	—	47	—	—	—	—	—	47	—
4 - 5	0.05 to <0.15%	Strong	454	6	—	—	460	1	—	—	—	1	459	0.2
6 - 8	0.15 to <0.30%	Strong	889	12	—	—	901	2	—	—	—	2	899	0.2
9 - 11	0.30 to <0.60%	Strong	6,491	63	—	—	6,554	28	3	—	—	31	6,523	0.5
12 - 14	0.60 to <2.15%	Satisfactory	2,894	266	—	—	3,160	23	11	—	—	34	3,126	1.1
15 - 19	2.15 to <11.35%	Satisfactory	1,515	1,066	—	—	2,581	39	67	—	—	106	2,475	4.1
20 - 21	11.35 to <100%	Higher Risk	60	304	—	—	364	8	102	—	—	110	254	30.2
22	100%	Credit Impaired	—	—	349	15	364	—	—	233	—	233	131	64.0
Total			12,349	1,718	349	15	14,431	101	183	233	—	517	13,914	3.6

Risk performance - Credit risk (continued)

Credit risk profile by internal PD grade for corporate loans[3] (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD Range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2025														
1 - 3	0.0 to <0.05%	Strong	**41,676**	**405**	**—**	**—**	**42,081**	**6**	**6**	**—**	**—**	**12**	**42,069**	**—**
4 - 5	0.05 to <0.15%	Strong	**25,812**	**40**	**—**	**—**	**25,852**	**8**	**—**	**—**	**—**	**8**	**25,844**	**—**
6 - 8	0.15 to <0.30%	Strong	**14,313**	**577**	**—**	**—**	**14,890**	**12**	**22**	**—**	**—**	**34**	**14,856**	**0.2**
9 - 11	0.30 to <0.60%	Strong	**17,115**	**612**	**—**	**—**	**17,727**	**33**	**3**	**—**	**—**	**36**	**17,691**	**0.2**
14	0.60 to <2.15%	Satisfactory	**17,605**	**3,447**	**—**	**—**	**21,052**	**85**	**50**	**—**	**—**	**135**	**20,917**	**0.6**
19	2.15 to <11.35%	Satisfactory	**4,140**	**3,603**	**—**	**—**	**7,743**	**57**	**100**	**—**	**—**	**157**	**7,586**	**2.0**
21	11.35 to <100%	Higher Risk	**192**	**1,954**	**—**	**—**	**2,146**	**6**	**134**	**—**	**—**	**140**	**2,006**	**6.5**
22	100%	Credit Impaired	**—**	**—**	**3,159**	**—**	**3,159**	**—**	**—**	**804**	**—**	**804**	**2,355**	**25.5**
Total			**120,853**	**10,638**	**3,159**	**—**	**134,650**	**207**	**315**	**804**	**—**	**1,326**	**133,324**	**1.0**

Credit risk profile by internal PD grade for loans and advances at amortised cost[3] (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD Range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2025														
1 - 3	0.0 to <0.05%	Strong	**55,073**	**512**	**—**	**—**	**55,585**	**46**	**29**	**—**	**—**	**75**	**55,510**	**0.1**
4 - 5	0.05 to <0.15%	Strong	**119,748**	**2,342**	**—**	**—**	**122,090**	**14**	**1**	**—**	**—**	**15**	**122,075**	**—**
6 - 8	0.15 to <0.30%	Strong	**58,118**	**3,501**	**—**	**—**	**61,619**	**26**	**24**	**—**	**—**	**50**	**61,569**	**0.1**
9 - 11	0.30 to <0.60%	Strong	**45,929**	**3,368**	**—**	**—**	**49,297**	**93**	**8**	**—**	**—**	**101**	**49,196**	**0.2**
12 - 14	0.60 to <2.15%	Satisfactory	**33,583**	**6,542**	**—**	**—**	**40,125**	**235**	**73**	**—**	**—**	**308**	**39,817**	**0.8**
15 - 19	2.15 to <11.35%	Satisfactory	**15,382**	**9,278**	**—**	**—**	**24,660**	**417**	**539**	**—**	**—**	**956**	**23,704**	**3.9**
20 - 21	11.35 to <100%	Higher Risk	**746**	**5,121**	**—**	**—**	**5,867**	**60**	**1,034**	**—**	**—**	**1,094**	**4,773**	**18.6**
22	100%	Credit Impaired	**—**	**—**	**7,530**	**39**	**7,569**	**—**	**—**	**2,690**	**—**	**2,690**	**4,879**	**35.5**
Total			**328,579**	**30,664**	**7,530**	**39**	**366,812**	**891**	**1,708**	**2,690**	**—**	**5,289**	**361,523**	**1.4**

Credit risk profile by internal PD grade for retail mortgages (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD Range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2024														
1 - 3	0.0 to <0.05%	Strong	26,799	649	—	—	27,448	1	—	—	—	1	27,447	—
4 - 5	0.05 to <0.15%	Strong	90,420	6,864	—	—	97,284	16	3	—	—	19	97,265	—
6 - 8	0.15 to <0.30%	Strong	18,574	4,417	—	—	22,991	8	6	—	—	14	22,977	0.1
9 - 11	0.30 to <0.60%	Strong	9,829	2,945	—	—	12,774	12	10	—	—	22	12,752	0.2
12 - 14	0.60 to <2.15%	Satisfactory	863	2,741	—	—	3,604	1	19	—	—	20	3,584	0.6
15 - 19	2.15 to <11.35%	Satisfactory	83	1,681	—	—	1,764	—	16	—	—	16	1,748	0.9
20 - 21	11.35 to <100%	Higher Risk	122	299	—	—	421	—	8	—	—	8	413	1.9
22	100%	Credit Impaired	—	—	1,962	—	1,962	—	—	87	—	87	1,875	4.4
Total			146,690	19,596	1,962	—	168,248	38	62	87	—	187	168,061	0.1

Risk performance - Credit risk (continued)

Credit risk profile by internal PD grade for retail credit cards[3] (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD Range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2024														
1 - 3	0.0 to <0.05%	Strong	119	—	—	—	119	—	—	—	—	—	119	—
4 - 5	0.05 to <0.15%	Strong	1,706	4	—	—	1,710	2	—	—	—	2	1,708	0.1
6 - 8	0.15 to <0.30%	Strong	3,592	5	—	—	3,597	9	—	—	—	9	3,588	0.3
9 - 11	0.30 to <0.60%	Strong	5,758	10	—	—	5,768	26	—	—	—	26	5,742	0.5
12 - 14	0.60 to <2.15%	Satisfactory	10,298	171	—	—	10,469	179	12	—	—	191	10,278	1.8
15 - 19	2.15 to <11.35%	Satisfactory	9,330	2,907	—	—	12,237	290	446	—	—	736	11,501	6.0
20 - 21	11.35 to <100%	Higher Risk	323	1,920	—	—	2,243	47	789	—	—	836	1,407	37.3
22	100%	Credit Impaired	—	—	1,903	40	1,943	—	—	1,507	—	1,507	436	77.6
Total			31,126	5,017	1,903	40	38,086	553	1,247	1,507	—	3,307	34,779	8.7

Credit risk profile by internal PD grade for retail other (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD Range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2024														
1 - 3	0.0 to <0.05%	Strong	76	1	—	—	77	1	—	—	—	1	76	1.3
4 - 5	0.05 to <0.15%	Strong	575	5	—	—	580	2	—	—	—	2	578	0.3
6 - 8	0.15 to <0.30%	Strong	774	6	—	—	780	4	—	—	—	4	776	0.5
9 - 11	0.30 to <0.60%	Strong	4,539	59	—	—	4,598	11	3	—	—	14	4,584	0.3
12 - 14	0.60 to <2.15%	Satisfactory	5,762	239	—	—	6,001	82	10	—	—	92	5,909	1.5
15 - 19	2.15 to <11.35%	Satisfactory	656	887	—	—	1,543	21	41	—	—	62	1,481	4.0
20 - 21	11.35 to <100%	Higher Risk	68	176	—	—	244	17	57	—	—	74	170	30.3
22	100%	Credit Impaired	—	—	378	17	395	—	—	161	—	161	234	40.8
Total			12,450	1,373	378	17	14,218	138	111	161	—	410	13,808	2.9

Credit risk profile by internal PD grade for corporate loans[3] (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD Range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2024														
1 - 3	0.0 to <0.05%	Strong	41,412	228	3	—	41,643	6	1	2	—	9	41,634	—
4 - 5	0.05 to <0.15%	Strong	24,082	145	—	—	24,227	10	—	—	—	10	24,217	—
6 - 8	0.15 to <0.30%	Strong	11,933	575	—	—	12,508	9	2	—	—	11	12,497	0.1
9 - 11	0.30 to <0.60%	Strong	16,861	377	—	—	17,238	23	3	—	—	26	17,212	0.2
12 - 14	0.60 to <2.15%	Satisfactory	16,673	3,766	—	—	20,439	79	44	—	—	123	20,316	0.6
15 - 19	2.15 to <11.35%	Satisfactory	5,331	3,857	—	—	9,188	73	128	—	—	201	8,987	2.2
20 - 21	11.35 to <100%	Higher Risk	216	2,219	—	—	2,435	9	153	—	—	162	2,273	6.7
22	100%	Credit Impaired	—	—	3,113	—	3,113	—	—	624	—	624	2,489	20.0
Total			116,508	11,167	3,116	—	130,791	209	331	626	—	1,166	129,625	0.9

Risk performance - Credit risk (continued)

Credit risk profile by internal PD grade for loans and advances at amortised cost[3] (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD Range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2024														
1 - 3	0.0 to <0.05%	Strong	68,406	878	3	—	69,287	8	1	2	—	11	69,276	—
4 - 5	0.05 to <0.15%	Strong	116,783	7,018	—	—	123,801	30	3	—	—	33	123,768	—
6 - 8	0.15 to <0.30%	Strong	34,873	5,003	—	—	39,876	30	8	—	—	38	39,838	0.1
9 - 11	0.30 to <0.60%	Strong	36,987	3,391	—	—	40,378	72	16	—	—	88	40,290	0.2
12 - 14	0.60 to <2.15%	Satisfactory	33,596	6,917	—	—	40,513	341	85	—	—	426	40,087	1.1
15 - 19	2.15 to <11.35%	Satisfactory	15,400	9,332	—	—	24,732	384	631	—	—	1,015	23,717	4.1
20 - 21	11.35 to <100%	Higher Risk	729	4,614	—	—	5,343	73	1,007	—	—	1,080	4,263	20.2
22	100%	Credit Impaired	—	—	7,356	57	7,413	—	—	2,379	—	2,379	5,034	32.1
Total			306,774	37,153	7,359	57	351,343	938	1,751	2,381	—	5,070	346,273	1.4

Credit risk profile by internal PD grade for contingent liabilities[1] (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2025														
1-3	0.0 to <0.05%	Strong	**8,837**	**—**	**—**	**—**	**8,837**	**1**	**—**	**—**	**—**	**1**	**8,836**	**—**
4-5	0.05 to <0.15%	Strong	**3,920**	**178**	**—**	**—**	**4,098**	**2**	**—**	**—**	**—**	**2**	**4,096**	**—**
6-8	0.15 to <0.30%	Strong	**3,645**	**5**	**—**	**—**	**3,650**	**2**	**—**	**—**	**—**	**2**	**3,648**	**0.1**
9-11	0.30 to <0.60%	Strong	**2,025**	**92**	**—**	**—**	**2,117**	**3**	**—**	**—**	**—**	**3**	**2,114**	**0.1**
12-14	0.60 to <2.15%	Satisfactory	**2,773**	**230**	**—**	**—**	**3,003**	**12**	**3**	**—**	**—**	**15**	**2,988**	**0.5**
15-19	2.15 to <11.35%	Satisfactory	**1,163**	**691**	**—**	**—**	**1,854**	**15**	**16**	**—**	**—**	**31**	**1,823**	**1.7**
20-21	11.35 to <100%	Higher Risk	**85**	**709**	**—**	**—**	**794**	**1**	**84**	**—**	**—**	**85**	**709**	**10.7**
22	100%	Credit Impaired	**—**	**—**	**116**	**—**	**116**	**—**	**—**	**23**	**—**	**23**	**93**	**19.8**
Total			**22,448**	**1,905**	**116**	**—**	**24,469**	**36**	**103**	**23**	**—**	**162**	**24,307**	**0.7**

Credit risk profile by internal PD grade for contingent liabilities[1] (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2024														
1-3	0.0 to <0.05%	Strong	8,132	310	—	—	8,442	1	1	—	—	2	8,440	—
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	22	36	—	—	58	1,609	3.5
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			21,028	2,835	495	—	24,358	43	126	16	—	185	24,173	0.8

Risk performance - Credit risk (continued)

Credit risk profile by internal PD grade for loan commitments[1,2] (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2025														
1-3	0.0 to <0.05%	Strong	**99,493**	**254**	**—**	**—**	**99,747**	**4**	**—**	**—**	**—**	**4**	**99,743**	**—**
4-5	0.05 to <0.15%	Strong	**91,508**	**890**	**—**	**—**	**92,398**	**7**	**—**	**—**	**—**	**7**	**92,391**	**—**
6-8	0.15 to <0.30%	Strong	**59,653**	**768**	**—**	**—**	**60,421**	**6**	**1**	**—**	**—**	**7**	**60,414**	**—**
9-11	0.30 to <0.60%	Strong	**70,160**	**696**	**—**	**—**	**70,856**	**8**	**—**	**—**	**—**	**8**	**70,848**	**—**
12-14	0.60 to <2.15%	Satisfactory	**52,220**	**2,994**	**—**	**—**	**55,214**	**38**	**28**	**—**	**—**	**66**	**55,148**	**0.1**
15-19	2.15 to <11.35%	Satisfactory	**14,387**	**5,332**	**—**	**—**	**19,719**	**40**	**42**	**—**	**—**	**82**	**19,637**	**0.4**
20-21	11.35 to <100%	Higher Risk	**624**	**3,634**	**—**	**—**	**4,258**	**5**	**66**	**—**	**—**	**71**	**4,187**	**1.7**
22	100%	Credit Impaired	**—**	**—**	**696**	**5**	**701**	**—**	**—**	**9**	**—**	**9**	**692**	**1.3**
Total			**388,045**	**14,568**	**696**	**5**	**403,314**	**108**	**137**	**9**	**—**	**254**	**403,060**	**0.1**

Credit risk profile by internal PD grade for loan commitments[1,2] (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at December 31 2024														
1-3	0.0 to <0.05%	Strong	92,589	342	—	—	92,931	3	—	—	—	3	92,928	—
4-5	0.05 to <0.15%	Strong	82,489	342	—	—	82,831	8	—	—	—	8	82,823	—
6-8	0.15 to <0.30%	Strong	63,004	1,071	—	—	64,075	12	1	—	—	13	64,062	—
9-11	0.30 to <0.60%	Strong	70,770	904	—	—	71,674	19	1	—	—	20	71,654	—
12-14	0.60 to <2.15%	Satisfactory	68,038	3,179	—	—	71,217	36	12	—	—	48	71,169	0.1
15-19	2.15 to <11.35%	Satisfactory	13,633	6,535	—	—	20,168	41	50	—	—	91	20,077	0.5
20-21	11.35 to <100%	Higher Risk	704	3,520	—	—	4,224	2	60	—	—	62	4,162	1.5
22	100%	Credit Impaired	—	—	673	6	679	—	—	9	—	9	670	1.3
Total			391,227	15,893	673	6	407,799	121	124	9	—	254	407,545	0.1

Notes:

1 Excludes loan commitments and financial guarantees of £22.2bn (2024: £16.3bn) carried at fair value.
2 Reported off-balance sheet loan commitments also include exposures relating to financial assets classified as assets held for sale.
3 Exposures reported within Retail credit cards and Corporate loans does not include co-branded card portfolio which is classified as assets held for sale.

Risk performance - Credit risk (continued)

Analysis of specific portfolios and asset types

This section provides an analysis of principal portfolios and businesses, in particular, home loans, credit cards, unsecured loans and other retail lending.

The UK home loans portfolio comprises first lien home loans and accounts for 97% (2024: 97%) of the Group's total home loan balances.

Home loans principal portfolios

	Barclays UK	
As at 31 December	**2025**	**2024**
Gross loans and advances (£m)	**172,415**	163,197
>90 day arrears, excluding recovery book (%)	**0.1**	0.2
Annualised gross charge-off rates (%)	**0.5**	0.5
Recovery book proportion of outstanding balances (%)	**0.6**	0.6
Recovery book impairment coverage ratio (%)[1]	**4.3**	3.7

Note:
1 Recovery Book Impairment Coverage Ratio excludes KMC.

Within the UK home loans portfolio:

- Gross loans and advances increased by £9.2bn (5.6%) reflecting a £10.2bn (7.0%) increase in Residential, partially offset by a decrease of £0.9bn (5.0%) in Buy-to-Let (BTL).
- Owner-occupied interest-only home loans comprised 13% (2024: 15%) of total balances. The average balance weighted LTV on owner occupied loans increased to 55.1% (2024: 52.7%).
- BTL home loans comprised 9.9% (2024: 11.0%) of total balances. In BTL, the average balance weighted LTV increased to 56.9% (2024: 55.7%).

Home loans principal portfolios - distribution of balances by LTV[1]

	Distribution of Balances				Distribution of impairment allowance				Coverage ratio			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Barclays UK	%	%	%	%	%	%	%	%	%	%	%	%
As at 31 December 2025												
<=75%	**73.4**	**6.9**	**0.9**	**81.2**	**3.3**	**14.1**	**49.9**	**67.3**	**—**	**0.1**	**2.5**	**—**
>75% and <=90%	**16.0**	**1.0**	**0.1**	**17.1**	**4.3**	**6.3**	**11.7**	**22.3**	**—**	**0.3**	**7.3**	**0.1**
>90% and <=100%	**1.7**	**—**	**—**	**1.7**	**0.8**	**0.5**	**5.4**	**6.7**	**—**	**0.7**	**22.7**	**0.2**
>100%	**—**	**—**	**—**	**—**	**—**	**0.1**	**3.6**	**3.7**	**—**	**2.9**	**31.3**	**5.9**
As at 31 December 2024												
<=75%	74.5	10.7	0.9	86.1	8.3	15.8	18.7	42.8	—	0.1	1.8	—
>75% and <=90%	11.8	1.2	0.1	13.1	10.2	24.2	9.7	44.1	0.1	1.7	13.0	0.3
>90% and <=100%	0.8	—	—	0.8	1.3	2.3	4.0	7.6	0.1	4.9	35.8	0.8
>100%	—	—	—	—	0.2	1.4	3.9	5.5	1.6	45.9	68.7	24.8

Note:
1 Portfolio marked to market based on the most updated valuation including recovery book balances. Updated valuations reflect the application of the latest HPI available as at 31 December 2025.

Risk performance - Credit risk (continued)

Home loans principal portfolios – average LTV

As at 31 December	Barclays UK 2025	2024
Overall portfolio LTV (%):		
Balance weighted %	**55.2**	53.0
Valuation weighted %	**41.5**	39.7
For >100% LTVs:		
Balances £m	**49**	30
Marked to market collateral £m	**47**	26
Average LTV: Balance weighted %	**143.8**	190.3
Average LTV: Valuation weighted %	**120.6**	142.0
% of Balances in Recoveries	**18.0**	30.7

Home loans principal portfolios - new lending

As at 31 December 2025	Barclays UK 2025	2024
New Home loan bookings (£m)	**34,326**	23,895
New home loan proportion above 90% LTV (%)	**2.8**	0.9
Average LTV on new home loan: balance weighted (%)	**69.6**	65.5
Average LTV on new home loan: valuation weighted (%)	**61.1**	56.3

New Home loan bookings increased 44% to £34.3bn, in line with business strategy and a larger mortgage market.

Risk performance - Credit risk (continued)

The principal portfolios listed below accounted for 91% (2024: 91%) of the Group's total retail credit cards and retail other.

Retail Credit Cards and Retail Other

	Gross exposure	30 day arrears rate, excluding recoveries book	90 day arrears rate, excluding recoveries book	Annualised gross write-off rates	Annualised net write-off rates
	£m	%	%	%	%
As at 31 December 2025					
Barclays UK					
UK cards[1]	**17,169**	**0.8**	**0.2**	**1.0**	**0.8**
UK personal loans[1]	**8,515**	**1.1**	**0.5**	**0.7**	**0.6**
Barclays Partner Finance	**1,210**	**0.7**	**0.3**	**1.2**	**1.2**
Barclays US Consumer Bank					
US cards[2]	**29,100**	**3.0**	**1.6**	**3.4**	**3.2**
As at 31 December 2024					
Barclays UK					
UK cards[1]	15,781	0.7	0.2	1.1	0.9
UK personal loans[1]	8,051	1.0	0.4	0.7	0.5
Barclays Partner Finance	1,609	0.6	0.3	1.0	1.0
Barclays US Consumer Bank					
US cards[2]	28,548	3.0	1.6	3.8	3.7

Notes:
1 Includes Tesco Bank. Tesco Bank arrears rates are calculated using POCI balances adjusted to fair value.
2 Includes a co-branded card portfolio in USCB, classified as held for sale (see table below).

UK cards: Gross exposure increased from £15.8bn to £17.2bn following a growth in spend and new promotional balance lending. 30 and 90 day arrears rates remained stable at 0.8% (2024: 0.7%) and 0.2% (2024: 0.2%) respectively. Gross and net write-off rates reduced slightly to 1.0% (2024: 1.1%) and 0.8% (2024: 0.9%), reflecting the impact of reduced flow into delinquency in 2024 flowing into write-off.

UK personal loans: Gross exposure increased from £8.1bn to £8.5bn due to a growth in new lending. 30 and 90 day arrears rates remained stable at 1.1% (2024: 1.0%) and 0.5% (2024: 0.4%) respectively. Gross and net write off rates also remained stable at 0.7% (2024: 0.7%) and 0.6% (2024: 0.5%) respectively.

Barclays Partner Finance: 30 and 90 day arrears rates remained stable at 0.7% (2024: 0.6%) and 0.3% (2024: 0.3%) respectively with total exposure reducing to £1.2bn (2024: £1.6bn) due to a strategic decision to reduce the number of active partner businesses. Both annualised gross and net write off rates increased to 1.2% (2024: 1.0%) following the reduction in gross exposure.

US cards: 30 day and 90 day arrears rates remained flat at 3.0% (2024: 3.0%) and 1.6% (2024: 1.6%) respectively. Gross and net write off rates reduced to 3.4% (2024: 3.8%) and 3.2% (2024: 3.7%) respectively reflecting lower default volumes and stable recovery performance.

Retail Credit Cards and Retail Other held for sale

	Gross exposure	30 day arrears rate, excluding recoveries book	90 day arrears rate, excluding recoveries book	Annualised gross write-off rates	Annualised net write-off rates
As at 31 December 2025					
Barclays US Consumer Bank	**5,988**	**1.8**	**0.9**	**2.1**	**1.9**
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

Risk performance - Credit risk (continued)

Forbearance

Forbearance measures consist of concessions towards a debtor that is experiencing or about to experience difficulties in meeting their financial commitments ('financial difficulties').

Analysis of forbearance programmes

	Balances					Impairment allowance				
	Stage 1	Stage 2	Stage 3 excluding POCI	Stage 3 POCI	Total	Stage 1	Stage 2	Stage 3 excluding POCI	Stage 3 POCI	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
As at 31 December 2025										
Barclays UK[1]	**46**	**120**	**868**	**5**	**1,039**	**—**	**22**	**235**	**—**	**257**
Barclays US Consumer Bank	**—**	**—**	**495**	**—**	**495**	**—**	**—**	**239**	**—**	**239**
Head Office	**4**	**—**	**1**	**—**	**5**	**—**	**—**	**—**	**—**	**—**
Total retail	**50**	**120**	**1,364**	**5**	**1,539**	**—**	**22**	**474**	**—**	**496**
Barclays UK	**61**	**156**	**210**	**—**	**427**	**—**	**4**	**32**	**—**	**36**
Barclays Investment Bank	**—**	**348**	**1,094**	**—**	**1,442**	**—**	**23**	**272**	**—**	**295**
Barclays UK Corporate Bank	**2**	**427**	**131**	**—**	**560**	**—**	**8**	**44**	**—**	**52**
Barclays Private Bank and Wealth Management	**—**	**11**	**57**	**—**	**68**	**—**	**—**	**3**	**—**	**3**
Head Office	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total wholesale	**63**	**942**	**1,492**	**—**	**2,497**	**—**	**35**	**351**	**—**	**386**
Group total	**113**	**1,062**	**2,856**	**5**	**4,036**	**—**	**57**	**825**	**—**	**882**
As at 31 December 2024										
Barclays UK	58	108	596	—	762	—	15	133	—	148
Barclays US Consumer Bank	—	—	448	—	448	—	—	209	—	209
Head Office	4	1	7	—	12	—	—	2	—	2
Total retail	62	109	1,051	—	1,222	—	15	344	—	359
Barclays UK	74	91	431	—	596	—	2	37	—	39
Barclays Investment Bank	—	361	514	—	875	—	14	103	—	117
Barclays UK Corporate Bank	2	597	109	—	708	—	11	41	—	52
Barclays Private Bank and Wealth Management	—	1	205	—	206	—	—	16	—	16
Head Office	—	—	—	—	—	—	—	—	—	—
Total wholesale	76	1,050	1,259	—	2,385	—	27	197	—	224
Group total	138	1,159	2,310	—	3,607	—	42	541	—	583

Analysis of Portfolios- held for sale in Forbearance Programmes

	Balances					Impairment allowance				
	Stage 1	Stage 2	Stage 3 excluding POCI	Stage 3 POCI	Total	Stage 1	Stage 2	Stage 3 excluding POCI	Stage 3 POCI	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
As at 31 December 2025										
Head Office										
German consumer finance business	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
As at 31 December 2024										
Head Office										
German consumer finance business	1	1	25	—	27	—	—	18	—	18

Retail balances on forbearance reflected the inclusion of Tesco Bank in Barclays UK.

Wholesale forborne balances rose overall in 2025, principally driven by material new cases in Barclays Investment Bank offset by cases returning to live and balance reductions on remaining cases in Barclays UK Corporate Bank, Barclays Private Bank and Wealth Management and Barclays UK.

Note:
1 Tesco Bank balances included for 2025.

Risk performance - Credit risk (continued)

Retail forbearance programmes

Forbearance on the Group's principal retail portfolios is presented below. The principal portfolios account for 98% (2024: 98%) of total retail forbearance balances.

Analysis of Key Portfolios in Forbearance Programmes

	Balances on Forbearance Programmes		Marked to market LTV of forbearance balances: balance weighted	Marked to market LTV of forbearance balances: valuation weighted	Impairment allowances marked against balances on forbearance programmes	Total balances on forbearance programmes coverage ratio
	Total	% of gross retail loans and advances				
	£m	£m	%	%	£m	%
As at 31 December 2025						
Barclays UK						
UK Home Loans	**574**	**0.3**	**51.2**	**40.8**	**12**	**2.1**
UK cards[1]	**308**	**1.8**	**n/a**	**n/a**	**146**	**47.4**
UK personal loans[1]	**114**	**1.3**	**n/a**	**n/a**	**69**	**60.5**
Barclays Partner Finance	**12**	**1.0**	**n/a**	**n/a**	**8**	**65.0**
Barclays US Consumer Bank						
US cards	**495**	**1.7**	**n/a**	**n/a**	**239**	**48.3**
As at 31 December 2024						
Barclays UK						
UK Home Loans	473	0.3	51.3	41.8	10	2.1
UK cards	192	1.7	n/a	n/a	76	39.6
UK personal loans	51	1.3	n/a	n/a	34	66.7
Barclays Partner Finance	16	1.0	n/a	n/a	9	56.3
Barclays US Consumer Bank						
US cards	448	1.6	n/a	n/a	209	46.7
Head Office						
Italy Mortgages	12	30.0	78.5	48.9	2	16.7

Analysis of Portfolios- held for sale in Forbearance Programmes

	Balances on Forbearance Programmes		Marked to market LTV of forbearance balances: balance weighted	Marked to market LTV of forbearance balances: valuation weighted	Impairment allowances marked against balances on forbearance programmes	Total balances on forbearance programmes coverage ratio
	Total	% of gross retail loans and advances				
	£m	£m	%	%	£m	%
As at 31 December 2025						
Head Office						
German consumer finance business	**—**	**—**	**—**	**—**	**—**	**—**
As at 31 December 2024						
Head Office						
German consumer finance business	27	0.7	n/a	n/a	18	66.7

Note:
1 Tesco Bank balances included for 2025.

UK home loans: Forbearance balances increased to £574m (2024: £473m) due to a sustained level of new flow, combined with high retention from the elevated inflow in 2024.

UK cards: Balances on forbearance increased to £308m (2024: £192m) due to the inclusion of Tesco Bank and the proportion of the portfolio on forbearance remained relatively stable.

UK personal loans: Balances on forbearance increased to £114m (2024: £51m), due to the inclusion of Tesco Bank and the proportion of the portfolio on forbearance remained stable.

Barclays Partner Finance: Balances on forbearance reduced to £12m (2024: £16m) in line with the reduction in the overall portfolio.

US cards: Forbearance balances increased to £495m (2024: £448m) reflecting an increase in new enrolments in 2025 following delinquency trends through the year.

Risk performance - Credit risk (continued)

Wholesale forbearance programmes

The table below details balance information for wholesale forbearance cases.

Analysis of wholesale balances in forbearance programmes

	Balances on forbearance programmes		Impairment allowances marked against balances on forbearance programmes	Total balances on forbearance programmes coverage ratio
	Total balances	% of gross wholesale loans and advances		
	£m	%	£m	%
As at 31 December 2025				
Barclays UK	**427**	**2.3**	**36**	**8.4%**
Barclays Investment Bank	**1,442**	**1.9**	**295**	**20.5%**
Barclays UK Corporate Bank	**560**	**1.9**	**52**	**9.3%**
Barclays Private Bank and Wealth Management	**68**	**1.1**	**3**	**4.4%**
Total	**2,497**	**1.9**	**386**	**15.5%**
As at 31 December 2024				
Barclays UK	596	2.9	39	6.5%
Barclays Investment Bank	875	1.2	117	13.4%
Barclays UK Corporate Bank	708	2.7	52	7.3%
Barclays Private Bank and Wealth Management	206	3.4	16	7.8%
Total	2,385	1.8	224	9.4%

Analysis of debt securities

Debt securities include government securities held as part of the Group's treasury management portfolio for liquidity and regulatory purposes, and are for use on a continuing basis in the activities of the Group.

The following tables provide an analysis of debt securities held by the Group for trading and investment purposes by issuer type. Further information on the credit quality of debt securities is presented in the Balance sheet credit quality section.

As of December 2025, of the total £238bn (2024: £224bn) bonds positions, £48bn (2024: £46bn) is from US Government Bonds and £36bn (2024: £28bn) is from UK Government bonds.

Debt securities

	2025	2024
As at 31 December	£m	£m
Of which issued by:		
Governments and other public bodies	**141,715**	134,786
Corporate and other issuers	**45,638**	45,559
US agency	**23,730**	17,262
Mortgage and asset backed securities	**26,988**	26,354
Total	**238,071**	223,961

Risk performance - Credit risk (continued)

Analysis of derivatives

The tables below set out the fair values of the derivative assets together with the value of those assets subject to enforceable counterparty netting arrangements for which the Group holds offsetting liabilities and eligible collateral.

Derivative assets (audited)

	2025			2024		
	Balance sheet assets	Counterparty netting	Net exposure	Balance sheet assets	Counterparty netting	Net exposure
As at 31 December	£m	£m	£m	£m	£m	£m
Foreign exchange	**76,887**	**58,029**	**18,858**	126,098	98,677	27,421
Interest rate	**93,241**	**65,415**	**27,826**	95,796	70,138	25,658
Credit derivatives	**7,851**	**6,350**	**1,501**	6,898	5,728	1,170
Equity and stock index	**72,339**	**63,100**	**9,239**	62,912	54,237	8,675
Commodity derivatives	**2,141**	**1,849**	**292**	1,826	1,654	172
Total derivative assets	**252,459**	**194,743**	**57,716**	293,530	230,434	63,096
Cash collateral held			**30,758**			30,637
Net exposure less collateral			**26,958**			32,459

Derivative asset exposures would be £226bn (2024: £261bn) lower than reported under IFRS if netting were permitted for assets and liabilities with the same counterparty or for which the Group holds cash collateral. Similarly, derivative liabilities would be £218bn (2024: £254bn) lower reflecting counterparty netting and collateral placed. In addition, non-cash collateral of £13bn (2024: £13bn) was held in respect of derivative assets. The Group received collateral from clients in support of over the counter derivative transactions. These transactions are generally undertaken under International Swaps and Derivative Association (ISDA) agreements governed by either UK or New York law.

Assets held for sale

This section presents a co-branded card portfolio in USCB classified as assets held for sale. Further, the sale of the German consumer finance business was completed in Q125.

For further details on assets held for sale, see Note 40 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 2025	£m	£m	%	£m	£m	%	£m	£m	%	£m	£m	%
Retail credit cards - US	**5,468**	**65**	**1.2**	**466**	**124**	**26.6**	**54**	**44**	**81.5**	**5,988**	**233**	**3.9**
Retail credit cards - Germany	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Retail other - Germany	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Corporate loans - US	**43**	**1**	**2.3**	**6**	**2**	**33.3**	**—**	**—**	**—**	**49**	**3**	**6.1**
Total Rest of the World	**5,511**	**66**	**1.2**	**472**	**126**	**26.7**	**54**	**44**	**81.5**	**6,037**	**236**	**3.9**
As at 31 December 2024												
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 Rest of the World	8,586	99	1.2	1,225	226	18.4	222	164	73.9	10,033	489	4.9

Risk performance - Credit risk (continued)

Stage 2 decomposition

Loans and advances at amortised cost classified as held for sale

	Gross Exposure				Impairment Allowance			
	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 2025	£m	£m	£m	£m	£m	£m	£m	£m
Retail credit cards - US	**365**	**100**	**1**	**466**	**98**	**25**	**1**	**124**
Retail credit cards - Germany	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Retail other - Germany	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Corporate loan - US	**6**	**—**	**—**	**6**	**2**	**—**	**—**	**2**
Total Stage 2	**371**	**100**	**1**	**472**	**100**	**25**	**1**	**126**
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 loan - US	7	2	—	9	2	1	—	3
Total Stage 2	987	232	6	1,225	182	41	3	226

Management adjustments to models for impairment (audited)

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

	Impairment allowance pre management adjustments	Economic uncertainty adjustments[1] (a)	Other adjustments (b)	Management adjustments (a+b)	Total impairment allowance	Proportion of Management adjustments to total impairment allowance
As at 31 December 2025	£m	£m	£m	£m	£m	%
Retail credit cards - US	**232**	**5**	**—**	**5**	**237**	**2.1**
Retail credit cards - Germany	**—**	**—**	**—**	**—**	**—**	**—**
Retail other - Germany	**—**	**—**	**—**	**—**	**—**	**—**
Corporate loans - US	**3**	**—**	**—**	**—**	**3**	**—**
Total Rest of the World	**235**	**5**	**—**	**5**	**240**	**2.1**
As at 31 December 2024	£m	£m	£m	£m	£m	%
Retail credit cards - US	277	—	—	—	277	—
Retail credit cards - Germany	101	—	16	16	117	13.7
Retail other - Germany	80	—	17	17	97	17.5
Corporate loans - US	5	—	—	—	5	—
Total Rest of the World	**463**	**—**	**33**	**33**	**496**	**6.7**

Note:
1 Reflects a Stage 2 adjustment for elevated US macroeconomic uncertainty; with impacts yet to materialise in consumer behaviour.

Risk performance - Credit risk (continued)

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)

			Gross carrying amount					Allowance for ECL						
Grade	PD Range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2025														
1 - 3	0.0 to <0.05%	Strong	—	—	—	—	—	—	—	—	—	—	—	—
4 - 5	0.05 to <0.15%	Strong	165	—	—	—	165	—	—	—	—	—	165	—
6 - 8	0.15 to <0.30%	Strong	953	—	—	—	953	3	—	—	—	3	950	0.3
9 - 11	0.30 to <0.60%	Strong	1,351	1	—	—	1,352	6	—	—	—	6	1,346	0.4
12 - 14	0.60 to <2.15%	Satisfactory	1,795	5	—	—	1,800	18	—	—	—	18	1,782	1.0
15 - 19	<11.35%	Satisfactory	1,149	226	—	—	1,375	34	35	—	—	69	1,306	5.0
20 - 21	11.35 to <100%	Higher Risk	55	234	—	—	289	4	89	—	—	93	196	32.2
22	100%	Credit Impaired	—	—	54	—	54	—	—	44	—	44	10	81.5
Total			5,468	466	54	—	5,988	65	124	44	—	233	5,755	3.9

Credit risk profile by internal PD grade classified as assets held for sale for Retail credit cards - Germany (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD Range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2025														
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	—	—	—	—	—	—	—	—	—	—	—	—
15 - 19	<11.35%	Satisfactory	—	—	—	—	—	—	—	—	—	—	—	—
20 - 21	11.35 to <100%	Higher Risk	—	—	—	—	—	—	—	—	—	—	—	—
22	100%	Credit Impaired	—	—	—	—	—	—	—	—	—	—	—	—
Total			—	—	—	—	—	—	—	—	—	—	—	—

Credit risk profile by internal PD grade classified as assets held for sale for Retail other - Germany (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD Range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2025														
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	—	—	—	—	—	—	—	—	—	—	—	—
15 - 19	<11.35%	Satisfactory	—	—	—	—	—	—	—	—	—	—	—	—
20 - 21	11.35 to <100%	Higher Risk	—	—	—	—	—	—	—	—	—	—	—	—
22	100%	Credit Impaired	—	—	—	—	—	—	—	—	—	—	—	—
Total			—	—	—	—	—	—	—	—	—	—	—	—

Risk performance - Credit risk (continued)

Credit risk profile by internal PD grade classified as assets held for sale for Corporate loans - US (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD Range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2025														
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	**2**	**—**	**—**	**—**	**2**	**—**	**—**	**—**	**—**	**—**	**2**	**—**
15 - 19	2.15 to <11.35%	Satisfactory	**41**	**—**	**—**	**—**	**41**	**1**	**—**	**—**	**—**	**1**	**40**	**2.4**
20 - 21	11.35 to <100%	Higher Risk	**—**	**6**	**—**	**—**	**6**	**—**	**2**	**—**	**—**	**2**	**4**	**33.3**
22	100%	Credit Impaired	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total			**43**	**6**	**—**	**—**	**49**	**1**	**2**	**—**	**—**	**3**	**46**	**6.1**

Credit risk profile by internal PD grade classified as assets held for sale for Retail credit cards - US (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD Range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2024														
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)

			Gross carrying amount					Allowance for ECL						
Grade	PD Range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2024														
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

Risk performance - Credit risk (continued)

Credit risk profile by internal PD grade classified as assets held for sale for Retail other - Germany (audited)

			Gross carrying amount					Allowance for ECL						
Grade	PD Range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2024														
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)

			Gross carrying amount					Allowance for ECL						
Grade	PD Range %	Credit quality description	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 excluding POCI £m	Stage 3 POCI £m	Total £m	Net exposure £m	Coverage ratio %
As at 31 December 2024														
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

Risk performance - Market risk

Market risk

Summary of contents

Market risk

All disclosures in this section are unaudited unless otherwise stated.

Overview

This section contains key statistics describing the market risk profile of the Group. The market risk management section provides a description of management VaR.

Measures of market risk in the 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 31% to £18m (2024: £26m). The decrease was mainly due to a combination of a reduction in the size of the funded, fair value leverage loan exposure in 2025 as well as an overall prudent risk positioning.

Traded market risk review

Review of management measures

The following disclosures provide details on management measures of market risk. Refer to the market risk management section of the Barclays PLC Pillar 3 Report 2025 (unaudited) for more detail on management measures and the differences when compared to regulatory measures.

The table below shows the total management VaR on a diversified basis by risk factor. Total management VaR includes all trading positions in IB and Treasury and it is calculated with a one-day holding period, 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.

Risk performance - Market risk (continued)

The daily average, high and low values of management VaR

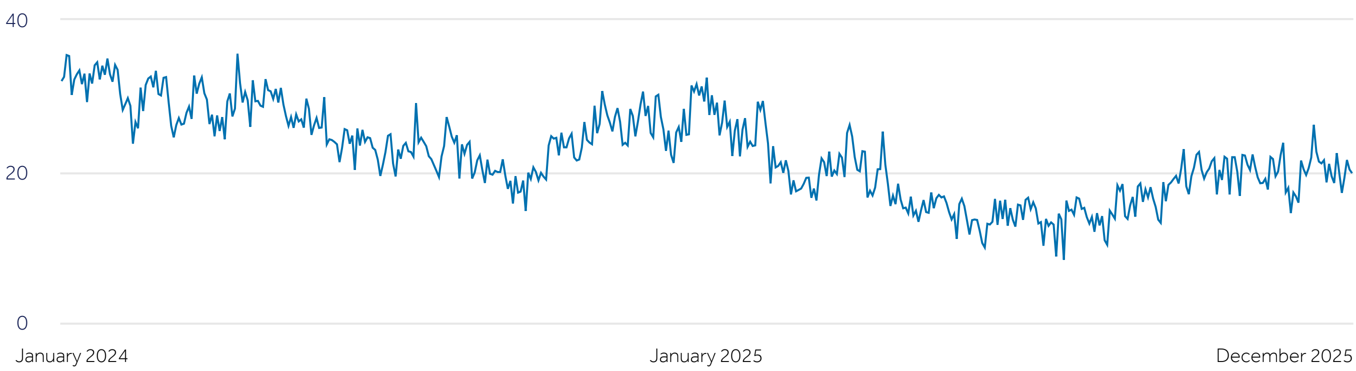
Management VaR (95%, one day) (audited)

	2025			2024		
	Average	High[1]	Low[1]	Average	High[1]	Low[1]
For the year ended 31 December	£m	£m	£m	£m	£m	£m
Credit risk	**15**	**21**	**11**	21	27	17
Interest rate risk	**15**	**25**	**5**	15	25	7
Equity risk	**7**	**14**	**4**	6	12	2
Basis risk	**6**	**9**	**4**	5	8	4
Spread risk	**5**	**7**	**3**	5	7	3
Foreign exchange risk	**5**	**10**	**3**	4	9	2
Commodity risk	**—**	**1**	**—**	—	1	—
Inflation risk	**5**	**8**	**3**	4	5	2
Diversification effect[1]	**(40)**	**n/a**	**n/a**	(34)	n/a	n/a
Total management VaR	**18**	**30**	**8**	26	36	15

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.

Group Management VaR
(£m)



Risk performance - Treasury and Capital risk

Treasury and Capital risk

Treasury and Capital risk: summary of contents

Risk performance - Treasury and Capital risk (continued)

	Page

Interest rate risk in the banking book performance

A description of the non-traded market risk framework is provided.

The Group discloses a sensitivity analysis on pre-tax net interest income for non-trading financial assets and liabilities. The analysis is carried out by business unit and currency.

The Group measures some non-traded market risks, in particular prepayment, recruitment, and residual risk using an economic capital methodology.

The Group discloses the overall impact of a parallel shift in interest rates on other comprehensive income and cash flow hedges.

The Group measures the volatility of the value of the FVOCI instruments in the liquidity pool through non-traded market risk VaR.

Liquidity risk

All disclosures in this section are unaudited unless otherwise stated.

Overview

The Group's liquidity risk is managed within the Principal Risk: Treasury and Capital Risk Framework which is designed to enable the Group to maintain liquidity resources that are sufficient in amount and quality, and a funding profile that is appropriate to meet the Group's Risk Appetite and PRA Regulatory requirements. The liquidity risk framework is delivered via a combination of policy formation, review and governance, analysis, stress testing, limit setting and monitoring.
This section provides an analysis of the Group's: (i) summary of performance, (ii) liquidity risk stress testing, iii) liquidity regulation, iv) liquidity pool, (v) funding structure and funding relationships, (vi) credit ratings, and (vii) contractual maturity of financial assets and liabilities.

For further detail on liquidity risk governance and framework, refer to pages 174 to 176 of the Barclays PLC Pillar 3 Report 2025 (unaudited).

Key metrics

Liquidity Coverage Ratio[1]

170%

Net Stable Funding Ratio[2]

135%

1 LCR represents average of the last 12 spot month end ratios.
2 NSFR represents average of the last four spot quarter end ratios.

Summary of performance

The liquidity pool at £338bn (December 2024: £297bn) reflects the Group's prudent approach to liquidity management. The Average Liquidity Coverage Ratio (LCR) remained well above the 100% regulatory requirement at 170% (December 2024: 172%), equivalent to a surplus of £131bn (December 2024: £127bn).

The Net Stable Funding Ratio (NSFR) (average of last four quarter ends) was 135% (December 2024: 135%), which represents a surplus of £166bn (December 2024: £163bn) above the 100% regulatory requirement.

During the year, the Group issued £16.1bn of minimum requirement for own funds and eligible liabilities (MREL) instruments in a range of tenors and currencies.

Barclays Bank PLC continued to issue in the shorter-term and medium-term markets and Barclays Bank UK PLC continued to issue in the shorter-term markets and maintain active secured funding programmes. This funding capacity enables the respective entities to maintain their stable and diversified funding bases.

The Group's reliance on short-term wholesale funding, as measured by the proportion of wholesale funding maturing in less than one year increased year-on-year to 38% (December 2024: 30%).

Liquidity risk stress testing

The Group defines its risk appetite liquidity constraint by setting limits on internal liquidity risk stress tests and external regulatory metics, namely the LCR and NSFR.

Internal Liquidity Stress Test (ILST)

The Internal Liquidity Stress Test measures the potential contractual and contingent stress outflows under a range of internally defined stress scenarios, which are then used to determine the size of the liquidity pool that is immediately available to meet anticipated outflows should a stress occur.

As part of the ILST, the Group runs four liquidity stress scenarios, aligned to the PRA's prescribed stresses:

- 90 days market-wide stress event
- 30 days Barclays-specific stress event
- 30 days combined market-wide and Barclays-specific stress event
- 12 months market wide stress.

Risk performance - Treasury and Capital risk (continued)

Key ILST assumptions

For the year ended 31 December 2025

Drivers of Liquidity Risk	ILST Combined stress – key assumptions
Secured and Unsecured Funding Risk	Zero rollover of maturing wholesale unsecured funding
	Partial loss of repo capacity on non-extremely liquid repos at contractual maturity date
	Roll of repo for extremely liquid repo at wider haircut at contractual maturity date
	Withdrawal of contractual buyback obligations, excess client futures margin, Prime Brokerage (PB) client cash and overlifts
Buffer Monetisation Risk	Haircuts applied to the market value of marketable assets held in the liquidity buffer, as well as inability to monetise assets
Deposits Risk	Retail and Corporate deposit outflows as counterparties seek to diversify their deposit balances
Settlement Risk	Liquidity held to meet increased intraday liquidity usage due to payment and receipts volatility, loss of unsecured credit lines and haircuts applied to collateral values used to back secured credit lines
	Liquidity support to liquidity buffer in the event of an operational outage
Intra-Group Liquidity Risk	Liquidity support for material subsidiaries. Surplus liquidity held within certain subsidiaries is not taken as a benefit to the wider Group
Cross-Currency Liquidity Risk	Deterioration in FX market capacity that may result in restriction in net currency positions (managed as a separate framework)
Facilities Risk	Drawdown on committed facilities based on facility and counterparty type
	Drawing on credit card facilities based on modelling purchase and payment factors
	Partial drawdown on the mortgage portfolio
Rating Downgrade Risk	Collateral outflows due to a two-notch credit rating downgrade
Derivatives & Collateral Risk	Increase in the Group's initial margin requirement across all major exchanges
	Variation margin outflows from collateralised risk positions
	Outflow of collateral owing but not called
	Loss of internal sources of funding within the PB synthetics business
Franchise-Viability Risk	Liquidity held to enable the firm to meet select non-contractual obligations to ensure market confidence in the firm is maintained, including debt buy-backs, swap tear-ups and increased prime brokerage margin debits
Concentration Risk	Funding from counterparties providing greater than 1% of total funding

As at 31 December 2025, the Group held eligible liquid assets well in excess of 100% of net stress outflows of the 30 days combined scenario, which has the highest net outflows of the three short-term liquidity stress scenarios and the 12 month market-wide scenario.

Liquidity regulation

Barclays Group monitors its position against both the LCR and NSFR 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 Coverage Ratio (LCR)

The external LCR requirement 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.

Liquidity Coverage Ratio (LCR)[1] As at 31 December	2025 £bn	2024 £bn
LCR Eligible High Quality Liquid Assets (HQLA)	**321**	304
Net stress outflows	**(190)**	(177)
Surplus	**131**	127
Liquidity coverage ratio	**170%**	172%

Note:

1 Represents average of the last 12 spot month end ratios. In June 2025, Barclays implemented a new methodology for calculating net stress outflows related to secured financing transactions in the liquidity coverage ratio.

Risk performance - Treasury and Capital risk (continued)

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 the balance sheet and certain off balance sheet exposures which may require longer term funding). The NSFR was 135% at December 2025 (December 2024: 135%) (average of last four quarter ends) equivalent to a surplus of £166bn (2024: £163bn) above the regulatory requirement and demonstrates Barclays' stable balance sheet funding profile.

	2025	2024
Net Stable Funding Ratio (NSFR)[1]	£bn	£bn
Total Available Stable Funding	**639**	630
Total Required Stable Funding	**473**	467
Surplus	**166**	163
Net Stable Funding Ratio	**135%**	135%

Note:
1 Represents average of the last four spot quarter end ratios.

To define the risk appetite liquidity constraint, Barclays establishes minimum LCR, NSFR and ILST limits. Risks to market funding conditions, the Group's liquidity position and funding profile are assessed continuously, and actions are taken to manage the size of the liquidity pool and the funding profile as appropriate.

Liquidity pool

The Group liquidity pool as at 31 December 2025 was £338bn (2024: 297bn). In 2025, the month-end liquidity pool ranged from £326bn to £352bn (2024: £297bn to £341bn), and the month-end average balance was £337bn (2024: 322bn). The liquidity pool is held unencumbered and is intended to offset stress outflows. It comprises the following cash and unencumbered assets.

Composition of the Group liquidity pool as at 31 December 2025

	LCR eligible High Quality Liquid Assets (HQLA)[1]					Liquidity pool	
	Cash	Level 1	Level 2A	Level 2B	Total	2025	2024
	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Cash and deposits with central banks[2]	**219**				**219**	**237**	216
Government bonds[3]							
AAA to AA-		**55**	**7**		**62**	**62**	55
A+ to A-		**14**			**14**	**14**	2
BBB+ to BBB-		**2**			**2**	**2**	1
Total government bonds		**71**	**7**		**78**	**78**	58
Other							
Government guaranteed issuers, PSEs and GSEs		**4**			**4**	**7**	9
International organisations and MDBs		**7**			**7**	**7**	7
Covered bonds		**3**	**4**		**7**	**8**	7
Other				**5**	**5**	**1**	
Total other		**14**	**4**	**5**	**23**	**23**	23
Total as at 31 December 2025	**219**	**85**	**11**	**5**	**320**	**338**	
Total as at 31 December 2024	**196**	**74**	**9**	**2**	**281**		297

Notes:
1 The LCR eligible HQLA is adjusted for operational restrictions upon consolidation under Article 8 of the Liquidity Coverage Ratio section of the PRA rulebook (CRR) such as trapped liquidity within Barclays subsidiaries. It also reflects differences in eligibility of assets between the LCR and Barclays' Liquidity Pool.
2 Includes cash held at central banks and surplus cash at central banks related to payment schemes. Of which over 99.5% (2024: over 98%) was placed with the Bank of England, US Federal Reserve, European Central Bank, Bank of Japan and Swiss National Bank.
3 Of which over 85% (2024: over 85%) comprised UK, US, French, German, Japanese, Swiss and Dutch securities.

The Group liquidity pool is well diversified by major currency and the Group monitors ILST stress scenarios for major currencies.

Liquidity pool by currency

	USD	EUR	GBP	Other	Total
	£bn	£bn	£bn	£bn	£bn
Liquidity pool as at 31 December 2025	**111**	**66**	**124**	**37**	**338**
Liquidity pool as at 31 December 2024	92	75	109	21	297

Risk performance - Treasury and Capital risk (continued)

Management of the liquidity pool

The composition of the liquidity pool is subject to limits set by the Board and the second-line liquidity, credit and market risk functions. In addition, the investment of the liquidity pool is monitored for concentration risk by issuer, currency and asset type. Given the returns generated by these highly liquid assets, the risk and reward profile is continuously managed.

As at 31 December 2025, 68% (2024: 60%) of the liquidity pool was located in Barclays Bank PLC, 17% (2024: 23%) in Barclays Bank UK PLC and 9% (2024: 9%) in Barclays Bank Ireland PLC. The residual portion of the liquidity pool is held outside of these entities, predominantly in the US subsidiaries, to meet entity-specific stress outflows and local regulatory requirements. To the extent the use of this portion of the liquidity pool is restricted due to local regulatory requirements, it is assumed to be unavailable to the rest of the Group in calculating the LCR.

Contingent liquidity

In addition to the Group liquidity pool, the Group has access to other unencumbered assets which provide a source of contingent liquidity. While these are not relied on in the Group's ILST, a portion of these assets may be monetised in a stress to generate liquidity through their use as collateral for secured funding or through outright sale.

In a Barclays-specific, market-wide or combined liquidity stress, liquidity available via market sources could be severely disrupted. In circumstances where market liquidity is unavailable or available only at significantly elevated prices, the Group could generate liquidity via central bank facilities. To this end, as at 31 December 2025, the Group had £81.9bn (December 2024: £87.9bn) of assets positioned at various central banks.

For more detail on the Group's other unencumbered assets, see pages 201 to 205 of the Barclays PLC Pillar 3 Report 2025 (unaudited).

Funding structure and funding relationships

The basis for sound liquidity risk management is a funding structure that reduces the probability of a liquidity stress leading to an inability to meet funding obligations as they fall due. The Group's overall funding strategy is to develop a diversified funding base (geographically, by type and by counterparty) and maintain access to a variety of alternative funding sources, to provide protection against unexpected fluctuations, while minimising the cost of funding.

Within this, the Group aims to align the sources and uses of funding. As such, retail and corporate loans and advances are largely funded by deposits in the relevant entities, with the surplus primarily funding the liquidity pool. The majority of reverse repurchase agreements are matched by repurchase agreements. Derivative liabilities and assets are largely matched. A substantial proportion of balance sheet derivative positions qualify for counterparty netting and the remaining portions are largely offset when netted against cash collateral received and paid. Wholesale debt and equity is used to fund residual assets.

These funding relationships are summarised below:

Assets	2025 £bn	2024 £bn	Liabilities	2025 £bn	2024 £bn
Loans and advances at amortised cost[1]	**400**	392	Deposits at amortised cost	**586**	561
Group liquidity pool	**338**	297	<1 Year wholesale funding	**84**	55
			>1 Year wholesale funding	**136**	131
Reverse repurchase agreements, trading portfolio assets, cash collateral and settlement balances	**471**	433	Repurchase agreements, trading portfolio liabilities, cash collateral and settlement balances	**359**	358
Derivative financial instruments	**252**	294	Derivative financial instruments	**241**	279
Other assets[2]	**83**	102	Other liabilities	**60**	62
			Equity	**78**	72
Total assets	**1,544**	1,518	**Total liabilities**	**1,544**	1,518

Notes:
1 Adjusted for liquidity pool debt securities reported at amortised costs of £30bn (December 2024: £22bn).
2 Other assets include fair value assets that are not part of reverse repurchase agreements or trading portfolio assets, and other asset categories.

Risk performance - Treasury and Capital risk (continued)

Deposit funding

			2025	2024
Funding of loans and advances	**Loans and advances,debt securities at amortised cost**	**Deposits at amortised cost**	**Loan: deposit ratio[1]**	**Loan: deposit ratio**
As at 31 December 2025	**£bn**	**£bn**	**%**	**%**
Barclays UK	**230**	**245**	**94**	92
Barclays UK Corporate Bank	**30**	**89**	**34**	31
Barclays Private Bank and Wealth Management	**15**	**72**	**21**	21
Barclays Investment Bank	**130**	**156**	**83**	88
Barclays US consumer Bank	**22**	**24**	**92**	91
Head Office	**3**	**—**		
Barclays Group	**430**	**586**	**73**	74

Note:

1 The loan: deposit ratio is calculated as loans and advances at amortised cost and debt securities at amortised cost divided by deposits at amortised cost.

As at 31 December 2025, £254bn (2024: £233bn) of deposits at amortised cost were insured through the UK Financial Services Compensation Scheme (FSCS)[1] and other similar schemes. In addition to these customer deposits £4.1bn (2024: £8.0bn) of other liabilities are insured by other governments.

Contractually, current accounts are repayable on demand and savings accounts at short notice. In practice, their observed maturity is typically longer than their contractual maturity. Similarly, repayment profiles of certain types of assets e.g. mortgages, overdrafts and credit card lending, differ from their contractual profiles. The Group therefore assesses the behavioural maturity of both customer assets and liabilities to identify structural balance sheet funding gaps. In doing so, it applies quantitative modelling and qualitative assessments which take into account historical experience, current customer composition, and macroeconomic projections.

The Group's broad base of customers, numerically and by depositor type, helps protect against unexpected fluctuations in balances and hence provides a stable funding base for the Group's operations and liquidity needs.

Wholesale funding

Barclays Bank Group and Barclays Bank UK Group maintain access to a variety of sources of wholesale funds in major currencies, including those available from term investors across a variety of distribution channels and geographies, short-term funding markets and repo markets.

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.

Key sources of wholesale funding for Barclays Bank UK Group include money markets, certificates of deposit, commercial paper, covered bonds and other securitisations.

The Group expects to continue issuing public wholesale debt from Barclays PLC (the Parent company), in order to maintain compliance with indicative MREL requirements and maintain a stable and diverse funding base by type, currency and market. During the year, the Group issued £16.1bn of MREL instruments from Barclays PLC in a range of different currencies and tenors.

Barclays Bank PLC continued to issue in the shorter-term markets and medium-term notes programmes. Barclays Bank UK PLC continued to issue in the shorter-term markets and maintain active secured funding programmes. This funding capacity enables the respective entities to maintain their stable and diversified funding bases.

As at 31 December 2025, the Group's total wholesale funding outstanding (excluding repurchase agreements) was £220.1bn (2024: £186.0bn), of which £20.4bn (2024: £20.5bn) was secured funding and £199.7bn (2024: £165.5bn) unsecured funding. Unsecured funding includes £88.0bn (2024: £78.9bn) of privately placed senior unsecured notes issued through a variety of distribution channels including intermediaries and private banks.

Wholesale funding of £83.9bn (2024: £55.0bn) matures in less than one year, representing 38% (December 2024: 30%) of total wholesale funding outstanding. This includes £28.4bn (2024: £22.0bn) related to term funding[2]. Although not a requirement, the liquidity pool exceeded the wholesale funding maturing in less than one year by £254bn (2024: £242bn).

Barclays Bank Group and Barclays Bank UK Group also support 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 addition, Barclays repaid £8.4bn of its TFSME drawings reducing its outstanding balance to £10bn at year end.

Note:

1 FSCS insured deposit limit increased from £85,000 to £120,000 from 1 December 2025.

Risk performance - Treasury and Capital risk (continued)

Maturity profile of wholesale funding[1,2]

	<1 month £bn	1-3 months £bn	3-6 months £bn	6-12 months £bn	<1 year £bn	1-2 years £bn	2-3 years £bn	3-4 years £bn	4-5 years £bn	>5 years £bn	Total £bn
Barclays PLC (the Parent company)											
Senior unsecured (Public benchmark)	1.9	—	0.6	—	2.5	7.3	7.5	8.6	3.8	27.0	56.7
Senior unsecured (Privately placed)	—	—	—	—	—	—	—	0.1	0.1	0.9	1.1
Subordinated liabilities	—	—	1.5	—	1.5	—	1.5	—	1.1	7.1	11.2
Barclays Bank Group											
Senior unsecured (Privately placed)[3]	2.7	5.8	5.5	9.5	23.5	12.9	12.1	9.9	8.0	20.3	86.7
Certificates of deposit and commercial paper	0.6	2.3	22.1	14.8	39.8	—	—	—	—	—	39.8
Asset backed commercial paper	2.3	8.9	1.1	—	12.3	—	—	—	—	—	12.3
Asset backed securities	—	—	0.4	0.1	0.5	0.2	1.3	0.1	0.1	2.7	4.9
Subordinated liabilities	—	—	—	0.4	0.4	0.3	0.1	—	—	0.3	1.1
Barclays Bank UK Group											
Senior unsecured (Privately placed)	—	—	—	—	—	—	—	—	0.1	0.1	0.2
Certificates of deposit and commercial paper	2.9	—	—	—	2.9	—	—	—	—	—	2.9
Covered bonds	—	—	—	—	—	0.5	0.2	0.6	0.6	0.1	2.0
Asset backed securities	—	—	0.3	0.2	0.5	—	—	—	—	—	0.5
Subordinated liabilities	—	—	—	—	—	—	—	—	—	0.7	0.7
Total as at 31 December 2025	10.4	17.0	31.5	25.0	83.9	21.2	22.7	19.3	13.8	59.2	220.1
Of which secured	2.3	8.9	1.8	0.3	13.3	0.7	1.5	0.7	0.7	3.5	20.4
Of which unsecured	8.1	8.1	29.7	24.7	70.6	20.5	21.2	18.6	13.1	55.7	199.7
Total as at 31 December 2024	7.9	21.3	11.9	13.9	55.0	23.0	17.5	18.6	15.1	56.8	186.0
Of which secured	2.4	8.8	2.1	0.8	14.1	1.1	0.5	0.9	0.6	3.3	20.5
Of which unsecured	5.5	12.5	9.8	13.1	40.9	21.9	17.0	17.7	14.5	53.5	165.5

Notes:

1 The composition of wholesale funds comprises the balance sheet reported financial liabilities at fair value, debt securities in issue and subordinated liabilities. It does not include participation in the central bank facilities reported within repurchase agreements and other similar secured borrowing.

2 Term funding comprises public benchmark and privately placed senior unsecured notes, covered bonds, asset-backed securities and subordinated debt where the original maturity of the instrument was more than one year.

3 Includes structured notes of £73.5bn, of which £21.8bn matures within one year.

Currency composition of wholesale debt

As at 31 December 2025, the proportion of wholesale funding by major currencies was as follows:

Currency composition of wholesale funding

	USD %	EUR %	GBP %	Other %
Certificates of deposit and commercial paper	73	26	—	1
Asset backed commercial paper	86	6	8	—
Senior unsecured (Public benchmark)	61	23	12	4
Senior unsecured (Privately placed)	60	17	5	18
Covered bonds / Asset backed securities	66	14	20	—
Subordinated liabilities	54	26	15	5
Total as at 31 December 2025	64	21	6	9
Total as at 31 December 2024	66	18	7	9

To manage cross currency refinancing risk, the Group manages to currency mismatch limits, which limit risk at specific maturities.

Risk performance - Treasury and Capital risk (continued)

Credit ratings

In addition to monitoring and managing key metrics related to the financial strength of the Group, Barclays solicits independent credit ratings from agencies such as Standard & Poor's Global (S&P), Moody's and Fitch. These ratings assess the creditworthiness of the Group, its subsidiaries and its branches, and are based on reviews of a broad range of business and financial attributes including capital strength, profitability, funding, liquidity, asset quality, strategy and governance.

Credit ratings

As at 31 December 2025	Standard & Poor's	Moody's	Fitch
Barclays PLC			
Long term	BBB+/Stable	Baa1/Stable	A/Stable
Short term	A-2	P-2	F1
Barclays Bank PLC			
Long term	A+/Stable	A1/Stable	A+/Stable
Short term	A-1	P-1	F1
Barclays Bank UK PLC			
Long term	A+/Stable	A1[1]/Stable	A+/Stable
Short term	A-1	P-1	F1

Note:
1 Deposit rating.

During 2025, S&P, Moody's and Fitch affirmed all ratings for Barclays PLC, Barclays Bank PLC and Barclays Bank UK PLC.

A credit rating downgrade could result in outflows to meet collateral requirements on existing contracts. Outflows related to credit rating downgrades are included in the ILST stress scenarios and a portion of the liquidity pool is held against this risk. Credit ratings downgrades could also result in reduced funding capacity and increased funding costs.

The contractual collateral requirement following one- and two-notch long-term and associated short-term downgrades across all credit rating agencies, would result in outflows of £1bn and £3bn respectively, and are provided for in determining an appropriate liquidity pool size given the Group's liquidity risk appetite. These numbers do not assume any management or restructuring actions that could be taken to reduce posting requirements. These outflows do not include the potential liquidity impact from loss of unsecured funding, such as from money market funds, or loss of secured funding capacity. However, unsecured and secured funding stresses are included in the ILST stress scenarios and a portion of the liquidity pool is held against these risks.

Risk performance - Treasury and Capital risk (continued)

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 they 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.

Open-dated financial assets and liabilities are included within 'not more than one month' due to the availability of withdrawals or redemptions at any time, without notice.

Contractual maturity of financial assets and liabilities (audited)

As at 31 December 2025	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	229,752	—	—	—	—	—	—	229,752
Cash collateral and settlement balances	87,432	43,100	—	—	—	—	—	130,532
Debt securities at amortised cost	390	5,136	1,776	3,362	18,130	13,525	26,156	68,475
Loans and advances at amortised cost to banks and customers	23,738	6,113	7,690	19,968	58,229	38,340	207,445	361,523
Reverse repurchase agreements and other similar secured lending	10,826	338	520	406	1,971	2,816	745	17,622
Trading portfolio assets	190,061	—	—	—	—	—	—	190,061
Financial assets at fair value through the income statement	146,471	13,492	4,506	4,153	10,863	3,036	4,336	186,857
Derivative financial instruments	249,744	146	201	371	1,622	302	73	252,459
Financial assets at fair value through other comprehensive income	1,370	2,064	483	885	13,412	22,875	33,305	74,394
Assets included in disposal groups classified as held for sale	—	—	5,932	—	—	—	—	5,932
Other financial assets	743	47	43	6	5	2	1	847
Total financial assets	940,527	70,436	21,151	29,151	104,232	80,896	272,061	1,518,454
Other assets								25,711
Total assets								1,544,165
Liabilities								
Deposits at amortised cost from banks and customers	462,723	42,184	38,930	33,970	6,563	699	544	585,613
Cash collateral and settlement balances	84,836	32,747	—	—	—	—	—	117,583
Repurchase agreements and other similar secured borrowing	10,174	4,507	75	3,030	4,354	—	3,030	25,170
Debt securities in issue	6,206	10,732	23,120	13,302	17,566	16,036	32,071	119,033
Subordinated liabilities	—	—	1,522	400	1,870	1,063	8,099	12,954
Trading portfolio liabilities	57,737	—	—	—	—	—	—	57,737
Financial liabilities designated at fair value	162,852	29,816	16,489	14,172	31,413	19,693	19,673	294,108
Derivative financial instruments	240,147	23	53	13	258	100	214	240,808
Liabilities included in disposal groups classified as held for sale	—	—	—	—	—	—	—	—
Other financial liabilities	4,602	4	30	53	196	154	813	5,852
Total financial liabilities	1,029,277	120,013	80,219	64,940	62,220	37,745	64,444	1,458,858
Other liabilities								7,071
Total liabilities								1,465,929

Risk performance - Treasury and Capital risk (continued)

Contractual maturity of financial assets and liabilities (audited)

As at 31 December 2024	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	210,184	—	—	—	—	—	—	210,184
Cash collateral and settlement balances	82,661	37,182	—	—	—	—	—	119,843
Debt securities at amortised cost	233	1,009	2,218	3,591	20,231	12,400	28,528	68,210
Loans and advances at amortised cost to banks and customers	24,290	6,237	8,327	18,544	57,020	32,755	199,100	346,273
Reverse repurchase agreements and other similar secured lending	1,390	37	292	359	1,676	980	—	4,734
Trading portfolio assets	166,453	—	—	—	—	—	—	166,453
Financial assets at fair value through the income statement	152,935	11,628	4,489	4,494	10,174	5,568	4,446	193,734
Derivative financial instruments	291,006	293	512	710	783	79	147	293,530
Financial assets at fair value through other comprehensive income	1,473	1,067	351	944	14,239	23,511	36,474	78,059
Assets included in disposal groups classified as held for sale	—	3,710	—	—	6,144	—	—	9,854
Other financial assets	786	29	55	18	2	—	1	891
Total financial assets	931,411	61,192	16,244	28,660	110,269	75,293	268,696	1,491,765
Other assets								26,437
Total assets								1,518,202
Liabilities								
Deposits at amortised cost from banks and customers	450,889	40,688	34,512	26,999	5,283	1,505	787	560,663
Cash collateral and settlement balances	76,655	29,574	—	—	—	—	—	106,229
Repurchase agreements and other similar secured borrowing	18,771	1,823	84	8,537	10,200	—	—	39,415
Debt securities in issue	2,928	16,868	5,859	3,469	17,477	15,378	30,423	92,402
Subordinated liabilities	—	96	65	80	2,126	1,583	7,971	11,921
Trading portfolio liabilities	56,908	—	—	—	—	—	—	56,908
Financial liabilities designated at fair value	160,429	23,084	16,739	15,328	28,320	19,050	19,274	282,224
Derivative financial instruments	278,616	27	18	17	282	263	192	279,415
Liabilities included in disposal groups classified as held for sale	—	3,726	—	—	—	—	—	3,726
Other financial liabilities	4,957	4	30	61	202	140	739	6,133
Total financial liabilities	1,050,153	115,890	57,307	54,491	63,890	37,919	59,386	1,439,036
Other liabilities								6,685
Total liabilities								1,445,721

Expected maturity date may differ from the contractual dates, to account for:

- trading portfolio assets and liabilities and derivative financial instruments, which may not be held to maturity as part of the 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 these deposits provide stable funding for the Group's operations and liquidity needs because of the broad base of customers, both numerically and by depositor type
- 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.

Risk performance - Treasury and Capital risk (continued)

Contractual maturity of financial liabilities on an undiscounted basis

The table below presents the cash flows payable by the 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. Open-dated financial liabilities are also included within 'not more than one month'.

Contractual maturity of financial liabilities - undiscounted (audited)

	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
	£m	£m	£m	£m	£m	£m	£m	£m
As at 31 December 2025								
Deposits at amortised cost from banks and customers	**462,812**	**42,491**	**39,430**	**34,773**	**6,917**	**777**	**805**	**588,005**
Cash collateral and settlement balances	**84,850**	**32,908**	**—**	**—**	**—**	**—**	**—**	**117,758**
Repurchase agreements and other similar secured borrowing	**10,185**	**4,520**	**75**	**3,111**	**4,498**	**—**	**3,627**	**26,016**
Debt securities in issue	**6,217**	**10,793**	**23,413**	**13,619**	**18,533**	**18,178**	**48,191**	**138,944**
Subordinated liabilities	**—**	**—**	**1,562**	**418**	**1,975**	**1,263**	**10,502**	**15,720**
Trading portfolio liabilities	**57,737**	**—**	**—**	**—**	**—**	**—**	**—**	**57,737**
Financial liabilities designated at fair value	**162,942**	**29,981**	**16,677**	**14,449**	**32,852**	**21,679**	**34,103**	**312,683**
Derivative financial instruments	**240,103**	**67**	**54**	**13**	**278**	**115**	**415**	**241,045**
Liabilities included in disposal groups classified as held for sale	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Other financial liabilities	**4,606**	**16**	**48**	**89**	**323**	**262**	**3,977**	**9,321**
Total financial liabilities	**1,029,452**	**120,776**	**81,259**	**66,472**	**65,376**	**42,274**	**101,620**	**1,507,229**
As at 31 December 2024								
Deposits at amortised cost from banks and customers	451,093	40,992	34,963	27,670	5,579	1,752	1,025	563,074
Cash collateral and settlement balances	76,658	29,745	—	—	—	—	—	106,403
Repurchase agreements and other similar secured borrowing	18,790	1,832	84	8,822	10,953	—	—	40,481
Debt securities in issue	2,937	16,981	5,938	3,593	18,365	17,563	46,183	111,560
Subordinated liabilities	—	96	65	80	2,283	1,777	10,726	15,027
Trading portfolio liabilities	56,908	—	—	—	—	—	—	56,908
Financial liabilities designated at fair value	160,604	23,256	16,968	15,709	29,999	21,427	34,407	302,370
Derivative financial instruments	278,620	27	18	17	304	307	403	279,696
Liabilities included in disposal groups classified as held for sale	—	3,726	—	—	—	—	—	3,726
Other financial liabilities	4,963	16	49	96	322	239	4,149	9,834
Total financial liabilities	1,050,573	116,671	58,085	55,987	67,805	43,065	96,893	1,489,079

Risk performance - Treasury and Capital risk (continued)

Maturity of off-balance sheet commitments given

The table below presents the maturity split of the 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)

	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
	£m	£m	£m	£m	£m	£m	£m	£m
As at 31 December 2025								
Contingent liabilities and financial guarantees	**25,372**	**—**	**1**	**1**	**—**	**—**	**—**	**25,374**
Documentary credits and other short-term trade related transactions	**1,103**	**—**	**—**	**—**	**—**	**—**	**—**	**1,103**
Standby facilities, credit lines and other commitments[1]	**423,420**	**—**	**—**	**—**	**63**	**17**	**3**	**423,503**
Total off-balance sheet commitments given	**449,895**	**—**	**1**	**1**	**63**	**17**	**3**	**449,980**
As at 31 December 2024								
Contingent liabilities and financial guarantees	25,322	22	1	1	—	—	—	25,346
Documentary credits and other short-term trade related transactions	1,432	1	—	—	—	—	—	1,433
Standby facilities, credit lines and other commitments[1]	421,648	—	—	—	68	—	—	421,716
Total off-balance sheet commitments given	448,402	23	1	1	68	—	—	448,495

Note:
1 Includes exposures relating to financial assets classified as assets held for sale.

Risk performance - Treasury and Capital risk (continued)

Capital risk

All disclosures in this section are unaudited unless otherwise stated.

Overview

The CET1 ratio, among other metrics, is a measure of the capital strength and resilience of Barclays. Maintenance of our capital resources is vital in order to meet the overall regulatory capital requirement, 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.

This section provides an overview of the Group's: (i) CET1 capital, leverage and own funds and eligible liabilities requirements; (ii) capital resources; (iii) risk weighted assets (RWAs); (iv) leverage ratios and exposures; and (v) own funds and eligible liabilities.

More details on monitoring and managing capital risk may be found in the risk management sections of the Barclays PLC Pillar 3 Report 2025 (unaudited).

Significant regulatory updates in the period

The Prudential Regulation Authority (PRA) has continued its phased implementation of the Basel 3.1 standards. Following near final policy statements in December 2023 and September 2024, the PRA announced in January 2025 that full implementation would be delayed until 1 January 2027, a timeline that has now been confirmed in the PRA's final rules published in January 2026. In July 2025, the PRA consulted on targeted amendments to the market risk framework and confirmed a staged approach to the Fundamental Review of the Trading Book (FRTB), under which implementation of the Internal Models Approach (IMA) will be deferred by one year to 1 January 2028, while all other FRTB elements remain scheduled for implementation from 1 January 2027. This timeline was also confirmed by the PRA in January 2026.

Key metrics

Common Equity Tier 1 ratio

14.3%

UK leverage ratio

5.1%

Own funds and eligible liabilities ratio as a percentage of RWAs

35.8%

Summary of performance in the period

The Group continues to be in excess of overall capital, leverage and MREL regulatory requirements.

The CET1 ratio increased to 14.3% (December 2024: 13.6%). Taking into account the impact of the £1.0bn share buyback announced today, the CET1 ratio as of 31 December 2025 would be reduced to 14.0% (at the top end of the 13-14% target range). The c.80bps increase in 2025 was driven by a CET1 capital increase of £2.5bn to £51.1bn and an RWA decrease of £1.4bn to £356.8bn

Significant movements in the year were:

- c.170bps increase from attributable profit
- c.100bps decrease driven by shareholder distributions including the interim dividend payment of 3.0p per share paid in September 2025, the completed £2.0bn share buybacks announced with FY24 and H125 Results, and the ongoing £0.5bn share buyback announced with Q325 Results, as well as the accrual for the FY25 dividend
- c.30bps increase from other CET1 capital movements, including an increase in the fair value through other comprehensive income reserve
- c.20bps decrease as a result of a £5.2bn increase in RWAs, excluding the impact of foreign exchange movements. This was primarily driven by lending growth in the UK businesses and an increase in USCB, including the acquisition of the GM portfolio, partially offset by the disposal of the German consumer finance business and of Barclays' joint venture interest in Entercard Group AB (Entercard)
- A £1.1bn decrease in CET1 capital due to a decrease in the currency translation reserve was partially offset by a £6.5bn decrease in RWAs as a result of foreign exchange movements
- The UK leverage ratio increased to 5.1% (December 2024: 5.0%), as Tier 1 capital increased by £3.2bn, partially offset by a £40.8bn increase in leverage exposure to £1,247.3bn. The increase in leverage exposure was largely driven by an increase in trading activity in IB and higher lending in Barclays UK and UKCB, partially offset by the strengthening of spot GBP against USD

Minimum capital requirements

As at 31 December 2025, the Group's Overall Capital Requirement for CET1, excluding any applicable PRA buffer, was 12.2% and comprised a 4.5% Pillar 1 minimum, a 2.5% Capital Conservation Buffer (CCB), a 1.5% Global Systemically Important Institution (G-SII) buffer, a 2.7% Pillar 2A requirement and a 1.0% Countercyclical Capital Buffer (CCyB).

The Group's CCyB is based on the buffer rate applicable for each jurisdiction in which the Group has exposures. The buffer rates set by other national authorities for non-UK exposures are not currently material.

The Group's Pillar 2A requirement is 4.8% with at least 56.25% to be met with CET1 capital, equating to 2.7% of RWAs. The Pillar 2A requirement, based on a point in time assessment, has been set as a proportion of RWAs and is subject to at least annual review.

The Group's CET1 target ratio of 13-14% takes into account minimum capital requirements and applicable buffers. The Group remains above its minimum capital regulatory requirements and applicable buffers.

Minimum leverage requirements

As at 31 December 2025, the Group was subject to a UK leverage ratio requirement of 4.1%. This comprises the 3.25% minimum requirement, a G-SII additional leverage ratio buffer (G-SII ALRB) of 0.53% and a countercyclical leverage ratio buffer (CCLB) of 0.3%.

The Group is also required to disclose an average UK leverage ratio which is based on capital on the last day of each month in the quarter and an exposure measure for each day in the quarter.

Minimum requirements for own funds and eligible liabilities

As at 31 December 2025, the Group was required to meet the higher of: (i) two times the sum of 8% Pillar 1 and 4.8% Pillar 2A equating to 25.5% of RWAs; and (ii) 6.75% of leverage exposures. CET1 capital cannot be counted towards both MREL and the buffers, meaning that the buffers, including the confidential institution-specific PRA buffer, will effectively be applied above MREL requirements.

Risk performance - Treasury and Capital risk (continued)

Capital resources

Capital ratios[1, 2]

As at 31 December	2025	2024
CET1	**14.3%**	13.6%
Tier 1 (T1)	**17.9%**	16.9%
Total regulatory capital	**20.4%**	19.6%
MREL ratio as a percentage of total RWAs	**35.8%**	34.4%

Own funds and eligible liabilities

As at 31 December	2025 £m	2024 £m
Total equity excluding non-controlling interests per the balance sheet	**77,784**	71,821
Less: other equity instruments (recognised as AT1 capital)	**(12,725)**	(12,075)
Adjustment to retained earnings for foreseeable ordinary share dividends	**(778)**	(786)
Adjustment to retained earnings for foreseeable repurchase of shares	**(271)**	—
Adjustment to retained earnings for foreseeable other equity coupons	**(36)**	(35)
Other regulatory adjustments and deductions		
Additional value adjustments (PVA)	**(1,956)**	(2,051)
Goodwill and intangible assets	**(8,255)**	(8,272)
Deferred tax assets that rely on future profitability excluding temporary differences	**(1,069)**	(1,451)
Fair value reserves related to gains or losses on cash flow hedges	**666**	2,930
Excess of expected losses over impairment	**(436)**	(403)
Gains or losses on liabilities at fair value resulting from own credit	**904**	981
Defined benefit pension fund assets	**(2,398)**	(2,367)
Direct and indirect holdings by an institution of own CET1 instruments	**(14)**	(1)
Adjustment under IFRS 9 transitional arrangements	**—**	138
Other regulatory adjustments	**(346)**	129
CET1 capital	**51,070**	48,558
AT1 capital		
Capital instruments and related share premium accounts	**12,758**	12,108
Other regulatory adjustments and deductions	**(33)**	(32)
AT1 capital	**12,725**	12,076
T1 capital	**63,795**	60,634
T2 capital		
Capital instruments and related share premium accounts	**8,835**	9,150
Qualifying T2 capital (including minority interests) issued by subsidiaries	**55**	367
Other regulatory adjustments and deductions	**(71)**	(33)
Total regulatory capital	**72,614**	70,118
Less : Ineligible T2 capital (including minority interests) issued by subsidiaries	**(55)**	(367)
Eligible liabilities	**55,106**	53,547
Total own funds and eligible liabilities[3]	**127,665**	123,298
Total RWAs (Unaudited)	**356,774**	358,127

Notes:
1 2024 comparatives for Capital and RWAs have been calculated applying the IFRS 9 transitional arrangements in accordance with the CRR. Effective from 1 January 2025, the IFRS 9 transitional arrangements no longer applied.
2 2024 comparatives for total capital were calculated applying the grandfathering of certain capital instruments within Tier 2 capital. Effective from 29 June 2025, the grandfathered instruments no longer qualified as Tier 2 capital.
3 As at 31 December 2025, the Group's MREL requirement, excluding the institution-specific confidential PRA buffer, was to hold £108.9bn of own funds and eligible liabilities equating to 30.5% of RWAs. The Group remains above its MREL regulatory requirement including the institution-specific confidential PRA buffer.

Risk performance - Treasury and Capital risk (continued)

Movement in CET1 capital

	2025 £m
Opening balance as at 1 January	**48,558**
Profit for the period attributable to equity holders	7,172
Own credit relating to derivative liabilities	(15)
Ordinary share dividends paid and foreseen	(1,200)
Purchased and foreseeable share repurchase	(2,500)
Other equity coupons paid and foreseen	(998)
Increase in retained regulatory capital generated from earnings	**2,459**
Net impact of share schemes	190
Fair value through other comprehensive income reserve	773
Currency translation reserve	(1,132)
Other reserves	(68)
Decrease in other qualifying reserves	**(237)**
Pension remeasurements within reserves	(14)
Defined benefit pension fund asset deduction	(31)
Net impact of pensions	**(45)**
Additional value adjustments (PVA)	95
Goodwill and intangible assets	17
Deferred tax assets that rely on future profitability excluding those arising from temporary differences	382
Excess of expected loss over impairment	(33)
Direct and indirect holdings by an institution of own CET1 instruments	(13)
Adjustment under IFRS 9 transitional arrangements	(138)
Other regulatory adjustments	25
Increase in regulatory capital due to adjustments and deductions	**335**
Closing balance as at 31 December	**51,070**

CET1 capital increased by £2.5bn to £51.1bn (December 2024: £48.6bn). Significant movements in the period were:

- £7.2bn of capital generated from profit partially offset by distributions of £4.7bn comprising:
  - £2.5bn share buybacks including the now completed £1.0bn announced with FY24 results and £1.0bn announced with H125 results and the ongoing £0.5bn share buyback announced with Q325 results
  - £1.2bn of ordinary share dividends paid and foreseen reflecting £0.4bn interim dividend paid in September 2025 and a £0.8bn accrual towards the FY25 dividend
  - £1.0bn of equity coupons paid and foreseen
- £0.2bn decrease in other qualifying reserves including a £1.1bn reduction in the currency translation reserve primarily as a result of the strengthening of spot GBP against USD, partially offset by a £0.8bn gain in the fair value through other comprehensive income reserve.

Risk performance - Treasury and Capital risk (continued)

Risk weighted assets

Risk weighted assets (RWAs) by risk type and business

	Credit risk		Counterparty credit risk				Market risk		Operational risk	Total RWAs
	Std	IRB	Std	IRB	Settlement risk	CVA	Std	IMA		
As at 31 December 2025	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Barclays UK	**16,731**	**55,037**	**132**	**8**	**—**	**43**	**177**	**—**	**13,697**	**85,825**
Barclays UK Corporate Bank	**3,878**	**18,341**	**89**	**312**	**1**	**4**	**31**	**343**	**3,510**	**26,509**
Barclays Private Bank & Wealth Management	**4,981**	**580**	**112**	**19**	**—**	**11**	**39**	**240**	**2,054**	**8,036**
Barclays Investment Bank	**44,961**	**49,750**	**21,986**	**19,442**	**165**	**3,030**	**12,018**	**20,111**	**25,238**	**196,701**
Barclays US Consumer Bank	**21,050**	**1,004**	**—**	**1**	**—**	**—**	**—**	**—**	**5,393**	**27,448**
Head Office	**5,405**	**5,439**	**1**	**5**	**—**	**—**	**219**	**59**	**1,127**	**12,255**
Barclays Group	**97,006**	**130,151**	**22,320**	**19,787**	**166**	**3,088**	**12,484**	**20,753**	**51,019**	**356,774**
As at 31 December 2024										
Barclays UK	15,516	55,301	146	11	—	74	228	—	13,181	84,457
Barclays UK Corporate Bank	3,932	15,680	106	336	—	12	16	548	3,282	23,912
Barclays Private Bank & Wealth Management	5,058	434	118	31	—	16	44	330	1,859	7,890
Barclays Investment Bank	40,957	49,231	21,889	24,094	70	2,913	12,442	23,023	24,164	198,783
Barclays US Consumer Bank	21,019	966	—	—	—	—	—	—	4,864	26,849
Head Office	6,580	8,162	1	20	—	4	—	212	1,257	16,236
Barclays Group	93,062	129,774	22,260	24,492	70	3,019	12,730	24,113	48,607	358,127

Movement analysis of risk weighted assets

Risk weighted assets	Credit risk £m	Counterparty credit risk £m	Market risk £m	Operational risk £m	Total RWAs £m
As at 31 December 2024	**222,836**	**49,841**	**36,843**	**48,607**	**358,127**
Book size	**13,766**	**(1,994)**	**(3,031)**	**2,412**	**11,153**
Acquisitions and disposals	**(3,322)**	**—**	**—**	**—**	**(3,322)**
Book quality	**(1,888)**	**(618)**	**—**	**—**	**(2,506)**
Model updates	**304**	**68**	**—**	**—**	**372**
Methodology and policy	**(305)**	**(229)**	**—**	**—**	**(534)**
Foreign exchange movement[1]	**(4,234)**	**(1,707)**	**(575)**	**—**	**(6,516)**
Total RWA movements	**4,321**	**(4,480)**	**(3,606)**	**2,412**	**(1,353)**
As at 31 December 2025	**227,157**	**45,361**	**33,237**	**51,019**	**356,774**

Note:
1 Foreign exchange movements does not include impact of foreign exchange for modelled market risk or operational risk.

Total RWAs decreased £1.4bn to £356.8bn (Dec 2024: £358.1bn).

Credit risk RWAs increased £4.3bn:

- A £13.8bn increase in book size primarily reflecting lending growth in UK businesses and business activity within IB
- A £3.3bn decrease in acquisitions and disposals reflecting the sale of the German Consumer Finance business and of Barclays' joint venture interest in Entercard, partially offset by the acquisition of the GM portfolio
- A £1.9bn decrease in book quality RWAs primarily driven by improvements in credit quality within the Barclays UK mortgages portfolio
- A £4.2bn decrease as a result of foreign exchange movements primarily due to the strengthening of spot GBP against USD

Counterparty credit risk RWAs decreased £4.5bn:

- A £4.5bn decrease in the RWAs primarily reflecting trading activity and the impact of foreign exchange movements due to the strengthening of spot GBP against USD

Market risk RWAs decreased £3.6bn:

- A £3.0bn decrease in book size due to trading activity within Global Markets

Operational risk RWAs increased £2.4bn:

- A £2.4bn increase in book size primarily driven by the inclusion of higher 2025 income compared to 2022

Risk performance - Treasury and Capital risk (continued)

Leverage ratios and exposures

Leverage ratios[1]

As at 31 December	2025 £m	2024 £m
UK leverage ratio[2]	**5.1%**	5.0%
T1 capital	**63,795**	60,634
UK leverage exposure	**1,247,313**	1,206,502
Average UK leverage ratio	**4.7%**	4.6%
Average T1 capital	**63,277**	60,291
Average UK leverage exposure	**1,358,364**	1,308,335

Notes:
1 2024 comparatives for UK leverage ratios have been calculated applying the IFRS 9 transitional arrangements in accordance with the CRR. Effective from 1 January 2025, the IFRS 9 transitional arrangements no longer applied.
2 Although the leverage ratio is expressed in terms of T1 capital, the leverage ratio buffers and 75% of the minimum requirement must be covered solely with CET1 capital. The CET1 capital held against the 0.53% G-SII ALRB was £6.6bn and against the 0.3% CCLB was £3.7bn.

The UK leverage ratio increased to 5.1% (December 2024: 5.0%), as Tier 1 capital increased by £3.2bn, partially offset by a £40.8bn increase in leverage exposure to £1,247.3bn. The increase in leverage exposure was largely driven by an increase in trading activity in IB and higher lending in Barclays UK and UKCB, partially offset by the strengthening of spot GBP against USD.

Foreign exchange risk (audited)

The Group is exposed to two sources of foreign exchange risk.

a) Transactional foreign currency exposure

Transactional foreign currency exposures represent exposure on banking assets and liabilities, denominated in currencies other than the functional currency of the transacting entity.

The Group's risk management policies are designed to prevent the holding of significant open positions in foreign currencies outside the trading portfolio managed by Barclays Investment bank which is monitored through VaR.

Banking book transactional foreign exchange risk outside of Barclays Investment bank is monitored on a daily basis by the market risk function and minimised by the businesses.

b) Translational foreign exchange exposure

The 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 CET1 capital.

The Group's strategy is to minimise the volatility of the CET1 ratios caused by foreign exchange movements, by matching the CET1 capital movements to the revaluation of the Group's foreign currency RWA exposures.

Functional currency of operations (audited)

	Foreign currency net investments £m	Borrowings which hedge the net investments £m	Derivatives which hedge the net investments £m	Structural currency exposures pre-economic hedges £m	Other equity Instruments £m	Remaining structural currency exposures £m
31 December 2025						
USD	**26,370**	**(4,406)**	**(2,141)**	**19,823**	**(5,450)**	**14,373**
EUR	**10,195**	**(6,097)**	**—**	**4,098**	**(1,310)**	**2,788**
INR	**1,489**	**—**	**(1,259)**	**230**	**—**	**230**
JPY	**544**	**(177)**	**—**	**367**	**—**	**367**
Other currencies	**2,007**	**(8)**	**(989)**	**1,010**	**(1,127)**	**(117)**
Total	**40,605**	**(10,688)**	**(4,389)**	**25,528**	**(7,887)**	**17,641**
31 December 2024						
USD	28,012	(6,243)	(2,230)	19,539	(5,846)	13,693
EUR	9,549	(5,655)	—	3,894	(264)	3,630
INR	1,403	—	(992)	411	—	411
JPY	628	(215)	—	413	—	413
Other currencies	2,037	(76)	(792)	1,169	(849)	320
Total	41,629	(12,189)	(4,014)	25,426	(6,959)	18,467

Risk performance - Treasury and Capital risk (continued)

Other equity instruments relate to exposures arising on foreign currency denominated preference share and AT1 instruments. These 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 2025, total structural currency exposure net of hedging instruments decreased to £17.6bn (2024: £18.5bn). Foreign currency net investments decreased to £40.6bn (2024: £41.6bn) driven predominantly by a £1.6bn decrease in USD, offset by £0.6bn increase in EUR. The hedges (excluding economic hedges) associated with these investments decreased to £15.1bn (2024: £16.2bn).

Pension risk review

From 1 July 2025, the Barclays Bank UK Retirement Fund (UKRF) was amended to become a sectionalised scheme to meet the requirements of the Financial Services and Markets Act 2000 (Banking Reform) (Pensions) Regulations 2015, creating two separate sections - the Barclays Bank Section and the Barclays UK Section.

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 contributory cash balance benefit and a voluntary 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.

The UKRF represents approximately 95.3% (2024: 96%) of the Barclays Group's total retirement benefit obligations globally, comprising approximately 91.5% in the Barclays Bank Section and approximately 3.8% in the Barclays UK Section.

Refer to the Management of pension risk section in the Barclays PLC Pillar 3 Report 2025 (unaudited) for more information on how pension risk is managed.

Assets

The Trustee Board of the UKRF defines its overall long-term investment strategy for each of the Barclays Bank Section and Barclays UK Section, investing across a broad range of asset classes. This results in a diversified portfolio comprising both return seeking assets and liability matching assets, designed to better align with future pension obligations. The two most significant risks within the asset portfolio are exposure to credit spreads and growth assets. The split of scheme assets is shown within Note 32 to the financial statements.

The fair value of the UKRF assets was £21.7bn as at 31 December 2025 (2024[1]: £21.9bn), comprising £20.9bn in the Barclays Bank Section and £799m in the Barclays UK Section.

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.

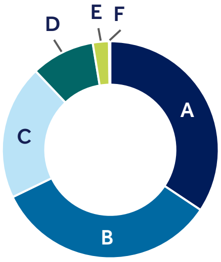
Pension risk is generated through the Group's defined benefit schemes and this risk is set to reduce over time as the main defined benefit scheme is closed to new entrants. The charts below outline the shape of the UKRF Barclays Bank Section and Barclays UK Section's liability cash flow profile respectively as at 31 December 2025 that takes account of the future inflation indexing of payments to beneficiaries.

Barclays Bank Section

The majority of the liability cash flows (approximately 97%) fall within the next 40 years, with payments peaking between 0 and 10 years and declining thereafter. The precise shape of the cash flow profile is sensitive to changes in inflation and longevity expectations, as well as member behaviour, including transfers out of the scheme. Transfers out accelerate the timing of benefit payments and therefore bring forward the associated liability cash flows.

For more detail on the UKRF's financial and demographic assumptions, see Note 32 to the financial statements.

Barclays Bank Section - Proportion of liability cash flows
(%)



A	0-10 years	34.4
B	11-20 years	33.5
C	21-30 years	20.1
D	31-40 years	9.5
E	41-50 years	2.4
F	51+ years	0.2

Barclays Bank Section - Net IAS 19 position[1]
(£bn)

1 Figures prior to 1 July 2025 refer to the UKRF before sectionalisation.

Risk performance - Treasury and Capital risk (continued)

The graph above illustrates the movement in the UKRF Barclays Bank Section's net IAS 19 position over the past four years. In 2025, favourable market movements largely offset the proportional transfer out of the surplus resulting from sectionalisation. From 1st July 2025 onward, the figures shown relate solely to the Barclays Bank Section.

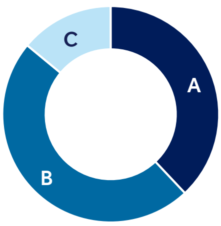
Refer to Note 32 to the financial statements for the sensitivity of the UKRF liabilities to changes in key assumptions.

Barclays UK Section

The majority of the liability cash flows (approximately 86%) fall within the next 20 years, with payments peaking between 11 and 20 years and declining thereafter. The shape of the cash flow profile is sensitive to changes in inflation expectations and member behaviour, including transfers out of the scheme. Transfers out accelerate the timing of benefit payments and therefore bring forward the associated liability cash flows.

Further information on the financial and demographic assumptions applied to the Barclays UK Section is provided in Note 32 to the financial statements.

Barclays UK Section - Proportion of liability cash flows
(%)



A	0-10 years	38
B	11-20 years	48
C	21-30 years	14
D	31+ years	0

Barclays UK Section - Net IAS 19 position

The Barclays UK Section's net IAS 19 position was £69m as at 31 December 2025, with the increase primarily driven by positive equity market returns.

Risk measurement

In line with Barclays' risk management framework, the assets and liabilities of the UK Retirement Fund (UKRF) are modelled within a Value-at-Risk (VaR) framework to assess the volatility of the pension position at a total portfolio level for each of the Barclays Bank Section and the Barclays UK Section. This approach enables the risks, diversification and liability matching characteristics of the UKRF's obligations and investments to be adequately captured. VaR is measured and monitored on a quarterly basis. Risks are reviewed and reported regularly at forums including the Board Risk Committee, the Group Risk Committee and the Pensions Executive Board. The VaR model takes into account the valuation of the liabilities on an IAS 19 basis (see Note 32 to the financial statements). The Trustee receives quarterly VaR measures on a funding basis.

The UKRF Barclays Bank Section pension liability is sensitive to post-retirement mortality assumptions, which are reviewed regularly (See Note 32 to the financial statements). To mitigate part of this risk the Barclays Bank Section has entered into longevity reinsurance contracts approximately 70% of current pensioner liabilities. By contrast, benefits under the UKRF Barclays UK Section are provided as a lump sum at retirement rather than a lifetime pension, and therefore the Barclays UK section is not exposed to post-retirement longevity risk.

In addition, the impact of pension risk to the Group is taken into account as part of the stress testing process. Stress testing is performed internally on at least an annual basis. The UKRF exposure is also included as part of regulatory stress tests.

Barclays defined benefit pension schemes affect capital in two ways:

- An IAS 19 deficit is treated as a liability on the Group's balance sheet. Movement in a deficit due to remeasurements, including actuarial losses, are recognised immediately through Other Comprehensive Income and as such reduces 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 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 Group at the particular time.

Pension risk is taken into account in the Pillar 2A capital assessment undertaken by the Prudential Regulation Authority (PRA) at least annually. The resulting Pillar 2A requirement forms part of the Group's overall capital requirement.

Risk performance - Treasury and Capital risk (continued)

Interest rate risk in the banking book

All disclosures in this section 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 amortised cost accounted and fair value through other comprehensive income (FVOCI) instruments. The potential volatility of net interest income is measured by an Annual Earnings at Risk (AEaR) metric which is monitored regularly and reported to senior management and the Barclays PLC Board Risk Committee as part of the limit monitoring framework.

For further detail on the interest rate risk in the banking book governance and framework refer to page 178 of the Barclays PLC Pillar 3 Report 2025 (unaudited).

Key metrics

AEaR
-£6m

AEaR across the Group from a -25bps Shock to forward interest rate curves.

Summary of performance in the period

Barclays PLC's strategy remains to stabilise income over time. The reduction in NII sensitivity during the year to a -25 basis points interest rate shock is driven by increased structural hedge duration reflecting the observed stability in deposit balances during the year.

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 NII metric as described on page 179 of the Barclays PLC Pillar 3 Report 2025 (unaudited), which includes documentation of the main model assumptions.

Net interest income sensitivity (AEaR) by currency (audited)

	2025		2024	
	+25 basis points	-25 basis points	+25 basis points	-25 basis points
As at 31 December	£m	£m	£m	£m
GBP	**31**	**(41)**	56	(76)
USD	**(43)**	**42**	(30)	30
EUR	**(4)**	**3**	(5)	5
Other currencies	**11**	**(10)**	3	(3)
Total	**(5)**	**(6)**	24	(44)

Risk performance - Treasury and Capital risk (continued)

Analysis of equity sensitivity

Equity sensitivity measures the overall impact of a +/-25bps movement in interest rates on retained earnings, FVOCI, cash flow hedging 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)

	2025		2024	
	+25 basis points	-25 basis points	+25 basis points	-25 basis points
As at 31 December	£m	£m	£m	£m
Net interest income	**(5)**	**(6)**	24	(44)
Taxation effects on the above	**1**	**2**	(6)	11
Effect on profit for the year	**(4)**	**(4)**	18	(33)
As percentage of net profit after tax	**(0.1%)**	**(0.1%)**	0.3%	(0.5%)
Effect on profit for the year (per above)	**(4)**	**(4)**	18	(33)
Fair value through other comprehensive income reserve	**(193)**	**200**	(189)	196
Cash flow hedge reserve	**(1,211)**	**1,211**	(907)	907
Taxation effects on the above	**393**	**(395)**	307	(309)
Effect on equity	**(1,015)**	**1,012**	(771)	761
As percentage of equity	**(1.3%)**	**1.3%**	(1.1%)	1.0%

Movements in the FVOCI reserve impact CET1 capital. However, movements in the cash flow hedging reserve and pensions remeasurement reserve recognised in FVOCI do not affect CET1 capital.

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 of 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. Daily VaR is calculated using a historical simulation methodology with a one-year equally weighted historical period, at the 95% confidence level.

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

	2025			2024		
	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%)	**49**	**60**	**32**	61	70	50

Daily Value at Risk has been lower on an average in 2025 relative to 2024 driven by a combination of position changes and market volatility reduction.

Risk performance - Operational risk

Operational risk

All disclosures in this section are unaudited unless otherwise stated.

Overview

Operational risks are inherent in the 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 Group's approved risk appetite

The Operational Risk principal risk comprises the following Risks Categories: Change Delivery Management Risk, Data and Records Management Risk; Financial Reporting Risk; Fraud Risk; Cyber & Information Security Risk; Operational Recovery Planning Risk; People Risk; Physical Security Risk; Premises Risk; Risk Reporting Risk; Supplier Risk; Tax Risk; Technology Risk and Transaction Processing Risk. The operational risk profile is also informed by a number of Connected Risks: Resilience, Third Party Service Provider and Model Connected Risk. These Connected Risks represent material threats to the Group, which extend across multiple risk categories, and therefore require a co-ordinated approach to overseeing the risk exposure and/or consolidated reporting.

For definitions of these risks refer to pages 183 of the Barclays PLC Pillar 3 Report 2025. To provide complete coverage of the potential adverse impacts on the 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 Group's operational risk profile, including events above the Group's reportable threshold, which have had a financial impact in 2025. The 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 Processing, Cyber and Information Security continue to be highlighted as key operational risk exposures.

For information on compliance risk events, see the compliance risk section.

Key metrics

83%

of the Group's net reportable operational risk events had a loss value of £50,000 or less

86%

of events by number are due to External Fraud

51%

of losses are from events aligned to External Fraud

49%

of losses are from events aligned to Execution, Delivery and Process Management

Summary of performance in the period

During 2025, total operational risk losses[1] increased to £143m (2024: £127m) while the number of recorded events for 2025 (2,943) increased from the level for 2024 (2,392). 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 and low impact events.

Operational risk profile

Within operational risk, there are a large number of smaller value risk events. In 2025,83% (2024: 86%) of the 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 33% (2024: 31%) of the Group's total net operational risk losses. A small proportion of operational risk events have a material impact on the financial results of the Group.

Risk performance - Operational risk (continued)

The analysis below presents the Group's operational risk events by Basel event category:

Operational risk events by Basel event category[1]

	of total risk events by count 2025	of total risk events by count 2024	% of total risk events by value 2025	% of total risk events by value 2024
Internal fraud	0.0	0.1	0.2	0.0
External fraud	86.0	83.9	50.6	41.9
Execution delivery and process management	13.6	15.8	48.8	38.6
Employment practices and workplace safety	0.0	0.0	0.0	0.0
Damage to physical assets	0.0	0.1	0.1	19.3
Clients, products and business practices	0.1	0.0	0.1	0.0
Business disruption and system failures	0.3	0.1	0.3	0.1

Note:

1 The data disclosed includes operational risk losses for reportable events impacting the Barclays Group business areas, having impact of > £10,000 and excludes 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, prior year losses are updated.

- External Fraud remains the category with the highest frequency of events at 86% of total events in 2025 (2024: 84%). Impacts from events arising from External Fraud increased in 2025 to £72m (2024: £53m) and accounted for 51% of total 2025 losses (2024: 42%). In this category, high volume, low impact events are driven by transactional fraud linked to debit and credit card activity, as well as the growing incidence of Authorised Push Payment (APP) scams, where customers are deceived into transferring funds to bad actors.
- Execution, Delivery and Process Management impacts increased to £70m (2024: £49m) and accounted for 49% (2024: 39%) of total operational risk losses. 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 Processing risk type. The overall frequency of events in this category decreased to 14% of total events by volume (2024: 16%).

Fraud remains an industry-wide threat with criminals using varied techniques to target customers and colleagues directly (i.e., Third Party Fraud), or the Group directly (i.e., First Party Fraud). In the UK and Europe, Authorised Push Payment (APP) Scams particularly continue to be a growing fraud type where customers are deceived to transfer funds from their account to a bad actor. The Group continues to work closely with external partners on various fraud prevention initiatives and continues to improve the fraud control environment through focused investment in enhancing fraud prevention systems and tools to combat the increasing level of fraud attempts whilst minimising disruption to genuine transactions. Fraud can also be committed by one or more employees across any of the Group entities (i.e., Internal Fraud or Unauthorised Trading Fraud) and the Group maintains a robust control environment to limit exposure.

Risk performance - Operational risk (continued)

Operational resilience has remained a key area of focus for the Group over the past year, with global events demonstrating that severe but plausible disruption is no longer theoretical. The evolving threat landscape, characterised by increasing cyber sophistication, geopolitical tension, supplier disruption and interconnected financial market infrastructures, highlights the need for resilience to be designed, embedded, tested and sustained across our important business services, if we are to avoid intolerable harm. The Group remains committed to sustained and disciplined investment in end-to-end resilience capabilities, as expectations evolve and the external operating environment becomes increasingly complex.

Operational risk associated with cybersecurity remains a top focus for the Group. The sophistication of threat actors continues to grow as noted by multiple external risk events observed throughout the year. Ransomware attacks across the global Barclays supplier base were observed and the Group worked closely with the affected suppliers to manage potential impacts to the Group and its clients and customers. The Group's cybersecurity incidents did not materially impact the Group's business strategy, results of operations, or financial condition, and there were no material loss events associated with cybersecurity recorded within the event categories above. The Group 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 the 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 Group continues to focus on automation and simplification programmes to improve the overall control environment and manage the risk of processing errors as well as ensuring scalability of operations.

For further information, refer to the **Operational Risk Management section.**

Note: total External Fraud losses in 2025 including those from events with impact <£10,000 amounted to £180m (2024: £171m).

Risk performance - Model risk, Compliance risk, Financial Crime risk, Reputation risk and Legal Risk

Model risk, Compliance risk, Financial Crime risk, Reputation risk and Legal risk

All disclosures in this section are unaudited unless otherwise stated.

Model risk

Barclays is committed to continuously improving model risk management and made a number of enhancements in 2025, including:

- Progressed with the established regulatory remediation programme to meet PRA's Supervisory Statement 1/23 Model risk management principles for banks. Key updates include enhancements to model development, validation and monitoring practices, establishment of additional roles and responsibilities with regards to models, introduction of quantitative processes framework and defined monitoring framework principles and design.
- Introduced Artificial Intelligence(AI) Standard in support of the AI Policy, further developed of approach to AI validation, including Generative AI, 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

Barclays is committed to continuing to drive the right culture throughout all levels of the organisation. Barclays 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 the management of Compliance Risk is ongoing and, alongside other relevant business and control management information, the Compliance Risk Dashboard is a key component of this.

Barclays continues to review the role and impact of Compliance Risk events and issues in the remuneration process at both the individual and business level.

The Compliance Risk Taxonomy was refreshed and re-categorised into six core risks, namely wholesale conduct, customer protection, data privacy, regulatory compliance, product design and review and laws, rules and regulation risks. Financial Crime Risk was also separated into a standalone principal risk category, to reinforce the visibility and focus on this key area of risk to the business.

Businesses have continued to assess and prioritise the consideration of driving good customer outcomes as we deliver the Group's strategic change agenda. As part of the 2025 Medium-Term Planning Process material Compliance Risks associated with strategic and financial plans were assessed and businesses ensured that driving good outcomes for customers is at the heart of these plans.

Throughout 2025, Compliance Risks, including outcomes for our customers, were raised by each business area for consideration by the relevant Board level committees. These Committees reviewed the risks raised and whether management's proposed actions were appropriate to mitigate the risks effectively.

Barclays continued to incur costs in relation to litigation and conduct matters, please refer to Note 25 Legal, competition and regulatory matters and Note 23 Provisions, for further details. Costs include customer redress and remediation. Resolution of these matters remains a necessary and important part of delivering the Group's strategy and an ongoing commitment to improve oversight of culture and conduct.

The control environment and compliance risk profile, informed by the Compliance Risk Dashboards, are presented to the respective Board Risk Committees and senior management. The Compliance Risk Dashboards set out key indicators in relation to Compliance risk and continue to allow effective oversight and decision-making and ensure the Group operates within Risk Appetite. Adherence to tolerances is assessed by the business through the key indicators as part of the Compliance Risk Dashboard governance process.

Barclays 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.

Financial Crime risk

Barclays is committed to driving a strong financial crime risk management culture across all levels of the organisation. Effective 1 January 2025, the Barclays Group elevated financial crime risk - incorporating anti-bribery and corruption, anti-money laundering (including terrorist financing), anti-tax evasion facilitation and sanctions risks (including proliferation financing) - to a principal risk within the Enterprise Risk Management Framework (ERMF), reflecting the evolving external threat landscape and regulatory expectations. During 2025, the financial crime principal risk was embedded, with financial crime and compliance risks being reported separately to the Board.

A key area of focus has been enhancing the financial crime control environment to address emerging threats and evolving laws, rules and regulations. Throughout 2025, the Board and relevant committees received updates on the Group's financial crime risk profile and emerging risks in the context of the macroeconomic, regulatory and geopolitical outlook. These risks continue to be monitored on an ongoing basis.

Effective 1st January 2026, the combined Financial Crime Policy was replaced by four policies that set detailed requirements for managing anti-bribery and corruption, anti-money laundering, anti-tax evasion facilitation and sanctions risks. This approach supports differentiated reporting and oversight of risk management across the four financial crime risks.

Risk performance - Model risk, Compliance risk, Financial Crime risk, Reputation risk and Legal risk (continued)

To further embed financial crime as a principal risk, the Barclays updated its financial crime risk appetite statement. Recognising the risk-based approach to financial crime risk management, Barclays financial crime risk appetite, approved by the Group Executive Committee, is that "Barclays has no appetite for Financial Crime Risk issues and events that are material, systemic, not promptly remediated, not reported to regulators in a timely manner where required, and/or are likely to result in regulatory enforcement".

The Group continued to incur costs in relation to litigation and conduct matters, refer to Note 25 Legal, competition and regulatory matters and Note 23 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 Group's strategy and an ongoing commitment to improve oversight of culture and conduct.

Reputation risk

Barclays is committed to identifying reputation risks and issues as early as possible and managing them appropriately. At a Group level throughout 2025, reputation risks and issues were overseen by the Board which reviews the processes and policies which Barclays identifies and manages reputation risk. Within the Barclays Bank UK Group and the Barclays Bank Group reputation risks and issues were overseen by the respective risk and Board risk committees. The top live and emerging reputation risks and issues within the Barclays Bank UK Group and the Barclays Bank Group are included within an over-arching twice yearly report at the respective Board level.

The Board reviews reputation risks escalated by businesses and considers whether management's proposed actions, for example attaching conditions to proposed client transactions or increased engagement with impacted stakeholders, were appropriate to mitigate the risks effectively. The Board also received regular updates with regard to key reputation risks and issues, including: Barclays response to global conflicts; association with sensitive sectors; access to banking; lending practices and the resilience of key Barclays systems and processes.

The Group continued to incur costs in relation to litigation and conduct matters, please refer to Note 25 Legal, competition and regulatory matters and Note 23 Provisions, for further details. Costs include customer redress and remediation, as well as fines and settlements. Resolution of these matters remains an ongoing commitment to improve oversight of culture and conduct and management of reputation risks.

Legal risk

The Group remains committed to continuous improvements in managing legal risk effectively. During 2025, the Group wide LRMF was updated in line with other Principal Risk Frameworks to provide consistency in the bank's risk management documentation. The Group wide LRMF continues to complement the CRMF, which includes the responsibility of the Legal Function to proactively identify, communicate and provide legal advice on applicable laws, rules and regulations.

Other improvements during 2025 included a review and update of the supporting legal risk policies, standards and mandatory training, reinforced by ongoing engagement with and education of the Group's businesses and functions by Legal Function colleagues. Legal risk tolerances and legal risk appetite have also been reviewed.

Tolerance 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 CRMF referred to above (and described in more detail on page 341) also mitigates legal risk.

Supervision of the Group

The 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 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 Group globally. We focus particularly on UK, US and EU regulation in this Report due to the location of the Group's principal areas of business. Regulations elsewhere may also have a significant impact on the 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 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 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 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. The Government is proposing that the FCA take on all of the PSR's responsibilities and relevant members of the Group will continue to be subject to payment supervision by the FCA when this transfer of powers comes into effect. Members of the Group may also be subject to claims managed by the Financial Ombudsman Service (FOS) which, whilst not a regulator, provides a means of redress in customer disputes without the involvement of the UK courts. In July 2025, the FCA consulted on modernising the redress system administered by the FOS with the aim of identifying areas of duplication and/or complexity and improving the role that the FOS plays in customer disputes.

Barclays Bank PLC and Barclays Bank UK PLC are both authorised with permission to accept deposits, amongst other things, and are subject to prudential supervision by the PRA and to conduct regulation and supervision by the FCA. Barclays Bank UK PLC is the ring-fenced bank within the Barclays Group. Barclays Bank PLC is the non ring-fenced bank within the Barclays Group.

Supervision and regulation (continued)

Barclays Bank PLC is subject to prudential supervision on a solo-consolidated basis and the Barclays Bank UK Group is subject to prudential supervision on a sub-consolidated basis and on an individual basis.

The 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), which provides clients with access to equities and equity financing services across European and Asian markets, is authorised and subject to prudential supervision by the PRA as a PRA-designated investment firm and is subject to conduct regulation and supervision by the FCA.

Certain members of the Barclays Group are regulated on a solo basis by the FCA, including Barclays Investment Solutions Limited, Barclays Asset Management Limited, Clydesdale Financial Services Limited and Kensington Mortgage Company Limited. The Group also has appointed representative arrangements in place: (i) Barclays Execution Services Limited is an appointed representative of Barclays Bank PLC and Barclays Bank UK PLC; (ii) Barclays Global Service Centre Private Limited is an appointed representative of Barclays Bank PLC, Barclays Bank UK PLC and Clydesdale Financial Services Limited;, and (iii) Tesco Stores Limited is an introducer appointed representative of Barclays Bank UK 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 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, stress testing, regular supervisory visits and regular continuous assessment meetings with the Group's management and relevant stakeholders to discuss matters such as strategy, governance, controls, 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 Group relating to resolution preparedness.

The FCA's supervision of the UK firms in the Group is carried out through a combination of proactive engagement meetings, regular supervisory visits, information gathering and regular meetings with the Group's management and relevant stakeholders to discuss matters such as business and 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, operational resilience (including cyber risk), the controls framework and payment account access and closures.

PRA supervision has focused on strategic transformation, financial and operational resilience (including cyber risk), governance, capital 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 UK law following the UK's departure from the EU (known as "assimilated law"). The Financial Services and Markets Act 2023 (FSMA 2023) established a framework for the revocation of assimilated law relating to financial services. 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.

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 to adapt systems and controls, as a result of these developments, 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. 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 Group's operations in the EU are authorised and regulated by a combination of its home regulators and host regulators in the EU countries where the 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 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.

Supervision and regulation (continued)

The Group provides the majority of its cross-border banking and investment services to EEA clients via Barclays Bank Ireland 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. 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. These CRD VI changes are currently pending Member State implementation from January 2026 and should enter into force in the majority of jurisdictions from January 2027. As a result of CRD VI, Barclays Bank PLC and BCSL may be limited in their ability to provide certain core banking services into the EU from January 2027. Barclays Bank PLC has a branch in Paris (to facilitate access to TARGET 2), which is regulated by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and will also be subject to new regulatory requirements under CRD VI.

On 21 January 2026, Barclays Bank Ireland PLC announced that it had commenced the implementation of its plan to re-domicile its registered office from Dublin to Paris, which is to be effected by changing its corporate form to a Societas Europaea followed by a transfer of its registered office. The change of corporate form will be effected via a court approved merger process, which commenced in Q4 2025 and is expected to complete in Q4 2026. Following completion of the merger, Barclays Bank Ireland PLC (then to be named, with effect from completion of the merger, Barclays Europe SE) intends to apply for the relocation of its registered office to Paris. Following this re-domiciliation, Barclays Europe SE would be subject to supervision by the ACPR, the Autorité de Marchés Financiers and the European Central Bank. The re-domiciliation is subject to certain conditions, including the approval of those regulators. It is expected to be completed in H1 2027.

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 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 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 Group's ultimate US holding company that holds substantially all of the 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 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 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 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). The 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.

Supervision and regulation (continued)

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, Middle East and Africa

The Group's operations in Asia Pacific, Middle East and Africa 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 EU. Under the assimilated law version of the CRR (the UK CRR), the 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), a Tier 1 capital ratio of 6.0% of RWAs and a total capital ratio of 8.0% of RWAs. However, in practice the Group is required to and does hold capital significantly in excess of this requirement. Additional capital requirements apply to the Group including Pillar 2A minimum requirements and capital buffers, including the capital conservation buffer (CCB), the countercyclical capital buffer (CCyB), the other systemically important institutions (O-SII) buffer and the global systemically important institutions (G-SII) 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 (including via the G-SII buffer requirement) above the level otherwise required by Basel III standards.

The Group is subject to a 'combined buffer requirement' consisting of (i) a CCB of 2.5% of RWAs, (ii) systemic risk buffers (G-SII and O-SII buffers) and (iii) a CCyB of 1% of RWAs. The level of the G-SII buffer is set by the PRA which follows the Basel Committee on Banking Supervision G-SIB framework. The G-SII buffer ranges from 1% to 3.5% of RWAs in line with a bank's systemic importance and must be met with CET1 capital. On 27 November 2025, the FSB published an update to its list of G-SIBs, maintaining the 1.5% G-SII buffer that applies to the Group. The O-SII buffer can be set between 0% and 3% and has to be met solely with CET1 capital. The O-SII buffer rate applicable to Barclays Bank UK PLC is currently set by the PRA at 1% of RWAs. The CCyB is used to help ensure capital levels respond to the risk environment. By increasing the CCyB when vulnerabilities are judged to be building up, the FPC seeks to ensure banks have an additional cushion of capital with which to absorb potential losses, enhancing their resilience and helping to ensure the stable provision of financial services. The CCyB is composed of UK and overseas elements, set by authorities in individual jurisdictions. In the UK, the CCyB rate is set by the FPC and is calculated by reference to banks' relevant UK exposures. The CCyB rate applicable to the Group is currently 1%. Like the CCB, 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 February and October 2025, the PRA issued two policy statements (PS2/25 and PS18/25) regarding 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. In January 2026, the final rules retiring the refined methodology to Pillar 2A were published as part of PS2/26.

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.

On 2 December 2025, the FPC published its assessment of the appropriate level of capital requirements for the UK banking system. The FPC judged that the appropriate benchmark for the system-wide level of tier 1 capital is now at around 13% of RWAs, compared with 14% of RWAs in 2015.

As at 31 December 2025, the Group's overall capital requirement for CET1 (excluding any applicable PRA buffer) was 12.2% comprising a 4.5% Pillar 1 minimum, a 2.5% CCB, a 1.5% G-SII buffer, a 2.7% Pillar 2A requirement and a 1% CCyB.

On 22 April 2025, the PRA announced that it will introduce new rules that require firms to manage their step-in risk, that is, the risk which a bank incurs when it provides financial support to an unconsolidated entity that is facing stress in the absence of, or in excess of, any contractual obligations to provide such support. The PRA's supervisory statement concerning step-in risk takes effect from 1 January 2026 and will require firms to put in place policies and processes to identify and evaluate their relationship with certain unconsolidated entities where they act as a sponsor, invest in their debt or equity, or have other contractual or non-contractual exposures that lead them to be exposed to the performance of the entity. Additionally, they must consider whether there are any indicators of significant step-in risk in relation to those entities that have been assessed as being material and determining whether mitigating action is needed when significant step-in risk is identified.

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

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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 addition, with effect from 1 January 2026, the PRA has made amendments to the Own Funds and Eligible Liabilities (CRR) Part and Definition of Capital Part of the PRA Rulebook, among others, to assimilate provisions of the onshored CRR into the PRA Rulebook, with certain changes. Further, on 28 October 2025, through PS 19/25, the PRA issued "near final" provisions proposed to take effect on 1 January 2027. As well as transposing certain UK CRR provisions into the PRA Rulebook, including those on securitisation, groups and consolidation, settlement risk and counterparty credit risk, with accompanying changes to PRA guidance, the near-final provisions implement a number of policy changes, in particular in relation to securitisation. In January 2026, through PS3/26, the PRA published the final policy materials and confirmed that there is no substantive difference between these and the near final rules published as part of PS19/25. In PS1/26, the PRA announced that it is taking forward adjustments to the implementation of the comprehensive amendments to the market risk framework under Basel 3.1, known as the Fundamental Review of the Trading Book (FRTB), and is seeking to implement the majority of these changes from 1 January 2027 (except the introduction of a new internal model approach (FRTB-IMA), the implementation of which will be delayed to 1 January 2028).

PRA CP14/24 proposed certain changes to the large exposures (LE) framework. A number of the proposals took effect on 1 January 2026. The PRA has removed the option for firms to exempt exposures to the UK deposit guarantee scheme (DGS) for large exposure limits, as well as the option for firms to use immovable property as credit risk mitigation (CRM) for large exposure purposes and it has eliminated the stricter requirements on large exposures to certain French counterparties. The PRA is expected to finalise the remaining proposals in CP14/24 in 2026. These proposals include (i) removing the possibility for firms to use internal model (IM) methods to calculate exposure values to securities financing transactions (SFTs), (ii) amending the limits to trading book exposures for third-party exposures and for intra-group exposures and (iii) introducing a mandatory substitution approach to calculate the effect of the use of CRM techniques.

Additional minimum prudential requirements that apply to the 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.

In May 2025, the PRA published a policy statement (PS6/25), amending Supervisory Statement SS5/21, on its approach to the supervision of international firms. Although the policy statement is primarily relevant to non-UK banks and investment firms, parts of the policy statement are also relevant to UK banks and set out the PRA's updated expectations regarding their booking model arrangements.

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 2027 by the European Commission through a Delegated Regulation. The European Commission is also consulting on the approach for implementing the FRTB. The European Banking Authority (EBA) has 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), this currently aligns the EU with the UK. The EU implementation otherwise largely follows Basel 3.1 and has significant overlap with the proposed UK rules, save for important divergences, for example on certain exposure classes, risk weights and application of models.

The European Commission has also proposed a new approach to securitisation from a prudential perspective with a view to stimulating the market in securitised products.

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 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.

Stress testing

The Group and certain of its members 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

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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 Group is a bail-in strategy with a single point of entry at Barclays PLC. Under such a strategy, Barclays PLC's subsidiaries 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 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 periodically, although the 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 through exercising its various powers to direct to address any firm relevant issues.. 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 identified that there were no shortcomings, deficiencies or substantive impediments in the 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. Barclays is taking steps to ensure that these enhancements are made as part of Barclays' broader commitment to further embed, test and refine the Group's resolution capabilities and operational preparedness for resolution. In January 2025, amendments to the PRA rules were introduced that 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 require firms to submit their next resolution self-assessment 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 Group, additional resolution or bankruptcy provisions may apply to certain non-UK 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 Group's 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 European 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 of 2024-2029.

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 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 Group submitted a "targeted plan" in December 2021. The agencies did not identify any shortcomings or deficiencies

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with the Group's 2021 US Resolution Plan. In August 2024, the FRB and FDIC finalised new guidance for foreign triennial full filers (such as the 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 Group. The Group submitted its "full" US Resolution Plan in respect of its US operations on 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 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 absorbing 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 2025 on the basis of a bail-in resolution strategy comprising a binding minimum capital requirement of 12.8% of RWAs, MREL of 25.7% of RWAs, and a loss-absorbing capacity (MREL plus buffers) of 30.5% 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. On 15 July 2025, the BoE published a policy statement on amendments to its statement of policy (the MREL SoP) regarding its approach to setting MREL, which took effect on 1 January 2026. The focus of the amendments is consolidation and simplification through the restatement (where appropriate and with modifications) of provisions relating to TLAC in the MREL SoP.

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 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 Group's overall resolution plan treats BUSL as a non-resolution entity, from issuing TLAC to entities other than those within the Group.

The Financial Services Compensation Scheme (FSCS)

The UK has a statutory compensation fund called the Financial Services Compensation Scheme (FSCS), which is intended to protect customers on the failure of authorised financial services firms, and which is funded by way of annual levies on most authorised firms. The maximum cover under the FSCS in relation to a deposit is £120,000 per eligible depositor per bank.

The Bank Resolution (Recapitalisation) Act 2025 introduced a new option for funding the continuity of banking services through the recapitalisation of a failing firm. The funds needed for recapitalisation may now be provided by the FSCS at the direction of the Bank of England and subsequently recouped via a levy on firms. This option may support the sale of all, or part, of the firm to a private sector purchaser or a transfer to a bridge bank, where that is judged to be in the public interest. This expands the functions of the FSCS in relation to the failure of deposit takers beyond enabling the making of compensation payments to eligible depositors of failed banks to include enabling the making of recapitalisation payments where required to do so by the Bank of England acting as resolution authority.

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-focused 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 UK Chancellor's 2025 Mansion House speech the UK Government committed to meaningful reform of the UK's ring-fencing regime, with HM Treasury confirming it will undertake a short review of the ring-fencing regime, working with the Bank of England and reporting into the Economic Secretary to HM Treasury. The review will focus on allowing ring-fenced banks to provide more products and services to UK businesses, addressing inefficiencies in how ring-fencing is applied to banking

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groups, and examining the case for allowing banks to share resources and services more flexibly across the ring-fence. The review is expected to report by early 2026. In the EU, structural reform is taking the form of further integration of the banking union and on the financial markets side the Savings and Investment Union (SIU), which intends to further consolidate and integrate financial and capital markets in the EU. This will coincide with an increasing focus on legislation by way of directly applicable regulations and the intended transfer of further supervisory powers to the European Supervisory Authorities (ESAs), including, in particular, the European Securities and Markets Authority (ESMA). Aside from the SIU, which consists of a number of initiatives, structural reform in the EU will also occur through the Retail Investment Strategy (RIS), which intends to incentivise further retail investment in the EU. Under the RIS, retail investors should receive a higher level of investor protection, the use of inducements will be limited, information to client will focus on value for money over less tangible aspects and there will be increasing efforts to improve financial literacy and crack down on financial influencers and other unregulated investment advisers.

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 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 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 further harmonise supervision of financial markets and market infrastructure and integrate the approach to the EU financial markets under the Markets in Financial Instruments Directive and Markets in Financial Instruments Regulation (collectively referred to as MiFID II), which will affect how the 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 regulatory simplification and the development of the SIU, with a goal of increasing the involvement of investors in the EU financial markets. As part of this, in December 2025 the European Commission announced its plan for the further development of capital market integration and supervision within the EU, which will lead to significant central securities depositories (CSDs), central counterparties (CCPs) and trading venues being subjected to direct supervision by the ESMA. This follows the trend of granting ESMA supervisory powers over key market infrastructure parties, such as trade repositories, consolidated tape providers and credit rating agencies.

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 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 Group, including by imposing collateral requirements on the 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 Group entities is currently permitted under temporary equivalence and recognition regimes in the UK and the EU.

In the UK, the temporary recognition regime for non-UK CCPs has now been extended until the end of December 2027. 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 August 2025, the PRA published a policy statement on amendments to trade repository reporting requirements under UK EMIR. The implementation date for these changes is 26 January 2026.

In the EU, access to the clearing services of certain non-EU CCPs used by Group entities is permitted through recognised third country CCPs. For UK CCPs, this recognition is currently envisaged to end on 30 June 2028. 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,

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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, and Barclays Bank PLC is a non-US security-based swap dealer, whether and the extent to which such CFTC or SEC 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, 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 CFTC and the SEC, 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 2024, the standard settlement cycle in the U.S. for most broker-dealer transactions in securities was shortened from two business days after the trade (T+2) to one business day after the trade (T+1). The UK and EU markets will 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. On the same day, the SEC also 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. These reporting rules (with respect to the securities lending and monthly large short positions reporting requirements, but not the bona fide market maker identifier) were successfully challenged in court, and have been remanded to allow the agency to consider the rules' cumulative impact. On 3 December 2025, the SEC provided an extension of the compliance dates for large short position reporting to 2 January 2028 and for securities lending reporting to 28 September 2028.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 certain transactions in US Treasury securities. These rule amendments could impose additional costs on the 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 has been extended to 31 December 2026 for cash transactions and 30 June 2027 for repurchase transactions.

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 rule survived a recent challenge and the SEC has extended the compliance timelines for the amendments regarding the minimum pricing increment and access fee caps until November 2026 and the exchange fee determinability rule until February 2026.

On 20 December 2024, the SEC adopted amendments to the broker-dealer customer protection rule to require certain broker-dealers to perform their reserve computations for accounts of customers and proprietary accounts of broker-dealers and make any required deposits into their reserve bank accounts daily rather than weekly. As a result of the amendments, BCI will be required to adjust its existing processes to move from a weekly to a daily computation. The compliance date for the rule change was initially 31 December 2025; however, the SEC has extended the compliance date until 30 June 2026.

Other regulation

Consumer protection, non-financial misconduct, SMCR reform, access to cash, account closures and push payment fraud

The FCA's consumer duty has effect in relation to 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' relationships with partners, suppliers and third parties.

There are ongoing costs for the industry as a result of extensive monitoring and evidential requirements in respect of the consumer duty. The FCA has engaged with the industry on streamlining its rules in light of the introduction of the consumer duty, and will continue to look for opportunities to streamline requirements and reduce complexity for businesses. The consumer duty remains a priority for the FCA for its supervision of the retail banking industry and its expectations for firms to embed the consumer duty into their culture and purpose continue in 2026. Other areas of strategic priority for the FCA's supervision

Supervision and regulation (continued)

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.

The FCA is consulting on a new regulatory regime in the UK for previously unregulated buy-now-pay later consumer credit (CP25/23).

The FCA is consulting on an industry-wide compensation scheme for motor finance customers who were treated unfairly, following the landmark Supreme Court judgement in *Johnson v FirstRand Bank Ltd (London Branch) (t/a MotoNovo Finance)* [2025] UKSC 33. In *Johnson*, the Supreme Court found that an unfair relationship under the Consumer Credit Act 1974 existed between a motor finance lender and its customer, based on the particular facts of the case. The final terms of the compensation scheme remain uncertain pending responses to the FCA's consultation paper and publication of the FCA's Policy Statement and final scheme rules, which is currently expected in early 2026. Accordingly, the legal and regulatory outcomes and the nature, extent and timing of any remediation action, if required, remain uncertain.

On 12 December 2025, following its 2 July 2025 consultation paper (CP25/18). the FCA published its policy statement in relation to tackling non-financial misconduct in financial services (PS25/23). The policy statement provides firms with more power to take robust action against serious misconduct and provides further clarity on situations where non-financial misconduct amounts to a breach of the FCA's rules. The new guidance comes into force on 1 September 2026 alongside the new FCA rule explicitly covering bullying, harassment and violence.

In July 2025, the PRA and the FCA both released consultation papers (CP18/25 and CP25/21) regarding SMCR reform, including allowing greater flexibility for firms where unexpected or temporary changes in management are required. The UK government is also considering the abolition of the certification regime to replace this with a more proportionate approach.

FSMA 2023 introduced new provisions under which HM Treasury may designate current account providers that have a significant role in the provision of UK cash access and empowered the FCA to make rules to ensure the reasonable provision of cash access services. In September 2024, the FCA introduced new rules which require designated firms to consider the impact of a closure of cash access facilities (branches, shared banking hubs and cash machines that provide cash deposit or withdrawal services) on their customers' everyday banking needs and the availability and provision of alternatives. Barclays Bank UK PLC has been designated as a relevant current account provider and is therefore subject to the rules.

HM Treasury previously announced plans to increase the notice period for closing accounts to 90 days and introduce a requirement to provide reasons for the decision to exit (save in financial crime exits), which have now been enshrined through statutory instrument (The Payment Services and Payment Accounts (Contract Termination)(Amendment) Regulations 2025) that are to take effect from April 2026. FSMA 2023 contains provisions mandating that the Payment Systems Regulator (PSR) and any successor regulator (including, as described above, the potential transfer of the PSRs functions to the FCA) 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 2026 of the proposed amendment to the Payment Services Directive and the new Payment Services Regulation (together known as PSD3). 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. In the US, changing federal enforcement priorities and legal interpretations regarding diversity and inclusion programmes present unknown and evolving risks.

Data protection

Most jurisdictions where the 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. As the global data protection regulatory landscape continues to evolve, non-compliance with applicable requirements may result in regulatory fines and other penalties. In response to ongoing legal and regulatory developments, Barclays will continue to assess potential regulatory nexus arising from its operational and geographic footprint.

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 UK's Data (Use and Access) Act 2025 (DUAA) became law on 19 June 2025, with the first provisions coming into force on 19 August. One of the effects on the DUAA is a divergence between the EU GDPR and UK GDPR, including the threshold approach to international data transfers, and more flexible rules for automated decision-making. Most provisions of the EU's Data Act (Regulation (2023/2854) came into effect on 12 September 2025. The Act aims to enhance the availability and reuse of data generated by consumers and businesses, particularly from connected products and related services, by granting users easier access to their data and enabling share between service providers.

Supervision and regulation (continued)

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 as defined in national and sectoral rules (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, the implementation rules of the Digital Personal Data Protection Act, 2023 (namely Digital Personal Data Protection Rules, 2025) has been published on 13 November 2025 to fully implement the Act in 2027 in a phased manner 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 processing of, and offering goods and services to, India-based individuals outside of India.

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 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 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. Additionally, in September 2025, the California Privacy Protection Agency amended the CPRA regulations, with various implementation deadlines through 2028. The amended CPRA regulations contain significant updates, including compliance obligations for use of automated decision making technologies to make a signification decision (including financial, lending and employment-related decisions) about a consumer, risk assessment obligations and requirements to conduct cybersecurity audits. 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 programme 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. However, in August 2025, the CFPB released an Advanced Notice of Proposed Rulemaking, titled "Personal Financial Data Rights Reconsideration", to seek comments related to implementation of Section 1033, and, in October 2025, the US District Court for the Eastern District of Kentucky issued a preliminary injunction preventing the CFPB from enforcing the Required Rulemaking on Personal Financial Data Rights while the rule is reconsidered.

Finally, jurisdictions are increasingly enacting data localisation laws that require certain categories of data to be stored within specific geographic boundaries or not be accessible in certain specified foreign jurisdictions or by certain foreign actors. For example, the Department of Justice's final rule implementing Executive Order 14117 prohibits or restricts certain transactions that may enable access by countries of concern or covered persons to US Government-related data or Americans' bulk sensitive personal data. In a review of its cross-border data transfer process, the Group found no transactions implicated by the rule and is implementing measures to ensure continued compliance with the rule.

Supervision and regulation (continued)

Cybersecurity, cryptoassets 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 in-scope firms to identify their important business services, set impact tolerances metrics for the maximum tolerable level of disruption for each important business service, and carry out an annual self-assessment of the firm's operational resilience, which is approved by the board and informed by the firm's scenario testing regime. 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's consultation period ended in March 2025 and we are still expecting publication of its finalised rules. The PRA has stated that the proposed implementation date for its proposals will be no earlier than the second half of 2026. The UK Government's response to its consultation on proposed legislative measures on ransomware was published in July 2025, considering proposals for the introduction of a ransomware payment prevention regime and mandatory incident reporting. It is unclear at this stage whether or how these proposals will be reflected in legislation and/or regulation, but if progressed they would constitute the first specific measures in UK law to counter ransomware payment.

On 17 July 2024, the Basel Committee on Banking Supervision (BCBS) finalised revisions to the prudential framework for banks' exposures to cryptoassets. The standards set out minimum requirements, which means implementation by BCBS members may result in stricter standards that may include outright prohibition in bank dealings in certain cryptoassets. Implementation of the standards by member jurisdictions, including the PRA and BoE, was expected by 1 January 2026, although the BCBS announced in November 2025 that it intends to conduct a further, targeted review of the standards. Furthermore, on 6 November 2023, the PRA published a 'Dear CEO' letter setting out its expectations for deposit-takers which plan to introduce innovations in the use of deposits, e-money and regulated stablecoins. In this letter, the PRA provided that deposit-taking entities must only provide innovations in digital money to retail customers in the form of deposits, and any issuance of e-money or regulated stablecoins to retail customers must be done from separate non-deposit taking entities within the banking group. Separately, amendments to the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLRs) have brought cryptoassets within the scope of AML restrictions, including customer due diligence requirements and the FATF travel rule. Banks must therefore comply with these requirements when facilitating transactions in cryptoassets. The Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026 will introduce new regulated activities in relation to certain categories of cryptoassets from 25 October 2027, and enable the FCA to issue directions, guidance and rules in advance of full commencement on 25 October 2027.

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 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 provides 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. Particularly for systemic banks, (digital) operational resilience and cybersecurity are at the forefront of the ECB's and other supervisory authorities' priorities. 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. By 17 April 2025, EU member states were required to identify and list the specific entities that fall within the scope of NIS2. The extraterritorial effect of NIS2 means entities established outside the EU may fall within its ambit if providing certain services in the EU. The UK's original NIS Directive was transposed into UK law under the NIS Regulations 2018. These regulations are set to be strengthened under the new Cyber Security and Resilience Bill , which was introduced to Parliament on 12 November 2025. The Bill aims to enhance national resilience by expanding the scope of the regulations to cover more digital services and supply chains, increase incident reporting and grant regulators greater powers to collect information and investigate potential vulnerabilities. In 2023, the SEC adopted 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. Pursuant to those rules, 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, the New York Department of Financial Services (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

Supervision and regulation (continued)

significant updates, including enhanced notification requirements, cybersecurity governance obligations, and requirements applicable to cybersecurity policies and procedures. In May 2025, requirements to conduct automated scans or manual reviews of information systems for vulnerability management, to implement policies governing access privileges and to implement certain controls for monitoring and responding to threats (such as controls designed to protect against malicious code) went into effect, and in November 2025, requirements to expand multi-factor authentication and to implement policies and procedures for the creation and maintenance of an asset inventory became effective. 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' ability to deliver services during periods of potential disruption. Such measures are resulting in increased technology and compliance costs for the Group.

Artificial intelligence

A number of jurisdictions where the Barclays Group operates have adopted or are considering adopting new 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 (albeit this obligation may be removed as a result of the EU's Digital Omnibus proposals put forward in November 2025) and categorises AI systems based on their level of risk. It has a phased approach to compliance, with the literacy obligations and the first set of requirements prohibiting certain uses of AI having applied from 2 February 2025, and rules on general purpose AI models having applied from 2 August 2025. It also establishes a rigorous compliance regime for high-risk AI applications (which provisions apply from 2 August 2027, subject to possible delay under the EU's Digital Omnibus proposals). The extraterritorial effect of the 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.

In the U.S. on the other hand, some states are considering enacting or have already enacted comprehensive laws that adopt risk-based frameworks and principles (such as Colorado's An Act Concerning Consumer Protections In Interactions with AI Systems and the Texas Responsible AI Governance Act), while other states are focusing on applications perceived as higher-risk (such as laws regulating the use of automated decision tools and AI in recruitment, hiring, promotion, and other employment decisions). Comprehensive state laws impose heightened obligations on developers and deployers of high-risk AI systems (which include tools that make financial, lending and employment-related decisions), such as by requiring impact assessments, transparency disclosures and risk-management controls. Laws regulating higher risk applications, such as New York City Local Law 144 and amendments to civil rights laws in California and Illinois, require employers to conduct bias audits, provide transparency through notice to candidates and employees, ensure such systems do not discriminate against applicants or employees on the basis of protected classes, and maintain records of automated-decision system data and audit results. Notably, however, in December 2025, President Trump signed an executive order outlining various plans to attempt to restrict certain U.S. states from enforcing their own AI laws, in favour of a "single national framework". The Group is continuing to monitor these developments and the applicability of state laws regulating AI.

Regulatory initiatives on sustainability

Regulatory initiatives on sustainability in the UK

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. In April 2025, the FCA confirmed that it had paused plans to extend the SDR and investment labels regime to portfolio management.

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 (CMA), in relation to digital markets, merger control and antitrust rules, as well as consumer law.

As a result of these reforms, the CMA is 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 been actively focusing on misleading environmental claims. 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 consulted on how best to take that commitment forward in June to September 2025 but has yet to publish the outcome. 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. In June 2025, the IFRS Foundation published a guidance document about transition plans, building on the material developed by the TPT. If the Government and UK regulators do mandate transition plan disclosures, it is widely expected that the work of the TPT will likely form the basis of these requirements.

Supervision and regulation (continued)

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 carried out its consultation on the UK SRS in June to September 2025 and is expected to publish the first two UK Sustainability Reporting Standards (SRS) in early 2026. As there is some overlap between IFRS S2 and the TPT Disclosure Framework, the FCA reviewed, through its consultation on implementing UK-endorsed ISSB standards, the possibility of 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).

On 3 December 2025, the PRA published a policy statement (PS25/25) providing feedback to responses the PRA received in relation to consultation paper 10/25 (Updates to SS3/19 (Enhancing banks' and insurers' approaches to managing the financial risks from climate change)). The PRA also published a supervisory statement (SS5/25) which replaces SS3/19 and sets out updated PRA expectations for firms' approaches to managing climate-related risks, reflecting new international standards and embedding improved understanding of climate-related risks. It aims to ensure that firms build the capabilities and resilience needed to effectively manage these risks. SS5/25 took effect on 3 December 2025. The PRA confirmed in PS25/25 that firms will be expected to carry out an internal review of their current status in meeting the expectations set out in SS5/25 within six months of commencement and the PRA does not expect firms to close identified gaps within the six-month review period.

Regulatory initiatives on sustainability 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, which has published a draft amending regulation. ESMA has also published guidelines for funds in-scope of SFDR regarding the use of 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.

In February 2025, the European Commission published the Omnibus I Package which aims to simplify certain EU sustainability-related regulations, the main changes being those to the Corporate Sustainability Reporting Directive (CSRD) and the Directive on Corporate Sustainability Due Diligence (CSDDD).

The CSRD introduced 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. One of the component parts of the Omnibus I Package is the "Stop-the-Clock" Directive, which came into force in April 2025 and delays the reporting start date for unlisted large companies and listed SMEs by two years. Another component of the Omnibus I Package is a "Quick Fix" Delegated Act, which came into force in November 2025 and extends a number of phase-in provisions and reliefs for companies that started reporting for financial year 2024. The last major component of the Omnibus I Package is the "Requirements" Proposal, which amends substantive provisions of the CSRD and CSDDD including the scope of application, reporting in relation to the value chain, and transition plan requirements under the CSDDD. The EU Parliament and Council of the European Union reached a provisional political agreement on the "Requirements" Proposal in December 2025.

Related technical sustainability reporting standards (i.e., the European Sustainability Reporting Standards, or the 'ESRS') were published in 2023 but are currently being revised in order to reduce the amount of data collection. Disclosure requirements apply to companies in respect of their global operations, and not just their operations within the EU. The European Commission was also expected to develop assurance standards to support the requirements introduced by the CSRD to put sustainability reporting on a similar footing to financial reporting audit requirements. However, the European Commission has announced that it will deprioritise work on the assurance standards until 1 October 2027. Until adopted, Member States are free to apply national standards for assurance in the meantime.

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 sustainability, with a number of new sustainability-related requirements, including the development of mandatory prudential transition plans and new supervisory powers for competent authorities specifically relating to sustainability risk, including assessment of prudential transition plans and sustainability 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 sustainability risk a priority.

Supervision and regulation (continued)

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, CSDDD currently covers own operations and the upstream value chain but not the activities of their downstream business partners that receive their financial services and products. These obligations will apply after transposition into national laws in each EU Member State on a phased basis from July 2029. The CSDDD previously required in-scope companies to adopt and put into effect a climate transition plan. However, this requirement will be removed under the "Requirements" Proposal of the Omnibus I Package.

The CSDDD has the potential to be a particularly significant measure, with failure to comply with obligations under the CSDDD potentially giving rise to the imposition of administrative fines based on net worldwide turnover.

Regulatory initiatives on sustainability in the US

Barclays may be impacted by various sustainability-related regulatory and legislative developments in the US at both the federal and state level. The rules adopted by the SEC in March 2024 that would have required US-listed companies (including foreign private issuers such as Barclays PLC and Barclays Bank PLC) to disclose extensive climate-related information have been stayed by the SEC pending the outcome of ongoing litigation, which the SEC has declined to defend. However, bills proposed or adopted by the legislatures of certain US states may still impose climate-related disclosure or other sustainability-related requirements. In California, the Climate Corporate Data Accountability Act (SB-253) and the Greenhouse Gases: Climate-Related Financial Risk Act (SB-261) adopted in 2023, require both public and private U.S.-based companies (including U.S. subsidiaries of non-U.S. companies) that do business in California to publish and submit climate-related financial risk reports with the California Air Resources Board (CARB) and report greenhouse gas emissions data in 2026. However, in response to an injunction granted by the Ninth Circuit Court of Appeals in the ongoing litigation against SB-261 and SB-253, CARB confirmed on 1 December 2025 that it would not take enforcement action against any entity that does not post and submit a climate-related financial risk report pursuant to SB-261 by the 1 January 2026 statutory deadline. In New York, proposed legislation – the Climate Corporate Data Accountability Act (S. 3456 / A. 4282) – was introduced in 2025, and is a refreshed version of prior proposed legislation. As an example of legislation and initiatives taking a different or opposing position on sustainability matters, 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. The Economic Crime and Corporate Transparency Act 2023 (ECCTA) extends the concept of corporate criminal liability such that certain economic crimes (such as fraud and false accounting) committed by "senior managers" acting within the scope of their actual or apparent authority, can be attributed to the company, for the purposes of holding the company criminally liable. The ECCTA has also created a new offence, in force from 1 September 2025, of failing to prevent a person associated with the Group from committing fraud for the benefit of the Group. These offences have broad application and in certain circumstances may have extraterritorial impact on entities, persons or activities located outside the UK, including Barclays PLC's subsidiaries outside the UK. If enacted, reforms proposed under the draft Crime and Policing Bill 2025 would expand corporate criminal liability to all criminal offences (and not just certain economic crimes, as is currently the case under ECCTA), if any such offence is committed by a senior manager acting within the scope of their authority.

The UK Bribery Act requires the 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 Group to have reasonable procedures in place to prevent the criminal facilitation of tax evasion by persons acting for, or on behalf of, the Group. The ECCTA similarly requires the Group to have reasonable procedures in place to prevent a person associated with the 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 Anti-Money Laundering Directives (2015/849 and 2018/843) set out the current requirements for Member States to transpose in respect of AML. In order to harmonise its approach to anti-money laundering, the EU has introduced a new Sixth Anti-Money Laundering Directive (EU) 2024/1640, which will repeal and replace the previous Directives and which Member States will be required to implement by 2027, and the Anti-Money Laundering Regulation (EU) 2024/1624, which will have direct effect in Member States, with most provisions in force from 2027.

Supervision and regulation (continued)

Furthermore, the 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.

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 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 and similar 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 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. Government authorities have significant discretion in the administration of such restrictions, which may rapidly change or diverge across jurisdictions and, in some cases, conflict with local laws of other jurisdictions. Failure of a financial institution to ensure compliance with such laws could have serious legal, financial and reputational consequences for the institution.

Financial review

A review of the Group's performance, including the key performance indicators, and the contribution of each of our businesses to the overall performance of the Group.

Key performance indicators

In assessing the financial performance of the Group, management uses a range of KPIs which focus on the Group's financial strength, the delivery of sustainable returns and cost management. KPIs reflect the targets and ambitions followed during 2025.

Non-IFRS performance measures

The Group's management believes that the non-IFRS performance measures included in this document provide valuable information to the readers of the financial statements as they enable the reader to identify a more consistent basis for comparing the businesses' performance between financial periods, and provide more detail concerning the elements of performance which the managers of these businesses are most directly able to influence or are relevant for an assessment of the Group.

They also reflect an important aspect of the way in which operating targets are defined and performance is monitored by management. However, any non-IFRS performance measures in this document are not a substitute for IFRS measures and readers should consider the IFRS measures as well. Refer to the non-IFRS performance measures section for further information and calculations of non-IFRS performance measures included throughout this section and the most directly comparable IFRS measures.

Definition	Why is it important and how the Group performed	
Common Equity Tier 1 (CET1) ratio Capital requirements are part of the regulatory framework governing how banks and depository institutions are supervised. Capital ratios express a bank's capital as a percentage of its risk weighted assets (RWAs) as defined by the PRA. CET1 ratio is a measure of capital as defined within the Definition of Capital section of the PRA's Prudential and Resolution Policy - Banking Index.	The Group's capital management objective is to maximise shareholder value by prudently managing the level and mix of its capital to: ensure the Group and all of its subsidiaries are appropriately capitalised relative to their regulatory minimum and stressed capital requirements, support the Group's risk appetite, growth and strategic options, while seeking to maintain a robust credit proposition for the Group. The CET1 ratio increased to 14.3% (December 2024: 13.6%), as CET1 capital increased by £2.5bn to £51.1bn and RWAs decreased by £1.4bn to £356.8bn. Taking into account the £1.0bn share buyback announced at FY25 Results, the CET1 ratio as at 31 December 2025 would be reduced to 14.0% (at the top-end of the 13-14% target range). **Group target: a CET1 ratio in the range of 13-14%.[1]**	**CET1 ratio** 14.3% 2024: 13.6% 2023: 13.8%
Return on average tangible shareholders' equity (RoTE) RoTE is calculated as Group attributable profit, as a proportion of average tangible shareholders' equity.	This measure indicates the return generated by the management of the business based on ordinary shareholders' tangible equity. Achieving a target RoTE demonstrates the organisation's ability to execute its strategy and align management's interests with the shareholders'. RoTE lies at the heart of the Group's capital allocation and performance management process. The Group performed in line with RoTE guidance in 2025. Statutory Group RoTE was 11.3% (FY24: 10.5%). All divisions delivered double-digit RoTE in FY25 **2025 Group guidance: RoTE of greater than 11%[1]** **2026: targeting Group RoTE of greater than 12%[2]**	**Group RoTE** 11.3% 2024: 10.5% 2023: 9.0%

Notes:
1 Group RoTE guidance was updated at Q325 Results, from c.11% to greater than 11%.
2 Our targets and guidance are based on management's current expectations as to the macroeconomic environment and the business and are subject to change.

Key performance indicators (continued)

Definition	Why is it important and how the Group performed	
Total operating expenses	Barclays views total operating expenses as a key strategic area for banks. Cost discipline remains a key focus of our plan and is the lever with which Barclays has most control. Group total operating expenses increased to £17.7bn (2024: £16.7bn). Group operating costs, which exclude litigation and conduct charges and UK regulatory levies, increased to £17.0bn (FY24: £16.2bn), reflecting Tesco Bank run rate and integration costs, further investment spend, business growth, and inflation, partially offset by c.£700m of cost efficiency savings. Litigation and conduct charges of £0.4bn (FY24: £0.2bn), included a £235m charge for motor finance redress in Q325.	**Total operating expenses** £17.7bn 2024: £16.7bn 2023: £16.9bn
Cost: income ratio Total operating expenses divided by total income.	This is a measure management uses to assess the productivity of the business operations. Managing the cost base is a key execution priority for management and includes a review of all categories of discretionary spending and an analysis of how we can run the business to ensure that costs increase at a slower rate than income. The Group cost: income ratio was 61% (2024: 62%), in line with our guidance of c.61%, driven by continued cost discipline and positive operating leverage. **2025 Group target: a cost:income ratio of c.61%.** **2026: targeting Group cost:income ratio of high 50s in percentage terms.[1]**	**Cost: income ratio** 61% 2024: 62% 2023: 67%

Note:
1 Our targets and guidance are based on management's current expectations as to the macroeconomic environment and the business and are subject to change.

Consolidated summary income statement

For the year ended 31 December	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m
Interest income	**36,189**	38,326	35,075	19,096	11,240
Interest expense	**(21,688)**	(25,390)	(22,366)	(8,524)	(3,167)
Net interest income	**14,501**	12,936	12,709	10,572	8,073
Fee and commission income	**11,282**	10,847	10,121	9,637	9,880
Fee and commission expense	**(3,784)**	(3,600)	(3,592)	(3,038)	(2,206)
Net fee and commission income	**7,498**	7,247	6,529	6,599	7,674
Other income	**7,141**	6,605	6,140	7,785	6,193
Total income	**29,140**	26,788	25,378	24,956	21,940
Operating costs	**(17,040)**	(16,195)	(16,714)	(14,957)	(14,092)
UK regulatory levies	**(313)**	(320)	(180)	(176)	(170)
Litigation and conduct	**(392)**	(220)	(37)	(1,597)	(397)
Total operating expenses	**(17,745)**	(16,735)	(16,931)	(16,730)	(14,659)
Other net income/(expenses)	**23**	37	(9)	6	260
Profit before impairment	**11,418**	10,090	8,438	8,232	7,541
Credit impairment (charges)/releases	**(2,279)**	(1,982)	(1,881)	(1,220)	653
Profit before tax	**9,139**	8,108	6,557	7,012	8,194
Tax charge	**(1,926)**	(1,752)	(1,234)	(1,039)	(1,138)
Profit after tax	**7,213**	6,356	5,323	5,973	7,056
Non-controlling interests	**(41)**	(49)	(64)	(45)	(47)
Other equity instrument holders	**(997)**	(991)	(985)	(905)	(804)
Attributable profit	**6,175**	5,316	4,274	5,023	6,205
Selected financial statistics					
Basic earnings per ordinary share	**43.8p**	36.0p	27.7p	30.8p	36.5p
Diluted earnings per ordinary share	**42.3p**	34.8p	26.9p	29.8p	35.6p
Return on average tangible shareholders' equity	**11.3%**	10.5%	9.0%	10.4%	13.1%
Cost: income ratio	**61%**	62%	67%	67%	67%

The financial information above is extracted from the published accounts. This information should be read together with the information included in the accompanying consolidated financial statements.

Income statement commentary

2025 compared to 2024

- Barclays delivered a profit before tax of £9,139m (FY24: £8,108m), RoTE of 11.3% (FY24: 10.5%) and EPS of 43.8p (FY24: 36.0p)
- The Group has a diverse income profile across businesses and geographies. The year-on-year appreciation of average GBP against USD negatively impacted income and profits, and positively impacted credit impairment charges and total operating expenses
- Group income increased 9% to £29,140m driven by higher structural hedge income, higher income in Global Markets across FICC and Equities, Tesco Bank NII and lending growth, partially offset by the non-repeat of the £556m day 1 gain from the acquisition of Tesco Bank in the prior year
- Group total operating expenses increased to £17,745m (FY24: £16,735m)
- Group operating costs increased 5% to £17,040m, reflecting Tesco Bank run rate and integration costs, further investment spend, business growth and inflation, partially offset by c.£700m of cost efficiency savings
- FY25 total structural cost actions of £285m (FY24: £273m) with Q425 structural cost actions of £90m (Q424: £110m)
- Litigation and conduct charges of £392m (FY24: £220m), included a £235m charge for motor finance redress in Q325
- Credit impairment charges increased to £2,279m (FY24: £1,982m), primarily driven by the impact of the GM portfolio acquisition, an IB single name charge and elevated US macroeconomic uncertainty. Total coverage ratio remained stable at 1.2% (December 2024: 1.2%)
- The effective tax rate (ETR) was 21.1% (FY24: 21.6%). The 2025 ETR included tax relief on payments made under Additional Tier 1 (AT1) instruments and on holdings of inflation-linked government bonds
- Attributable profit was £6,175m (FY24: £5,316m)

Consolidated summary balance sheet

As at 31 December	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m
Assets					
Cash and balances at central banks	**229,752**	210,184	224,634	256,351	238,574
Cash collateral and settlement balances	**130,532**	119,843	108,889	112,597	92,542
Debt securities at amortised cost	**68,475**	68,210	56,749	45,487	31,831
Loans and advances at amortised cost to banks	**8,638**	8,327	9,459	10,015	9,698
Loans and advances at amortised cost to customers	**352,885**	337,946	333,288	343,277	319,922
Reverse repurchase agreements and other similar secured lending at amortised cost	**17,622**	4,734	2,594	776	3,227
Trading portfolio assets	**190,061**	166,453	174,605	133,813	147,035
Financial assets at fair value through the income statement	**186,857**	193,734	206,651	213,568	191,972
Derivative financial instruments	**252,459**	293,530	256,836	302,380	262,572
Financial assets at fair value through other comprehensive income	**74,394**	78,059	71,836	65,062	61,753
Other assets	**32,490**	37,182	31,946	30,373	25,159
Total assets	**1,544,165**	1,518,202	1,477,487	1,513,699	1,384,285
Liabilities					
Deposits at amortised cost from banks	**20,413**	13,203	14,472	19,979	17,819
Deposits at amortised cost from customers	**565,200**	547,460	524,317	525,803	501,614
Cash collateral and settlement balances	**117,583**	106,229	94,084	96,927	79,371
Repurchase agreements and other similar secured borrowings at amortised cost	**25,170**	39,415	41,601	27,052	28,352
Debt securities in issue	**119,033**	92,402	96,825	112,881	98,867
Subordinated liabilities	**12,954**	11,921	10,494	11,423	12,759
Trading portfolio liabilities	**57,737**	56,908	58,669	72,924	54,169
Financial liabilities designated at fair value	**294,108**	282,224	297,539	271,637	250,960
Derivative financial instruments	**240,808**	279,415	250,044	289,620	256,883
Other liabilities	**12,923**	16,544	17,578	16,193	13,450
Total liabilities	**1,465,929**	1,445,721	1,405,623	1,444,439	1,314,244
Equity					
Called up share capital and share premium	**4,178**	4,186	4,288	4,373	4,536
Other equity instruments	**12,725**	12,075	13,259	13,284	12,259
Other reserves	**1,628**	(468)	(77)	(2,192)	1,770
Retained earnings	**59,253**	56,028	53,734	52,827	50,487
Total equity excluding non-controlling interests	**77,784**	71,821	71,204	68,292	69,052
Non-controlling interests	**452**	660	660	968	989
Total equity	**78,236**	72,481	71,864	69,260	70,041
Total liabilities and equity	**1,544,165**	1,518,202	1,477,487	1,513,699	1,384,285
Net asset value per ordinary share	**469p**	414p	382p	347p	339p
Tangible net asset value per share	**409p**	357p	331p	295p	291p
Number of ordinary shares of Barclays PLC (in millions)	**13,867**	14,420	15,155	15,871	16,752
Year-end USD exchange rate	**1.34**	1.25	1.28	1.20	1.35
Year-end EUR exchange rate	**1.15**	1.21	1.15	1.13	1.19

Balance sheet commentary

2025 compared to 2024

Total assets

Total assets increased £26.0bn to £1,544.2bn.

Cash and balances at central banks increased by £19.6bn to £229.8bn primarily driven by a higher liquidity pool, funded by increased wholesale funding and deposit growth across businesses.

Loans and advances at amortised cost to banks and customers increased £15.3bn to £361.5bn driven by an increase in Barclays UK and UKCB lending, reflecting growth in mortgages and cards lending in Retail Banking and the strategic focus to grow customer lending in UKCB.

Reverse repurchase agreements and other similar secured lending at amortised cost increased £12.9bn to £17.6bn due to growth in secured financing balances.

Trading portfolio assets increased £23.6bn to £190.1bn driven by increased trading activity to facilitate client demand in Global Markets, partially offset by the strengthening of spot GBP against USD.

Financial assets at fair value through the income statement decreased £6.9bn to £186.9bn as underlying growth in financing balances were more than offset by increased netting opportunities and the strengthening of spot GBP against USD.

Derivative financial instrument assets decreased £41.1bn to £252.5bn primarily driven by a reduction in mark-to-market on FX derivatives and strengthening of spot GBP against USD, partially offset by an increase in equity derivatives.

Total liabilities

Total liabilities increased £20.2bn to £1,465.9bn.

Deposits at amortised cost to banks and customers increased £25.0bn to £585.6bn driven by deposit growth in International Corporate Bank, treasury and UKCB, partially offset by the strengthening of spot GBP against USD.

Derivative financial instrument liabilities decreased £38.6bn to £240.8bn primarily driven by a reduction in mark-to-market on FX derivatives and strengthening of spot GBP against USD, partially offset by an increase in equity derivatives.

Financial liabilities designated at fair value increased £11.9bn to £294.1bn driven by increase in client activity and growth in financing balances partially offset by increased netting opportunities and the strengthening of spot GBP against USD.

Total shareholders' equity

Total shareholders' equity increased £6.0bn to £77.8bn.

Retained earnings increased £3.3bn to £59.3bn, mainly due to profits of £6.2bn and net movements on employee share schemes of £0.5bn offset by share repurchases of £2.2bn and dividends of £1.2bn.

Other equity instruments increased to £12.7bn, due to issuance of four AT1 instruments (£3.8bn) partially offset by three redemptions (£3.1bn) . 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 increased by £2.1bn during the year, resulting in a closing balance of a £1.6bn gain. This change was mainly due to a £2.3bn gain in the cash flow hedging reserve driven by fair value gains on interest rate swaps from a decrease in GBP and USD forward curves, and transferred losses from de-designated hedges. Additional significant movements within other reserves included a £0.8bn gain in the fair value through other comprehensive income (FVOCI) reserve, reducing the loss to £1.1bn. This was largely due to a decrease in the USD rates curve and a tightening of the Euro asset swap spread. These gains were partially offset by a £1.1bn loss in the currency translation reserve which resulted in a closing accumulated gain of £2.5bn, principally reflecting movements in USD exchange rates.

TNAV per share increased to 409p (December 2024: 357p) as EPS of 43.8p, and a 16p benefit from the cash flow hedging reserve were partially offset by an 8p reduction from dividends paid during FY25. The impact of the share buybacks executed throughout 2025 was broadly neutral to TNAV per share due to an increase in the Barclays share price.

Analysis of results by business

Barclays UK

	2025	2024[1]	2023
	£m	£m	£m
Income statement information			
Net interest income	**7,653**	6,627	6,431
Net fee, commission and other income	**1,055**	1,647	1,156
Total income	**8,708**	8,274	7,587
Operating costs	**(4,746)**	(4,235)	(4,393)
UK regulatory levies	**(85)**	(78)	(30)
Litigation and conduct	**(51)**	(16)	8
Total operating expenses	**(4,882)**	(4,329)	(4,415)
Other net income	**—**	—	—
Profit before impairment	**3,826**	3,945	3,172
Credit impairment charges	**(413)**	(365)	(304)
Profit before tax	**3,413**	3,580	2,868
Attributable profit	**2,443**	2,465	1,962
Performance measures			
Return on average allocated tangible equity	**20.7%**	23.1%	19.2%
Average allocated tangible equity	**£11.8bn**	£10.7bn	£10.2bn
Cost: income ratio	**56%**	52%	58%
Loan loss rate (bps)	**18**	16	14
Net interest margin	**3.63%**	3.29%	3.13%
Key facts			
UK mortgage balances	**£172.4bn**	£163.1bn	£163.5bn
Mortgage gross lending flow	**£34.3bn**	£23.9bn	£22.7bn
Average LTV of mortgage portfolio[2]	**55%**	53%	54%
Average LTV of new mortgage lending[2]	**70%**	66%	63%
Number of branches	**206**	221	306
Digitally active customers[3]	**13.9m**	13.4m	12.7m
30 day arrears rate - total UK cards	**0.8%**	0.7%	0.9%
90 day arrears rate - total UK cards	**0.2%**	0.2%	0.2%
Number of employees (full time equivalent)	**17,900**	18,000	6,800
Balance sheet information			
Loans and advances to customers at amortised cost	**£216.5bn**	£207.7bn	£202.8bn
Total assets	**£299.6bn**	£299.8bn	£293.1bn
Customer deposits at amortised cost	**£244.6bn**	£244.2bn	£241.1bn
Loan: deposit ratio	**94%**	92%	92%
Risk weighted assets	**£85.8bn**	£84.5bn	£73.5bn
Period end allocated tangible equity	**£11.8bn**	£11.6bn	£10.2bn

Notes:
1 Q424 and FY24 included the day 1 impacts from the acquisition of Tesco Bank: total income gain of £556m, credit impairment charges of £209m, and profit before tax benefit of £347m.
2 Average loan to value (LTV) of mortgages is balance weighted and reflects both residential and buy-to-let (BTL) mortgage portfolios within the Home Loans portfolio.
3 Excludes Tesco Bank.

Analysis of results by business (continued)

Analysis of Barclays UK

	2025 £m	2024[1] £m	2023 £m
Analysis of total income			
Retail Banking	**6,582**	6,270	5,693
Business Banking	**2,126**	2,004	1,894
Total income	**8,708**	8,274	7,587
Analysis of credit impairment (charges)/releases			
Retail Banking	**(374)**	(394)	(332)
Business Banking	**(39)**	29	28
Total credit impairment charges	**(413)**	(365)	(304)
Analysis of loans and advances to customers at amortised cost			
Retail Banking	**£198.6bn**	£188.0bn	£179.8bn
Business Banking	**£17.9bn**	£19.7bn	£23.0bn
Total loans and advances to customers at amortised cost	**£216.5bn**	£207.7bn	£202.8bn
Analysis of customer deposits at amortised cost			
Retail Banking	**£192.7bn**	£191.4bn	£185.4bn
Business Banking	**£51.9bn**	£52.8bn	£55.7bn
Total customer deposits at amortised cost	**£244.6bn**	£244.2bn	£241.1bn

2025 compared to 2024

- Profit before tax decreased 5% to £3,413m. Barclays UK delivered a RoTE of 20.7% (FY24: 23.1%) supported by robust income, the integration of Tesco Bank, disciplined cost management and normalising levels of impairment underpinned by strong asset quality
- Total income increased 5% to £8,708m. NII increased 15% to £7,653m, as higher structural hedge income and the impact from Tesco Bank were partially offset by retail deposit dynamics. Net fee, commission and other income decreased 36% to £1,055m primarily driven by the non-repeat of the day 1 gain from the acquisition of Tesco Bank
- Total operating expenses increased 13% to £4,882m, driven by Tesco Bank run and integration costs, and inflation. Ongoing efficiency savings continue to be reinvested, to drive sustainable improvement to the cost: income ratio
- Credit impairment charges were £413m (FY24: £365m), underpinned by balance growth and stable credit performance. The UK cards 30 and 90 day arrears rates were 0.8% (Q424: 0.7%) and 0.2% (Q424: 0.2%) respectively. The UK cards total coverage ratio decreased to 4.3% (December 2024: 4.8%) driven by resilient customer behaviour
- Loans and advances to customers at amortised cost increased £8.8bn to £216.5bn, primarily driven by growth in mortgages and cards lending in Retail Banking, partially offset by continued repayment of government scheme lending in Business Banking
- Customer deposits at amortised cost increased by £0.4bn to £244.6bn, driven by an increase in Retail Banking deposits, partially offset by a reduction in Business Banking current accounts. The loan:deposit ratio remained broadly stable at 94% (December 2024: 92%)
- RWAs increased to £85.8bn (December 2024: £84.5bn) primarily due to growth in mortgages and cards lending in Retail Banking, partially offset by securitisations

Note:
1 FY24 included the day 1 impacts from the acquisition of Tesco Bank: total income gain of £556m, credit impairment charges of £209m, and profit before tax benefit of £347m.

Analysis of results by business (continued)

Barclays UK Corporate Bank

	2025	2024	2023
	£m	£m	£m
Income statement information			
Net interest income	**1,480**	1,206	1,160
Net fee, commission, trading and other income	**584**	574	610
Total income	**2,064**	1,780	1,770
Operating costs	**(989)**	(935)	(905)
UK regulatory levies	**(29)**	(37)	(8)
Litigation and conduct	**(39)**	(1)	1
Total operating expenses	**(1,057)**	(973)	(912)
Other net expenses	**—**	—	(3)
Profit before impairment	**1,007**	807	855
Credit impairment (charges)/releases	**(37)**	(76)	27
Profit before tax	**970**	731	882
Attributable profit	**648**	490	584
Performance measures			
Return on average allocated tangible equity	**18.9%**	16.0%	20.5%
Average allocated tangible equity (£bn)	**£3.4bn**	£3.1bn	£2.9bn
Cost: income ratio	**51%**	55%	52%
Loan loss rate (bps)	**12**	29	(10)
Key facts			
Number of employees (full time equivalent)	**1,900**	1,900	1,800
Balance sheet information			
Loans and advances to customers at amortised cost	**£30.0bn**	£25.4bn	£26.4bn
Deposits at amortised cost	**£88.7bn**	£83.1bn	£84.9bn
Risk weighted assets	**£26.5bn**	£23.9bn	£20.9bn
Period end allocated tangible equity	**£3.7bn**	£3.3bn	£3.0bn
Analysis of total income	£m	£m	£m
Corporate lending	**357**	267	262
Transaction banking	**1,707**	1,513	1,508
Total income	**2,064**	1,780	1,770

2025 compared to 2024

- Profit before tax increased 33% to £970m. UKCB delivered a RoTE of 18.9% (FY24: 16.0%), as increased income from higher average deposit and lending balances was partially offset by continued investment and higher RWAs to support future growth ambitions
- Total income increased 16% to £2,064m, NII increased 23% to £1,480m, driven by higher average deposit and lending balances, and higher structural hedge income. Net fee, commission, trading and other income was broadly stable at £584m
- Total operating expenses increased 9% to £1,057m, including a litigation and conduct charge of £39m in Q225. Operating costs increased 6% to £989m, reflecting higher investment spend to support business growth ambitions, with ongoing efficiency savings offsetting inflationary headwinds
- Credit impairment charges were £37m (FY24: £76m), reflecting stable underlying credit performance and limited single name charges
- Loans and advances to customers at amortised cost increased to £30.0bn (December 2024: £25.4bn), reflecting the strategic focus to grow lending
- Deposits at amortised cost increased to £88.7bn (December 2024: £83.1bn), driven by an inflow of balances from new and existing clients
- RWAs increased to £26.5bn (December 2024: £23.9bn), reflecting higher client lending limits and growth in lending balances

Analysis of results by business (continued)

Barclays Private Bank and Wealth Management

	2025	2024	2023
	£m	£m	£m
Income statement information			
Net interest income	**799**	767	768
Net fee, commission and other income	**581**	542	440
Total income	**1,380**	1,309	1,208
Operating costs	**(994)**	(911)	(795)
UK regulatory levies	**(10)**	(9)	(4)
Litigation and conduct	**(9)**	—	2
Total operating expenses	**(1,013)**	(920)	(797)
Other net income	**—**	—	—
Profit before impairment	**367**	389	411
Credit impairment charges	**8**	(6)	(4)
Profit before tax	**375**	383	407
Attributable profit	**291**	288	330
Performance measures			
Return on average allocated tangible equity	**26.3%**	28.1%	32.7%
Average allocated tangible equity (£bn)	**£1.1bn**	£1.0bn	£1.0bn
Cost: income ratio	**73%**	70%	66%
Loan loss rate (bps)	**(5)**	4	3
Key facts			
Net new assets under management[1]	**£3.3bn**	£3.7bn	
Number of employees (full time equivalent)	**2,100**	1,900	2,100
Balance sheet information			
Loans and advances to customers at amortised cost	**£14.7bn**	£14.5bn	£13.6bn
Deposits at amortised cost	**£72.0bn**	£69.5bn	£60.3bn
Risk weighted assets	**£8.0bn**	£7.9bn	£7.2bn
Period end allocated tangible equity	**£1.1bn**	£1.1bn	£1.0bn
Invested assets[2]	**£140.6bn**	£124.6bn	£108.8bn
Of which			
Assets under management[1]	**£52.9bn**	£47.7bn	£41.7bn
Assets under supervision[1]	**£87.7bn**	£76.9bn	£67.1bn
Client assets and liabilities[3]	**£227.6bn**	£208.9bn	£182.9bn

2025 compared to 2024

- Profit before tax decreased 2% to £375m with a RoTE of 26.3% (FY24: 28.1%). The business continues to see an inflow of new client balances across deposits, lending and investments reflecting strong product offering and client engagement, as well as ongoing investment to support future growth and efficiency ambitions
- Total income increased 5% to £1,380m, driven by growth in deposit, invested asset and loan balances from net new inflows and market movements
- Total operating expenses increased 10% to £1,013m, reflecting higher investment spend to support business growth ambitions, with ongoing efficiency savings offsetting inflationary headwinds
- Client assets and liabilities increased £18.7bn to £227.6bn, driven by net new inflows of invested assets, deposits and loan balances and market movements, partially offset by FX impact
- RWAs were broadly stable at £8.0bn (December 2024: £7.9bn)

Notes:
1 Refer to page 373 for further information on net new assets under management, assets under management and assets under supervision.
2 Invested assets (held off-balance sheet) represent assets under management and supervision. Uninvested cash held under an investment mandate and reported within deposits is excluded from invested assets.
3 Client assets and liabilities refers to deposits, lending and invested assets.

Analysis of results by business (continued)

Barclays Investment Bank

	2025	2024	2023
	£m	£m	£m
Income statement information			
Net interest income	**1,334**	1,031	1,393
Net trading income	**7,197**	6,241	6,040
Net fee, commission and other income	**4,524**	4,533	3,602
Total income	**13,055**	11,805	11,035
Operating costs	**(7,927)**	(7,666)	(7,619)
UK regulatory levies	**(181)**	(187)	(123)
Litigation and conduct	**(28)**	(55)	5
Total operating expenses	**(8,136)**	(7,908)	(7,737)
Other net income	**—**	—	—
Profit before impairment	**4,919**	3,897	3,298
Credit impairment charges	**(305)**	(123)	(102)
Profit before tax	**4,614**	3,774	3,196
Attributable profit	**3,092**	2,513	2,041
Performance measures			
Return on average allocated tangible equity	**10.6%**	8.5%	7.0%
Average allocated tangible equity (£bn)	**£29.1bn**	£29.7bn	£29.0bn
Income over average risk weighted assets	**6.6%**	5.8%	5.5%
Cost: income ratio	**62%**	67%	70%
Loan loss rate (bps)	**23**	10	9
Key facts			
Number of employees (full time equivalent)	**7,200**	7,100	7,100
Balance sheet information			
Loans and advances to customers at amortised cost	**£70.0bn**	£69.7bn	£62.7bn
Loans and advances to banks at amortised cost	**£7.4bn**	£6.8bn	£7.3bn
Debt securities at amortised cost	**£52.9bn**	£47.9bn	£38.9bn
Loans and advances at amortised cost	**£130.3bn**	£124.4bn	£108.9bn
Trading portfolio assets	**£189.5bn**	£166.1bn	£174.5bn
Derivative financial instrument assets	**£251.5bn**	£291.6bn	£255.1bn
Financial assets at fair value through the income statement	**£183.6bn**	£190.4bn	£202.5bn
Cash collateral and settlement balances	**£121.6bn**	£111.1bn	£102.3bn
Deposits at amortised cost	**£156.1bn**	£140.5bn	£132.7bn
Derivative financial instrument liabilities	**£240.6bn**	£279.0bn	£249.7bn
Risk weighted assets	**£196.7bn**	£198.8bn	£197.3bn
Period end allocated tangible equity	**£28.9bn**	£29.3bn	£29.0bn
Analysis of total income	£m	£m	£m
FICC	**5,429**	4,667	4,845
Equities	**3,225**	2,875	2,373
Global Markets	**8,654**	7,542	7,218
Advisory	**676**	661	593
Equity capital markets	**278**	351	219
Debt capital markets	**1,510**	1,492	1,148
Banking fees and underwriting	**2,464**	2,504	1,960
Corporate lending	**247**	153	213
Transaction banking	**1,690**	1,606	1,644
International Corporate Bank	**1,937**	1,759	1,857
Investment Banking	**4,401**	4,263	3,817
Total income	**13,055**	11,805	11,035

Analysis of results by business (continued)

2025 compared to 2024

- IB has a diverse income profile across businesses and geographies. The 3% appreciation of average GBP against USD adversely impacted income and profits, and positively impacted credit impairment charges and total operating expenses
- Profit before tax increased to £4,614m (FY24: £3,774m). RoTE of 10.6% (FY24: 8.5%), driven by strong performance in Global Markets and the International Corporate Bank, whilst maintaining cost and capital discipline, driving positive operating jaws and improved RWA productivity
- Total income increased 11% to £13,055m, including adverse average FX impacts
- Global Markets income increased 15% to £8,654m across FICC and Equities
- FICC income increased 16% to £5,429m, reflecting continued support provided to clients through a range of environments, including a strong performance in Macro, Securitised products and Credit, and sustained strength in Fixed Income Financing
- Equities income increased 12% to £3,225m (up 17% excluding the prior year £125m fair value gain on Visa B shares in Q124), reflecting growth in Prime Financing due to increased client balances and Cash from strong client activity across products
- Investment Banking income increased 3% to £4,401m
  - Banking fees and underwriting income decreased 2% to £2,464m, primarily driven by a 21% decline in Equity Capital Markets fees due to a strong prior year comparator, which included a large UK rights issue in Q224, partially offset by Debt Capital Markets and Advisory
  - International Corporate Bank income increased 10% to £1,937m. Corporate lending income increased to £247m due to net gains on fair value lending and cost of hedging (c.£130m)[1]. Transaction banking income increased 5% to £1,690m, as higher income from growth in deposit balances was partially offset by margin compression due to change in deposits product mix
- Total operating expenses increased 3% to £8,136m, driven by inflationary headwinds, higher performance costs and expenses associated with supporting the business strategy, partially offset by efficiency savings and FX
- Credit impairment charges were £305m (FY24: £123m), primarily driven by a single name charge in Q325 and elevated US macroeconomic uncertainty booked in Q125
- Loans and advances at amortised costs increased to £130.3bn (December 2024: £124.4bn) driven by increased investment in debt securities in treasury
- Trading portfolio assets increased to £189.5bn (December 2024: £166.1bn) driven by increased trading activity to facilitate client demand in Global Markets, partially offset by the strengthening of spot GBP against USD
- Financial assets at fair value through the income statement decreased to £183.6bn (December 2024: £190.4bn) as underlying growth in financing balances were more than offset by increased netting opportunities and the strengthening of spot GBP against USD
- Derivative financial instrument assets decreased to £251.5bn (December 2024: £291.6bn) and liabilities decreased to £240.6bn (December 2024: £279.0bn) primarily driven by a reduction in mark-to-market on FX derivatives and strengthening of spot GBP against USD, partially offset by an increase in equity derivatives
- Deposits at amortised cost increased to £156.1bn (December 2024: £140.5bn) driven by growth in deposits across International Corporate Bank and treasury, partially offset by the strengthening of spot GBP against USD
- RWAs were broadly stable at £196.7bn (December 2024: £198.8bn) mainly driven by business activity as we continued to support clients through a range of environments, offset by the strengthening of spot GBP against USD

Note:
1 FY25 included c.£45m of fair value gains on lending and cost of hedging. FY24 included c.£85m of fair value losses on leverage finance lending.

Analysis of results by business (continued)

Barclays US Consumer Bank

	2025	2024	2023
	£m	£m	£m
Income statement information			
Net interest income	**2,820**	2,659	2,604
Net fee, commission and other income	**861**	667	664
Total income	**3,681**	3,326	3,268
Operating costs	**(1,637)**	(1,612)	(1,650)
UK regulatory levies	**—**	—	—
Litigation and conduct	**(8)**	(14)	(6)
Total operating expenses	**(1,645)**	(1,626)	(1,656)
Other net income	**—**	—	—
Profit before impairment	**2,036**	1,700	1,612
Credit impairment charges	**(1,521)**	(1,293)	(1,438)
Profit before tax	**515**	407	174
Attributable profit	**390**	302	131
Performance measures			
Return on average allocated tangible equity	**11.0%**	9.1%	4.1%
Average allocated tangible equity	**£3.5bn**	£3.3bn	£3.2bn
Cost: income ratio	**45%**	49%	51%
Loan loss rate (bps)	**496**	431	514
Net interest margin	**11.14%**	10.65%	10.85%
Key facts			
US cards 30 day arrears rate	**3.0 %**	3.0 %	2.9 %
US cards 90 day arrears rate	**1.6**	1.6 %	1.5 %
US cards customer FICO score distribution[1]			
<660	**13%**	12%	12%
>660	**87%**	88%	88%
End net receivables (reported) ($bn)	**36.6**	33.1	32.2
Number of employees (full time equivalent)	**2,300**	2,300	600
Balance sheet information			
Loans and advances to customers at amortised cost	**£21.1bn**	£20.0bn	£24.2bn
Deposits at amortised cost	**£24.2bn**	£23.3bn	£19.7bn
Risk weighted assets	**£27.4bn**	£26.8bn	£24.8bn
Period end allocated tangible equity	**£3.8bn**	£3.7bn	£3.4bn

2025 compared to 2024

- The 3% appreciation of average GBP against USD adversely impacted income and profits, and positively impacted credit impairment charges and total operating expenses
- Profit before tax increased to £515m (FY24: £407m). RoTE of 11.0% (FY24: 9.1%) reflected continued operational progress, as increased income from business growth and higher net interest margins were partially offset by higher impairment charges relating to the acquisition of the GM portfolio in August 2025 and US macroeconomic uncertainty.
- Total income increased 11% to £3,681m, driven by organic business growth, the acquisition of the GM portfolio, increased purchase activity, and a c.£40m one-off benefit related to partner rewards in Q425. NII increased 6% to £2,820m with a net interest margin (NIM) of 11.14% (FY24: 10.65%), including business growth and repricing initiatives. Net fee, commission and other income increased 29% to £861m driven by purchases, and fee growth
- Total operating expenses increased 1% to £1,645m, driven by partner-related expenses and supporting business growth, with ongoing efficiency savings offsetting inflationary headwinds
- Credit impairment charges were £1,521m (FY24: £1,293m), driven by the impact from the acquisition of the GM portfolio and elevated US macroeconomic uncertainty. The lower charge in prior year was influenced by the impact of credit risk management actions and methodology enhancements. US cards 30 and 90 day arrears rates[2] were 3.0% (Q424: 3.0%) and 1.6% (Q424: 1.6%) respectively. The USCB total coverage ratio decreased to 11.1% (December 2024: 11.4%) due to the acquisition of the GM portfolio
- Loans and advances to customers at amortised cost increased to £21.1bn (December 2024: £20.0bn), reflecting the acquisition of the GM portfolio and organic growth, partially offset by strengthening of spot GBP against USD
- Deposits at amortised cost increased to £24.2bn (December 2024: £23.3bn), with growth in retail savings which is in line with USCB's ambition to grow core deposits, partially offset by the strengthening of spot GBP against USD
- RWAs increased to £27.4bn (December 2024: £26.8bn), reflecting the acquisition of the GM portfolio and organic growth, partially offset by the strengthening of spot GBP against USD

Notes:

1 Reflects FICO distribution based on ending net receivables for customer credit cards.

2 Including a co-branded cards portfolio classified as assets held for sale.

Analysis of results by business (continued)

Head Office

	2025	2024	2023
	£m	**£m**	**£m**
Income statement information			
Net interest income	**415**	646	353
Net fee, commission and other income	**(163)**	(352)	157
Total income	**252**	294	510
Operating costs	**(747)**	(836)	(1,352)
UK regulatory levies	**(8)**	(9)	(14)
Litigation and conduct	**(257)**	(134)	(48)
Total operating expenses	**(1,012)**	(979)	(1,414)
Other net income/ (expenses)	**23**	37	(6)
Loss before impairment	**(737)**	(648)	(910)
Credit impairment charges	**(11)**	(119)	(60)
Loss before tax	**(748)**	(767)	(970)
Attributable loss	**(689)**	(742)	(774)
Performance measures			
Average allocated tangible equity	**£5.7bn**	£2.9bn	£1.1bn
Key facts			
Number of employees (full time equivalent)	**61,600**	61,800	74,000
Balance sheet information			
Risk weighted assets	**£12.3bn**	£16.2bn	£19.0bn
Period end allocated tangible equity	**£7.5bn**	£2.4bn	£3.6bn

2025 compared to 2024

- Loss before tax was £748m (FY24: £767m)
- Total income decreased to £252m (FY24: £294m), primarily from the impact of the disposal of the German consumer finance business in Q125 and a fair value write-down of a legacy portfolio, partially offset by the non-recurrence of the prior year loss on sale of the performing Italian retail mortgage portfolio
- Total operating expenses increased to £1,012m (FY24: £979m), primarily driven by higher litigation and conduct charges including the £235m charge for motor finance redress in FY25 (FY24: £90m) and the expense for the employee share grant announced at FY24 Results, partially offset by the impact of the disposal of the German consumer finance business
- Credit impairment charges decreased to £11m (FY24: £119m), driven by the disposal of the German consumer finance business and non-repeat of the prior year loss on sale of the non-performing Italian retail mortgage portfolio
- RWAs decreased to £12.3bn (December 2024: £16.2bn), driven by the disposal of the German consumer finance business and the disposal of Barclays' joint venture interest in Entercard

Non-IFRS performance measures

The Group's management believes that the non-IFRS performance measures included in this document provide valuable information to the readers of the financial statements as they enable the reader to identify a more consistent basis for comparing the businesses' performance between financial periods, and provide more detail concerning the elements of performance which the managers of these businesses are most directly able to influence or are relevant for an assessment of the Group.

They also reflect an important aspect of the way in which operating targets are defined and performance is monitored by management.

However, any non-IFRS performance measures in this document are not a substitute for IFRS measures and readers should consider the IFRS measures as well.

Non-IFRS performance measures glossary

Measure	Definition
Loan: deposit ratio	Total loans and advances at amortised cost divided by total deposits at amortised cost. The components of the calculation have been included on page 322.
Period end tangible equity refers to:	
Period end tangible shareholders' equity (for Barclays Group)	Shareholders' equity attributable to ordinary shareholders of the parent, adjusted for the deduction of intangible assets and goodwill.
Period end allocated tangible equity (for businesses)	Allocated tangible equity is calculated as 13.5% (2024: 13.5%, 2023: 13.5%) of RWAs for each business, adjusted for capital deductions, excluding goodwill and intangible assets, reflecting the 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.
Average tangible equity refers to:	
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 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.
Return on tangible equity (RoTE) refers to:	
Return on average tangible shareholders' equity (for Barclays Group)	Group attributable profit, as a proportion of average tangible shareholders' equity. The components of the calculation have been included on pages 374.
Return on average allocated tangible equity (for businesses)	Business attributable profit, as a proportion of that business's average allocated tangible equity. The components of the calculation have been included on page 374.
Operating costs	A measure of total operating expenses excluding litigation and conduct charges and UK regulatory levies.
Cost: income ratio	Total operating expenses divided by total income.
Loan loss rate	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.
Net interest margin	Net interest income divided by the sum of average customer assets. The components of the calculation have been included on page 373.
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. The components of the calculation have been included on page 376.
Profit before impairment	Calculated by excluding credit impairment charges or releases from profit before tax.
Structural cost actions	Cost actions taken to improve future financial performance.
Group net interest income excluding Barclays Investment Bank and Head Office	A measure of Barclays Group net interest income, excluding the net interest income reported in Barclays Investment Bank and Head Office.
Net New Assets Under Management	The net inflows and outflows of client balances within Discretionary Portfolio Management and Advisory mandates. Excludes market performance and foreign exchange translation but includes reinvested dividend payments.
Assets under Management (AUM)	Total market value of client investment balances managed within investment mandates where Barclays provides discretionary portfolio management or advisory services. Total Assets Under Management excludes uninvested cash held under an investment mandate.
Assets under Supervision (AUS)	Total market value of client investment balances where Barclays provides custodian or transactional services.
Inorganic activity	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. This was offset by the day 1 net profit before tax of £347m from the acquisition of Tesco Bank.
Income over average risk weighted assets	Represents total income as a proportion of average risk weighted assets. Average risk weighted assets calculated as the average of the previous month's period end risk weighted assets and the current month's period end risk weighted assets. Average risk weighted assets for the period is the average of the monthly averages within that period.

Non-IFRS performance measures (continued)

Margins analysis

	2025			2024			2023		
	Net interest income	Average customer assets	Net interest margin	Net interest income	Average customer assets	Net interest margin	Net interest income	Average customer assets	Net interest margin
For the year ended 31 December	£m	£m	%	£m	£m	%	£m	£m	%
Barclays UK	**7,653**	**210,925**	**3.63**	6,627	201,152	3.29	6,431	205,667	3.13
Barclays UK Corporate Bank	**1,480**	**26,142**	**5.66**	1,206	22,776	5.30	1,160	23,207	5.00
Barclays Private Bank and Wealth Management	**799**	**14,827**	**5.39**	767	13,983	5.49	768	13,935	5.51
Barclays US Consumer Bank[1]	**2,820**	**25,313**	**11.14**	2,659	24,978	10.65	2,604	23,999	10.85
Group excluding IB and Head Office[1]	**12,752**	**277,207**	**4.60**	11,259	262,889	4.28	10,963	266,808	4.11
Barclays Investment Bank	**1,334**			1,031			1,393		
Head Office	**415**			646			353		
Barclays Group Net interest income	**14,501**			12,936			12,709		

Note:
1 Includes average customer assets balances classified as held for sale.

The Group excluding IB and Head Office Net interest margin increased by 32 bps from 4.28% to 4.60% in 2025, due to higher structural hedge income, partially offset by adverse product dynamics in deposits.

Structural hedge

The Group employs a structural hedge programme designed to stabilise NIM on fixed rate non-maturity balance sheet items that are behaviourally stable. As interest rates move, such balances would otherwise drive material income volatility where there is a re-pricing mismatch with floating rate assets.

The structural hedge predominantly covers non-interest-bearing current accounts and the fixed portion of instant access savings accounts as well as equity, which are invested into either floating rate customer assets or balances at central banks, creating an exposure to changes in interest rates. The structural hedge is executed via a portfolio of receive-fixed, pay variable interest rate swaps, with an amortising structure so that a small portion matures and is reinvested each month at prevailing market rates. The pay-floating leg of the interest rate swaps nets down a proportion of the receive-floating income from the customer assets, leaving a receive-fixed income stream from the structural hedge.

The purpose of the structural hedge is to smooth the Group NII through time. The floating leg of the swap will re-price immediately, whereas the fixed rate yield on the portfolio reprices gradually, as a portion of the swap portfolio matures and the roll is re-invested onto new market rates.

When interest rates are higher than our structural hedge yield, the pay-floating rate will typically be higher than our average receive-fixed rate. In this scenario, when viewed in isolation, the structural hedge will be a net drag to Group NII. When floating rates are lower than our structural hedge yield, the hedge in isolation will be a net benefit.

Since the receive-fixed swaps are booked for a specific term, an element of NII is 'locked in'. The income stabilising feature of the structural hedge provides greater net interest income certainty through the interest rate cycle.

The structural hedge is one component of a larger portfolio of interest rate risk management activities that includes non-structural hedging (e.g. pay-fixed and receive-variable flows for asset hedging), and other offsetting flows. The net risk of these positions is executed externally through interest rate swaps and managed for accounting risk (i.e. income volatility arising from the accounting mismatch of swaps at fair value through profit and loss and underlying hedged items at amortised cost) within the cash flow hedging reserve[1].

Overall the Group has external derivatives designated as cash flow hedges that hedge interest rate risk with a notional £114.6bn (December 2024: £105.6bn) which reflects the structural hedge notional of £236.1bn (December 2024: £232.3bn) netted with non-structural hedging positions of £121.5bn (December 2024: £126.7bn). The majority of these interest rate swaps are cleared with Central Clearing Counterparties and margined daily.

Economic risk management objectives and strategies have remained consistent. The stability of the hedgeable balances through 2025 have supported the full reinvestment of maturing hedges, increasing the notional by £4bn, and an increase in the average hedge duration from c.3 to c.3.5 years, which further increase the stability of income.

Cash flow hedges on the net externalised risk position have likewise been adjusted through designation/de-designation activity throughout the year, with associated reserve amounts recycled back to the income statement over the life of the respective designations.

Gross structural hedge contributions were £5,923m (2024: £4,708m). Gross structural hedge contributions represent the absolute interest income earned on the fixed legs of the swaps in the structural hedge as the floating leg is offset by the base rate funding of the deposits.

Note:
1 Structural hedging derivatives are a component of the net externalised interest rate risk. The net externalised risk position is managed within the cash flow hedging reserve. Note 14 includes details of the net externalised interest rate risk position in "Interest Rate derivatives designated as cash flow hedges" on page 426 and cash flow hedge of interest rate risk on page 431.

Non-IFRS performance measures (continued)

Returns

	For the year ended 31 December 2025						
	Barclays UK	Barclays UK Corporate Bank	Barclays Private Bank and Wealth Management	Barclays Investment Bank	Barclays US Consumer Bank	Head Office	Barclays Group
Return on average tangible equity	£m	£m	£m	£m	£m	£m	£m
Attributable profit/(loss)	**2,443**	**648**	**291**	**3,092**	**390**	**(689)**	**6,175**
Average equity	**£15.8bn**	**£3.4bn**	**£1.2bn**	**£29.1bn**	**£4.1bn**	**£9.3bn**	**£62.9bn**
Average goodwill and intangibles	**£(4.0)bn**	**—**	**£(0.1)bn**	**—**	**£(0.6)bn**	**£(3.6)bn**	**£(8.3)bn**
Average tangible equity	**£11.8bn**	**£3.4bn**	**£1.1bn**	**£29.1bn**	**£3.5bn**	**£5.7bn**	**£54.6bn**
Return on average tangible equity	**20.7%**	**18.9%**	**26.3%**	**10.6%**	**11.0%**	**n/m**	**11.3%**

Barclays Group average tangible shareholder's equity based on a CET1 ratio of 13.5% was £53.6bn

	For the year ended 31 December 2024						
	Barclays UK	Barclays UK Corporate Bank	Barclays Private Bank and Wealth Management	Barclays Investment Bank	Barclays US Consumer Bank	Head Office	Barclays Group
Return on average tangible equity	£m	£m	£m	£m	£m	£m	£m
Attributable profit/(loss)	**2,465**	**490**	**288**	**2,513**	**302**	**(742)**	**5,316**
Average equity	£14.6bn	£3.1bn	£1.1bn	£29.7bn	£3.7bn	£6.5bn	£58.7bn
Average goodwill and intangibles	£(3.9)bn	—	£(0.1)bn	—	£(0.4)bn	£(3.6)bn	£(8.0)bn
Average tangible equity	**£10.7bn**	**£3.1bn**	**£1.0bn**	**£29.7bn**	**£3.3bn**	**£2.9bn**	**£50.7bn**
Return on average tangible equity	**23.1%**	**16.0%**	**28.1%**	**8.5%**	**9.1%**	**n/m**	**10.5%**

	For the year ended 31 December 2023						
	Barclays UK	Barclays UK Corporate Bank	Barclays Private Bank and Wealth Management	Barclays Investment Bank	Barclays US Consumer Bank	Head Office	Barclays Group
Return on average tangible equity	£m	£m	£m	£m	£m	£m	£m
Attributable profit/(loss)	**1,962**	**584**	**330**	**2,041**	**131**	**(774)**	**4,274**
Average equity	£14.0bn	£2.9bn	£1.1bn	£29.0bn	£3.8bn	£5.0bn	£55.8bn
Average goodwill and intangibles	£(3.8)bn	—	£(0.1)bn	—	£(0.6)bn	£(3.9)bn	£(8.4)bn
Average tangible equity	**£10.2bn**	**£2.9bn**	**£1.0bn**	**£29.0bn**	**£3.2bn**	**£1.1bn**	**£47.4bn**
Return on average tangible equity	**19.2%**	**20.5%**	**32.7%**	**7.0%**	**4.1%**	**n/m**	**9.0%**

Non-IFRS performance measures (continued)

Loan loss rates

	For the year ended 31 December 2025						
	Barclays UK	Barclays UK Corporate Bank	Barclays Private Bank and Wealth Management	Barclays Investment Bank	Barclays US Consumer Bank	Head Office	Barclays Group
Loan loss rate	£m	£m	£m	£m	£m	£m	£m
Credit impairment (charges)/ releases	(413)	(37)	8	(305)	(1,521)	(11)	(2,279)
Gross loans and advances held at amortised cost (including portfolios reclassified as held for sale)[1]	£231.9bn	£30.2bn	£15.1bn	£131.0bn	£30.6bn	£2.5bn	£441.3bn
Loan loss rate (bps)	18	12	(5)	23	496	n/m	52

	For the year ended 31 December 2024						
	Barclays UK	Barclays UK Corporate Bank	Barclays Private Bank and Wealth Management	Barclays Investment Bank	Barclays US Consumer Bank	Head Office	Barclays Group
Loan loss rate	£m	£m	£m	£m	£m	£m	£m
Credit impairment charges	(365)	(76)	(6)	(123)	(1,293)	(119)	(1,982)
Gross loans and advances held at amortised cost (including portfolios reclassified as held for sale)[1]	£227.5bn	£25.8bn	£14.7bn	£124.9bn	£30.0bn	£6.7bn	£429.6bn
Loan loss rate (bps)	16	29	4	10	431	n/m	46

	For the year ended 31 December 2023						
	Barclays UK	Barclays UK Corporate Bank	Barclays Private Bank and Wealth Management	Barclays Investment Bank	Barclays US Consumer Bank	Head Office	Barclays Group
Loan loss rate	£m	£m	£m	£m	£m	£m	£m
Credit impairment (charges)/ releases	(304)	27	(4)	(102)	(1,438)	(60)	(1,881)
Gross loans and advances held at amortised cost (including portfolios reclassified as held for sale)1	£223.3bn	£26.6bn	£13.8bn	£109.4bn	£28.0bn	£8.2bn	£409.3bn
Loan loss rate (bps)	14	(10)	3	9	514	n/m	46

Note:
1 Includes gross loans and advances to customers and banks, in addition to debt securities.

Non-IFRS performance measures (continued)

Income over RWAs

	Year ended 31.12.25	Year ended 31.12.24	Year ended 31.12.23
Barclays Investment Bank	£m	£m	£m
Income	**13,055**	**11,805**	**11,035**
Average RWAs	**£198.6bn**	**£202.7bn**	**£199.2bn**
Income over average RWAs	**6.6 %**	**5.8 %**	**5.5 %**

Tangible net asset value per share

	2025	2024	2023
	£m	£m	£m
Total equity excluding non-controlling interests	**77,784**	71,821	71,204
Other equity instruments	**(12,725)**	(12,075)	(13,259)
Goodwill and intangibles	**(8,284)**	(8,275)	(7,794)
Tangible shareholders' equity attributable to ordinary shareholders of the parent	**56,775**	51,471	50,151
Shares in issue[1]	**13,867m**	14,420m	15,155m
Tangible net asset value per share	**409p**	357p	331p

Note:

1 The number of shares of 13,867m as at 31 December 2025 is different from the 13,865m quoted in the 2 January 2026 announcement entitled "Total Voting Rights" because the share buyback transaction executed on 30 December 2025 did not settle until 2 January 2026.

Financial statements

Detailed analysis of our statutory accounts, independently audited and providing in-depth disclosure on the financial performance of the Group.

Financial statements (continued)

KPMG LLP's independent auditor's report to the members of Barclays PLC

1. Our opinion is unmodified

In our opinion:

- the financial statements of Barclays PLC give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2025, and of the Group's and the Parent Company's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- the Group and Parent Company financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

What our opinion covers

We have audited the Group and Parent Company financial statements of Barclays PLC ("the Company" or "the Group") for the year ended 31 December 2025 (FY25) included in the Annual Report and accounts, which comprise:

Group (Barclays PLC and its subsidiaries)

- Consolidated income statement
- Consolidated statement of comprehensive income
- Consolidated balance sheet
- Consolidated statement of changes in equity
- Consolidated cash flow statement
- Notes 1 to 42 to the Financial Statements, including the summary of material accounting policies.

Parent Company (Barclays PLC)

- Statement of comprehensive income
- Balance sheet
- Statement of changes in equity
- Cash flow statement
- Note 41 to the Financial Statements, including the summary of material accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion and matters included in this report are consistent with those discussed and included in our reporting to the Board Audit Committee ("BAC").

We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities.

2. Overview of our audit

Factors driving our view of risks

Following our FY24 audit and considering the developments affecting the Barclays PLC Group since then, we have updated our risk assessment.

The macroeconomic and geopolitical environment continues to be a significant driver of our audit risk assessment for FY25. Economic growth across the UK and other major global economies is expected to remain subdued, with inflation persisting and interest rates staying at a relatively higher level for longer. This has led to continued pressure on consumer affordability and corporate credit quality, which in turn increases the level of judgement involved in forward-looking assumptions, particularly within expected credit loss models and post model assumptions. At the same time, heightened geopolitical uncertainty, including sustained geopolitical tensions, continues to influence credit risk, market valuations and the operational resilience of global financial institutions, such as Barclays. These factors have an impact on the inherent risk of estimation uncertainty across areas such as impairment and valuations.
The Group continues to deliver against their strategic plan which was announced to the market in the February 2024 Investor Update. We have considered the impact of the pressure to meet targets set out in the Investor Update as part of our risk assessment.

Our risk assessment also considered instances of non-compliance with laws and regulations (including open enforcement actions against the Group) and specifically those that could reasonably be expected to have a material effect on the financial statements. We considered management's assessment of how these occurred and their assessment of whether the risk could be more pervasive.

Key Audit Matters	vs FY24	Item
Impairment allowance on loans and advances at amortised cost, including off-balance sheet elements of the allowance (Group)	↑	4.1
Valuation of financial instruments held at fair value (Group)	↔	4.2
Valuation of gross defined benefit pension obligation in respect of the UK retirement fund ('UKRF') (Group)	↔	4.3
User access management (Group)	↔	4.4
Recoverability of Parent Company's investment in subsidiaries (Parent Company)	↔	4.5

Our use of specialists and innovation

Using the work of specialists and specific team members with expertise in a specialised area of accounting or auditing:

We used our specialists and specific team members with expertise in a specialised area of accounting or auditing to assist us in various aspects of our audit. These included, for example:

- Credit risk modellers to evaluate the accuracy of the ECL models
- Economics specialists to evaluate the reasonableness of macroeconomic variables and scenarios used in the determination of the ECL provisions
- Valuation specialists to independently re-price a selection of fair value financial instruments and challenge management on the valuations where they were outside of our acceptable range, as well as the appropriateness of significant models and methodologies used in calculating fair values, risk exposures and in calculating FVAs and XVAs
- Corporate finance valuation specialists to challenge the methodology underpinning, and certain of the assumptions used, in the impairment assessment of goodwill and intangible assets and the carrying value of subsidiaries
- Actuarial pensions specialists to challenge the key assumptions used in the valuation of the defined benefit obligation
- Tax specialists to evaluate the completeness and accuracy of the tax charge, effective tax rate and uncertain tax positions

KPMG LLP's independent auditor's report to the members of Barclays PLC (continued)

- IT auditors to evaluate the general IT controls and automated business controls
- Data analytics specialists to assist with audit procedures to evaluate the completeness of the general ledger and to identify high-risk journals
- Forensic specialists to assist us in identifying fraud risk factors relevant for financial reporting

Innovation in the audit: We are committed to driving innovation and the increased use of technology in the audit process. For the FY25 audit, we continued to deploy data and analytics tools across our audit. We continue to expand our use of accredited Artificial Intelligence based solutions into our audit process. We have also continued to innovate our audit of the estimation of expected credit losses through independently recalculating a selection of model assumptions using more recent data for certain portfolios. This is used to develop a range for ECL which we then compare to management's own point estimate.

Board Audit Committee ("BAC") interaction

During the year, the BAC met 16 times. KPMG attended all BAC meetings, except for the meeting in relation to the audit tender. KPMG are provided with an opportunity to meet with the BAC in private sessions without the Executive Directors being present. For each Key Audit Matter, we have set out communications with the BAC in section 4, including matters that required particular judgement.

The matters included in the Board Audit Committee Chair's report on pages 134 to 141 are materially consistent with our observations of those meetings.

In addition, KPMG attended all Board Risk Committee meetings.

Our independence

We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities.

We have not performed any non-audit services during FY25 or subsequently which are prohibited by the FRC Ethical Standard.

We were first appointed as auditor by the shareholders for the year ended 31 December 2017. The period of total uninterrupted engagement is for the nine financial years ended 31 December 2025.

The Group engagement partner is required to rotate every 5 years. As these are the fourth set of the Group's Financial Statements signed by Stuart Crisp, he will be required to rotate off after the FY26 audit

The average tenure of component engagement partners, is three years, with the shortest being their first year of involvement and the longest being four years.

Total audit fee	£70m
Other audit related fees	£15m
Other services	£5m
Non-audit fee as a % of total audit and audit related fee %	6%
Date first appointed	10 May 2017
Uninterrupted audit tenure	9 years
Next financial period which requires a tender	31 December 2027
Tenure of Group engagement partner	4 years
Average tenure of component engagement partners	3 years

Materiality
(Item 6 below)

The scope of our work is influenced by our view of materiality and our assessed risk of material misstatement.

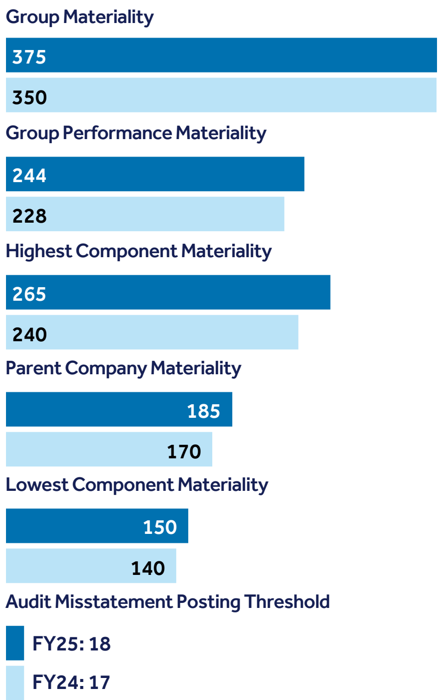
We have determined overall materiality for the Group Financial Statements as a whole at £375m (FY24: £350m), and for the Parent Company financial statements as a whole at £185m (FY24: £170m)

We determined that profit before tax (PBT) remains to be the key benchmark for Barclays PLC Group.

We based our materiality on profit before tax of £9,139m, of which it represents 4.1% (FY24: 4.4%). We adjusted PBT in FY24 for items which did not represent the normal continuing operations of the Group. As part of our materiality assessment for the audit of Barclays, we have considered the impact of the Investor Update in February 2024.

Materiality for the Parent Company financial statements as a whole was set at £185m (2024: £170m), which is the component materiality for the Parent Company determined by the group audit engagement team. This is lower than the materiality we would otherwise have determined with reference to a benchmark of net assets of which it represents 0.3% (FY24: 0.3%).

Materiality levels used in our audit
(£)



KPMG LLP's independent auditor's report to the members of Barclays PLC (continued)

Group scope

(Item 7 below)

We have performed risk assessment and planning procedures to determine which of the Group's components are likely to include risks of material misstatement to the Group financial statements, the type of audit procedures to be performed at these components and the extent of involvement required from component auditors around the world for the purpose of our opinion on the Group Financial Statements.

We have also considered the extent to which the Group has established a Global Capability Centre ("GCC") in India. The outputs from the GCC are included in the financial information of the reporting components and so the India operations are not considered to be a separate component for the purpose of our audit.

The five components within the scope of our work accounted for the percentages illustrated in the diagrams below.

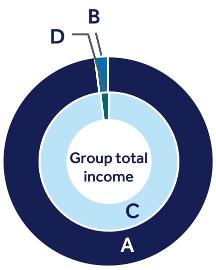
We have performed certain audit procedures centrally across the Group, set out in more detail in Section 7. In addition, we have performed Group level analysis on the remaining components to determine whether further risks of material misstatement exist in those components.

We consider the scope of our audit, as communicated to the Board Audit Committee, to be an appropriate basis for our audit opinion.

Coverage of Group financial statements

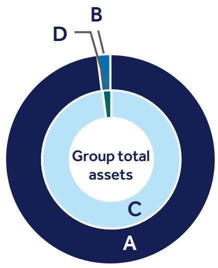
Our audit procedures covered 98.4% of Group revenue.

We performed audit procedures in relation to components that accounted for the following percentages:



A	2025 Components where audit procedures were performed	**98%**
B	2025 Remaining out of scope balances	**2%**
C	2024 Components where audit procedures were performed	**98%**
D	2024 Remaining out of scope balances	**2%**

We performed audit procedures in relation to all components identified. Components that we deemed quantitatively significant accounted for 98% of Group Total assets:



A	2025 Components where audit procedures were performed	**98%**
B	2025 Remaining out of scope balances	**2%**
C	2024 Components where audit procedures were performed	**98%**
D	2024 Remaining out of scope balances	**2%**

The impact of climate change on our audit

In planning our audit, we have considered the potential impact of risks arising from climate change on the Group's business and its financial statements. The Group has set out its ambition to be a net zero bank by 2050. Further information is provided in the Group's Climate and Sustainability report which has been incorporated into the 2025 Annual Report on pages 62-107.

Climate change risks, opportunities and the Group's own commitments and changing regulations could have a significant impact on the Group's business and operations. There is the possibility that climate change risks, both physical and transitional, could affect financial statement balances, through estimates such as credit risk and market risk. There is enhanced narrative in the Annual Report on climate matters.

As part of our audit, we performed a risk assessment of the impact of climate change risk and the commitments made by the Group in respect of climate change on the financial statements and our audit approach. As a part of this we held discussions with our own climate change professionals to challenge our risk assessment. In doing this we performed the following:

- **Understanding management's processes**: we made enquiries to understand management's assessment of the potential impact of climate change risk on the Group's Annual Report and Accounts and the Group's preparedness for this.

As part of this process we made enquiries to understand management's risk assessment process as it relates to possible effects of climate change on the Annual Report and Accounts including the way in which the accounting policies of the Group (including those relating to products with specific climate features) are updated to reflect climate change risks. We also read and discussed with management the quantitative analysis prepared by the Group to support its assessment of the impact of climate risk on credit risk.

- **Retail credit risk:** we assessed how the Group considers the impact of physical risks on the valuation of mortgage collateral. Specifically, we performed data and analytic driven risk assessment procedures to understand the potential impact of flooding and subsidence on the valuation of mortgage collateral and made enquiries of management to understand how this is considered within their own collateral valuation process.
- **Corporate credit risk:** we assessed how the Group considers the impact of climate risk on corporate counterparties through our individual loan assessments where, for performing counterparties, we assessed how climate change risk impacts certain counterparties within the commercial bank, including the impact on their credit rating as applicable. The focus of our procedures was on certain counterparties who operate in industries with greater exposure to climate risk - the energy, transportation, materials and buildings, agriculture, food and forest product sectors.
- **Market risk:** as part of our risk assessment, we incorporated a consideration of the climate change impact on unobservable inputs used in the valuation of certain financial instruments in elevated risk sectors including energy & waters, manufacturing and mining & quarrying.
- **Annual report narrative:** we made enquiries of management to understand the process by which climate related narrative is developed including the primary sources of data used and the governance process in place over the narrative. As part of our risk assessment, we read the climate related information in the front half of the Annual Report and considered consistency with the financial statements and our audit knowledge.

KPMG LLP's independent auditor's report to the members of Barclays PLC (continued)

On the basis of the procedures performed above, we concluded that, while climate change posed a risk to the determination of asset values in the current year, the risk was not significant when we considered the nature of the assets and the relevant contractual terms. As a result, there was no material impact from climate change on our key audit matters.

3. Going concern, viability and principal risks and uncertainties

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Parent Company or to cease their operations, and as they have concluded that the Group's and the Parent Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

Going concern

We used our knowledge of the Group and Parent Company, the financial services industry, and the general economic environment to identify the inherent risks to the business model and analysed how those risks might affect the Group's and Parent Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and Parent Company's available financial resources over this period were:

- The availability of funding and liquidity in the event of a market wide stress scenario; and
- The impact on regulatory capital requirements in the event of an economic slowdown or recession.

We considered whether these risks could plausibly affect the availability of financial resources in the going concern period by comparing severe, but plausible downside scenarios that could arise from these risks individually and collectively against the level of available financial resources indicated by the Group's financial forecasts.

Our procedures also included an assessment of whether the going concern disclosure in note 1 to the financial statements gives a complete and accurate description of the Directors' assessment of going concern.

Accordingly, based on those procedures, we found the directors' use of the going concern basis of accounting without any material uncertainty for the Group and Parent Company to be acceptable.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Parent Company will continue in operation.

Our conclusions

- We consider that the directors' use of the going concern basis of accounting in the preparation of the Group and Parent Company's financial statements is appropriate;
- We have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Parent Company's ability to continue as a going concern for the going concern period;
- We have nothing material to add or draw attention to in relation to the directors' statement in note 1 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and Parent Company's use of that basis for the going concern period, and we found the going concern disclosure in note 1 to be acceptable; and
- The related statement under the UK Listing Rules set out on page 57 is materially consistent with the financial statements and our audit knowledge.

Disclosures of emerging and principal risks and longer-term viability

Our responsibility

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the viability statement on page 57 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the Principal risk management disclosures describing these risks and how emerging risks are identified and explaining how they are being managed and mitigated; and
- the directors' explanation in the viability statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.
- We are also required to review the viability statement set out on page 57 under the UK Listing Rules.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's and Parent Company's longer-term viability.

Our reporting

We have nothing material to add or draw attention to in relation to these disclosures.

We have concluded that these disclosures are materially consistent with the financial statements and our audit knowledge.

KPMG LLP's independent auditor's report to the members of Barclays PLC (continued)

4. Key audit matters

What we mean

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on:

- the overall audit strategy;
- the allocation of resources in the audit; and
- directing the efforts of the engagement team.

We include below the Key Audit Matters in decreasing order of audit significance together with our key audit procedures to address those matters and our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, for the purpose of our audit of the financial statements as a whole. We do not provide a separate opinion on these matters.

4.1 Impairment allowances on loans and advances at amortised cost, including off-balance sheet elements of the allowance (Group)

Financial Statement Elements	FY25	FY24	Our assessment of risk vs FY24	Our results
Impairment allowances on loans and advances at amortised cost, including off-balance sheet elements of the allowance (see page 268)	£5.7bn	£5.5bn	↑ Our assessment is that the risk has increased since FY24. This is primarily due to heightened uncertainty in the macroeconomic outlook, impacting ECL qualitative adjustments and forward-looking economic scenarios and probability weightings.	**FY25: Acceptable** FY24: Acceptable

Description of the Key Audit Matter	Our response to the risk
Subjective estimate	**Our procedures to address the risk included:**
The estimation of expected credit losses ("ECL") on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Group's estimation of ECL are: • Model estimations – Inherently judgemental modelling techniques and assumptions are used to estimate ECL which involves either determining Probability of Default ("PD"), Loss Given Default ("LGD"), and Exposure at Default ("EAD") or an appropriate proxy. ECL may be inaccurate if certain models or underlying assumptions do not accurately predict defaults or recoveries over time, become out of line with wider industry experience, or fail to reflect the credit risk of financial assets. As a result, certain IFRS 9 models and model assumptions are the key drivers of complexity and uncertainty in the Group's calculation of the ECL estimate representing a significant risk due to error. • Economic scenarios – IFRS 9 requires the Group to measure ECL on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the forward-looking economic scenarios used as an input to calculate ECL, the associated scenario probability weightings, and the key economic variables that drive the scenarios. There is also a high level of complexity of models used to derive the probability weightings. As such the management judgement relating to the selection of scenarios, the material economic variables, and the associated scenario probability weightings represent a significant risk due to error.	**Risk assessment:** We performed granular and detailed risk assessment procedures over the entirety of the loan and advances at amortised cost including off-balance sheet elements of the allowance within the Group's financial statements. As part of these risk assessment procedures, we identified the portfolios associated with a risk of material misstatement including those arising from significant judgements over the estimation of ECL either due to inputs, methods or assumptions. **Controls testing:** We performed end to end process walkthroughs to identify the key systems, applications and controls used in the ECL processes. We tested the relevant manual, general IT and application controls over key systems used in the ECL process. Key aspects of our controls testing involved evaluating the design and implementation and testing the operating effectiveness of the key controls over the: • completeness and accuracy of the key inputs into the IFRS 9 impairment models; • application of the staging criteria; • model validation, implementation and monitoring; • completeness, authorisation and calculation of post model adjustments and management overlays; • selection and implementation of economic variables and the controls over the economic scenario selection and probabilities; and • credit reviews that determine customer risk ratings for a population of wholesale customers, including a risk-based selection. **Our credit risk modelling expertise:** We involved our own credit risk modellers who assisted in the following: • evaluating the Group's impairment methodologies for compliance with IFRS 9; • assessing the appropriateness of certain assumptions by inspecting management's documented methodology for how the assumptions are estimated and reperforming management's workings in accordance with the documented methodology; • inspecting model code for the calculation of certain components of the ECL model to assess its consistency with the Group's model methodology; • evaluating whether model changes (including updated model code), for a selection of models which were changed or updated during the year, 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; • assessing and reperforming, for a selection of models, the reasonableness of the model predictions by comparing them against reported results and evaluating the resulting differences; • 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; and • independently recalculating a selection of model assumptions using more recent data for certain portfolios. This is used to develop a range for ECL which is compared to Group's point estimate.

KPMG LLP's independent auditor's report to the members of Barclays PLC (continued)

Description of the Key Audit Matter	Our response to the risk
• Qualitative adjustments – The Group applies qualitative adjustments to the model-driven ECL estimates to address model limitations, emerging credit risks or risks not captured by models. The adjustments represent approximately 6.5% of the ECL. These adjustments are inherently uncertain, significant and subjective judgement is required in identifying and estimating certain post model adjustments ('PMAs') and management overlays. As such, the identification of certain qualitative adjustments represents a significant risk of error and fraud. The estimation of certain qualitative adjustments represents a significant risk of error. The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers including off-balance sheet elements of the allowance has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The credit risk sections of the financial statements (pages 285 to 293) disclose the sensitivities estimated by the Group. **Disclosure quality** The disclosures regarding the Group's application of IFRS 9, including the sensitivity disclosures, are key to explaining the key judgements and material inputs to the IFRS 9 ECL results.	**Our economics expertise:** We involved our own economic specialists who assisted us in: • assessing the reasonableness of the Group's methodology and models for determining the macroeconomic scenarios used and the probability weightings applied to them; • assessing key economic variables which included comparing samples of economic variables to external sources; and • assessing the overall reasonableness of the macroeconomic forecasts by comparing the Group's forecasts to our own modelled forecasts. **Other test of details:** Key aspects of our audit procedures in addition to those set out above involved: • agreeing the key inputs in the ECL calculations to underlying source documentation; • selecting a sample of post model adjustments (including management overlays),, considering the size and complexity, to assess the reasonableness of the adjustments by challenging key assumptions, and inspecting and reperforming the calculation methodology; • assessing the completeness of post model adjustments identified based on our knowledge gained from other risk-assessment and substantive audit procedures; and • selecting a sample of credit reviews to assess the reasonableness of customer risk ratings by challenging key judgements and considering disconfirming or contradictory evidence. **Assessing transparency:** We assessed the appropriateness of the disclosures in relation to the uncertainty which exists when determining the ECL, including the sensitivity disclosures. In addition, we assessed whether the disclosure of the key judgements and assumptions was appropriate, in the context of the relevant accounting standards.

Communications with the Barclays PLC Board Audit Committee

Our discussions with and reporting to the Board Audit Committee included:

- The effectiveness of the control environment operating over the estimation of the ECL;
- Model monitoring results and post model adjustments made;
- Management's economic forecast and associated scenario probability weights;
- The identification and estimation of post model adjustments; and
- The disclosures made to explain ECL, including explaining the resulting estimation uncertainty.

Areas of particular auditor judgement

We identified the following as the areas of particular auditor judgement:

- The appropriateness of the model estimations; and
- The completeness of qualitative adjustments and the valuation of certain qualitative adjustments.

Our results

Based on the risk identified and our procedures performed we considered the impairment allowances on loans and advances at amortised cost, including off-balance sheet elements and the related disclosures to be acceptable (2024 result: acceptable).

Further information in the Annual Report and Accounts: See the Board Audit Committee Report on page 137 for details on how the Committee considered impairment as an area of significant attention, page 415 to 418 for the accounting policy for the Impairment of financial instruments under IFRS 9, pages 264 to 303 for the credit risk disclosures, and Note 8; Credit Impairment charges for the financial disclosure.

KPMG LLP's independent auditor's report to the members of Barclays PLC (continued)

4.2 Valuation of financial instruments held at fair value (Group)

Financial Statement Elements	FY25	FY24	Our assessment of risk vs FY24	Our results
Level 2 assets at fair value	£512bn	£600bn	↔ Our assessment is that the risk is similar to FY24.	**FY25: Acceptable** FY24: Acceptable
Level 2 liabilities at fair value	£540bn	£584bn		
Level 3 assets at fair value	£24bn	£24bn		
Level 3 liabilities at fair value	£8bn	£7bn		

(Note 17)

Description of the Key Audit Matter

Subjective valuation

The fair value of certain of the Group's financial instruments is determined through the application of valuation techniques which requires the exercise of significant judgement by the Group in selecting appropriate models, determining key pricing inputs and applying post model pricing adjustments, including fair value adjustments (FVAs), and other credit, collateral and funding adjustments (together referred to as XVAs).

Level 3 financial instruments have significant pricing inputs which are unobservable. For those assets, the inherent subjectivity and estimation uncertainty are high. As such, the valuations of Level 3 financial instruments are considered to have a significant risk of material misstatement due to error and fraud.

For certain Level 2 financial instruments and fair value adjustments, valuation complexity also arises where the modelling techniques involve significant limitations or where market participants may apply different pricing methodologies for similar instruments.

We have identified two areas of such complexity for Level 2 financial instruments:

- A specific derivatives portfolio with modelling complexity associated with the product; and
- Certain XVA adjustments made to uncollateralised and partially collateralised derivatives.

As part of our risk assessment, we determined that the subjective estimates in the fair value measurement of Level 3, harder-to-value Level 2 financial instruments, and certain XVAs have a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements, and possibly many times that amount. The financial statements (note 17) disclose the sensitivity in Level 3 portfolios estimated by the Group.

Disclosure quality

For the Level 3 portfolios, the disclosures, including the sensitivity disclosures, are key to explaining the valuation techniques, key judgements, assumptions and material inputs.

Our response to the risk

Our procedures to address the risk included:

Risk assessment: We performed granular and detailed risk assessment procedures throughout the audit period over the entirety of the balances within the Group's financial statements (i.e. all fair value financial instruments held by the Group). As part of these risk assessment procedures, we identified the portfolios and the associated valuation inputs with a risk of material misstatement including those arising from significant judgements over valuation either due to unobservable inputs or complex models. We involved valuation specialists in our risk assessment process.

Control testing: We attended management's Valuation Committee throughout the year and observed discussion and challenge over valuation themes including items related to the valuation of certain harder-to-value financial instruments recorded at fair value.

We performed end to end process walkthroughs to identify the key systems, applications and controls used in the valuations processes. We tested the design and operating effectiveness of key controls relating specifically to these portfolios.

Key aspects of our controls testing involved evaluating the design and implementation and testing the operating effectiveness of the key controls over:

- independent price verification (IPV), performed by a control function, of key market pricing inputs, including completeness of positions and valuation inputs subject to the IPV control;
- fair value adjustments (FVAs), including exit adjustments (to mark the portfolio to bid or offer prices), model shortcoming reserves to address model limitations, assumptions and XVAs; and
- the validation, completeness, implementation and usage of valuation models. This included controls over assessment of model limitations and assumptions.

Our valuations expertise: We involved our own valuation specialist 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 pre-defined acceptable range; 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.

Seeking contradictory evidence: For a selection of collateral disputes identified through management's control where significant fair value differences were observable with the market participant on the other side of the trade, we challenged management's valuation by inspecting evidence of the investigation and resolution of the disputes. 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.

Inspection of movements: We inspected trading revenue arising on level 3 positions to assess whether material day one gains or losses generated were recognised in line with the accounting standards.

Historical comparison: We performed a retrospective review by inspecting significant gains and losses on a selection of new fair value financial instruments, position exits and restructurings throughout the audit period and evaluated whether these data points indicated elements of fair value not incorporated in the current valuation methodologies. We also inspected movements in unobservable inputs throughout the period to challenge whether any gain or loss generated was appropriate.

Assessing transparency: For the Level 3 financial instruments, we assessed the appropriateness of the disclosures in relation to the related estimation uncertainty, including sensitivity disclosures and in the context of the relevant accounting standards.

KPMG LLP's independent auditor's report to the members of Barclays PLC (continued)

Communications with the Barclays PLC Board Audit Committee

Our discussions with and reporting to the Board Audit Committee included:

- Our approach to the audit of the fair value of Level 3 and certain Level 2 financial instrument assets and liabilities. This included details of our risk assessment, controls and substantive procedures.
- Our conclusions on the appropriateness of the Group's fair value methodology, models, pricing inputs and fair value adjustments.

Areas of particular auditor judgement

We identified the following as the areas of particular auditor judgement:

- The valuation of Level 3, harder-to-value level 2 financial instruments and certain XVAs, specifically with regards to the selection of market data inputs, valuation models and related assumptions.

Our results

Based on the risk identified and our procedures performed we consider the fair value of Level 3 and harder-to-value Level 2 financial instrument assets and liabilities recognised . and the related disclosures for Level 3 financial instrument assets and liabilities to be acceptable (2024 result: acceptable)

Further information in the Annual Report and Accounts: See the Board Audit Committee Report on page 137 for details on how the Board Audit Committee considered Valuations as an area of significant attention, page 406 for the accounting policy on financial assets and liabilities, and note 17; Fair value of financial instruments for the financial disclosures.

4.3 Valuation of the gross defined benefit pension obligation in respect of the UK Retirement Fund ('UKRF') (Group)

Financial Statement Elements	FY25	FY24	Our assessment of risk vs FY24	Our results
Defined benefit obligation related to UKRF (note 32)	£18.4bn	£18.7bn	↔ Our assessment is that the risk is similar to FY24.	**FY25: Acceptable** FY24: Acceptable

Description of the Key Audit Matter	Our response to the risk
Subjective valuation The valuation of the defined benefit obligation in respect of the UKRF is dependent on key actuarial assumptions, including the discount rates, retail price index ('RPI') and mortality assumptions. Small changes to these assumptions could have a significant impact on the valuation of the defined benefit pension obligation. As part of our risk assessment, we determined that the defined benefit pension obligation has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements, and possibly many times that amount. **Disclosure quality** The disclosures regarding the Group's application of IAS 19 (including risks, assumptions, sensitivities and sources of estimation uncertainty) are key to explaining the key judgements applied in the IAS 19 Defined Benefit Obligation calculation.	**Our procedures to address the risk included:** **Risk assessment:** We performed granular and detailed risk assessment procedures throughout the audit period over the UKRF. As part of these procedures, we inquired with management and the Group's actuaries to understand any changes to the process in the computation of the DBO along with the methodology, assumptions and source data used. We also perform end to end process walkthroughs and considered the impact of any new developments during the year on our risk assessment and our audit approach. **Control testing:** We performed end to end process walkthroughs to identify the key systems, applications and controls used in the defined benefit obligation process. We tested the design and operating effectiveness of key controls relating to the process. Key aspects of our controls testing involved evaluating the design and implementation and testing the operating effectiveness of the key controls over management's review of IAS 19 assumptions including the discount rate, RPI and mortality assumptions; **Evaluation of management's expert:** We evaluated the objectivity and competence of management's actuarial expert involved in the valuation of the defined benefit pension obligation. **Our actuarial expertise:** We involved our own actuarial pension specialists in the following: • evaluating the judgements made and the appropriateness of methodologies used by the Group and the Group's actuarial expert in determining the key actuarial assumptions; and • comparing the assumptions used by the Group to our independently compiled expected ranges based on market observable data and our market experience. **Assessing transparency:** We assessed the appropriateness of the Group's financial statements disclosures in relation to the estimation uncertainty involved in determining the valuation of defined benefit obligations and in the context of the relevant accounting standards.

Communications with the Barclays PLC Board Audit Committee

Our discussions with and reporting to the Board Audit Committee included:

- Our audit risk assessment for the valuation of the defined benefit pension obligation, including the rationale for not including the valuation of pension assets in the key audit matter.
- We also discussed our audit response to the key audit matter which included the use of specialists to challenge key aspects of management's actuarial valuation.

Areas of particular auditor judgement

We identified the following as the areas of particular auditor judgement:

- Subjective and complex auditor judgement was required in evaluating the key actuarial assumptions used by the Group (including the discount rate, retail price index and mortality assumptions).

Our results

Based on the risk identified and our procedures performed we consider the valuation of the defined benefit pension obligation in respect of UKRF and the related disclosures to be acceptable (2024 result: acceptable).

Further information in the Annual Report and Accounts: See page 469 for the accounting policy on defined benefit schemes, and note 32 ; Pensions and post-retirement benefits for the financial disclosure.

KPMG LLP's independent auditor's report to the members of Barclays PLC (continued)

4.4 User access management (Group)

Financial Statement Elements	Our assessment of risk vs FY24	Our results
User access management has a potential impact throughout the financial statements.	↔ Our assessment is the risk is similar to FY24	**FY25: Acceptable** FY24: Acceptable

Description of the Key Audit Matter	Our response to the risk

Control Performance

Operations across several countries support a wide range of products and services resulting in a large and complex IT infrastructure relevant to the financial reporting processes and related internal controls.

User access management controls are an integral part of the IT environment to ensure both system access and changes made to systems and data are authorised and appropriate. Our audit approach relies on the effectiveness of IT access and change management controls. Our audit procedures identified deficiencies in certain IT access controls for systems relevant to financial reporting, similar to those identified in the prior years.

Management continues to remediate the deficiencies around monitoring activities performed by privileged users on infrastructure components. Since some of these deficiencies remained open during the year and as at year end, we performed additional procedures to respond to the risk of unauthorised changes to automated controls over financial reporting, such as an assessment of compensating controls implemented and operated by management during the period.

Our procedures to address the risk included:

Control testing: We tested the design, implementation and operating effectiveness of automated controls that support material balances in the financial statements. We also tested the design and operating effectiveness of the relevant preventative and detective general IT controls over user access management including:

- authorising access rights for new joiners;
- timely removal of user access rights;
- logging and monitoring of user activities;
- privileged user access management and monitoring;
- developer access to transaction and balance information;
- segregation of duties;
- re-certification of user access rights; and
- restricting access to make changes to systems and data.

We re-evaluated the risk associated with these controls based on previously identified control deficiencies and increased sampling where relevant.

We further performed procedures to assess whether additional detective compensating controls operate at the required level of precision to support our assessed risk of unauthorised activities and we tested management's detective controls.

Communications with the Barclays PLC Board Audit Committee

Our discussions with and reporting to the Board Audit Committee included:

- Our procedures to address the identified risk, as well as the results of the procedures performed.

Areas of particular auditor judgement

The Key Audit Matter relates to determining whether user access management controls were designed and implemented and operated effectively. Limited auditor judgement was required relative to the other Key Audit Matters which have been identified.

Our results

Based on the risk identified and our procedures performed, our testing did not identify weaknesses in the design and operation of user access management controls that would have required us to significantly expand the extent of our planned detailed testing.

KPMG LLP's independent auditor's report to the members of Barclays PLC (continued)

4.5 Recoverability of parent company's investment in subsidiaries (Parent Company)

Financial Statement Elements	FY25	FY24	Our assessment of risk vs FY24	Our results
Investment in subsidiaries (Parent company accounts and note 41)	£63.9bn	£63.3bn	↔ Our assessment is that the risk is similar to FY24.	**FY25: Acceptable** FY24: Acceptable

Description of the Key Audit Matter	Our response to the risk
Forecast based assessment The Parent Company's investment in subsidiaries may be misstated if the carrying value of the investment in the balance sheet is not supported by the recoverable amount of the investment. Barclays has estimated the recoverable amount using the future cash flows of the underlying business (the value in use ("VIU")). The calculation of VIU is dependent on certain key assumptions around the future cash flows which have been derived from Group's Medium-Term Plan ('MTP') including the discount rates and the terminal growth rates. These assumptions, which are judgemental, are derived from a combination of management estimates, market data and other information obtained from external sources. These assumptions continued to be impacted by uncertainty in the wider economic environment. This has contributed to the complexity and subjectivity in the impairment assessment process, in addition to the complexities of the valuation of a Bank. As part of our risk assessment, we determined that the recoverability of the carrying value of the investment in subsidiaries in the Parent Company financial statements has a risk of material misstatement. However, we do not consider the risk to be significant. Given the materiality of the investment, and its effect on the overall Parent Company audit, we consider the recoverability of the carrying value of the investment in subsidiary in the Parent Company to be a Key Audit Matter for the Parent Company. Our risk assessment is that the risk is consistent with last year.	**Our procedures to address the risk included:** **Control testing:** We performed end to end process walkthroughs to identify the key systems, applications and controls used in the process to assess the carrying value of the Parent Company's investment in subsidiaries. We tested the design and operating effectiveness of the key controls relating to the process. These included controls over the identification of indicators of impairment and review of the key assumptions in determining the value in use. **Test of details:** We compared the carrying amount of each subsidiary to its draft balance sheet to identify whether its net assets, being an approximation of their minimum recoverable amount, were in excess of its carrying amount. We assessed for potential indicators that investments in subsidiaries might be impaired. **Benchmarking assumptions:** For the two largest subsidiaries (Barclays Bank PLC and Barclays Bank UK PLC) we compared key assumptions in the associated VIU calculations including those underlying certain estimated future cash flows, the discount rate and the terminal growth rate to externally derived data including analyst broker reports, peer bank data and projected economic growth. **Our valuations expertise:** We involved our own valuations specialists to assist us in the following: • evaluating the appropriateness of the discount rate used by independently developing discount rate ranges using external data sources and peer bank data; and • assessing whether the methodology over the Parent Company's calculation of the VIU is compliant with the requirements of the accounting standard. **Our business understanding:** We used our business understanding to evaluate the reasonableness of certain key assumptions and considerations made when developing the Group's MTP estimated future cash flows. **Historical comparison:** We performed a retrospective review by comparing the MTP from previous years to actual results to assess the Parent Company's ability to accurately prepare cash flow forecasts at the individual subsidiary level.

Communications with the Barclays Board Audit Committee

Our discussions with and reporting to the Board Audit Committee included:

- Our audit response to the Key Audit Matter which included the use of specialists to challenge key aspects of management's impairment assessment and the range of reasonably possible alternatives for significant assumptions.

Areas of particular auditor judgement

We identified the following as the areas of particular judgement:

- We identified the reasonableness of the assumptions underlying the estimated future cash flows and appropriateness of the discount rate, which was used in the impairment assessment, as the areas of particular judgement.

Our results

Based on our procedures performed, we found the Parent Company's conclusion that there is no impairment of its investment in subsidiaries to be acceptable (2024 result: acceptable).

Further information in the Annual Report and Accounts: See the Board Audit Committee Report on page 137 for details on how the Board Audit Committee considered the recoverability of the investment in subsidiaries as an area of significant attention, page 487 for the accounting policy on the recoverability of the investment in subsidiaries and note 41 ; Barclays PLC (the Parent Company) for the financial disclosure.

KPMG LLP's independent auditor's report to the members of Barclays PLC (continued)

5. Our ability to detect irregularities, and our response

Fraud - identifying and responding to risks of material misstatement due to fraud

Fraud risk assessment

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. In this risk assessment we considered the following:

- Our meetings throughout the year with the Group Head of Legal, Group Head of Risk, and Group Head of Compliance and inspection of Barclays' internal ethics and compliance reporting summaries, including those concerning investigations and regulatory correspondence;
- Enquiries of operational managers, internal audit, and the Board Audit Committee and inspection of policy documentation as to the Group's high-level policies and procedures relating to:
  - detecting and responding to the risks of fraud as well as whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud;
- The Group's remuneration policies and key drivers for remuneration and bonus levels;
- The full population of all journal entries to analyse using KPMG audit tools to identify any journals with high risk of fraud using predefined high risk criteria.
- Considered the impact of the pressure to meet targets set out in the strategic plan. FY25 marked the second year of execution against the three-year strategic plan announced by Barclays PLC Group in their February 2024 Investor Update; and
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes audit partners and staff who have extensive experience of working with banks, and this experience was relevant to the discussion about where fraud risks may arise. The discussions also involved our forensic specialists to assist us in identifying fraud risk factors based on discussions of the circumstances of the Group and Parent Company, including consideration of fraudulent schemes that had arisen in similar sectors and industries. The forensic specialists participated in the initial fraud risk assessment discussions and were consulted as required where further guidance was necessary.

Fraud risk communication

We communicated identified fraud risks throughout the audit team and we remained alert to any indications of fraud throughout the audit. This included communication from the Group to component audit teams of relevant fraud risks identified at the Group and requesting component auditors to report to the Group auditor any identified fraud risks or identified or suspected instances of fraud.

Fraud risks and our procedures to address them

We identified four fraud risks which were communicated to component audit teams. The nature of these fraud risks is substantially unchanged from the prior year. The fraud risks we identified are set out below:

1 IFRS 9 ECL - Judgemental qualitative adjustments made to the ECL provision

2 Valuations - Risk relating to unobservable pricing inputs used to price level 3 fair value instruments

3 Existence and accuracy of unconfirmed over-the-counter bilateral derivatives

4 The risk of management override of controls, common with all audits under ISAs (UK).

As required by auditing standards and taking into account our overall knowledge of the control environment, we performed procedures to address the above risks, the risk that Group and component management may be in a position to make inappropriate accounting entries and the risk of management bias in accounting estimates and judgements.

In this audit, we have not identified a significant risk of fraud related to revenue recognition for the Group as a whole. This conclusion is based on the nature of the revenue streams, which suggests limited opportunities for management to manipulate revenue, considering the characteristics, volume, and judgments involved in each revenue stream. Our audit procedures included evaluating the design and implementation and operating effectiveness of relevant internal controls, assessing significant accounting estimates for bias, as well as substantive procedures to address the fraud risks.

These procedures also included identifying journal entries using KPMG audit tools to test based on high risk criteria and comparing the identified entries to supporting documentation.

Incorporating unpredictability into our audit: A requirement of the auditing standards is that we undertake procedures which are deliberately unexpected and could not have reasonably been predicted by Barclays' management. As an example, we update our criteria for selecting journals with a higher risk of management override for testing each year so that the selection criteria do not become predictable.

Link to key audit matters

Further details of the testing we perform over the identified fraud risks for ECL and fair value of financial instruments are included in the respective key audit matters sections 4.1 and 4.2 of this report, as certain procedures relating to those estimates also address the risk of fraud.

KPMG LLP's independent auditor's report to the members of Barclays PLC (continued)

Laws and regulations - identifying and responding to risks of material misstatement relating to compliance with laws and regulations

Laws and regulations risk assessment

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements. For this risk assessment, matters considered include the following:

- our general commercial and sector experience;
- inquiries with the directors and management;
- inspection of the Group's key regulatory and legal correspondence;
- inspection of the policies and procedures regarding compliance with laws and regulations;
- relevant discussions with the Group's external legal counsel;
- relevant discussions with the Group's key regulatory supervisors including the Prudential Regulation Authority, Financial Conduct Authority, Federal Reserve Board, Federal Deposit Insurance Corporation and the Joint Supervisory Teams of the European Central Bank; and
- the Group's own assessment of the risks of non-compliance with laws and regulations, and the internal controls established to mitigate these. This assessment was considered and approved by the Board.

Our risk assessment also considered instances of non-compliance with laws and regulations and enforcement actions against the Group during the year and specifically those that could reasonably be expected to have a material effect on the financial statements.

As the Group operates in a highly regulated environment, our assessment of risks of material misstatement also considered the control environment, including the Group's higher-level procedures for complying with regulatory requirements. Our assessment included inspection of key frameworks, policies and standards in place, understanding and evaluating the role of the compliance function in establishing these and monitoring compliance and testing of related controls around whistleblowing and complaints.

Risk communication

Our identified laws and regulations risks were communicated throughout our team and we remained alert to any indications of non-compliance throughout the audit. This included communication from the Group to component audit teams of relevant laws and regulations identified at Group level.

Direct laws context and link to audit

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly impact the financial statements including:

- financial reporting legislation (including related companies' legislation);
- distributable profits legislation; and
- taxation legislation (direct and indirect).

We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Most significant indirect law/ regulation areas

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines, remediation payments or litigation, or the loss of the Group's permission to operate in countries where the non-adherence to laws could prevent trading in such countries.

We identified the following areas as those most likely to have such an effect:

- Specific aspects of regulatory capital and liquidity requirements
- Other banking laws and regulations, including securities issuance law
- Customer conduct rules
- Money laundering
- Sanctions list and financial crime
- Market abuse regulations
- Certain aspects of companies legislation recognising the financial and regulated nature of the Group's activities.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. If a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Audit response

In relation to the legal, competition and regulatory matters disclosed in note 25 we performed audit procedures which included making inquiries of Barclays' internal counsel and inspection of minutes of meetings and of regulatory correspondence. For a subset of these matters which we deemed to be more significant we also made inquiries of external counsel and obtained legal confirmations from Barclays' external counsel.

In respect of regulatory matters relating to conduct risk as disclosed in note 25 our procedures included inspection of regulatory correspondence, independent inquiry of the Group's main regulators and performing audit procedures to respond to risks of material misstatement identified in recognised conduct provisions.

Context

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

KPMG LLP's independent auditor's report to the members of Barclays PLC (continued)

6. Our determination of materiality

The scope of our audit was influenced by our application of materiality. We set quantitative thresholds and overlay qualitative considerations to help us determine the scope of our audit and the nature, timing and extent of our procedures, and in evaluating the effect of misstatements, both individually and in the aggregate, on the financial statements as a whole.

Materiality for the financial statements as a whole

2025: £375m 2024: £350m

What we mean

A quantitative reference for the purpose of planning and performing our audit.

Basis for determining materiality and judgements applied

Materiality for the Group financial statements as a whole was set at £375m (FY24: £350m). This was determined with reference to a benchmark of profit before tax (PBT).

Consistent with FY24, we determined that PBT remains the main benchmark for the Group as it is the metric in the primary statements which best reflects the focus of the users of the financial statements. In FY24 we adjusted for the impact of inorganic activities, which comprised losses on portfolio sales and a profit on the acquisition of Tesco Bank completed during the year, that resulted in additional income of £91m. As part of our materiality assessment for the audit of Barclays, we have considered the impact of the Investor Update in February 2024.

Our Group materiality of £375m was determined by applying a percentage to the PBT. When using a benchmark of PBT to determine overall materiality, KPMG's approach for listed entities considers a guideline range 3% - 5% of the measure. In setting overall Group materiality, we applied a percentage of 4.1% (FY24:4.4%) to the benchmark.

Materiality for the Parent Company financial statements as a whole was set at £185m (FY24: £170m), which is the component materiality for the parent company determined by the group audit engagement team. This is lower than the materiality we would otherwise have determined with reference to a benchmark of net assets, of which it represents 0.3% (FY24: 0.3%).

Performance materiality

2025: £244m 2024: £227m

What we mean

Our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Basis for determining performance materiality and judgements applied

We have considered performance materiality at a level of 65% (FY24: 65%) of materiality for Barclays PLC Group's financial statements as a whole to be appropriate.

The Parent Company performance materiality was set at £120m (FY24: £110m), which equates to 65% (FY24: 65%) of materiality for the Parent Company financial statements as a whole.

We applied this percentage in our determination of performance materiality based on the level of control deficiencies during the prior period.

Audit misstatement posting threshold

2025: £18m 2024: £17m

What we mean

This is the amount below which identified misstatements are considered to be clearly trivial from a quantitative point of view. We may become aware of misstatements below this threshold which could alter the nature, timing and scope of our audit procedures, for example if we identify smaller misstatements which are indicators of fraud.

This is also the amount above which all misstatements identified are communicated to Barclays PLC Group Board Audit Committee.

Basis for determining the audit misstatement reporting threshold and judgements applied

We set our audit misstatement posting threshold at 5% (FY24: 5%) of our materiality for the Group financial statements. We also report to the Board Audit Committee any other identified misstatements that warrant reporting on qualitative grounds.

The overall materiality for the Group financial statements of £375m (FY24: £350m) compares as follows to the main financial statement caption amounts:

	Total Revenue		Total Assets		Net Assets	
	FY25	**FY24**	**FY25**	**FY24**	**FY25**	**FY24**
Financial statement Caption	**£29,140m**	£26,788m	**£1,544,165m**	£1,518,202m	**£78,236m**	£72,481m
Group Materiality as % of caption	**1.29%**	1.31%	**0.02%**	0.02%	**0.48%**	0.48%

KPMG LLP's independent auditor's report to the members of Barclays PLC (continued)

7. The scope of our audit

Group scope

What we mean

How the Group auditor determined the procedures to be performed across the Group.

We performed risk assessment procedures to determine which of the Group's components are likely to include risks of material misstatement to the Group financial statements and which procedures to perform at these components to address those risks.

In total, we identified five (FY24: five) components, having considered our evaluation of the Group's operational structure; the Group's legal structure; the existence of common information systems; the existence of common risk profile across entities/business units/ functions/ business activity; geographical locations; and other audit specific factors and our ability to perform audit procedures centrally.

Of those, we identified three (FY24: two) quantitatively significant components which contained the largest percentages of either total revenue or total assets of the Group, for which we performed audit procedures.

We also identified two (FY24: two) components as requiring special audit consideration, owing to Group risks relating to the valuation of financial instruments held at fair value residing in one component and the significance of the contribution to the Group's operating expenses in one component (FY24: valuation of financial instruments held at fair value residing in one component and the significance of the contribution to the Group's operating expenses in one component).

In FY24, we selected one component with accounts contributing to the specific risks of material misstatement of the Group financial statements, based on qualitative and quantitative considerations.

Accordingly, we performed audit procedures on five (FY24: five components). We involved component auditors on two (FY24: two components). We performed an audit of the parent Company which is both a component of the Group and has separately disclosed financial statements.

We set the component materialities, ranging from £150m to £265m (FY24: £140m to £240m), having regard to size and risk profile.

Our audit procedures covered 98.4% (FY24: 99%) of Group total income.

Impact of controls on our Group audit

Barclays relies on the effectiveness of internal controls over financial reporting at the Group level, both in the Global Capability Centre (GCC) in India and at country level, and operates both automated and manual controls.

Barclays PLC is a Foreign Private Issuer, and therefore is subject to the US Sarbanes-Oxley Act ('SOx') control reporting requirements as required by the SEC in the United States. We have therefore tested the design and operations of controls in all areas of our audit where we identified a risk of material misstatement.

We identified 628 applications to be the main IT applications relevant to the audit. This included the ledger and the consolidation application. We used IT specialists to assist us in assessing the design and operating effectiveness of the general IT controls and business automated controls of these applications, with this testing managed from the UK. Following our testing, we relied on general IT controls and business automated controls in determining the work to be performed in the audit.

The Group audit team evaluated the design and operating effectiveness of key manual process level controls operating centrally at the Group level (including those operated at the GCC). Component auditors further evaluated the design and operating effectiveness of key manual controls that operate at country level (including those operated at the GCC) to address specific local financial reporting risks that could impact the group audit opinion. Results from all testing were communicated to the group audit team.

Based on the outcome of our testing of controls, including compensating controls where relevant, we were able to rely upon the Group's internal control over financial reporting in all areas of our audit and, where our controls testing supported this approach, we were able to reduce the scope of our substantive audit work.

Group audit team oversight

What we mean

The extent of the Group auditor's involvement in work performed by component auditors.

In working with component auditors we:

- included the component auditors' engagement partners and managers in the Group risk assessment and planning discussions at a global planning conference to incorporate inputs from component auditors in the identification of matters relevant to the Group audit.
- visited all (FY24: all) component auditors in person as the audit progressed to understand and evaluate their work, and organised regular video conferences with the component auditors. At these visits, meetings and video conferences, the results of the planning procedures and further audit procedures communicated to us were discussed in more detail and any further work required by us was then performed by the component auditors.
- issued Group audit instructions to component auditors on the scope and nature of their work.
- inspected the work performed by the component auditors for the purpose of the Group audit and evaluated the appropriateness of conclusions drawn from the audit evidence obtained and consistencies between communicated findings and work performed, with a particular focus on impairment allowance on loans and advances at amortised cost and valuation of financial instruments held at fair value.

Stuart Crisp, the Group Lead Engagement Partner (and Senior Statutory Auditor), attended Board Audit Committee and Board Risk Committee for Barclays PLC and Barclays Bank PLC. Stuart also attended at least one Board Audit Committee for Barclays Bank UK, Barclays Bank Europe, and the Intermediate Holding Company (IHC) covering Barclays Capital Inc. and Barclays Bank Delaware, which are the quantitatively significant components of Barclays Bank PLC.

KPMG LLP's independent auditor's report to the members of Barclays PLC (continued)

8. Other information in the annual report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

All other information

Our responsibility

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge.

Our reporting

Based solely on that work we have not identified material misstatements or inconsistencies in the other information.

Strategic report and Directors' report

Our responsibility and reporting

Based solely on our work on the other information described above we report to you as follows:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

Our responsibility

We are required to form an opinion as to whether the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Our reporting

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance disclosures

Our responsibility

We are required to perform procedures to identify whether there is a material inconsistency between the financial statements and our audit knowledge, and:

- the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the annual report describing the work of the Audit Committee, including the significant issues that the Audit Committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Group's risk management and internal control systems.

Our reporting

Based on those procedures, we have concluded that each of these disclosures is materially consistent with the financial statements and our audit knowledge.

We are also required to review the part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the UK Listing Rules for our review.

We have nothing to report in this respect.

Other matters on which we are required to report by exception

Our responsibility

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Our reporting

We have nothing to report in these respects.

KPMG LLP's independent auditor's report to the members of Barclays PLC (continued)

9. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 157 the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at frc.org.uk/auditorsresponsibilities.

The Company is required to include these financial statements in an annual financial report prepared under Disclosure Guidance and Transparency Rule 4.1.17R and 4.1.18R. This auditor's report provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

10. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Stuart Crisp
(Senior Statutory Auditor)
for and on behalf of KPMG LLP,
Statutory Auditor

Chartered Accountants
15 Canada Square
London
E14 5GL

9 February 2026

Consolidated financial statements

Consolidated income statement

For the year ended 31 December	Notes	2025 £m	2024 £m	2023 £m
Interest and similar income	3	**36,189**	38,326	35,075
Interest and similar expense	3	**(21,688)**	(25,390)	(22,366)
Net interest income		**14,501**	12,936	12,709
Fee and commission income	4	**11,282**	10,847	10,121
Fee and commission expense	4	**(3,784)**	(3,600)	(3,592)
Net fee and commission income		**7,498**	7,247	6,529
Net trading income	5	**7,042**	5,768	5,945
Net investment income	6	**10**	216	61
Gain on acquisition		**—**	556	—
Other income		**89**	65	134
Total income		**29,140**	26,788	25,378
Staff costs	30	**(10,607)**	(9,876)	(10,017)
Infrastructure costs	7	**(3,704)**	(3,549)	(4,095)
Administration and general expenses	7	**(2,729)**	(2,770)	(2,602)
UK regulatory levies		**(313)**	(320)	(180)
Litigation and conduct		**(392)**	(220)	(37)
Operating expenses		**(17,745)**	(16,735)	(16,931)
Share of post-tax results of associates and joint ventures		**66**	37	(9)
Loss on disposal of subsidiaries, associates and joint ventures		**(43)**	—	—
Profit before impairment		**11,418**	10,090	8,438
Credit impairment charges	8	**(2,279)**	(1,982)	(1,881)
Profit before tax		**9,139**	8,108	6,557
Taxation	9	**(1,926)**	(1,752)	(1,234)
Profit after tax		**7,213**	6,356	5,323
Attributable to:				
Equity holders of the parent		**6,175**	5,316	4,274
Other equity instrument holders		**997**	991	985
Total equity holders of the parent		**7,172**	6,307	5,259
Non-controlling interests	29	**41**	49	64
Profit after tax		**7,213**	6,356	5,323
Earnings per share		**p**	p	p
Basic earnings per ordinary share	10	**43.8**	36.0	27.7
Diluted earnings per share	10	**42.3**	34.8	26.9

Consolidated financial statements (continued)

Consolidated statement of comprehensive income

For the year ended 31 December	2025 £m	2024 £m	2023 £m
Profit after tax	**7,213**	6,356	5,323
Other comprehensive income/(loss) that may be recycled to profit or loss:			
Currency translation reserve			
Currency translation differences[1]	**(1,131)**	(59)	(1,110)
Tax	**(1)**	13	9
Fair value through other comprehensive income reserve movements relating to debt securities			
Net gains/(losses) from changes in fair value	**1,024**	(863)	1,486
Net losses/(gains) transferred to net profit on disposal	**191**	(164)	(26)
Net (gain)/losses relating to (releases of) impairment	**(3)**	1	(1)
Net (losses)/gains due to fair value hedging	**(142)**	325	(1,184)
Tax	**(297)**	194	(78)
Cash flow hedging reserve			
Net gains/(losses) from changes in fair value	**3,675**	(784)	4,447
Net (gains)/losses transferred to net profit	**(522)**	1,842	423
Tax	**(889)**	(281)	(1,342)
Other comprehensive income that may be recycled to profit or loss	**1,905**	224	2,624
Other comprehensive income/(loss) not recycled to profit or loss:			
Retirement benefit remeasurements	**(10)**	(427)	(1,193)
Fair value through other comprehensive income reserve movements relating to equity instruments	**—**	—	(3)
Own credit	**89**	(1,130)	(983)
Tax	**(30)**	432	611
Other comprehensive income/(loss) not recycled to profit or loss	**49**	(1,125)	(1,568)
Other comprehensive income/(loss) for the year	**1,954**	(901)	1,056
Total comprehensive income for the year	**9,167**	5,455	6,379
Attributable to:			
Equity holders of the parent	**9,126**	5,406	6,315
Non-controlling interests	**41**	49	64
Total comprehensive income for the year	**9,167**	5,455	6,379

Note:
1 Includes £44m loss (2024: £1m loss ; 2023: £0m gain) on recycling of currency translation differences to net profit.

Consolidated financial statements (continued)

Consolidated balance sheet

As at 31 December	Notes	2025 £m	2024 £m
Assets			
Cash and balances at central banks		**229,752**	210,184
Cash collateral and settlement balances		**130,532**	119,843
Debt securities at amortised cost		**68,475**	68,210
Loans and advances at amortised cost to banks		**8,638**	8,327
Loans and advances at amortised cost to customers		**352,885**	337,946
Reverse repurchase agreements and other similar secured lending at amortised cost		**17,622**	4,734
Trading portfolio assets	12	**190,061**	166,453
Financial assets at fair value through the income statement	13	**186,857**	193,734
Derivative financial instruments	14	**252,459**	293,530
Financial assets at fair value through other comprehensive income	15	**74,394**	78,059
Investments in associates and joint ventures	35	**739**	891
Goodwill and intangible assets	21	**8,284**	8,275
Property, plant and equipment	19	**3,720**	3,604
Current tax assets		**276**	155
Deferred tax assets	9	**4,992**	6,321
Retirement benefit assets	32	**3,308**	3,263
Assets included in disposal group classified as held for sale	40	**5,932**	9,854
Other assets		**5,239**	4,819
Total assets		**1,544,165**	1,518,202
Liabilities			
Deposits at amortised cost from banks		**20,413**	13,203
Deposits at amortised cost from customers		**565,200**	547,460
Cash collateral and settlement balances		**117,583**	106,229
Repurchase agreements and other similar secured borrowing at amortised cost		**25,170**	39,415
Debt securities in issue		**119,033**	92,402
Subordinated liabilities	26	**12,954**	11,921
Trading portfolio liabilities	12	**57,737**	56,908
Financial liabilities designated at fair value	16	**294,108**	282,224
Derivative financial instruments	14	**240,808**	279,415
Current tax liabilities		**868**	566
Deferred tax liabilities	9	**13**	18
Retirement benefit liabilities	32	**265**	240
Provisions	23	**1,664**	1,383
Liabilities included in disposal group classified as held for sale	40	**—**	3,726
Other liabilities	22	**10,113**	10,611
Total liabilities		**1,465,929**	1,445,721
Equity			
Called up share capital and share premium	27	**4,178**	4,186
Other equity instruments	27	**12,725**	12,075
Other reserves	28	**1,628**	(468)
Retained earnings		**59,253**	56,028
Total equity excluding non-controlling interests		**77,784**	71,821
Non-controlling interests	29	**452**	660
Total equity		**78,236**	72,481
Total liabilities and equity		**1,544,165**	1,518,202

The Board of Directors approved the financial statements on pages 396 to 492 on 9 February 2026.

Nigel Higgins
Group Chairman

C.S. Venkatakrishnan
Group Chief Executive

Anna Cross
Group Finance Director

Consolidated financial statements (continued)

Consolidated statement of changes in equity

	Called up share capital and share premium[1]	Other equity instruments[1]	Other reserves[2]	Retained earnings	Total equity excluding non-controlling interests	Non-controlling interests	Total equity
	£m	£m	£m	£m	£m	£m	£m
Balance as at 1 January 2025	**4,186**	**12,075**	**(468)**	**56,028**	**71,821**	**660**	**72,481**
Profit after tax	**—**	**997**	**—**	**6,175**	**7,172**	**41**	**7,213**
Currency translation movements	**—**	**—**	**(1,132)**	**—**	**(1,132)**	**—**	**(1,132)**
Fair value through other comprehensive income reserve	**—**	**—**	**773**	**—**	**773**	**—**	**773**
Cash flow hedges	**—**	**—**	**2,264**	**—**	**2,264**	**—**	**2,264**
Retirement benefit remeasurements	**—**	**—**	**—**	**(14)**	**(14)**	**—**	**(14)**
Own credit reserve	**—**	**—**	**63**	**—**	**63**	**—**	**63**
Total comprehensive income for the year	**—**	**997**	**1,968**	**6,161**	**9,126**	**41**	**9,167**
Employee share schemes and hedging thereof	**150**	**—**	**—**	**1,127**	**1,277**	**—**	**1,277**
Issue and redemption of other equity instruments	**—**	**651**	**—**	**(4)**	**647**	**—**	**647**
Other equity instruments coupons paid	**—**	**(997)**	**—**	**—**	**(997)**	**—**	**(997)**
Redemption of preference shares	**—**	**—**	**—**	**(59)**	**(59)**	**(211)**	**(270)**
Movement in treasury shares[3]	**—**	**—**	**(379)**	**71**	**(308)**	**—**	**(308)**
Vesting of shares under employee share schemes	**—**	**—**	**343**	**(625)**	**(282)**	**—**	**(282)**
Dividends paid	**—**	**—**	**—**	**(1,213)**	**(1,213)**	**(41)**	**(1,254)**
Repurchase of shares	**(158)**	**—**	**158**	**(2,241)**	**(2,241)**	**—**	**(2,241)**
Other reserve movements	**—**	**(1)**	**6**	**8**	**13**	**3**	**16**
Balance as at 31 December 2025	**4,178**	**12,725**	**1,628**	**59,253**	**77,784**	**452**	**78,236**
Balance as at 1 January 2024	4,288	13,259	(77)	53,734	71,204	660	71,864
Profit after tax	—	991	—	5,316	6,307	49	6,356
Currency translation movements	—	—	(46)	—	(46)	—	(46)
Fair value through other comprehensive income reserve	—	—	(507)	—	(507)	—	(507)
Cash flow hedges	—	—	777	—	777	—	777
Retirement benefit remeasurements	—	—	—	(303)	(303)	—	(303)
Own credit reserve	—	—	(822)	—	(822)	—	(822)
Total comprehensive income for the year	**—**	**991**	**(598)**	**5,013**	**5,406**	**49**	**5,455**
Employee share schemes and hedging thereof	103	—	—	874	977	—	977
Issue and redemption of other equity instruments	—	(1,155)	—	(96)	(1,251)	—	(1,251)
Other equity instruments coupons paid	—	(991)	—	—	(991)	—	(991)
Movement in treasury shares	—	—	(269)	—	(269)	—	(269)
Vesting of shares under employee share schemes	—	—	268	(508)	(240)	—	(240)
Dividends paid	—	—	—	(1,221)	(1,221)	(49)	(1,270)
Repurchase of shares	(205)	—	205	(1,760)	(1,760)	—	(1,760)
Other reserve movements	—	(29)	3	(8)	(34)	—	(34)
Balance as at 31 December 2024	**4,186**	**12,075**	**(468)**	**56,028**	**71,821**	**660**	**72,481**

Notes:
1 For further details refer to Note 27.
2 For further details refer to Note 28.
3 The movement in treasury shares of £71m reflects the difference between the release price and the purchase price of the treasury shares transferred to retained earnings.

Consolidated financial statements (continued)

	Called up share capital and share premium	Other equity instruments	Other reserves	Retained earnings	Total equity excluding non-controlling interests	Non-controlling interests	Total equity
	£m	£m	£m	£m	£m	£m	£m
Balance as at 1 January 2023	**4,373**	**13,284**	**(2,192)**	**52,827**	**68,292**	**968**	**69,260**
Profit after tax	—	985	—	4,274	5,259	64	5,323
Currency translation movements	—	—	(1,101)	—	(1,101)	—	(1,101)
Fair value through other comprehensive income reserve	—	—	194	—	194	—	194
Cash flow hedges	—	—	3,528	—	3,528	—	3,528
Retirement benefit remeasurements	—	—	—	(855)	(855)	—	(855)
Own credit reserve	—	—	(710)	—	(710)	—	(710)
Total comprehensive income for the year	**—**	**985**	**1,911**	**3,419**	**6,315**	**64**	**6,379**
Employee share schemes and hedging thereof	124	—	—	497	621	—	621
Issue and exchange of other equity instruments	—	(30)	—	(38)	(68)	(312)	(380)
Other equity instruments coupons paid	—	(985)	—	—	(985)	—	(985)
Movement in treasury shares	—	—	(285)	—	(285)	—	(285)
Vesting of shares under employee share schemes	—	—	277	(506)	(229)	—	(229)
Dividends paid	—	—	—	(1,210)	(1,210)	(64)	(1,274)
Repurchase of shares	(209)	—	209	(1,257)	(1,257)	—	(1,257)
Other reserve movements	—	5	3	2	10	4	14
Balance as at 31 December 2023	**4,288**	**13,259**	**(77)**	**53,734**	**71,204**	**660**	**71,864**

Consolidated financial statements (continued)

Consolidated cash flow statement

For the year ended 31 December	Notes	2025 £m	2024 £m	2023 £m
Reconciliation of profit before tax to net cash flows from operating activities:				
Profit before tax		**9,139**	8,108	6,557
Adjustment for non-cash items:				
Credit impairment charges		**2,279**	1,982	1,881
Depreciation, amortisation and impairment of property, plant, equipment and intangibles		**1,776**	1,734	2,147
Other provisions, including pensions		**760**	500	482
Net loss on disposal of investments and property, plant and equipment		**52**	20	11
Other non-cash movements, including exchange rate movements		**6,187**	2,384	10,729
Changes in operating assets and liabilities				
Net decrease in cash collateral and settlement balances		**1,390**	2,391	1,165
Net (increase)/decrease in loans and advances at amortised cost		**(17,403)**	284	10,947
Net increase in reverse repurchase agreements and other similar secured lending		**(12,888)**	(2,140)	(1,818)
Net increase/(decrease) in deposits at amortised cost		**24,950**	14,952	(6,958)
Net increase/(decrease) in debt securities in issue		**20,925**	(9,978)	(19,640)
Net (decrease)/increase in repurchase agreements and other similar secured borrowing		**(14,245)**	(2,186)	14,549
Net decrease/(increase) in derivative financial instruments		**2,464**	(7,303)	5,968
Net (increase)/decrease in trading portfolio assets		**(23,608)**	8,152	(40,792)
Net increase/(decrease) in trading portfolio liabilities		**829**	(1,761)	(14,255)
Net increase/(decrease) in financial assets and liabilities at fair value through the income statement		**18,761**	(2,408)	32,819
Net increase in other assets		**(158)**	(4,040)	(1,521)
Net increase/(decrease) in other liabilities		**(1,078)**	(2,295)	(2,362)
Corporate income tax paid		**(1,393)**	(1,283)	(836)
Net cash from operating activities		**18,739**	7,113	(927)
Purchase of debt securities at amortised cost		**(19,215)**	(28,945)	(19,977)
Proceeds from redemption or sale of debt securities at amortised cost		**17,889**	17,505	7,332
Purchase of financial assets at fair value through other comprehensive income		**(50,511)**	(80,980)	(66,415)
Proceeds from sale or redemption of financial assets at fair value through other comprehensive income		**55,057**	73,819	59,756
Purchase of property, plant and equipment and investment in intangibles		**(1,859)**	(1,574)	(1,718)
Disposal/(Acquisition) of business		**—**	(460)	(2,415)
Other cash flows associated with investing activities[2]		**234**	2,749	23
Net cash from investing activities		**1,595**	(17,886)	(23,414)
Dividends paid and other coupon payments on equity instruments		**(2,251)**	(2,261)	(2,259)
Issuance of subordinated liabilities	26	**1,772**	1,870	1,523
Redemption of subordinated liabilities	26	**(727)**	(476)	(2,239)
Issue of shares and other equity instruments		**3,869**	1,684	3,251
Repurchase of shares and other equity instruments		**(5,644)**	(4,525)	(4,750)
Issuance of debt securities[1]		**11,326**	12,144	9,836
Redemption of debt securities[1]		**(5,459)**	(7,143)	(6,252)
Capital contribution		**(40)**	—	—
Net purchase of treasury shares		**(590)**	(509)	(499)
Net cash from financing activities		**2,256**	784	(1,389)
Effect of exchange rates on cash and cash equivalents		**(1,738)**	(2,407)	(5,053)
Net increase/(decrease) in cash and cash equivalents		**20,852**	(12,396)	(30,783)
Cash and cash equivalents at beginning of year		**235,611**	248,007	278,790
Cash and cash equivalents at end of year		**256,463**	235,611	248,007
Cash and cash equivalents comprise:				
Cash and balances at central banks		**229,752**	210,184	224,634
Loans and advances to banks with original maturity of three months or less		**7,354**	7,230	6,639
Cash collateral balances with central banks with original maturity of three months or less		**17,375**	16,650	15,450
Treasury and other eligible bills with original maturity of three months or less		**1,982**	1,547	1,284
Cash and cash equivalents at end of year		**256,463**	235,611	248,007

Notes:

1 Issuance of debt securities and redemption of debt securities included in financing activities relate to instruments that qualify as eligible liabilities and satisfy regulatory requirements for MREL instruments that came into effect during 2019. Refer to Note 1, paragraph 4(v), for further details.

2 This primarily relates to the net proceeds from sale of Entercard for 2025 and Italian retail mortgage portfolio for 2024.

Interest received was £35,835m (2024: £38,212m; 2023: £35,089m) and interest paid was £21,517m (2024: £25,287m; 2023: £20,303m).

Dividends received were £0m (2024: £3m; 2023: £0m).

The Group is required to maintain balances with central banks and other regulatory authorities. These amounted to £3,007m (2024: £2,945m; 2023: £3,758m) and are included within the cash and cash equivalents. 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.

Parent company accounts

Income statement and other comprehensive income

For the year ended 31 December	Notes	2025 £m	2024 £m	2023 £m
Dividend received from subsidiaries	41	**4,185**	3,087	2,818
Net interest expense		**(28)**	(15)	(11)
Other income/(expense)	41	**714**	1,183	1,174
Operating expenses		**(321)**	(264)	(296)
Profit before tax		**4,550**	3,991	3,685
Taxation		**90**	91	81
Profit after tax		**4,640**	4,082	3,766
Other comprehensive income		**—**	—	—
Total comprehensive income		**4,640**	4,082	3,766
Profit after tax attributable to:				
Ordinary equity holders		**3,643**	3,092	2,781
Other equity instrument holders		**997**	990	985
Profit after tax		**4,640**	4,082	3,766
Total comprehensive income attributable to:				
Ordinary equity holders		**3,643**	3,092	2,781
Other equity instrument holders		**997**	990	985
Total comprehensive income		**4,640**	4,082	3,766

For the year ended 31 December 2025, profit after tax was £4,640m (2024: £4,082m, 2023: £3,766m) and total comprehensive income was £4,640m (2024: £4,082m, 2023: £3,766m). The Company has 64 members of staff (2024: 58, 2023: 61).

Balance sheet

As at 31 December	Notes	2025 £m	2024 £m
Assets			
Investment in subsidiaries	41	**63,907**	63,315
Loans and advances to subsidiaries	41	**15,730**	18,407
Financial assets at fair value through the income statement	41	**50,921**	44,435
Derivative financial instruments		**69**	31
Other assets		**468**	441
Total assets		**131,095**	126,629
Liabilities			
Deposits at amortised cost		**543**	542
Gross cash collateral and settlements liabilities	41	**9**	—
Debt securities in issue	41	**14,476**	16,337
Subordinated liabilities	41	**8,644**	9,706
Financial liabilities designated at fair value	41	**48,800**	42,324
Derivative financial instruments	41	**535**	654
Other liabilities		**99**	80
Total liabilities		**73,106**	69,643
Equity			
Called up share capital and share premium	41	**4,178**	4,186
Other equity instruments	41	**12,673**	12,033
Other reserves		**1,360**	1,202
Retained earnings		**39,778**	39,565
Total equity		**57,989**	56,986
Total liabilities and equity		**131,095**	126,629

The financial statements on pages 402 to 404 and the accompanying note on page 487 were approved by the Board of Directors on 9 February 2026 and signed on its behalf by:

Nigel Higgins
Group Chairman

C.S.Venkatakrishnan
Group Chief Executive

Anna Cross
Group Finance Director

Parent company accounts (continued)

Statement of changes in equity

	Called up share capital and share premium £m	Other equity instruments £m	Other reserves £m	Retained earnings £m	Total equity £m
Balance as at 1 January 2025	**4,186**	**12,033**	**1,202**	**39,565**	**56,986**
Profit after tax and other comprehensive income	**—**	**997**	**—**	**3,643**	**4,640**
Issue of shares under employee share schemes	**151**	**—**	**—**	**38**	**189**
Issue and exchange of other equity instruments	**—**	**641**	**—**	**—**	**641**
Vesting of shares under employee share schemes	**—**	**—**	**—**	**(21)**	**(21)**
Dividends paid	**—**	**—**	**—**	**(1,213)**	**(1,213)**
Other equity instruments coupons paid	**—**	**(997)**	**—**	**—**	**(997)**
Repurchase of shares	**(158)**	**—**	**158**	**(2,241)**	**(2,241)**
Other reserve movements	**(1)**	**(1)**	**—**	**7**	**5**
Balance as at 31 December 2025	**4,178**	**12,673**	**1,360**	**39,778**	**57,989**
Balance as at 1 January 2024	4,288	13,198	997	39,545	58,028
Profit after tax and other comprehensive income	—	990	—	3,092	4,082
Issue of shares under employee share schemes	103	—	—	22	125
Issue and exchange of other equity instruments	—	(1,165)	—	(93)	(1,258)
Vesting of shares under employee share schemes	—	—	—	(24)	(24)
Dividends paid	—	—	—	(1,221)	(1,221)
Other equity instruments coupons paid	—	(990)	—	—	(990)
Repurchase of shares	(205)	—	205	(1,760)	(1,760)
Other reserve movements	—	—	—	4	4
Balance as at 31 December 2024	4,186	12,033	1,202	39,565	56,986

Statement of changes in equity

	Notes	Called up share capital and share premium £m	Other equity instruments £m	Other reserves £m	Retained earnings £m	Total equity £m
Balance as at 1 January 2023		**4,373**	**13,250**	**788**	**39,256**	**57,667**
Profit after tax and other comprehensive income		—	985	—	2,781	3,766
Issue of shares under employee share schemes		124	—	—	22	146
Issue and exchange of other equity instruments		—	(52)	—	(25)	(77)
Vesting of shares under employee share schemes		—	—	—	(22)	(22)
Dividends paid		—	—	—	(1,210)	(1,210)
Other equity instruments coupons paid		—	(985)	—	—	(985)
Repurchase of shares		(209)	—	209	(1,257)	(1,257)
Balance as at 31 December 2023		**4,288**	**13,198**	**997**	**39,545**	**58,028**

Parent company accounts (continued)

Cash flow statement

For the year ended 31 December	2025 £m	2024 £m	2023 £m
Reconciliation of profit before tax to net cash flows from operating activities:			
Profit before tax	**4,550**	3,991	3,685
Adjustment for non-cash items:			
Other non-cash items	**285**	107	(627)
Changes in operating assets and liabilities	**(50)**	(85)	17
Net cash generated from operating activities	**4,785**	4,013	3,075
Net increase in loans and advances to subsidiaries of the parent[1]	**(4,874)**	(8,008)	(2,587)
Capital contribution to and investment in subsidiary	**(676)**	1,214	83
Net cash used in investing activities	**(5,550)**	(6,794)	(2,504)
Issue of shares and other equity instruments	**3,856**	1,660	3,251
Redemption of other equity instruments	**(3,146)**	(2,765)	(3,181)
Issuance of debt securities[2, 3]	**12,371**	13,420	9,836
Redemption of debt securities[2, 3]	**(7,001)**	(5,415)	(6,251)
Issuance of subordinated liabilities[3]	**—**	—	1,180
Redemption of subordinated liabilities[3]	**(615)**	(339)	(1,944)
Repurchase of shares	**(2,241)**	(1,760)	(1,257)
Dividends paid	**(1,213)**	(1,221)	(1,210)
Coupons paid on other equity instruments	**(997)**	(991)	(985)
Net cash generated from/(used in) financing activities	**1,014**	2,589	(561)
Net (decrease)/increase in cash equivalents	**249**	(192)	10
Cash equivalents at beginning of year	**294**	486	476
Cash equivalents at end of year[4]	**543**	294	486

Notes:
1 Includes financial assets at fair value through the income statement.
2 Includes financial liabilities designated at fair value.
3 In 2024, 'net increase in debt securities in issue' were presented as a net inflow of £8,005m (2023:£3,585m) and 'proceeds of borrowings and issuance of subordinated liabilities' as a net outflow of £339m (2023: £1,944m). In 2025 these transactions are presented on a gross basis.
4 Cash equivalents comprise loans and advances to banks with original maturity of three months or less, contained within loans and advances to subsidiaries.

The Parent company's principal activity is to hold the investment in its wholly-owned subsidiaries, Barclays Bank PLC, Barclays Bank UK PLC, Barclays Execution Services Limited and Barclays Principal Investments Limited. Dividends received are treated as operating income.

Interest received was £3,182m (2024: £2,828m; 2023: £2,360m) and interest paid was £3,210m (2024: £2,888m; 2023: £2,355m).

Dividends received were £4,185m (2024: £3,087m; 2023: £2,818m).

Notes to the financial statements

For the year ended 31 December 2025

This section describes the Group's material accounting policies and critical accounting estimates and judgements that relate to the financial statements and notes as a whole. If an accounting policy or a critical accounting estimate or judgement relates to a particular note, disclosure is contained within the relevant note.

1 Material accounting policies

1. Reporting entity

Barclays PLC is a public company limited by shares registered in England under company number 48839, having its registered office at 1 Churchill Place, London, E14 5HP.

These financial statements are prepared for Barclays PLC and its subsidiaries (the Group) under Section 399 of the Companies Act 2006. The Group is a major global financial services provider engaged in retail banking, 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 Group, and the separate financial statements of Barclays PLC, have been prepared in accordance with UK-adopted international accounting standards.

The consolidated financial statements of the Group, and the separate financial statements of Barclays PLC, have also been prepared in accordance with 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 between UK-adopted international accounting standards and IFRS as issued by the IASB for the periods presented.

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.

3. Basis of preparation

The consolidated and separate financial statements have been prepared under the historical cost convention modified to the extent required or permitted under IFRS as set out in the relevant accounting policies. These financial statements are stated in millions of Pounds Sterling (£m), the functional currency of Barclays PLC.

The Group has adopted the UK Finance Code for Financial Reporting Disclosure and the financial statements have been prepared in compliance with these principles. The financial statements are prepared on a going concern basis, as the Board is satisfied that the Group and the 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 includes a review of a working capital report (WCR). The WCR is used by the Board to assess the future performance of the Group and that it has the resources in place that are required to meet its ongoing regulatory requirements. The assessment is based upon business plans that contain future projections of profitability taken from the 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 Group could experience. Further details are set out in the Viability statement on page 57.

The WCR showed that the 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 Directors concluded that there was a reasonable expectation that the Group and Parent company 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 Group prepares financial statements in accordance with IFRS. The 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 PLC and all its subsidiaries. Subsidiaries are entities over which Barclays PLC has control. The Group has control over another entity when the 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.

Notes to the financial statements (continued)

For the year ended 31 December 2025

As the consolidated financial statements include partnerships where the 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 33.

(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 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 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 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 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 Group's policies for determining the fair values of the assets and liabilities are set out in Note 17.

Derecognition

The 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 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 reward have been transferred or retained, where control over the asset has been lost.

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 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.

Financial liabilities are derecognised 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.

Notes to the financial statements (continued)

For the year ended 31 December 2025

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 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 Group obtains such loans or cash collateral in exchange for the transfer of collateral.

The 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 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 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 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 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.

Debt securities issued and redeemed are considered to be operating activities, except qualifying eligible liabilities that satisfy regulatory requirements for MREL instruments (or have previously satisfied these requirements since 2019 when they came into effect), which are considered to be financing activities.

5. New and amended standards and interpretations

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. The adoption of the derecognition amendments is expected to result in a change of policy for derecognising certain types of financial liabilities. As a result of these amendments, it is expected that the impacted liabilities will be reclassified from cash collateral and settlement balances to trading portfolio liabilities. No other material impacts are anticipated from the adoption of these derecognition amendments or from the other changes introduced to IFRS 9. The quantitative impact of IFRS 9 and IFRS 7 amendments will continue to be assessed in 2026.

Notes to the financial statements (continued)

For the year ended 31 December 2025

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals, it requires entities to classify all income and expenses into five categories: operating, investing, financing, income tax and discontinued operations, and introduces defined subtotals, including operating profit

IFRS 18 requires entities to assess whether they have a IFRS 18 defined specified main business activity. For those entities with a specified main business activity, certain income and expenses will be recorded in the operating category, which may have been recorded in another category if the entity did not have a specified main business activity.

The standard introduces new aggregation and disaggregation principles for financial information and narrow scope amendments to IAS 7 Statement of Cash Flows by using operating profit as the starting point for the indirect method and removing optionality in the classification of interest and dividends. The standard requires disclosure of management-defined performance measures (MPMs),

The Group has commenced its IFRS 18 impact assessment. The Group expects to have an IFRS 18 specified main business activity, allowing significant items from the Group's operations to be reported within the operating category.

The Group is also assessing the impact on management-defined performance measures (MPMs) and the enhanced disaggregation requirements introduced by IFRS 18. In 2026, the Group will continue to assess the impact of IFRS 18.

The new standard is effective from 1 January 2027.

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. Information about estimates, and other sources of estimation uncertainty at the end of the reporting period, that are considered to have a significant risk of resulting in material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed within the relevant note.

- Credit impairment charges on page 417
- Tax on page 419
- Fair value of financial instruments on page 433
- Goodwill and intangible assets on page 451
- Provisions, including conduct and legal, competition and regulatory matters on page 454
- Pensions and post-retirement benefit obligations on page 471

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 247 to 248 and 264 to 314
- Market risk on pages 248 to 249 and 315 to 316
- Treasury and Capital risk – liquidity on pages 249 and 318 to 328
- Treasury and Capital risk – capital on pages 250 and 329 to 333

These disclosures are covered by the audit opinion (included on pages 380 to 395) where referenced as audited.

Notes to the financial statements (continued)

For the year ended 31 December 2025

Financial performance and returns

The Notes included in this section focus on the results and performance of the Group. Information on the income generated, expenditure incurred, segmental performance, tax, earnings per share and dividends are included here. For further detail on performance, see income statement commentary within the Financial review (unaudited).

2 Segmental reporting

Presentation of segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Committee, which is responsible for allocating resources and assessing performance of the operating segments, and has been identified as the chief operating decision-maker. All transactions between business segments are conducted on an arm's-length basis. Income and expenses directly associated with each segment are included in determining business segment performance.

Barclays is a British universal bank diversified by business, geography and income type, serving consumer and wholesale customers and clients globally. In addition to its rooting in the UK, Barclays also has a strong presence in the US.

The Group presents its financial disclosures through the following five operating segments (plus Head Office):

- **Barclays UK** broadly represents businesses that sit within the UK ring-fenced bank entity, Barclays Bank UK PLC, and comprises Retail Banking (which includes Personal Banking and Barclaycard Consumer UK) and Business Banking
- **Barclays UK Corporate Bank** 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 Private Bank and Wealth Management** 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 Investment Bank** incorporates the Global Markets, Investment Banking and International Corporate Banking businesses, serving FTSE 350, multinationals and financial institution clients that are regular users of Investment Bank services
- **Barclays US Consumer Bank** 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, instalment loans, online savings accounts and certificates of deposits

The tables below also include **Head Office**, which comprises central support, central treasury operations, Barclays Execution Services assets, the Payment Acceptance business and legacy businesses

Analysis of results by business

	Barclays UK	Barclays UK Corporate Bank	Barclays Private Bank & Wealth Management	Barclays Investment Bank	Barclays US Consumer Bank	Head Office	Group results
	£m	£m	£m	£m	£m	£m	£m
For the year ended 31 December 2025							
Net interest income	7,653	1,480	799	1,334	2,820	415	14,501
Non-interest income	1,055	584	581	11,721	861	(163)	14,639
Total income	8,708	2,064	1,380	13,055	3,681	252	29,140
Of which inter-segmental income/(expense)	(5)	1,868	1,840	(3,577)	(6)	(120)	—
Operating costs	(4,746)	(989)	(994)	(7,927)	(1,637)	(747)	(17,040)
UK regulatory levies	(85)	(29)	(10)	(181)	—	(8)	(313)
Litigation and conduct	(51)	(39)	(9)	(28)	(8)	(257)	(392)
Total operating expenses	(4,882)	(1,057)	(1,013)	(8,136)	(1,645)	(1,012)	(17,745)
Other net income[1]	—	—	—	—	—	23	23
Profit/(loss) before impairment	3,826	1,007	367	4,919	2,036	(737)	11,418
Credit impairment (charges)/ releases	(413)	(37)	8	(305)	(1,521)	(11)	(2,279)
Profit/(loss) before tax	3,413	970	375	4,614	515	(748)	9,139
Total assets (£bn)	299.6	71.3	41.9	1,072.4	34.6	24.4	1,544.2
Total liabilities (£bn)	280.3	103.7	80.4	965.9	25.4	10.2	1,465.9
Number of employees (full time equivalent)	17,900	1,900	2,100	7,200	2,300	61,600	93,000
Average number of employees (full time equivalent)							93,100
Average number of employees (headcount)							94,700

Note:

1 Other net income represents the share of post-tax results of associates and joint ventures and the profit or loss on disposal of subsidiaries, associates and joint ventures.

Notes to the financial statements (continued)

For the year ended 31 December 2025

	Barclays UK	Barclays UK Corporate Bank	Barclays Private Bank & Wealth Management	Barclays Investment Bank	Barclays US Consumer Bank	Head Office	Group results
	£m	£m	£m	£m	£m	£m	£m
For the year ended 31 December 2024							
Net interest income	6,627	1,206	767	1,031	2,659	646	12,936
Non-interest income	1,647	574	542	10,774	667	(352)	13,852
Total income	8,274	1,780	1,309	11,805	3,326	294	26,788
Of which inter-segmental income/(expense)	(29)	2,379	2,148	(3,909)	(8)	(581)	—
Operating costs	(4,235)	(935)	(911)	(7,666)	(1,612)	(836)	(16,195)
UK regulatory levies	(78)	(37)	(9)	(187)	—	(9)	(320)
Litigation and conduct	(16)	(1)	—	(55)	(14)	(134)	(220)
Total operating expenses	(4,329)	(973)	(920)	(7,908)	(1,626)	(979)	(16,735)
Other net income[1]	—	—	—	—	—	37	37
Profit/(loss) before impairment	3,945	807	389	3,897	1,700	(648)	10,090
Credit impairment charges	(365)	(76)	(6)	(123)	(1,293)	(119)	(1,982)
Profit/(loss) before tax	3,580	731	383	3,774	407	(767)	8,108
Total assets (£bn)	299.8	61.2	34.1	1,053.9	35.4	33.8	1,518.2
Total liabilities (£bn)	284.1	94.4	75.0	952.1	24.5	15.6	1,445.7
Number of employees (full time equivalent)	18,000	1,900	1,900	7,100	2,300	61,800	93,000
Average number of employees (full time equivalent)							91,300
Average number of employees (headcount)							92,900

	Barclays UK	Barclays UK Corporate Bank	Barclays Private Bank & Wealth Management	Barclays Investment Bank	Barclays US Consumer Bank	Head Office	Group results
	£m	£m	£m	£m	£m	£m	£m
For the year ended 31 December 2023							
Net interest income	6,431	1,160	768	1,393	2,604	353	12,709
Non-interest income	1,156	610	440	9,642	664	157	12,669
Total income	7,587	1,770	1,208	11,035	3,268	510	25,378
Of which inter-segmental income/(expense)	(73)	1,524	1,707	(2,590)	(5)	(563)	—
Operating costs	(4,393)	(905)	(795)	(7,619)	(1,650)	(1,352)	(16,714)
UK bank levy	(30)	(8)	(4)	(123)	—	(14)	(180)
Litigation and conduct	8	1	2	5	(6)	(48)	(37)
Total operating expenses	(4,415)	(912)	(797)	(7,737)	(1,656)	(1,414)	(16,931)
Other net expenses[1]	—	(3)	—	—	—	(6)	(9)
Profit/(loss) before impairment	3,172	855	411	3,298	1,612	(910)	8,438
Credit impairment (charges)/releases	(304)	27	(4)	(102)	(1,438)	(60)	(1,881)
Profit/(loss) before tax	2,868	882	407	3,196	174	(970)	6,557
Total assets (£bn)	293.1	61.5	32.0	1,019.2	33.6	38.1	1,477.5
Total liabilities (£bn)	264.2	85.9	60.9	904.5	21.1	69.0	1,405.6
Number of employees (full time equivalent)	6,800	1,800	2,100	7,100	600	74,000	92,400
Average number of employees (full time equivalent)							92,900
Average number of employees (headcount)							94,800

Note:

1 Other net income represents the share of post-tax results of associates and joint ventures and the profit or loss on disposal of subsidiaries, associates and joint ventures.

Inter-segmental income/(expense) refers to the internal charging of revenues between different business segments, reflecting how resources such as funding, capital, or services are utilised across the organisation. Segments that operate with a net customer deposit position contribute surplus deposits as a funding source for other Group segment activities.

Notes to the financial statements (continued)

For the year ended 31 December 2025

Income by geographic region[1]

	2025	2024	2023
For the year ended 31 December	**£m**	**£m**	**£m**
United Kingdom	**15,811**	13,927	13,295
Americas	**9,541**	8,772	8,109
Europe	**2,269**	2,734	2,517
Asia	**1,433**	1,273	1,370
Africa and Middle East	**86**	82	87
Total	**29,140**	26,788	25,378

Income from individual countries which represent more than 5% of total income[1]

	2025	2024	2023
For the year ended 31 December	**£m**	**£m**	**£m**
United Kingdom	**15,811**	13,927	13,295
United States	**9,388**	8,614	7,911

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 and 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 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 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).

	2025	2024	2023
	£m	**£m**	**£m**
Cash and balances at central banks	**8,730**	11,076	10,262
Debt securities at amortised cost	**2,820**	2,445	2,337
Loans and advances at amortised cost to banks and customers	**18,662**	17,836	14,742
Fair value through other comprehensive income	**3,134**	3,821	4,907
Cash collateral	**2,134**	2,408	2,375
Other[1]	**709**	740	452
Interest and similar income	**36,189**	38,326	35,075
Deposits at amortised cost from banks and customers	**(12,284)**	(14,092)	(11,252)
Debt securities in issue	**(6,006)**	(6,708)	(6,344)
Subordinated liabilities	**(855)**	(945)	(866)
Cash collateral	**(1,501)**	(2,276)	(2,254)
Other[2]	**(1,042)**	(1,369)	(1,650)
Interest and similar expense	**(21,688)**	(25,390)	(22,366)
Net interest income	**14,501**	12,936	12,709

Notes:
1 Includes interest income from reverse repurchase agreements and other similar secured lending at amortised cost.
2 Includes interest expense from repurchase agreement and other similar secured borrowing at amortised cost and lease expense.

Notes to the financial statements (continued)

For the year ended 31 December 2025

4 Net fee and commission income

Accounting for net fee and commission income

The Group recognises fee and commission income charged for services provided by the 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 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 Group and operating segments, in accordance with IFRS 15. The table below includes a total for fees in scope of IFRS 15. Refer to Note 2 for more detailed information about operating segments.

	2025						
	Barclays UK	Barclays UK Corporate Bank	Barclays Private Bank and Wealth Management	Barclays Investment Bank	Barclays US Consumer Bank	Head Office	Barclays Group
	£m	£m	£m	£m	£m	£m	£m
Fee type							
Transactional	**1,226**	**462**	**30**	**336**	**2,727**	**272**	**5,053**
Advisory	**—**	**—**	**344**	**710**	**—**	**—**	**1,054**
Brokerage and execution	**201**	**—**	**158**	**1,824**	**—**	**—**	**2,183**
Underwriting and syndication	**36**	**102**	**—**	**2,656**	**—**	**—**	**2,794**
Other	**7**	**—**	**—**	**—**	**—**	**19**	**26**
Total revenue from contracts with customers	**1,470**	**564**	**532**	**5,526**	**2,727**	**291**	**11,110**
Other non-contract fee income	**—**	**26**	**—**	**146**	**—**	**—**	**172**
Fee and commission income	**1,470**	**590**	**532**	**5,672**	**2,727**	**291**	**11,282**
Fee and commission expense	**(480)**	**(92)**	**(39)**	**(1,253)**	**(1,858)**	**(62)**	**(3,784)**
Net fee and commission income	**990**	**498**	**493**	**4,419**	**869**	**229**	**7,498**

	2024						
	Barclays UK	Barclays UK Corporate Bank	Barclays Private Bank and Wealth Management	Barclays Investment Bank	Barclays US Consumer Bank	Head Office	Barclays Group
	£m	£m	£m	£m	£m	£m	£m
Fee type							
Transactional	1,150	448	33	336	2,661	342	4,970
Advisory	—	—	319	739	—	—	1,058
Brokerage and execution	215	—	129	1,580	—	—	1,924
Underwriting and syndication	36	92	—	2,596	—	—	2,724
Other	15	1	—	—	—	18	34
Total revenue from contracts with customers	1,416	541	481	5,251	2,661	360	10,710
Other non-contract fee income	—	25	—	112	—	—	137
Fee and commission income	1,416	566	481	5,363	2,661	360	10,847
Fee and commission expense	(408)	(90)	(38)	(1,121)	(1,855)	(88)	(3,600)
Net fee and commission income	1,008	476	443	4,242	806	272	7,247

	2023						
	Barclays UK	Barclays UK Corporate Bank	Barclays Private Bank and Wealth Management	Barclays Investment Bank	Barclays US Consumer Bank	Head Office	Barclays Group
	£m	£m	£m	£m	£m	£m	£m
Fee type							
Transactional	1,124	429	32	327	2,603	301	4,816
Advisory	52	—	251	652	—	—	955
Brokerage and execution	234	—	89	1,674	—	—	1,997
Underwriting and syndication	33	82	—	1,998	—	—	2,113
Other	36	1	—	—	—	64	101
Total revenue from contracts with customers	1,479	512	372	4,651	2,603	365	9,982
Other non-contract fee income	—	28	1	110	—	—	139
Fee and commission income	1,479	540	373	4,761	2,603	365	10,121
Fee and commission expense	(368)	(96)	(33)	(1,247)	(1,765)	(83)	(3,592)
Net fee and commission income	1,111	444	340	3,514	838	282	6,529

Notes to the financial statements (continued)

For the year ended 31 December 2025

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 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 is 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 the underwriting and syndication fees are loan commitment fees, when the drawdown is not probable. Such commitment fees are recognised over time through to the contractual maturity of the commitment.

Contract assets and contract liabilities

The Group had no material contract assets or contract liabilities as at 31 December 2025 (2024: £nil; 2023: £nil).

Impairment of fee receivables and contract assets

During 2025, there have been no material impairments recognised in relation to fees receivable and contract assets (2024: £nil; 2023: £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 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 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 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 2025 are £161m (2024: £122m; 2023: £217m).

Capitalised contract costs are amortised over the customer relationship period, depending on the transfer of services to which the asset pertains. In 2025, the amount of amortisation was £35m (2024: £62m; 2023: £55m) and there was no impairment loss recognised in connection with the capitalised contract costs (2024: £nil; 2023: £nil).

Notes to the financial statements (continued)

For the year ended 31 December 2025

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 that 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 where the business model is to manage assets and liabilities on a fair value basis, which includes the use of derivatives. Gains and losses are also reported in net trading income where an instrument is designated at fair value to eliminate an accounting mismatch.

	2025	2024	2023
	£m	£m	£m
Net gains on financial instruments held for trading	**5,054**	4,038	4,257
Net gains on financial instruments mandatorily at fair value	**1,327**	1,201	1,308
Net gains on financial instruments designated at fair value	**661**	529	380
Net trading income	**7,042**	5,768	5,945

6 Net investment income

Accounting for net investment income

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 13 and Note 15.

	2025	2024	2023
	£m	£m	£m
Net gains from financial instruments mandatorily at fair value	**252**	326	171
Net (losses)/gains from disposal of financial assets at fair value through other comprehensive income	**(191)**	164	26
Net losses from disposal of financial assets and liabilities measured at amortised cost[1]	**(18)**	(209)	(17)
Dividend income	**—**	3	—
Net losses on other investments	**(33)**	(68)	(119)
Net investment income	**10**	216	61

Note:

1 Included within the 2024 balance are losses of £220m on sale of the performing Italian retail mortgage portfolio.

7 Infrastructure, administration and general expenses

	2025	2024	2023
	£m	£m	£m
Infrastructure costs			
Property and equipment	**1,928**	1,815	1,948
Depreciation and amortisation	**1,756**	1,700	1,784
Impairment of property, equipment and intangible assets	**20**	34	363
Total infrastructure costs	**3,704**	3,549	4,095
Administration and general expenses			
Consultancy, legal and professional fees	**790**	829	782
Marketing and advertising	**618**	649	585
Other administration and general expenses	**1,321**	1,292	1,235
Total administration and general expenses	**2,729**	2,770	2,602
Total infrastructure, administration and general expenses	**6,433**	6,319	6,697

Notes to the financial statements (continued)

For the year ended 31 December 2025

8 Credit impairment charges/(releases)

Accounting for the impairment of financial assets

Impairment

The 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.

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 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 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 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 Group-wide customer level data, including, but not limited to bureau scores and high consumer indebtedness index, wherever possible or relevant.

While 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

Notes to the financial statements (continued)

For the year ended 31 December 2025

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 reassigned 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.

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 285 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.

Uncollectable loans are written off against the related allowance for loan impairment on completion of the 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.

Purchased or originated credit impaired (POCI)

Purchased or originated credit impaired assets include a fixed pool of credit card and unsecured personal loan balances that were purchased as part of the Tesco acquisition at a deep discount to face value, reflecting credit losses incurred from the point of origination to the date of acquisition. Hence, POCI assets do not carry any impairment allowance on initial recognition. All changes in lifetime expected credit losses subsequent to the assets' initial recognition are recognised as an impairment charge. Over time, these POCI assets will run off as the loans redeem, pay down or as loans are written off.

Accounting for purchased financial guarantee contracts

The Group may enter into a financial guarantee contract that requires the issuer of such contract to reimburse the 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 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.

Notes to the financial statements (continued)

For the year ended 31 December 2025

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 that 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 revolving 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 forecasts 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 definition 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

Key areas involving a higher degree of judgement or estimation include:

Judgements	Estimates
Identification and application of management adjustments in response to circumstances outside the scope of the model.	Estimates include modelling assumptions, such as forward-looking modelled parameters (PD, EAD & LGD), and a range of unbiased future economic scenarios and scenario weightings.

These estimates are considered to have a significant risk of resulting in material adjustment to the carrying amounts of financial instruments in scope of IFRS 9 impairment within the next financial year.

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 Group's experience of managing credit risk. The determination of expected life is most material for Barclays' 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 homogeneous assets with similar risk characteristics where credit scoring techniques are generally used, the impairment allowance is calculated using forward-looking modelled parameters that are typically run at account level. There are many models in use, each tailored to a product, line of business or customer category.

Notes to the financial statements (continued)

For the year ended 31 December 2025

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 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.

Further information on impairment allowances, impairment charges, management adjustments to models for impairment, measurement uncertainty, sensitivity analysis and related credit information is set out within the Credit risk performance section.

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 page 281 in the Credit risk performance section.

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.

Credit impairment charges/(releases)

	2025			2024			2023		
	Impairment charges/ (releases)	Recoveries and reimbursements[1]	Total[2,3]	Impairment charges/ (releases)	Recoveries and reimbursements[1]	Total[2]	Impairment charges/ (releases)	Recoveries and reimbursements[1]	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Loans and advances at amortised cost[4]	**2,452**	**(180)**	**2,272**	2,115	(94)	2,021	2,017	(73)	1,944
Off-balance sheet loan commitments and financial guarantee contracts	**1**	**—**	**1**	(46)	—	(46)	(61)	—	(61)
Total	**2,453**	**(180)**	**2,273**	2,069	(94)	1,975	1,956	(73)	1,883
Cash collateral and settlement balances	**1**	**—**	**1**	(3)	—	(3)	4	—	4
Financial instruments at fair value through other comprehensive income	**(3)**	**—**	**(3)**	1	—	1	(1)	—	(1)
Reverse repurchase agreements and other similar secured lending at amortised cost	**5**	**—**	**5**	8	—	8	—	—	—
Other financial assets measured at amortised cost	**3**	**—**	**3**	1	—	1	(5)	—	(5)
Credit impairment charges / (releases)	**2,459**	**(180)**	**2,279**	2,076	(94)	1,982	1,954	(73)	1,881

Notes:
1 Recoveries and reimbursements include £84m (2024: £15m, 2023: £29m) for reimbursements where the Group has entered into financial guarantee contracts that provide credit protection over certain assets with third parties and cash recoveries of previously written off amounts of £96m (2024: £79m, 2023: £44m).
2 Includes net impairment charge on co-branded card portfolio of £176m (2024:£160m) within USCB classified as held for sale.
3 Includes net impairment charge of £101m related to the acquisition of GM portfolio .
4 Includes debt securities 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 £883m (2024: £746m, 2023: £597m) including £63m pertaining to co-branded card portfolio within USCB classified as held for sale in December 2024. This is lower than the write-offs presented in the movement in the 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 £2,488m (2024: £2,146m, 2023: £2,690m), 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 £84m (2024: £78m, 2023: £4m). The gross carrying amount 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 £221m (2024: £101m, 2023: £149m).

Notes to the financial statements (continued)

For the year ended 31 December 2025

9 Tax

Accounting for income taxes

The 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 that 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 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 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 Group's tax returns. The 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 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 that are expected to be reviewed together concurrently and resolved simultaneously with a tax authority. The 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 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

Key areas involving a higher degree of judgement or estimation include:

Judgements	Estimates
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.

The 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.

Notes to the financial statements (continued)

For the year ended 31 December 2025

	2025 £m	2024 £m	2023 £m
Current tax charge/(credit)			
Current year	**1,905**	1,633	1,359
Adjustments in respect of prior years	**(131)**	26	(181)
	1,774	1,659	1,178
Deferred tax charge/(credit)			
Current year	**58**	128	(95)
Adjustments in respect of prior years	**94**	(35)	151
	152	93	56
Tax charge	**1,926**	1,752	1,234

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 Group's profit before tax.

	2025 £m	2025 %	2024 £m	2024 %	2023 £m	2023 %
Profit before tax	**9,139**		8,108		6,557	
Tax charge based on the applicable UK corporation tax rate of 25% (2024: 25%; 2023: 23.5%)	**2,285**	**25.0%**	2,027	25.0%	1,541	23.5%
Impact of profits/losses earned in territories with different statutory rates to the UK (weighted average tax rate is 24% (2024: 23.8%; 2023: 23.6%))	**(93)**	**(1.0%)**	(97)	(1.2%)	4	0.1%
Recurring items:						
Non-creditable taxes, including withholding taxes	**148**	**1.6%**	105	1.3%	130	2.0%
Impact of UK bank levy being non-deductible	**57**	**0.6%**	56	0.7%	42	0.6%
Non-deductible expenses	**53**	**0.6%**	61	0.8%	65	1.0%
Changes in recognition of deferred tax and effect of unrecognised tax losses	**49**	**0.5%**	69	0.8%	(58)	(0.9%)
Other items, including banking surcharge[1]	**(8)**	**(0.1%)**	91	1.1%	49	0.8%
Adjustments in respect of prior years	**(37)**	**(0.4%)**	(9)	(0.1%)	(30)	(0.5%)
Non-taxable gains and income	**(87)**	**(1.0%)**	(125)	(1.5%)	(65)	(1.0%)
Tax relief on holdings of inflation-linked government bonds	**(221)**	**(2.4%)**	(186)	(2.3%)	(214)	(3.3%)
Tax relief on payments made under AT1 instruments	**(244)**	**(2.7%)**	(241)	(3.0%)	(222)	(3.4%)
Non-recurring items:						
Non-deductible impairments and losses on divestments	**13**	**0.1%**	—	—	—	—
Non-deductible provisions for investigations and litigation	**11**	**0.1%**	(1)	(0.0%)	—	—
Non-deductible provisions for UK customer redress	**—**	**—**	2	0.0%	(8)	(0.1%)
Total tax charge	**1,926**	**21.1%**	1,752	21.6%	1,234	18.8%

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 21.1% 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.

The tax charge for the year includes a credit in respect of prior years of £133m in relation to the gain that arose on the acquisition of Tesco Bank. During the year, the Group has engaged with HM Revenue & Customs (HMRC) to help determine the tax treatment of this gain, and following that engagement that amount is being treated as non-taxable in Barclays Bank UK PLC's corporation tax return for the year ended 31 December 2024. The tax charge for the year also includes £23m in respect of global minimum tax arising under the Pillar Two rules.

Notes to the financial statements (continued)

For the year ended 31 December 2025

Factors that may influence the effective tax rate in future periods

The 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 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 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, and the Upper Tribunal will hear the case in 2026. 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.

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 £278m credit (2024: £135m 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:

	2025	2024
	£m	£m
UK Tax Group	**3,408**	4,451
US Intermediate Holding Company Tax Group ('IHC Tax Group')	**1,005**	1,162
Barclays Bank PLC's US Branch Tax Group	**255**	270
Other (outside the UK and US tax groups)	**324**	438
Deferred tax asset	**4,992**	6,321
Deferred tax liability	**(13)**	(18)
Net deferred tax	**4,979**	6,303

UK Tax Group deferred tax asset

The deferred tax asset in the UK Tax Group of £3,408m (2024: £4,451m) includes £1,031m (2024: £1,385m) 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 that these losses will be fully recovered.

US deferred tax assets in the IHC and US Branch Tax Groups

The deferred tax asset in the IHC Tax Group of £1,005m (2024: £1,162m) includes £12m (2024: £38m) 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 £255m (2024: £270m) relates entirely to temporary differences.

In relation to the IHC Tax Group, these temporary differences include £307m (2024: £365m) arising from New York State and City prior net operating loss conversion that 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 £324m (2024: £438m) in other entities within the Group includes £54m (2024: £111m) 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 £324m (2024: £438m), an amount of £12m (2024: £4m) relates to entities that 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.

Notes to the financial statements (continued)

For the year ended 31 December 2025

	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	**1,435**	**765**	**1,223**	**43**	**499**	**394**	**534**	**1,203**	**1,534**	**7,630**
Liabilities	**(117)**	**—**	**(13)**	**(897)**	**—**	**—**	**—**	**(300)**	**—**	**(1,327)**
As at 1 January 2025	**1,318**	**765**	**1,210**	**(854)**	**499**	**394**	**534**	**903**	**1,534**	**6,303**
Income statement	**104**	**—**	**—**	**8**	**(181)**	**—**	**46**	**287**	**(416)**	**(152)**
Other comprehensive income and reserves	**—**	**(297)**	**(874)**	**(11)**	**—**	**(28)**	**168**	**—**	**—**	**(1,042)**
Other movements	**(13)**	**—**	**—**	**(5)**	**(32)**	**—**	**(17)**	**(42)**	**(21)**	**(130)**
	1,409	**468**	**336**	**(862)**	**286**	**366**	**731**	**1,148**	**1,097**	**4,979**
Assets	**1,507**	**468**	**336**	**52**	**286**	**366**	**731**	**1,306**	**1,097**	**6,149**
Liabilities	**(98)**	**—**	**—**	**(914)**	**—**	**—**	**—**	**(158)**	**—**	**(1,170)**
As at 31 December 2025	**1,409**	**468**	**336**	**(862)**	**286**	**366**	**731**	**1,148**	**1,097**	**4,979**
Assets	1,277	571	1,477	38	628	85	449	1,146	1,748	7,419
Liabilities	(124)	—	—	(1,014)	—	—	—	(343)	—	(1,481)
As at 1 January 2024	1,153	571	1,477	(976)	628	85	449	803	1,748	5,938
Income statement	159	—	—	4	(110)	1	(34)	101	(214)	(93)
Other comprehensive income and reserves	—	194	(269)	118	—	308	110	1	—	462
Other movements	6	—	2	—	(19)	—	9	(2)	—	(4)
	1,318	765	1,210	(854)	499	394	534	903	1,534	6,303
Assets	1,435	765	1,223	43	499	394	534	1,203	1,534	7,630
Liabilities	(117)	—	(13)	(897)	—	—	—	(300)	—	(1,327)
As at 31 December 2024	1,318	765	1,210	(854)	499	394	534	903	1,534	6,303

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 assets expected to be recovered after more than 12 months is £5,516m (2024: £6,663m). The amount of deferred tax liability expected to be settled after more than 12 months is £1,058m (2024: £1,044m). 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

Deferred tax assets have not been recognised in respect of gross deductible temporary differences of £288m (2024: £373m), unused tax credits of £336m (2024: £359m), and gross tax losses of £21,002m (2024: £21,295m). The tax losses include capital losses of £3,986m (2024: £3,903m). Of these tax losses, £13m (2024: £13m) expire within five years, £2,216m (2024: £6m) expire within six to ten years, £9,466m (2024: £11,789m) expire within eleven to twenty years and £9,307m (2024: £9,487m) 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.

Group investments in subsidiaries, branches and associates

Deferred tax is not recognised in respect of the value of the Group's investments in subsidiaries, branches and associates where the 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 £869m (2024: £920m).

Notes to the financial statements (continued)

For the year ended 31 December 2025

10 Earnings per share

	2025	2024	2023
	£m	£m	£m
Profit attributable to ordinary equity holders of the parent	**6,175**	5,316	4,274

	2025	2024	2023
	million	million	million
Basic weighted average number of shares in issue	**14,112**	14,755	15,445
Number of potential ordinary shares	**492**	516	450
Diluted weighted average number of shares	**14,604**	15,271	15,895

	Basic earnings per share			Diluted earnings per share		
	2025	2024	2023	2025	2024	2023
	p	p	p	p	p	p
Earnings per ordinary share	**43.8**	36.0	27.7	**42.3**	34.8	26.9

The calculation of basic earnings per share is based on the profit attributable to equity holders of the parent and the basic weighted average number of shares excluding treasury shares held in employee benefit trusts or held for trading. When calculating the diluted earnings per share, the weighted average number of shares in issue is adjusted for the effects of all expected dilutive potential ordinary shares held in respect of Barclays PLC, totalling 492m (2024: 516m, 2023: 450m) shares. The number of share options and share awards outstanding under schemes that were considered to be potentially dilutive was 629m (2024: 713m, 2023: 750m) of which share options accounted for 152m (2024: 185m, 2023: 232m) with a strike prices ranging from £0.84 to £2.99.

Of the total number of employee share options and share awards at 31 December 2025, 28m (2024: 29m, 2022: 39m) were anti-dilutive.

The 643m decrease (2024: 690m decrease, 2023: 888m decrease) in the basic weighted average number of shares is primarily due to the impact of the share buyback programmes carried out each year.

11 Dividends on ordinary shares

The Directors have approved a total dividend in respect of 2025 of 8.6p per ordinary share of 25p each. The full year dividend for 2025 of 5.6p per ordinary share will be paid on 31 March 2026 to shareholders on the Share Register on 20 February 2026. On 31 December 2025, there were 13,867m ordinary shares in issue. The financial statements for the year ended 31 December 2025 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 2026.

For qualifying American Depositary Receipt (ADR) holders, the 2025 full year dividend of 5.6p per ordinary share becomes 22.4p per American Depositary Share (ADS) (representing four shares). The ex-dividend date for ADR holders is 20 February 2026. The dividend record date is 20 February 2026 and dividend payment date for ADR holders is 31 March 2026.

The Directors have confirmed their intention to initiate a share buyback of up to £1bn after the balance sheet date. The proposed share buyback is expected to commence in the first quarter of 2026. The financial statements for the year ended 31 December 2025 do not reflect the impact of the proposed share buyback, which will be accounted for as and when shares are repurchased by the Company.

The 2025 financial statements include the 2025 interim dividend of £422m (2024: £425m, 2023: £417m); a full year dividend declared in relation to 2024 of £791m (2023: £796m, 2022: £793m) and share buyback programmes totalling £2,229m (2024: £1,750m, 2023: £1,250m). Dividends and share buybacks are funded out of distributable reserves.

Notes to the financial statements (continued)

Assets and liabilities held at fair value

Assets and liabilities held at fair value

The notes included in this section focus on assets and liabilities the Group holds and recognises at fair value. Detail regarding the Group's approach to managing market risk can be found in the Market risk management section.

12 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).

	Trading portfolio assets		Trading portfolio liabilities	
	2025	2024	2025	2024
	£m	£m	£m	£m
Debt securities and other eligible bills	**94,359**	78,014	**(33,217)**	(37,050)
Equity securities	**83,242**	74,859	**(24,520)**	(19,858)
Traded loans	**12,249**	13,470	**—**	—
Commodities	**211**	110	**—**	—
Trading portfolio assets/(liabilities)	**190,061**	166,453	**(57,737)**	(56,908)

13 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 17.

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 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.

	Mandatorily at fair value		Designated at fair value		Total	
	2025	2024	2025	2024	2025	2024
	£m	£m	£m	£m	£m	£m
Loans and advances	**45,474**	42,487	**2,198**	2,581	**47,672**	45,068
Debt securities	**2,911**	2,783	**303**	182	**3,214**	2,965
Equity securities	**3,400**	3,818	**—**	—	**3,400**	3,818
Reverse repurchase agreements and other similar secured lending	**132,488**	141,773	**—**	—	**132,488**	141,773
Other financial assets	**83**	110	**—**	—	**83**	110
Financial assets at fair value through the income statement	**184,356**	190,971	**2,501**	2,763	**186,857**	193,734

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 designated at fair value as they have minimal exposure to credit risk due to limited gross exposure.

	Maximum exposure as at 31 December		Changes in fair value during the year ended		Cumulative changes in fair value from inception	
	2025	2024	2025	2024	2025	2024
	£m	£m	£m	£m	£m	£m
Loans and advances designated at fair value, attributable to credit risk	**2,198**	2,581	**2**	(1)	**(6)**	(8)
Value mitigated by related credit derivatives	**193**	405	**(2)**	—	**(2)**	—

Notes to the financial statements (continued)

Assets and liabilities held at fair value

14 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 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 Group applies the requirements of IAS 39 *Financial Instruments*: Recognition and Measurement for hedge accounting purposes. The 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 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. For hedged items classified as fair value through other comprehensive income, fair value movements attributable to the hedged risk are transferred from other comprehensive income to the income statement.

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.

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 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 Group's investment in the operation.

Total derivatives

	2025			2024		
	Notional contract amount	Fair value Assets	Fair value Liabilities	Notional contract amount	Fair value Assets	Fair value Liabilities
	£m	£m	£m	£m	£m	£m
Total derivative assets/(liabilities) held for trading	**100,471,927**	**249,743**	**(240,127)**	84,125,071	290,991	(278,595)
Total derivative assets/(liabilities) held for risk management	**320,316**	**2,716**	**(681)**	310,376	2,539	(820)
Derivative assets/(liabilities)	**100,792,243**	**252,459**	**(240,808)**	84,435,447	293,530	(279,415)

Further information on netting arrangements of derivative financial instruments can be found within Note 18.

Notes to the financial statements (continued)

Assets and liabilities held at fair value

The fair values and notional amounts of derivative instruments held for trading and held for risk management are set out in the following table:

Derivatives held for trading and held for risk management

	2025			2024		
	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	**8,237,176**	**73,994**	**(71,556)**	8,249,213	123,489	(116,429)
Derivatives cleared by central counterparty	**276,189**	**251**	**(221)**	240,612	228	(235)
Exchange traded derivatives	**20,733**	**1**	**(1)**	27,441	7	(7)
Foreign exchange derivatives	**8,534,098**	**74,246**	**(71,778)**	8,517,266	123,724	(116,671)
Interest rate derivatives						
OTC derivatives	**32,249,542**	**90,240**	**(77,130)**	26,422,379	91,488	(79,925)
Derivatives cleared by central counterparty	**42,748,421**	**1,428**	**(1,131)**	36,810,961	1,479	(1,344)
Exchange traded derivatives	**11,473,370**	**1,498**	**(1,457)**	7,672,496	2,664	(2,698)
Interest rate derivatives	**86,471,333**	**93,166**	**(79,718)**	70,905,836	95,631	(83,967)
Credit derivatives						
OTC derivatives	**671,066**	**4,169**	**(4,666)**	593,702	3,474	(4,307)
Derivatives cleared by central counterparty	**1,065,702**	**3,682**	**(3,713)**	943,413	3,424	(3,148)
Credit derivatives	**1,736,768**	**7,851**	**(8,379)**	1,537,115	6,898	(7,455)
Equity and stock index derivatives						
OTC derivatives	**739,183**	**22,178**	**(27,092)**	598,297	21,965	(26,319)
Exchange traded derivatives	**2,769,230**	**50,161**	**(51,063)**	2,347,247	40,947	(42,309)
Equity and stock index derivatives	**3,508,413**	**72,339**	**(78,155)**	2,945,544	62,912	(68,628)
Commodity derivatives						
OTC derivatives	**4,681**	**15**	**(16)**	7,084	17	(32)
Exchange traded derivatives	**216,634**	**2,126**	**(2,081)**	212,226	1,809	(1,842)
Commodity derivatives	**221,315**	**2,141**	**(2,097)**	219,310	1,826	(1,874)
Derivative assets/(liabilities) held for trading	**100,471,927**	**249,743**	**(240,127)**	84,125,071	290,991	(278,595)
Total OTC derivatives	**41,901,648**	**190,596**	**(180,460)**	35,870,675	240,433	(227,012)
Total derivatives cleared by central counterparty	**44,090,312**	**5,361**	**(5,065)**	37,994,986	5,131	(4,727)
Total exchange traded derivatives	**14,479,967**	**53,786**	**(54,602)**	10,259,410	45,427	(46,856)
Derivative assets/(liabilities) held for trading	**100,471,927**	**249,743**	**(240,127)**	84,125,071	290,991	(278,595)
Derivatives held for risk management						
Derivatives designated as cash flow hedges						
OTC foreign exchange derivatives	**30,429**	**2,485**	**(86)**	35,202	2,338	(320)
OTC interest rate derivatives	**—**	**—**	**—**	105	—	—
Interest rate derivatives cleared by central counterparty	**120,983**	**—**	**—**	111,873	—	—
Derivatives designated as cash flow hedges	**151,412**	**2,485**	**(86)**	147,180	2,338	(320)
Derivatives designated as fair value hedges						
OTC interest rate derivatives	**5,963**	**75**	**(552)**	11,955	165	(434)
Interest rate derivatives cleared by central counterparty	**158,552**	**—**	**—**	147,227	—	—
Derivatives designated as fair value hedges	**164,515**	**75**	**(552)**	159,182	165	(434)
Derivatives designated as hedges of net investments						
OTC foreign exchange derivatives	**4,389**	**156**	**(43)**	4,014	36	(66)
Derivatives designated as hedges of net investments	**4,389**	**156**	**(43)**	4,014	36	(66)
Derivative assets/(liabilities) held for risk management	**320,316**	**2,716**	**(681)**	310,376	2,539	(820)
Total OTC derivatives	**40,781**	**2,716**	**(681)**	51,276	2,539	(820)
Total derivatives cleared by central counterparty	**279,535**	**—**	**—**	259,100	—	—
Derivative assets/(liabilities) held for risk management	**320,316**	**2,716**	**(681)**	310,376	2,539	(820)

Notes to the financial statements (continued)

Assets and liabilities held at fair value

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. Interest rate risk also includes exposure to inflation risk for certain types of investments
- 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 Group does not hedge inflation risk that arises from other activities

In order to hedge these risks, the Group uses the following hedging instruments:

- Interest rate derivatives to swap interest rate exposures 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 that 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 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 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 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 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.

Notes to the financial statements (continued)

Assets and liabilities held at fair value

Hedged items in fair value hedges

Hedged item statement of financial position classification and risk category	Carrying amount £m	Accumulated fair value adjustment included in carrying amount: Total £m	Accumulated fair value adjustment included in carrying amount: Of which: Accumulated fair value adjustment on items no longer in a hedge relationship £m	Change in fair value used as a basis to determine ineffectiveness £m	Hedge ineffectiveness recognised in the income statements[1] £m
2025					
Assets					
Loans and advances at amortised cost					
- Interest rate risk	**1,989**	**(3,342)**	**(1,709)**	**(196)**	**1**
- Inflation risk	**280**	**188**	**79**	**(9)**	**—**
Debt securities classified at amortised cost					
- Interest rate risk	**11,652**	**27**	**(1)**	**102**	**32**
- Inflation risk	**8,704**	**(1,332)**	**(2)**	**17**	**12**
Financial assets at fair value through other comprehensive income[2]					
- Interest rate risk	**48,598**	**(1,502)**	**(410)**	**31**	**167**
- Inflation risk	**8,813**	**(142)**	**(48)**	**62**	**(14)**
Total assets	**80,036**	**(6,103)**	**(2,091)**	**7**	**198**
Liabilities					
Debt securities in issue					
- Interest rate risk	**(50,966)**	**1,826**	**557**	**(746)**	**(20)**
Subordinated liabilities					
- Interest rate risk	**(11,179)**	**358**	**2**	**(237)**	**1**
Deposits at amortised cost from banks and customers					
- Interest rate risk	**(13,058)**	**(14)**	**(1)**	**(1)**	**3**
Total liabilities	**(75,203)**	**2,170**	**558**	**(984)**	**(16)**
Total hedged items	**4,833**	**(3,933)**	**(1,533)**	**(977)**	**182**
2024					
Assets					
Loans and advances at amortised cost					
- Interest rate risk	2,394	(3,853)	(1,786)	(848)	22
- Inflation risk	318	219	102	(17)	7
Debt securities classified at amortised cost					
- Interest rate risk	8,223	(47)	8	62	69
- Inflation risk	10,100	(1,400)	(37)	(575)	(40)
Financial assets at fair value through other comprehensive income					
- Interest rate risk	47,293	(1,381)	(423)	(126)	226
- Inflation risk	8,477	(254)	(86)	(113)	(35)
Total assets	76,805	(6,716)	(2,222)	(1,617)	249
Liabilities					
Debt securities in issue					
- Interest rate risk	(50,209)	2,747	775	333	(49)
Subordinated liabilities					
- Interest rate risk	(10,765)	648	38	(4)	8
Deposits at amortised cost from banks and customers					
- Interest rate risk	(8,596)	(12)	(1)	(4)	(2)
Total liabilities	(69,570)	3,383	812	325	(43)
Total hedged items	7,235	(3,333)	(1,410)	(1,292)	206

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.

Notes to the financial statements (continued)

Assets and liabilities held at fair value

The following table shows the fair value hedging instruments that are carried on the Group's balance sheet:

		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 2025						
Fair value	Interest rate risk	**2**	**(317)**	**—**	**145,474**	**1,231**
	Inflation risk	**73**	**(235)**	**—**	**19,041**	**(72)**
	Total	**75**	**(552)**	**—**	**164,515**	**1,159**
As at 31 December 2024						
Fair value	Interest rate risk	26	(3)	—	138,354	861
	Inflation risk	139	(431)	—	20,828	637
	Total	165	(434)	—	159,182	1,498

The following table profiles the expected notional values of current hedging instruments in future years:

	2025	2026	2027	2028	2029	2030	2031 and later
As at 31 December	£m	£m	£m	£m	£m	£m	£m
Fair value hedges of:							
Interest rate risk (outstanding notional amount)	**145,474**	**121,544**	**107,350**	**94,230**	**81,454**	**60,932**	**48,248**
Inflation risk (outstanding notional amount)	**19,041**	**17,794**	**15,874**	**13,660**	**11,364**	**9,332**	**7,769**

There are 2,194 (2024: 2,212) interest rate risk fair value hedges with an average fixed rate of 3.33% (2024: 3.29%) across the relationships and 188 (2024: 196) inflation risk fair value hedges with an average rate of 0.75% (2024: 0.59%) across the relationships.

Notes to the financial statements (continued)

Assets and liabilities held at fair value

Hedged items in cash flow hedges and hedges of net investments in foreign operations

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
2025							
Assets							
Cash flow hedge of:							
Interest rate risk							
Loans and advances at amortised cost	**(806)**	**(193)**	**—**	**642**	**—**	**(806)**	**12**
Cash and balances at central banks	**(782)**	**(227)**	**—**	**805**	**—**	**(782)**	**6**
Foreign exchange risk							
Loans and advances at amortised cost	**(1,638)**	**120**	**—**	**—**	**—**	**(1,638)**	**18**
Debt securities classified at amortised cost	**(309)**	**(23)**	**—**	**—**	**—**	**(309)**	**1**
Inflation risk							
Debt securities classified at amortised cost	**(113)**	**(143)**	**—**	**(21)**	**—**	**(113)**	**8**
Liabilities							
Cash flow hedge of:							
Foreign exchange risk							
Debt securities in issue	**9**	**16**	**—**	**—**	**—**	**9**	**—**
Subordinated liabilities	**5**	**4**	**—**	**—**	**—**	**5**	**—**
Total cash flow hedge	**(3,634)**	**(446)**	**—**	**1,426**	**—**	**(3,634)**	**45**
Hedge of net investment in foreign operations							
USD foreign operations	**(589)**	**—**	**1,118**	**—**	**—**	**(589)**	**—**
EUR foreign operations	**299**	**—**	**89**	**—**	**—**	**299**	**—**
Other foreign operations	**(156)**	**—**	**(39)**	**—**	**(13)**	**(156)**	**—**
Total foreign operations	**(446)**	**—**	**1,168**	**—**	**(13)**	**(446)**	**—**
2024							
Assets							
Cash flow hedge of:							
Interest rate risk							
Loans and advances at amortised cost	362	608	—	1,273	—	362	18
Cash and balances at central banks	443	674	—	1,389	—	443	8
Foreign exchange risk							
Loans and advances at amortised cost	300	106	—	—	—	300	5
Debt securities classified at amortised cost	(449)	142	—	—	—	(449)	—
Inflation risk							
Debt securities classified at amortised cost	118	(73)	—	25	—	118	—
Liabilities							
Cash flow hedge of:							
Foreign exchange risk							
Subordinated liabilities	34	(12)	—	—	—	34	—
Total cash flow hedge	808	1,445	—	2,687	—	808	31
Hedge of net investment in foreign operations							
USD foreign operations	160	—	1,520	—	—	160	—
EUR foreign operations	(242)	—	(209)	—	—	(242)	—
Other foreign operations	(18)	—	100	—	23	(18)	—
Total foreign operations	(100)	—	1,411	—	23	(100)	—

Note:

1 Hedge ineffectiveness is recognised in net interest income.

Notes to the financial statements (continued)

Assets and liabilities held at fair value

The following table shows the cash flow and net investment hedging instruments that are carried on the Group's balance sheet:

Hedge type	Risk category	Carrying value: Derivative assets £m	Carrying value: Derivative liabilities £m	Carrying value: Loan liabilities £m	Nominal amount £m	Change in fair value used as a basis to determine ineffectiveness £m
As at 31 December 2025						
Cash flow	Interest rate risk	**—**	**—**	**—**	**114,610**	**1,606**
	Foreign exchange risk	**2,485**	**(86)**	**—**	**30,429**	**1,952**
	Inflation risk	**—**	**—**	**—**	**6,373**	**121**
	Total	**2,485**	**(86)**	**—**	**151,412**	**3,679**
Net investment	Foreign exchange risk	**156**	**(43)**	**(10,688)**	**15,077**	**446**
As at 31 December 2024						
Cash flow	Interest rate risk	—	—	—	105,600	(779)
	Foreign exchange risk	2,338	(320)	—	35,202	120
	Inflation risk	—	—	—	6,378	(118)
	Total	2,338	(320)	—	147,180	(777)
Net investment	Foreign exchange risk	36	(66)	(12,189)	16,203	100

There are 20 (2024: 45) foreign exchange risk cash flow hedges with an average foreign exchange rate of 162.69 JPY:1 GBP (2024: 142.93 JPY: 1 GBP) across the relationships, 11 (2024: 11) foreign exchange risk cash flow hedges with an average foreign exchange rate of 1.26 USD:1 GBP (2024: 1.26 USD:1 GBP) across the relationships, 14 (2024: 11) foreign exchange risk cash flow hedges with an average foreign exchange rate of 1.97 AUD:1 GBP (2024: 1.94 AUD:1 GBP) across the relationships and 2 (2024: 2) foreign exchange risk cash flow hedges with an average foreign exchange rate of 1.12 CHF:1 GBP (2024: 1.12 CHF:1 GBP) across the relationships.

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:

	2025		2024	
Description of hedge relationship and hedged risk	Amount recycled from other comprehensive income due to hedged item affecting income statement £m	Amount recycled from other comprehensive income due to sale of investment, or cash flows no longer expected to occur £m	Amount recycled from other comprehensive income due to hedged item affecting income statement £m	Amount recycled from other comprehensive income due to sale of investment, or cash flows no longer expected to occur £m
Cash flow hedge of interest rate risk				
Recycled to net interest income	**(1,293)**	**—**	(1,830)	—
Cash flow hedge of foreign exchange risk				
Recycled to trading income	**1,835**	**(20)**	(12)	—
Hedge of net investment in foreign operations	**—**	**—**	—	—
Recycled to trading income	**—**	**(18)**	—	(1)

A detailed reconciliation of the movements of the cash flow hedging reserve and the currency translation reserve is as follows:

	2025		2024	
	Cash flow hedging reserve £m	Currency translation reserve £m	Cash flow hedging reserve £m	Currency translation reserve £m
Balance on 1 January	**(2,930)**	**3,625**	(3,707)	3,671
Currency translation movements	**41**	**(1,595)**	24	(160)
Hedging gains/(losses) for the year	**3,634**	**446**	(808)	100
Amounts reclassified in relation to cash flows affecting profit or loss	**(522)**	**18**	1,842	1
Tax	**(889)**	**(1)**	(281)	13
Balance on 31 December	**(666)**	**2,493**	(2,930)	3,625

Notes to the financial statements (continued)

Assets and liabilities held at fair value

15 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 remeasured 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 in other comprehensive income is recognised 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 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 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).

	2025	2024
	£m	£m
Debt securities and other eligible bills	**72,023**	74,772
Equity securities	**4**	4
Loans and advances	**2,367**	3,283
Financial assets at fair value through other comprehensive income	**74,394**	78,059

16 Financial liabilities designated at fair value

Accounting for liabilities designated at fair value through profit and loss

The 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 Group on the basis of its fair value, or includes terms that have substantive derivative characteristics (Note 14). 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 P&L. 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 P&L. On derecognition of the financial liability, no amount relating to own credit risk is recycled to the income statement.

The details on how the fair value amounts are arrived at for financial liabilities designated at fair value are described in Note 17.

	2025		2024	
	Fair value	Contractual amount due on maturity	Fair value	Contractual amount due on maturity
	£m	£m	£m	£m
Debt securities	**86,676**	**101,106**	80,218	96,316
Deposits	**48,960**	**51,225**	46,383	48,201
Repurchase agreements and other similar secured borrowing	**158,452**	**158,870**	155,606	156,180
Other financial liabilities	**20**	**20**	17	17
Financial liabilities designated at fair value	**294,108**	**311,221**	282,224	300,714

The cumulative own credit net loss recognised is £1,335m (2024: £1,434m loss).

Notes to the financial statements (continued)

Assets and liabilities held at fair value

17 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 Group's financial assets and liabilities, including 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 also 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.

The 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, the 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.

On initial recognition, the transaction price often reflects the fair value of the asset or liability. However, in some circumstances, fair value may differ to the transaction price when there is information to the contrary. If the fair value of the instrument is observable from current market transactions in the same instrument, or based on a valuation technique whose inputs only include observable inputs, then the instrument is initially recognised at fair value and the difference to the transaction price is recognised in profit or loss.

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 442.

Valuation Control Framework

The Barclays Group has an established valuation control framework that oversees valuation methodologies, standards and procedures.

Critical accounting estimates and judgements

Key areas involving a higher degree of judgement or estimation include:

Judgements	Estimates
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.

Notes to the financial statements (continued)

Assets and liabilities held at fair value

These estimates are considered to have a significant risk of resulting in a material adjustment to the carrying amounts of financial assets and financial liabilities measured at fair value within the next financial year.

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.

For assets and liabilities traded in active markets, it is determined that the market valuation includes a representation of the prevailing view of climate-related risks. Within less active markets, for counterparties and instruments identified as being more susceptible to climate change risk, an impact assessment was performed through increasing their probability of default. The change in valuation of the assets and liabilities from this assessment was sufficiently immaterial to necessitate any amendment to the reported 2025 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.

Valuation techniques using 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 techniques 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. 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. Valuations based on observable inputs include assets and liabilities, such as swaps and forwards that 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 techniques 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). Unobservable input levels are generally determined via reference to observable inputs, historical observations or using other analytical techniques.

The following table shows the Group's assets and liabilities that are held at fair value disaggregated by the fair value hierarchy and balance sheet classification:

Assets and liabilities held at fair value

	2025				2024			
	Valuation techniques used				Valuation techniques used			
	Quoted market price	Observable inputs	Significant unobservable inputs		Quoted market price	Observable inputs	Significant unobservable inputs	
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
As at 31 December	£m	£m	£m	£m	£m	£m	£m	£m
Trading portfolio assets	**111,158**	**68,556**	**10,347**	**190,061**	77,761	78,577	10,115	166,453
Financial assets at fair value through the income statement	**5,140**	**173,140**	**8,577**	**186,857**	3,526	181,784	8,424	193,734
Derivative financial assets	**108**	**250,639**	**1,712**	**252,459**	101	291,352	2,077	293,530
Financial assets at fair value through other comprehensive income	**51,717**	**19,578**	**3,099**	**74,394**	25,913	48,407	3,739	78,059
Investment property	**—**	**—**	**43**	**43**	—	—	9	9
Total assets	**168,123**	**511,913**	**23,778**	**703,814**	107,301	600,120	24,364	731,785
Trading portfolio liabilities	**(42,917)**	**(14,733)**	**(87)**	**(57,737)**	(27,694)	(28,819)	(395)	(56,908)
Financial liabilities designated at fair value	**(1,702)**	**(287,532)**	**(4,874)**	**(294,108)**	(181)	(278,785)	(3,258)	(282,224)
Derivative financial liabilities	**(93)**	**(237,650)**	**(3,065)**	**(240,808)**	(86)	(276,148)	(3,181)	(279,415)
Total liabilities	**(44,712)**	**(539,915)**	**(8,026)**	**(592,653)**	(27,961)	(583,752)	(6,834)	(618,547)

Notes to the financial statements (continued)

Assets and liabilities held at fair value

The following table shows the Group's Level 3 assets and liabilities that are held at fair value disaggregated by product type:

As at 31 December 2025	Loans £m	Corporate debt £m	Asset backed securities £m	Government and Government sponsored debt £m	Private equity investments £m	Issued debt £m	Reverse repurchase and repurchase agreements £m	Interest rate derivatives £m	Equity derivatives £m	Other products[1] £m	Total £m
Trading portfolio assets	**5,667**	**1,849**	**874**	**1,513**	**—**	**—**	**—**	**—**	**—**	**444**	**10,347**
Financial assets at fair value through the income statement	**5,990**	**905**	**188**	**33**	**1,260**	**—**	**97**	**—**	**—**	**104**	**8,577**
Derivative financial assets	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**759**	**522**	**431**	**1,712**
Financial assets at fair value through other comprehensive income	**2,235**	**25**	**756**	**79**	**4**	**—**	**—**	**—**	**—**	**—**	**3,099**
Investment property	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**43**	**43**
Total assets	**13,892**	**2,779**	**1,818**	**1,625**	**1,264**	**—**	**97**	**759**	**522**	**1,022**	**23,778**
Trading portfolio liabilities	**—**	**(36)**	**—**	**(34)**	**—**	**—**	**—**	**—**	**—**	**(17)**	**(87)**
Financial liabilities designated at fair value	**—**	**—**	**—**	**—**	**(20)**	**(3,760)**	**(887)**	**—**	**—**	**(207)**	**(4,874)**
Derivative financial liabilities	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(612)**	**(1,602)**	**(851)**	**(3,065)**
Total liabilities	**—**	**(36)**	**—**	**(34)**	**(20)**	**(3,760)**	**(887)**	**(612)**	**(1,602)**	**(1,075)**	**(8,026)**

As at 31 December 2024	Loans £m	Corporate debt £m	Asset backed securities £m	Government and Government sponsored debt £m	Private equity investments £m	Issued debt £m	Reverse repurchase and repurchase agreements £m	Interest rate derivatives £m	Equity derivatives £m	Other products[1] £m	Total £m
Trading portfolio assets	6,146	1,590	991	1,018	—	—	—	—	—	370	10,115
Financial assets at fair value through the income statement	5,455	913	139	35	1,166	—	539	—	—	177	8,424
Derivative financial assets	—	—	—	—	—	—	—	1,193	481	403	2,077
Financial assets at fair value through other comprehensive income	2,858	108	757	12	4	—	—	—	—	—	3,739
Investment property	—	—	—	—	—	—	—	—	—	9	9
Total assets	14,459	2,611	1,887	1,065	1,170	—	539	1,193	481	959	24,364
Trading portfolio liabilities	—	(374)	(6)	—	—	—	—	—	—	(15)	(395)
Financial liabilities designated at fair value	—	—	—	—	(17)	(1,842)	(1,379)	—	—	(20)	(3,258)
Derivative financial liabilities	—	—	—	—	—	—	—	(1,013)	(1,219)	(949)	(3,181)
Total liabilities	—	(374)	(6)	—	(17)	(1,842)	(1,379)	(1,013)	(1,219)	(984)	(6,834)

Note:

1 Other products include certificate of deposits, funds and fund-linked products, equity cash products, investment property, credit derivatives and foreign exchange derivatives.

Notes to the financial statements (continued)

Assets and liabilities held at fair value

Valuation techniques

The valuation techniques and observability used are described below:

Loans

Description: A drawn lending facility issued to corporate clients and customers.

Also includes Prime Brokerage Margin lending, and other similar secured lending agreements. The agreements are primarily short-term in nature.

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.

Prime Brokerage Margin Lending transactions 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: Within this loan population, the price or loan spread may be generally unobservable.

For Margin Lending inputs are deemed observable up to liquid maturities, 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.

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 credit default swap (CDS) spreads for actively-traded instruments issued by or referencing the same (or a similar) issuer.

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, collateralised debt obligations (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 vendors 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 and Government sponsored 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: Observability assessment is performed with reference to bond market trading data. Bonds are assessed at Level 1 if they are traded in active market with a quoted price in line with requirements of IFRS 13. Unobservable bonds prices are generally determined by reference to bond yields for actively traded bonds from the same (or a similar) issuer.

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' that 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.

Notes to the financial statements (continued)

Assets and liabilities held at fair value

Issued debt

Description: Debt notes issued by Barclays.

Valuation: Issued debt is valued using discounted cash flow techniques 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.

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.

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 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 that 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 that 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.

Foreign exchange derivatives

Description: Derivatives linked to the foreign exchange (FX) market. The category includes FX forward contracts, FX swaps and FX options. The majority are traded as over the counter (OTC) derivatives.

Valuation: FX derivatives are valued using industry standard and bespoke models, depending on the product type. Valuation inputs include FX rates, interest rates, FX volatilities, interest rate volatilities, FX interest rate correlations and others, as appropriate.

Observability: FX correlations, forwards and volatilities are generally observable up to liquid maturities that 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.

Credit derivatives

Description: Derivatives linked to the credit spread of a referenced entity, index or basket of referenced entities or a pool of referenced assets (e.g. a securitised product). The category includes single name and index credit default swaps (CDS) and total return swaps (TRS).

Valuation: Credit derivatives are valued on industry standard models, using curves of credit spreads as the principal input. Credit spreads are observed directly from broker data, third party vendors or priced to proxies.

Observability: Credit derivative contracts referencing entities that are actively traded are generally considered observable. Other valuation inputs are considered observable, if products with significant sensitivity to the inputs are actively traded in a liquid market. Unobservable valuation inputs are generally determined with reference to recent benchmark transactions or inferred from observable trades of the same issuer or similar entities.

Notes to the financial statements (continued)

Assets and liabilities held at fair value

Assets and liabilities transferred between levels

During the year ended 31 December 2025, there were £42.7bn assets and £(9.9)bn liabilities transferred from Level 2 to Level 1 (year ended 31 December 2024: there were no material transfers). Additionally, there were £0.8bn assets and £(2.8)bn liabilities transferred from Level 2 to Level 3 (year ended 31 December 2024: there were no material transfers). These transfers reflect enhancement to the Group's levelling policy, including the use of additional data in the active market assessment of Level 1 government bonds and updated assessments of unobservable market parameters for government bonds and issued debt; resulting in an increase in Level 3 balances.

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 i) an increase or decrease in observable market activity related to an input or ii) 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

	As at 1 January 2025	Purchases	Sales	Issues	Settlements	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 31 December 2025
						Trading income[2]	Other income		In	Out	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Trading portfolio assets	**10,115**	**5,810**	**(4,157)**	**—**	**(1,554)**	**151**	**—**	**—**	**382**	**(400)**	**10,347**
Financial assets at fair value through the income statement	**8,424**	**2,858**	**(1,202)**	**—**	**(1,436)**	**95**	**72**	**—**	**60**	**(294)**	**8,577**
Financial assets at fair value through other comprehensive income	**3,739**	**922**	**(640)**	**—**	**(1,030)**	**4**	**(2)**	**—**	**118**	**(12)**	**3,099**
Investment property	**9**	**34**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**43**
Trading portfolio liabilities	**(395)**	**(55)**	**25**	**—**	**352**	**2**	**—**	**—**	**(28)**	**12**	**(87)**
Financial liabilities designated at fair value	**(3,258)**	**—**	**28**	**(503)**	**1,020**	**43**	**(3)**	**—**	**(2,954)**	**753**	**(4,874)**
Net derivative financial instruments[1]	**(1,104)**	**(447)**	**220**	**—**	**—**	**(44)**	**—**	**—**	**3**	**19**	**(1,353)**
Total	**17,530**	**9,122**	**(5,726)**	**(503)**	**(2,648)**	**251**	**67**	**—**	**(2,419)**	**78**	**15,752**

Analysis of movements in Level 3 assets and liabilities

	As at 1 January 2024	Purchases	Sales	Issues	Settlements	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 31 December 2024
						Trading income[2]	Other income		In	Out	
	£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	8,249	2,704	(2,072)	—	(793)	(1)	218	—	207	(88)	8,424
Financial assets at fair value through other comprehensive income	1,078	3,116	(43)	—	—	3	22	(1)	49	(485)	3,739
Investment property	2	9	(2)	—	—	—	—	—	—	—	9
Trading portfolio liabilities	(368)	(26)	20	—	—	(7)	—	—	(15)	1	(395)
Financial liabilities designated at fair value	(1,222)	(415)	19	(1,146)	143	(74)	(20)	—	(893)	350	(3,258)
Net derivative financial instruments[1]	(1,113)	(568)	(6)	—	(16)	(64)	(1)	—	163	501	(1,104)
Total	13,135	10,668	(3,901)	(1,146)	(1,531)	(152)	219	(1)	286	(47)	17,530

Notes:

1 The derivative financial instruments are represented on a net basis. On a gross basis, derivative financial assets are £1,712m (2024: £2,077m) and derivative financial liabilities are £(3,065)m (2024: £(3,181)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.

Notes to the financial statements (continued)

Assets and liabilities held at fair value

Unrealised gains and losses on Level 3 assets and liabilities

The following table discloses the unrealised gains and losses recognised in the year, arising on Level 3 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

	2025				2024			
	Income statement		Other compre-hensive income	Total	Income statement		Other compre-hensive income	Total
	Trading income[1]	Other income			Trading income[1]	Other income		
	£m	£m	£m	£m	£m	£m	£m	£m
Trading portfolio assets	**36**	**—**	**—**	**36**	(9)	—	—	(9)
Financial assets at fair value through the income statement	**94**	**72**	**—**	**166**	2	94	—	96
Financial assets at fair value through other comprehensive income	**4**	**(1)**	**—**	**3**	3	22	(1)	24
Investment property	**—**	**—**	**—**	**—**	—	—	—	—
Trading portfolio liabilities	**1**	**—**	**—**	**1**	(7)	—	—	(7)
Financial liabilities designated at fair value	**43**	**(3)**	**—**	**40**	(77)	(9)	—	(86)
Net derivative financial instruments	**(44)**	**—**	**—**	**(44)**	(57)	(1)	—	(58)
Total	**134**	**68**	**—**	**202**	(145)	106	(1)	(40)

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.

Notes to the financial statements (continued)

Assets and liabilities held at fair value

Significant unobservable inputs

The following table discloses the valuation techniques and significant unobservable inputs for material products recognised at fair value and classified as Level 3 along with the range of values used for those significant unobservable inputs:

	Valuation technique(s)[1]	Significant unobservable inputs	2025 Range Min	2025 Range Max	2024 Range Min	2024 Range Max	Units[2]
Derivative financial instruments[3]							
Interest rate derivatives	Discounted cash flows	Inflation forwards	**n/m[4]**	**n/m[4]**	3	3	%
		Credit spread	**8**	**2,070**	14	1,972	bps
		Yield	**—**	**5**	—	12	%
	Option model	Interest rate volatility	**—**	**2**	19	175	bps vol
		FX - IR correlation	**(36)**	**30**	(36)	30	%
		IR - IR correlation	**35**	**98**	33	98	%
		IR - Inflation correlation	**10**	**10**	10	10	%
		Inflation - Inflation correlation	**5**	**5**	5	5	%
Equity derivatives	Discounted cash flow	Discount margin	**(190)**	**350**	(215)	351	bps
	Option model	Equity volatility	**1**	**88**	1	133	%
		Equity - equity correlation	**15**	**100**	40	100	%
Non-derivative financial instruments							
Loans	Discounted cash flows	Loan spread	**30**	**942**	35	908	bps
		Credit spread	**194**	**420**	194	1,011	bps
		Discount margin	**—**	**—**	230	345	bps
		Yield	**5**	**8**	2	18	%
	Comparable pricing	Comparable price	**—**	**186**	—	240	points
Asset backed securities	Comparable pricing	Comparable price	**—**	**530**	—	125	points
	Discounted cash flows	Discount margin	**n/m[4]**	**n/m[4]**	(137)	(25)	bps
	Option Model	Equity volatility	**n/m[4]**	**n/m[4]**	15	32	%
Private equity investments	EBITDA multiple	EBITDA multiple	**6**	**17**	2	7	Multiple
	Earnings multiple	Earnings multiple	**1**	**11**	3	17	Multiple
	Discounted cash flow	Credit spread	**297**	**522**	210	430	bps
		Discount margin	**8**	**10**	8	10	%
Corporate debt	Comparable pricing	Comparable price	**—**	**239**	—	2,322	points
Government and Government sponsored debt	Comparable pricing	Comparable price	**—**	**231**	—	123	points
Issued debt	Discounted cash flows	Credit spread	**80**	**120**	50	198	bps
	Option model	Equity volatility	**1**	**95**	1	111	%
		Interest rate volatility	**37**	**178**	19	211	bps vol
Reverse repurchase and repurchase agreements	Discounted cash flows	Repo spread	**100**	**148**	14	186	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.
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.

Notes to the financial statements (continued)

Assets and liabilities held at fair value

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 forms 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 the 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.

Discount Margin

Discount margin represents the additional yield over a benchmark rate that market participants require to compensate for credit risk, liquidity risk and other factors associated with the instrument. It is commonly used in discounted cash flow valuations.

In general, a significant increase in discount margin in isolation will result in a fair value decrease for the instrument, as higher required returns reduce present value. The sensitivity depends on the specific terms of the instrument.

Repo Spread

Repo spread refers to the difference between the repurchase agreement rate and a benchmark funding rate. It reflects market conditions, counterparty credit risk and liquidity premiums that influence the cost of financing through repos.

In general, a significant increase in repo spread in isolation will result in a fair value decrease for the instrument, as higher financing costs reduce its attractiveness. The sensitivity is dependent on the specific contractual terms.

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 include a portfolio of loans extended to clients within the Group's leveraged finance business. Leveraged finance loans are originated where Barclays 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.

EBITDA multiple

EBITDA multiple is the ratio of the valuation of the investment to the earnings before interest, taxes, depreciation and amortisation.

In general, a significant increase in the multiple will result in a fair value increase for an investment.

Notes to the financial statements (continued)

Assets and liabilities held at fair value

Earnings multiple

Earnings or Revenue multiple is the ratio of the valuation of the investment to the earnings or revenue. In general, a significant increase in the multiple will result in a fair value increase for an investment.

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 the nature of the valuation techniques used, as well as the availability and reliability of observable proxy and historical data and the impact of using alternative models.

Sensitivities are 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.

Sensitivity analysis of valuations using unobservable inputs (relates to Level 3 portfolios)

	2025				2024			
	Favourable changes		Unfavourable changes		Favourable changes		Unfavourable changes	
	Income statement	Equity	Income statement	Equity	Income statement	Equity	Income statement	Equity
	£m	£m	£m	£m	£m	£m	£m	£m
Loans	**245**	**21**	**(324)**	**(37)**	653	43	(766)	(43)
Corporate debt	**88**	**—**	**(68)**	**—**	87	—	(56)	—
Asset backed securities	**51**	**6**	**(43)**	**(6)**	57	4	(40)	(4)
Government and Government sponsored debt	**45**	**—**	**(41)**	**—**	47	—	(56)	—
Private equity investments	**218**	**1**	**(218)**	**(1)**	232	—	(232)	—
Interest rate derivatives	**109**	**—**	**(134)**	**—**	98	—	(212)	—
Equity derivatives	**336**	**—**	**(336)**	**—**	199	—	(269)	—
Other products[1]	**109**	**312**	**(108)**	**(89)**	92	—	(104)	—
Total	**1,201**	**340**	**(1,272)**	**(133)**	1,465	47	(1,735)	(47)

Note:
1 Other products include issued debt, reverse repurchase and repurchase agreements, certificate of deposits, funds and fund-linked products, equity cash products, credit derivatives and foreign exchange derivatives

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 £1,541m (2024: £1,512m) or to decrease fair values by up to £1,405m (2024: £1,782m) 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:

	2025	2024
	£m	£m
Exit price adjustments derived from market bid-offer spreads	**(628)**	(542)
Uncollateralised derivative funding	**62**	19
Derivative credit valuation adjustments	**(155)**	(184)
Derivative debit valuation adjustments	**119**	108

Exit price adjustments derived from market bid-offer spreads

The 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 increased by £86m.

Notes to the financial statements (continued)

Assets and liabilities held at fair value

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 £62m is applied to account for the impact of incorporating the cost/benefit 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 £43m.

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' 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 £(29)m. Derivative debit valuation adjustments increased by £11m.

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 continues to monitor market practices and activity to ensure the approach to uncollateralised derivative valuation remains appropriate.

Unrecognised gains as a result of the use of valuation models using unobservable inputs

The amount that is yet to be recognised in income, relating 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, is £264m (2024: £273m) for financial instruments measured at fair value. There are additions and FX revaluation of £55m (2024: £173m) and amortisation and releases of £64m (2024: £105m) for these instruments. For financial instruments carried at amortised cost, the amount that is yet to be recognised in income is £164m (2024: £173m). There are additions of £nil (2024: £nil) and amortisation and releases of £9m (2024: £19m) for these instruments.

Third-party credit enhancements

Structured and brokered certificates of deposit issued by the Group are insured up to $250,000 per depositor by the Federal Deposit Insurance Corporation (FDIC) in the United States. The FDIC is funded by fees that Barclays 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 £4,156m (2024: £4,844m).

Notes to the financial statements (continued)

Assets and liabilities held at fair value

Comparison of carrying amounts and fair values for assets and liabilities not held at fair value

The following table shows the fair value of financial assets and liabilities measured at amortised cost disaggregated by the fair value hierarchy and balance sheet classification

	2025					2024				
	Carrying amount	Fair value	Level 1	Level 2	Level 3	Carrying amount	Fair value	Level 1	Level 2	Level 3
As at 31 December	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Financial assets										
Debt securities at amortised cost	**68,475**	**67,442**	**34,118**	**29,853**	**3,471**	68,210	67,354	19,341	46,429	1,584
Loans and advances at amortised cost	**361,523**	**361,517**	**7,631**	**71,157**	**282,729**	346,273	343,016	6,977	73,606	262,433
Reverse repurchase agreements and other similar secured lending	**17,622**	**17,622**	**—**	**17,622**	**—**	4,734	4,734	—	4,734	—
Assets included in disposal groups classified as held for sale	**5,801**	**6,065**	**—**	**—**	**6,065**	9,544	9,628	—	3,520	6,108
Financial liabilities										
Deposits at amortised cost	**(585,613)**	**(585,689)**	**(421,488)**	**(160,433)**	**(3,768)**	(560,663)	(560,393)	(410,955)	(146,607)	(2,831)
Repurchase agreements and other similar secured borrowing	**(25,170)**	**(25,170)**	**—**	**(25,170)**	**—**	(39,415)	(39,415)	—	(39,415)	—
Debt securities in issue	**(119,033)**	**(121,439)**	**—**	**(119,590)**	**(1,849)**	(92,402)	(94,463)	—	(92,066)	(2,397)
Subordinated liabilities	**(12,954)**	**(13,483)**	**—**	**(12,764)**	**(719)**	(11,921)	(12,434)	—	(11,697)	(737)
Liabilities included in disposal groups classified as held for sale	**—**	**—**	**—**	**—**	**—**	(3,647)	(3,647)	—	(3,647)	—

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.

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. Observability assessment is performed with reference to bond market trading data. Bonds are assessed at Level 1 if they are traded in active market, with a quoted price in line with requirements of IFRS 13. Where market data for the underlying bond is unavailable, a number of proxy/extrapolation techniques are employed to determine the appropriate fair value. The enhancements noted in levelling policy are applicable to the government bond reported at amortised cost.

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 or loan spreads of the borrowers. 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 amounts as these balances are generally short dated and fully collateralised.

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 amounts 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.

Notes to the financial statements (continued)

Assets and liabilities held at fair value

18 Offsetting financial assets and financial liabilities

The 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.

	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]
	£m	£m	£m	£m	£m	£m	£m	£m
As at 31 December 2025								
Derivative financial assets	**291,146**	**(42,571)**	**248,575**	**(194,743)**	**(43,404)**	**10,428**	**3,884**	**252,459**
Reverse repurchase agreements and other similar secured lending[5]	**779,674**	**(630,480)**	**149,194**	**—**	**(148,845)**	**349**	**916**	**150,110**
Total assets	**1,070,820**	**(673,051)**	**397,769**	**(194,743)**	**(192,249)**	**10,777**	**4,800**	**402,569**
Derivative financial liabilities	**(278,718)**	**43,257**	**(235,461)**	**194,743**	**28,546**	**(12,172)**	**(5,347)**	**(240,808)**
Repurchase agreements and other similar secured borrowing[5]	**(802,164)**	**630,480**	**(171,684)**	**—**	**171,684**	**—**	**(11,938)**	**(183,622)**
Total liabilities	**(1,080,882)**	**673,737**	**(407,145)**	**194,743**	**200,230**	**(12,172)**	**(17,285)**	**(424,430)**
As at 31 December 2024								
Derivative financial assets	334,885	(47,207)	287,678	(230,434)	(43,270)	13,974	5,852	293,530
Reverse repurchase agreements and other similar secured lending[5]	701,482	(556,373)	145,109	—	(144,670)	439	1,398	146,507
Total assets	1,036,367	(603,580)	432,787	(230,434)	(187,940)	14,413	7,250	440,037
Derivative financial liabilities	(318,897)	46,040	(272,857)	230,434	27,677	(14,746)	(6,558)	(279,415)
Repurchase agreements and other similar secured borrowing[5]	(731,622)	556,373	(175,249)	—	175,249	—	(19,772)	(195,021)
Total liabilities	(1,050,519)	602,413	(448,106)	230,434	202,926	(14,746)	(26,330)	(474,436)

Notes:

1 Amounts offset for derivative financial assets additionally includes cash collateral netted of £6,086m (2024: £5,126m). Amounts offset for derivative financial liabilities additionally includes cash collateral netted of £5,400m (2024: £6,293m). Settlements assets and liabilities have been offset amounting to £38,196m (2024: £25,133m).

2 Financial collateral of £43,404m (2024: £43,270m) was received in respect of derivative assets, including £30,758m (2024: £30,637m) of cash collateral and £12,646m (2024: £12,633m) of non-cash collateral. Financial collateral of £28,546m (2024: £27,677m) was placed in respect of derivative liabilities, including £23,369m (2024: £23,126m) of cash collateral and £5,177m (2024: £4,551m) of non-cash collateral. The collateral amounts are limited to net balance sheet exposure, so as to not include overcollateralisation.

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 £150,110m (2024: £146,507m) is split by fair value £132,488m (2024: £141,773m) and amortised cost £17,622m (2024: £4,734m). Repurchase agreements and other similar secured borrowing of £183,622m (2024: £195,021m) is split by fair value £158,452m (2024: £155,606m) and amortised cost £25,170m (2024: £39,415m).

These offsetting and collateral arrangements and other credit risk mitigation strategies used by the Group are further explained in the Credit risk management section.

Notes to the financial statements (continued)

Assets at amortised cost and other investments

Assets at amortised cost and other investments

The notes included in this section focus on the Group's property, plant and equipment, leases and goodwill and intangible assets. Details regarding the Group's liquidity and capital position can be found in the Treasury and Capital risk section.

19 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 Group uses 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 Group 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.

Notes to the financial statements (continued)

Assets at amortised cost and other investments

	Investment property	Property	Equipment	Right of use assets[1]	Total
	£m	£m	£m	£m	£m
Cost					
As at 1 January 2025	**9**	**3,628**	**2,245**	**2,215**	**8,097**
Additions	**33**	**215**	**267**	**156**	**671**
Disposals[2]	**—**	**(158)**	**(68)**	**(87)**	**(313)**
Exchange and other movements	**1**	**(192)**	**11**	**45**	**(135)**
As at 31 December 2025	**43**	**3,493**	**2,455**	**2,329**	**8,320**
Accumulated depreciation and impairment					
As at 1 January 2025	**—**	**(1,798)**	**(1,557)**	**(1,138)**	**(4,493)**
Depreciation charge[3]	**—**	**(139)**	**(236)**	**(136)**	**(511)**
Impairment[3]	**—**	**(3)**	**(1)**	**(7)**	**(11)**
Disposals[2]	**—**	**156**	**60**	**79**	**295**
Exchange and other movements	**—**	**99**	**7**	**14**	**120**
As at 31 December 2025	**—**	**(1,685)**	**(1,727)**	**(1,188)**	**(4,600)**
Net book value	**43**	**1,808**	**728**	**1,141**	**3,720**
Cost					
As at 1 January 2024	2	3,578	2,347	2,002	7,929
Additions	9	165	186	48	408
Disposals	(2)	(140)	(273)	(96)	(511)
Exchange and other movements	—	25	(15)	261	271
As at 31 December 2024	9	3,628	2,245	2,215	8,097
Accumulated depreciation and impairment					
As at 1 January 2024	—	(1,778)	(1,563)	(1,171)	(4,512)
Depreciation charge[3]	—	(143)	(250)	(139)	(532)
Impairment[3]	—	(1)	—	(14)	(15)
Disposals	—	131	258	94	483
Exchange and other movements	—	(7)	(2)	92	83
As at 31 December 2024	—	(1,798)	(1,557)	(1,138)	(4,493)
Net book value	9	1,830	688	1,077	3,604

Notes:
1 Right of use (ROU) asset balances relate to property leases under IFRS 16. Refer to Note 20 for further details.
2 Disposals primarily pertain to fully depreciated assets which are not in use.
3 Depreciation charge and impairment charge is part of Infrastructure, Administration and General expenses shown in Note 7.
4 In 2024, Exchange and other movements in Right of use (ROU) asset balances include modification related to a lease extended by ~91 years

Property rentals of £7m (2024: 11m) have been included in other income.

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.

Notes to the financial statements (continued)

Assets at amortised cost and other investments

20 Leases

Accounting for leases

When the Group is the lessee, it is 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.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in the income statement if the carrying amount of the ROU asset has been reduced to nil.

On the balance sheet, the ROU assets are included within property, plant and equipment and the lease liabilities are included within other liabilities.

The Group applies 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 Group is the lessor, the lease must be classified as either a finance lease or an operating lease. A finance lease is a lease that 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 a lessor

Finance lease receivables are included within loans and advances at amortised cost.

The following table sets out a maturity analysis of lease receivables, showing the lease payments to be received after the reporting date.

	2025				2024			
	Gross investment in finance lease receivables	Future finance income	Present value of minimum lease payments receivable	Unguaranteed residual values	Gross investment in finance lease receivables	Future finance income	Present value of minimum lease payments receivable	Unguaranteed residual values
	£m	£m	£m	£m	£m	£m	£m	£m
Not more than one year	**1**	**—**	**1**	**—**	7	(1)	6	—
One to two years	**3**	**(1)**	**2**	**—**	3	(1)	2	—
Two to three years	**1**	**—**	**1**	**—**	—	—	—	—
Total	**5**	**(1)**	**4**	**—**	10	(2)	8	—

Barclays provided leasing and other asset finance facilities to businesses and individual customers. There is no significant impairment allowance for finance lease receivables in current and previous year.

The Group does not have any material operating leases as a lessor.

Finance lease income

Finance lease income is included within interest income. The following table shows amounts recognised in the income statement during the year.

	2025	2024
	£m	£m
Finance income from net investment in lease	**1**	2
Profit on sales	**—**	—

As a lessee

The Group leases various offices, branches and other premises under non-cancellable lease arrangements to meet its operational business requirements. In some instances, Barclays will sublease property to third parties when it is no longer needed to meet business requirements. Currently, Barclays does not have any material subleasing arrangements.

ROU asset balances relate to property leases only. Refer to Note 19 for the carrying amount of ROU assets.

The total expenses recognised during the year for short-term leases were £1m (2024: £1m). The portfolio of short-term leases to which Barclays is exposed at the end of the year is not dissimilar to the expenses recognised in the year.

Notes to the financial statements (continued)

Assets at amortised cost and other investments

Lease liabilities

	2025	2024
	£m	£m
As at 1 January	**1,205**	971
Interest expense	**71**	71
New leases	**155**	45
Disposals	**(14)**	(18)
Cash payments	**(196)**	(204)
Exchange and other movements[1]	**57**	340
As at 31 December (see Note 22)	**1,278**	1,205

Note:
1 Exchange and other movements in 2024 include modification related to a lease extended by ~91 years

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

	2025	2024
	£m	£m
Not more than one year	**187**	195
One to two years	**170**	173
Two to three years	**153**	149
Three to four years	**142**	126
Four to five years	**120**	113
Five to ten years	**503**	395
Greater than ten years	**3,474**	3,754
Total undiscounted lease liabilities as at 31 December	**4,749**	4,905

In 2024, Barclays had a lease modification for property "New York, 745 7th Avenue" wherein there was an extension of lease term by ~91 years.

In addition to the cash flows identified above, the Group is exposed to:

- Variable lease payments: This variability will typically arise from either inflation index instruments or market-based pricing adjustments. Currently, Barclays has 205 (2024: 238) leases out of the total 603 (2024: 631) leases with variable payment terms. Of the gross cash flows identified above, £4,613m (2024: £4,634m) is attributable to leases with some degree of payment variability.
- Extension and termination options: The table above represents Barclays' best estimate of future cash outflows for leases, including assumptions regarding the exercising of contractual extension and termination options. The above gross cash flows include adjustments of £5m (2024: £10m) and £1,820m (2024: £1,872m) in respect of leases for which Barclays is highly likely to exercise an early termination and a lease extension option, respectively.

In 2025, the Group does not have any sale and leaseback transaction (2024: Nil).

The Group does not have any restrictions or covenants imposed by the lessor on its property leases which restrict its businesses.

Notes to the financial statements (continued)

Assets at amortised cost and other investments

21 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 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 a 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 CGU's 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 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
Core Deposits	12 months to 5 years
Brand	12 months to 10 years
Customer lists	12 months to 25 years
Licences and other	12 months to 25 years

Note:

1 Exceptions to the above rate relate to useful lives of certain core banking platforms that are assessed individually and, if appropriate, amortised over longer periods ranging from 10 to 15 years.

Notes to the financial statements (continued)

Assets at amortised cost and other investments

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	Core deposits	Brand	Customer lists	Licences and other	Total
	£m	£m	£m	£m	£m	£m	£m	£m
2025								
Cost								
As at 1 January 2025	**5,308**	**7,280**	**671**	**17**	**7**	**1,230**	**219**	**14,732**
Additions	**—**	**1,341**	**4**	**—**	**—**	**—**	**—**	**1,345**
Disposals[1]	**—**	**(1,306)**	**(5)**	**—**	**—**	**—**	**(3)**	**(1,314)**
Exchange and other movements	**(35)**	**(74)**	**(4)**	**—**	**—**	**(78)**	**(14)**	**(205)**
As at 31 December 2025	**5,273**	**7,241**	**666**	**17**	**7**	**1,152**	**202**	**14,558**
Accumulated amortisation and impairment								
As at 1 January 2025	**(858)**	**(3,897)**	**(486)**	**(1)**	**(2)**	**(1,073)**	**(140)**	**(6,457)**
Disposals[1]	**—**	**1,306**	**4**	**—**	**—**	**—**	**3**	**1,313**
Amortisation charge[2]	**—**	**(1,135)**	**(63)**	**(3)**	**(1)**	**(33)**	**(10)**	**(1,245)**
Impairment charge[2]	**—**	**(8)**	**(1)**	**—**	**—**	**—**	**—**	**(9)**
Exchange and other movements	**—**	**41**	**2**	**—**	**—**	**71**	**10**	**124**
As at 31 December 2025	**(858)**	**(3,693)**	**(544)**	**(4)**	**(3)**	**(1,035)**	**(137)**	**(6,274)**
Net book value	**4,415**	**3,548**	**122**	**13**	**4**	**117**	**65**	**8,284**
2024								
As at 1 January 2024	5,035	7,190	717	—	7	1,569	156	14,674
Additions	263	1,225	12	17	—	66	66	1,649
Disposals[1]	—	(1,156)	(58)	—	—	(90)	(6)	(1,310)
Exchange and other movements	10	21	—	—	—	(315)	3	(281)
As at 31 December 2024	5,308	7,280	671	17	7	1,230	219	14,732
Accumulated amortisation and impairment								
As at 1 January 2024	(858)	(3,965)	(478)	—	(1)	(1,438)	(140)	(6,880)
Disposals[1]	—	1,156	58	—	—	90	6	1,310
Amortisation charge[2]	—	(1,066)	(67)	(1)	(1)	(28)	(5)	(1,168)
Impairment charge[2]	—	(19)	—	—	—	—	—	(19)
Exchange and other movements	—	(3)	1	—	—	303	(1)	300
As at 31 December 2024	(858)	(3,897)	(486)	(1)	(2)	(1,073)	(140)	(6,457)
Net book value	4,450	3,383	185	16	5	157	79	8,275

Notes:
1 Disposals pertain to fully amortised assets which are not in use.
2 Amortisation charge and impairment charge is part of Infrastructure, Administration and General expenses shown in Note 7.

Goodwill

Goodwill and Intangible assets are allocated to business operations according to business segments as follows:

	2025			2024		
	Goodwill	Intangibles	Total	Goodwill	Intangibles	Total
	£m	£m	£m	£m	£m	£m
Barclays UK	**3,872**	**1,013**	**4,885**	3,872	1,042	4,914
Barclays UK Corporate Bank	**—**	**256**	**256**	—	59	59
Barclays UK Private Bank and Wealth Management	**95**	**298**	**393**	95	251	346
Barclays US Consumer Bank	**414**	**516**	**930**	444	513	957
Barclays Investment Bank	**—**	**1,751**	**1,751**	0	1,902	1,902
Head Office	**34**	**35**	**69**	39	58	97
Total	**4,415**	**3,869**	**8,284**	4,450	3,825	8,275

Critical accounting estimates and judgements

Goodwill

Key areas involving a higher degree of judgement or estimation include:

Judgements	Estimates
Identification of cash generating units (CGUs) and allocation of goodwill for impairment testing.	The value-in-use (VIU) of a CGU for impairment testing includes forecasting future cash flows and determination of the discount rate.

Notes to the financial statements (continued)

Assets at amortised cost and other investments

The Group does not consider there to be a significant risk of a material adjustment to the carrying amount of goodwill in the next financial year.

Testing goodwill for impairment involves a significant amount of judgement. Goodwill is allocated to CGUs for the purpose of impairment testing. The review of goodwill for impairment involves calculating a value in use (VIU) valuation, which is compared to the carrying value of a CGU associated with the goodwill to determine whether any impairment has occurred. This includes the identification of independent CGUs across the organisation and the allocation of goodwill to those CGUs.

The calculation of a value in use contains a high degree of uncertainty in estimating the future cash flows and the rates used to discount them. Key judgements include determining the carrying value of the CGU, the cash flows and discount rates used in the calculation.

- The cash flow forecasts used by management involve judgement and are based upon a view of the prospects of the business and market conditions at the point in time the assessment is prepared, including the potential effect of climate change. The estimation of cash flows is sensitive to the periods for which detailed forecasts are available and to assumptions regarding long-term sustainable cash flows.
- The discount rates applied to the future cash flows also involve judgement. The discount rates used are compared to market participants to ensure that they are appropriate and based on an estimated cost of equity for each CGU.
- The choice of a terminal growth rate used to determine the present value of the future cash flows of the CGUs is also a judgement that can impact the outcome of the assessment. The terminal growth rate and discount rates used may vary due to external market rates and economic conditions that are beyond management's control, including the potential effect of climate change.

Further details of some of the key judgements are set out below.

2025 impairment review

The 2025 impairment review was performed during Q4 2025, with the approach and 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 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 consider 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. During H1 2025, Barclays Bank UK Group revised its internal reporting structure to align with strategic changes and allocation of resources. As a result, a new reportable segment of Retail Banking has replaced the previously reported Personal Banking and Barclaycard Consumer UK segments.

Cash flows

The five-year cash flows used in the calculation are based on the formally agreed medium-term plans approved by the Board. These are prepared using macroeconomic assumptions which management consider reasonable and supportable, and reflect business agreed initiatives for the forecast period. The macroeconomic assumptions underpinning the medium-term plan were determined during 2025 and management has considered whether there are subsequent significant changes in those assumptions which would adversely impact the results of the impairment review.

As required by IAS 36, estimates of future cash flows exclude cash inflows or outflows that are expected to arise from restructuring initiatives where a constructive obligation to carry out the plan does not yet exist.

In line with prior year treatment, the Education, Social Housing and Local Authority (ESHLA) portfolio has been excluded from the Business Banking CGU cash flows. This is a legacy loan portfolio which was previously within the Non-Core bank and was not part of the business to which the goodwill relates. As such, the cash flows relating to this portfolio have been excluded from the Business Banking VIU calculation.

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 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 rate has been calculated. The cost of equity rate used for all CGUs in this year's calculation has increased to reflect volatility in markets, an increase in risk free rate and a higher market risk premium rate. The range of equivalent pre-tax discount rates applicable across the CGUs range from 15.2% to 19.6% (2024: 14.7% to 19.2%).

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 Group

Notes to the financial statements (continued)

Assets at amortised cost and other investments

operates. Inflation rates are used as an approximation of future growth rates and form the basis of the terminal growth rates applied. The terminal growth rate used is 2.0% (2024: 2.0%).

Outcome of goodwill and intangibles review

The Retail Banking CGU carries the majority of the Group's goodwill balance, predominantly as a consequence of the Woolwich acquisition. The goodwill within Retail Banking was £3,243m (2024: £3,243m), of which £2,501m (2024: £2,501m) was attributable to Woolwich, and within Business Banking was £629m (2024: £629m), fully attributable to Woolwich.

The largest portion of the Group's intangible assets sits within the Barclays Investment Bank CGU, with an allocation of £1,751m (2024: £1,902m).

Based on management's plans and assumptions the value in use exceeds the carrying value of the CGUs and no impairment has been indicated in 2025.

The outcome of the impairment review for Retail Banking, Business Banking and Barclays US Consumer Bank are set out below:

Cash generating unit	Tangible equity	Goodwill	Intangibles	Carrying value	Value in use	Value in use exceeding carrying value 2025	Value in use exceeding carrying value 2024
	£m	£m	£m	£m	£m	£m	£m
Retail Banking	9,619	3,243	795	13,657	19,961	6,304	1,925
Business Banking	1,987	629	208	2,824	8,069	5,245	3,197
Barclays US Consumer Bank	3,055	414	519	3,988	7,081	3,093	480
Total	14,661	4,286	1,522	20,469	35,111	14,642	5,602

Note:

1 For comparative purposes, the 2024 figures have been re-presented to reflect the cash-generating units within the new operating divisions introduced in the first half of 2025. Goodwill related to Retail Banking, which was previously reported under Personal Banking and Barclaycard Consumer UK, has now been reclassified accordingly.

All of the above CGUs have seen an increase in value in use in the period, which is mainly attributable to improved performance expectations.

Sensitivity of key judgements

Headroom is 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 market and client 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. Given the current level of economic uncertainty, a 10% reduction in cash flows has been provided to show the sensitivity of the outcome to a change in these key assumptions.

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 have 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 and shows the impact of a 100bps change 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 100bps change in the terminal growth rate.

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 rate used in determining the level of tangible equity allocated to the CGU and its capital cash flows could move over time. The impact of a 50bps increase in capital rate 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	100 bps increase in the discount rate	100 bps decrease in terminal growth rate	50 bps 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	%	%	%	%
Retail Banking	13,657	19,961	6,304	19.6	(1,164)	(676)	(428)	(2,189)	7.4	(17.8)	7.4	(28.8)
Barclays US Consumer Bank	3,988	7,081	3,093	16.8	(572)	(368)	(229)	(901)	8.0	(16.8)	6.7	(34.3)
Total	17,645	27,042	9,397									

Notes to the financial statements (continued)

Accruals, provisions, contingent liabilities and legal proceedings

Accruals, provisions, contingent liabilities and legal proceedings

The notes included in this section focus on the 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.

22 Other liabilities

	2025 £m	2024 £m
Accruals and deferred income	**4,261**	4,479
Other creditors	**4,477**	4,828
Items in the course of collection due to other banks	**97**	99
Lease liabilities (refer to Note 20)	**1,278**	1,205
Other liabilities	**10,113**	10,611

23 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

Key areas involving a higher degree of judgement or estimation include:

Judgements	Estimates
Determination as to whether a present obligation exists.	Estimation uncertainty in the probability, timing, nature and quantum of outflows.

These estimates are considered to have a significant risk of resulting in a material adjustment to the carrying amounts of provisions within the next financial year.

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 25 for more detail of legal, competition and regulatory matters.

Notes to the financial statements (continued)

Accruals, provisions, contingent liabilities and legal proceedings

	Redundancy and restructuring	Customer redress	Legal, competition and regulatory matters	Onerous contracts	Sundry provisions	Total
	£m	£m	£m	£m	£m	£m
As at 1 January 2025	213	299	59	14	359	944
Additions	267	302	114	41	165	889
Amounts utilised	(210)	(43)	(89)	(14)	(76)	(432)
Unused amounts reversed	(79)	(13)	(3)	—	(48)	(143)
Exchange and other movements	(1)	(2)	(2)	—	(5)	(10)
As at 31 December 2025	190	543	79	41	395	1,248
Undrawn contractually committed facilities and guarantees						
As at 1 January 2025						439
Net change in expected credit loss provision and other movements						(23)
As at 31 December 2025						416
Total provisions						
As at 1 January 2025						1,383
As at 31 December 2025						1,664

Provisions expected to be recovered or settled within no more than 12 months after 31 December 2025 are £1,400m (2024: £1,192m).

Redundancy and restructuring

These provisions comprise the estimated cost of restructuring, including redundancy costs where an obligation exists. For example, when the 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 Group's business activities.

Motor finance provision

From 2003 to late 2019, Clydesdale Financial Services Limited (CFSL), a wholly-owned subsidiary of the Group, provided motor finance to customers in the UK.

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. This review followed two final decisions by the UK Financial Ombudsman Service (FOS) and a number of complaints and court claims, including some against CFSL.

On 7 October 2025, the FCA began consulting on an industrywide compensation scheme for eligible motor finance customers. Barclays has engaged with the FCA as part of its consultation process and the FCA has stated that, if it introduces a redress scheme, it expects to publish a policy statement and final rules in February or March 2026, with compensation to consumers beginning later in 2026. The FCA has indicated that it expects to lift the existing pause on the handling of certain motor finance complaints on 31 May 2026, subject to the terms of the FCA redress scheme, if adopted.

Barclays considers it more likely than not that a redress scheme will be implemented by the FCA. As a result, Barclays has recognised a provision of £325m in respect of this matter as at 31 December 2025 (as at 31 December 2024: £90m). Recognising that the proposed terms of the FCA redress scheme are subject to consultation, in calculating potential redress costs and the amount of provision required, Barclays has applied a weighted average of multiple scenarios, each incorporating differing evaluations of the FCA's current proposals. The current provision reflects the estimated number of motor finance cases falling within the scope of the FCA redress scheme as proposed by the FCA consultation paper (which covers regulated motor finance agreements between 6 April 2007 and 1 November 2024 where a commission was payable by the lender to the broker), the anticipated level of customer redress reflecting the FCA's proposed methodology, the estimated customer response rate with reference to Barclays previous remediation exercises, and the costs associated with implementing the FCA's proposed approach to customer engagement.

The final terms of the FCA redress scheme remain uncertain pending publication of the FCA's policy statement and final scheme rules. Accordingly, the legal and regulatory outcomes and the nature, extent and timing of any remediation action, if required, remain uncertain. The ultimate financial impact on Barclays could differ from the recognised provision, which represents Barclays' best estimate of the cost of redress based on the information currently available to Barclays.

Legal, competition and regulatory matters

The 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, refer to Note 25.

Notes to the financial statements (continued)

Accruals, provisions, contingent liabilities and legal proceedings

Onerous contracts

Onerous contract provisions comprise an estimate of the unavoidable costs involved with fulfilling the terms and conditions of contracts net of any expected benefits to be received.

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

Undrawn contractually committed facilities and guarantees provisions are accounted under IFRS9. 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. Further analysis of the movement is disclosed within the 'Movement in gross exposures and impairment allowance including provisions for loan commitments and financial guarantees' in the expected credit loss provision table on page 273.

24 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:

	2025 £m	2024 £m
Guarantees and letters of credit pledged as collateral security	**16,749**	16,713
Performance guarantees, acceptances and endorsements	**8,625**	8,633
Total contingent liabilities and financial guarantees	**25,374**	25,346
• Of which: Financial guarantees and letters of credit carried at fair value	**905**	988
Documentary credits and other short-term trade related transactions	**1,103**	1,433
Standby facilities, credit lines and other commitments	**423,503**	421,716
Total commitments[1]	**424,606**	423,149
• Of which: Loan commitments carried at fair value	**21,292**	15,350

Note:
1 Includes exposures relating to financial assets classified as assets held for sale.

Provisions for expected credit losses held against contingent liabilities and commitments equal £416m (2024: £439m) and are reported in Note 23. Further details on contingent liabilities relating to legal and competition and regulatory matters can be found in Note 25.

25 Legal, competition and regulatory matters

The 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 23, Provisions. We have not disclosed an estimate of the potential financial impact or effect on the 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 Group's potential financial exposure in respect of those matters.

Matters are ordered under headings corresponding to the financial statements in which they are disclosed.

1. Barclays PLC and Barclays Bank PLC

Proceedings relating to certain advisory services agreements

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. This matter is now concluded, and there are no other outstanding matters relating to the advisory services agreements.

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 Group and other banks in relation to the alleged manipulation of LIBOR and/or other benchmarks.

Notes to the financial statements (continued)

Accruals, provisions, contingent liabilities and legal proceedings

US civil actions related to LIBOR

Multiple civil actions have been filed in the US against the 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, one action alleging that Barclays Bank PLC, Barclays Capital Inc. (BCI) and other financial institutions individually and collectively violated provisions of the US Sherman Antitrust Act (Sherman Act), the US Commodity Exchange Act, 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 remains, seeking unspecified damages. In September 2025, the US federal district court in the Southern District of New York (SDNY) granted the defendants' motion for summary judgment and dismissed the remaining USD LIBOR litigations, including the action against the Group. The plaintiffs are appealing the decision. A separate USD LIBOR action pending in the SDNY was previously settled. The settlement is not material to the 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 Sherman Act, US Commodity Exchange Act and RICO, were dismissed in 2018. The US Court of Appeals for the Second Circuit (Second Circuit) affirmed the dismissal in September 2025. This matter is concluded.

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 Sherman 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. The plaintiffs' petition for US Supreme Court review was denied in June 2025, concluding the matter.

Non-US benchmarks civil actions

The remaining UK claim, issued in 2017, against Barclays Bank PLC and other banks in connection with alleged manipulation of LIBOR has now settled. The settlement is not material to the Group's operating results, cash flows or financial position. Proceedings are ongoing in Spain and Italy relating to alleged manipulation of LIBOR and EURIBOR. The proceedings in Israel have concluded.

Foreign exchange 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, the Netherlands, Israel, Brazil and Australia. In Australia, the court has approved the settlement and the proceedings are concluded. In Israel, a settlement in principle has been agreed subject to court approval. The settlements are not material to the Group's operating results, cash flows or financial position.

The above-mentioned proceedings include a class action filed against Barclays PLC, Barclays Bank PLC, BX, BCI and other financial institutions in the UK Competition Appeal Tribunal (CAT) in 2019. The CAT refused to certify the 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 appealed this decision and, in December 2025, the UK Supreme Court issued a judgment in their favour, establishing that this claim should be brought as an opt-in class action.

Metals-related civil actions

A US civil complaint alleging manipulation of the price of silver in violation of the US Commodity Exchange Act, the Sherman 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. The complaint, which is filed in the SDNY, was dismissed against the 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. The Barclays entities have reached a settlement in principle, which will require court approval. The settlement is not material to the Group's operating results, cash flows or financial position.

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 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 requested review by the New York State Court of Appeals.

Government and agency securities civil actions

Treasury auction securities civil actions

Consolidated purported class action complaints filed in US federal court against Barclays Bank PLC, BCI and other financial institutions under the Sherman 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 and 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.

Notes to the financial statements (continued)

Accruals, provisions, contingent liabilities and legal proceedings

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 Sherman Act, the US Commodity Exchange Act and state common law. This action remains stayed.

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. A settlement in principle has been agreed in that action, subject to court approval. This settlement is not material to the Group's operating results, cash flows or financial position. In addition, three purported 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 appealed and the decision was affirmed by the Second Circuit in August 2025. The defendants have petitioned for US Supreme Court review.

Odd-lot corporate bonds antitrust class action

In 2020, BCI, together with other financial institutions, was named as a defendant in a purported 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' motion to dismiss was granted in its entirety in September 2025. The parties have stipulated to the discontinuance of the action, thereby concluding the matter.

Credit Default Swap civil action

A purported 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 US Commodity Exchange Act, 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 appealed to the Second Circuit and the appeal was denied in May 2025. The case has returned to New Mexico federal court and the defendants have filed a motion for judgment on the pleadings.

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 purported 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 final court approval and was paid in 2024. The individual claims are proceeding separately in the SDNY.

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. Following a trial, the court ruled in 2018 that Barclays Bank PLC was not a defaulting party, which was affirmed on appeal. Barclays Bank PLC filed a counterclaim against BDC for damages, legal fees, expenses and interest. In November 2025, the court granted Barclays' pretrial motion to exclude certain evidence. BDC is appealing. A trial on damages will be scheduled.

Civil actions in respect of the US Anti-Terrorism Act

Eight civil actions, on behalf of more than 4,000 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 US Anti-Terrorism Act, which allows 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 was denied in September 2025. 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 and the defendants' motion to dismiss is fully briefed. 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 purported 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 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 sought 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

Notes to the financial statements (continued)

Accruals, provisions, contingent liabilities and legal proceedings

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 appealed the First Judicial Department's decision to the New York Court of Appeals. The dismissal was affirmed by the New York Court of Appeals in May 2025, concluding the matter. In November 2025, the same plaintiff filed a new complaint in New York state court against the same defendants. Barclays has not yet been served.

Skilled person review in relation to historical timeshare loans and associated matters

Clydesdale Financial Services Limited (CFSL), a subsidiary of the Group 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 historical affordability assessments for certain loans to customers in connection with timeshare purchases. The skilled person review was concluded in 2021. CFSL complied fully with the skilled person review requirements, including carrying out certain remediation measures. CFSL was not required to conduct a full back book review. Instead, CFSL reviewed limited historical lending to ascertain whether its practices caused customer harm and has remediated any examples of harm. This work was substantially completed during 2023, utilising provisions booked to account for any remediations. This matter is now concluded.

Motor finance commission arrangements

From 2003 to late 2019, CFSL, a wholly-owned subsidiary of the Group, provided motor finance to customers in the UK. In 2020, CFSL 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 historical litigation and conduct matters relating to CFSL.

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. This review followed two final decisions by the UK Financial Ombudsman Service (FOS) and a number of complaints and court claims, including some against CFSL.

On 7 October 2025, the FCA began consulting on an industry-wide compensation scheme for eligible motor finance customers. Barclays has engaged with the FCA as part of its consultation process and the FCA has stated that, if it introduces a redress scheme, it expects to publish a policy statement and final rules in February or March 2026, with compensation to consumers beginning later in 2026. The FCA has indicated that it expects to lift the existing pause on the handling of certain motor finance complaints on 31 May 2026, subject to the terms of the FCA redress scheme, if adopted.

Barclays considers it more likely than not that a redress scheme will be implemented by the FCA. As a result, Barclays has recognised in CFSL a provision of £325m in respect of this matter as at 31 December 2025 (as at 31 December 2024: £90m). Recognising that the proposed terms of the FCA redress scheme are subject to consultation, in calculating potential redress costs and the amount of provision required, Barclays has applied a weighted average of multiple scenarios, each incorporating differing evaluations of the FCA's current proposals. The current provision reflects the estimated number of motor finance cases falling within the scope of the FCA redress scheme as proposed by the FCA consultation paper (which covers regulated motor finance agreements between 6 April 2007 and 1 November 2024 where a commission was payable by the lender to the broker), the anticipated level of customer redress reflecting the FCA's proposed methodology, the estimated customer response rate with reference to Barclays' previous remediation exercises and the costs associated with implementing the FCA's proposed approach to customer engagement.

The final terms of the FCA redress scheme remain uncertain pending publication of the FCA's policy statement and final scheme rules. Accordingly, the legal and regulatory outcomes and the nature, extent and timing of any remediation action, if required, remain uncertain. The ultimate financial impact on Barclays could differ from the recognised provision, which represents Barclays' best estimate of the cost of redress based on the information currently available to Barclays.

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 reached a settlement in respect of such lawsuit, which has received final court approval and has been paid, concluding the matter. The financial impact of this settlement is not material to the Group's operating results, cash flows or financial position.

In addition, holders of VXX ETNs have brought a purported class action in the SDNY 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 the ETNs. The plaintiffs were granted leave to amend and filed a new complaint in March 2024. Barclays' motion to dismiss was granted in March 2025. The plaintiffs' motion for reconsideration was denied in June 2025. The plaintiffs are appealing the decision.

In March 2024, a purported class action was filed in the SDNY 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' motion to dismiss was granted in March 2025. The plaintiff appealed the decision granting Barclays' motion to dismiss and, in December 2025, the Second Circuit affirmed the dismissal.

Notes to the financial statements (continued)

Accruals, provisions, contingent liabilities and legal proceedings

2. Barclays PLC, Barclays Bank PLC and Barclays Bank UK PLC

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 ongoing 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 investigations concerning financial crime systems and controls and compliance with the Money Laundering Regulations

The FCA conducted civil enforcement investigations into Barclays Bank PLC's and Barclays Bank UK PLC's compliance with the Money Laundering Regulations and the FCA's Principles of Business and Rules relating to anti-money laundering and financial crime systems and controls. The FCA's investigation of Barclays Bank PLC focused primarily on the historical oversight and management of a customer with heightened risk. In July 2025, Barclays Bank PLC agreed a settlement with the FCA to resolve the investigation. At the same time, Barclays Bank UK PLC reached a settlement with the FCA in a separate investigation concerning the onboarding of a client money account for an FCA-regulated firm. The FCA recognised Barclays' cooperation in both matters, which are now concluded.

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. Whilst engagement with HMRC continued during 2025, discussions remain at a relatively early stage and assessments have not yet been issued.

3. Barclays PLC, Barclays Bank PLC and Barclays Bank Ireland PLC

Potential indemnity claim relating to the sale of Barclays Consumer Bank Europe

In January 2025, Barclays Bank Ireland PLC completed the sale of certain assets and liabilities, specifically the Consumer Bank Europe, its German consumer finance business, to BAWAG P.S.K., a wholly-owned subsidiary of BAWAG Group AG (BAWAG). As part of the transaction, Barclays Bank Ireland PLC provided BAWAG with a capped indemnity in relation to transfer taxes on certain assets. Discussions with the relevant taxation authority are ongoing and are at an early stage. No formal assessment has been issued.

4. Barclays PLC

Civil action in respect of statements concerning Barclays' former CEO

In 2023, a purported class action was filed in federal court in California against Barclays PLC and a number of current and former senior executives of Barclays PLC. It was amended in 2024 to assert US securities law claims against Barclays PLC and individual defendants, and a UK securities law claim against Barclays PLC. The complaint seeks to hold the defendants responsible for declines in the price of Barclays PLC's American depositary receipts and Barclays PLC's ordinary shares, which the plaintiffs claim occurred as a result of alleged misstatements and omissions in Barclays' public disclosures relating to its former CEO's relationship with Jeffrey Epstein. The defendants filed motions to dismiss and in June 2025, the court dismissed the UK securities law claim against Barclays PLC and granted an individual defendant's motion to dismiss in part. Another individual defendant's motion to dismiss was denied. The defendants moved for reconsideration or, alternatively, leave to appeal, which is pending before the court. The plaintiffs filed a second amended complaint in July 2025, repleading the UK securities law claim against Barclays PLC and which Barclays PLC has moved to dismiss.

General

The 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 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 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 Group is or has been engaged. The 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, Barclays PLC does not expect the ultimate resolution of any of these other matters to have a material adverse effect on the Group's 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 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.

Notes to the financial statements (continued)

Capital instruments, equity and reserves

Capital instruments, equity and reserves

The notes included in this section focus on the 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 Group maintains sufficient capital to meet our regulatory requirements, refer to the Capital risk management section.

26 Subordinated liabilities

Accounting for subordinated liabilities

Subordinated liabilities are measured at amortised cost, using the effective interest method under IFRS 9.

	2025	2024
	£m	£m
As at 1 January	**11,921**	10,494
Issuances	**1,772**	1,870
Redemptions	**(727)**	(476)
Other	**(12)**	33
As at 31 December	**12,954**	11,921

Issuances of £1,772m comprise £1,045m EUR 4.616% Fixed Rate Resetting Subordinated Callable Notes issued externally by Barclays PLC and £727m mezzanine and junior securitisation notes issued externally by a Barclays securitisation special purpose vehicle (SPV).

Redemptions of £727m comprise £500m GBP 3.750% Fixed Rate Resetting Subordinated Callable Notes, £115m SGD 3.750% Fixed Rate Resetting Subordinated Callable Notes issued externally by Barclays PLC, £112m USD Floating Rate Notes issued externally by a Barclays subsidiary,

Other movements predominantly comprise foreign exchange movements and fair value hedge adjustments.

Subordinated liabilities include accrued interest and none of the Group's subordinated liabilities are secured other than the £732m subordinated notes.

Dated subordinated liabilities[1]

	Initial call date	Maturity date	2025 £m	2024 £m
Barclays PLC issued				
3.750% Fixed Rate Resetting Subordinated Callable Notes (GBP 500m)	2025	2030	**—**	483
3.750% Fixed Rate Resetting Subordinated Callable Notes (SGD 200m)	2025	2030	**—**	117
5.20% Fixed Rate Subordinated Notes (USD 2,050m)		2026	**1,522**	1,580
1.125% Fixed Rate Resetting Subordinated Callable Notes (EUR 1,000m)	2026	2031	**876**	810
4.836% Fixed Rate Subordinated Notes (USD 2,000m)	2027	2028	**1,472**	1,535
8.407% Fixed Rate Resetting Subordinated Callable Notes (GBP 1,000m)	2027	2032	**1,023**	1,010
5.088% Fixed-to-Floating Rate Subordinated Callable Notes (USD 1,500m)	2029	2030	**1,063**	1,088
3.564% Fixed Rate Resetting Subordinated Callable Notes (USD 1,000m)	2030	2035	**657**	663
6.158% Fixed to Floating Tier 2 Subordinated Callable notes (AUD 500m)	2030	2035	**249**	248
Floating Rate Tier 2 Subordinated Callable Notes (AUD 500m)	2030	2035	**249**	248
4.973% Fixed Rate Resetting Tier 2 Subordinated Callable Notes (EUR 1,500m)	2031	2036	**1,371**	1,324
4.616% Fixed Rate Resetting Subordinated Callable Notes (EUR 1,250m)	2032	2037	**1,126**	—
7.119% Fixed-to-Floating Rate Subordinated Callable Notes (USD 1,500m)	2033	2034	**1,105**	1,146
3.811% Fixed Rate Resetting Subordinated Callable Notes (USD 1,000m)	2041	2042	**562**	590
Barclays Bank PLC issued				
5.75% Fixed Rate Subordinated Notes (GBP 274m)		2026	**279**	279
5.4% Reverse Dual Currency Subordinated Loan (JPY 15,000m)		2027	**71**	76
6.33% Subordinated Notes (GBP 50m)		2032	**46**	45
Subordinated Floating Rate Notes (EUR 68m)		2040	**59**	56
External issuances by other subsidiaries			**492**	623
External issuances by Barclays securitisation SPV		2036	**732**	—
Total dated subordinated liabilities			**12,954**	11,921

Note:

1 Instrument values are disclosed to the nearest million.

Notes to the financial statements (continued)

Capital instruments, equity and reserves

Dated subordinated liabilities

Dated subordinated liabilities are issued by Barclays PLC, 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:

Subordination

Dated subordinated liabilities issued by Barclays PLC rank behind the claims against Barclays PLC of unsecured unsubordinated creditors, but before the claims of the holders of its equity.

All dated subordinated liabilities externally issued by Barclays Bank PLC rank behind the claims against Barclays Bank PLC of depositors and other unsecured unsubordinated creditors, but before the claims of the holders of its equity. The dated subordinated liabilities externally issued by Barclays Bank PLC subsidiaries are similarly subordinated as the external subordinated liabilities issued by Barclays Bank PLC.

The dated subordinated liabilities issued externally by a Barclays Bank UK securitisation SPV are asset backed securities with limited recourse obligations against the SPV's assets. The junior and mezzanine notes rank behind the senior notes issued by the Barclays Bank UK SPV. Noteholders will have no recourse to Barclays Bank UK PLC as a source of payment.

Maturity

Dated floating rate subordinated liabilities externally issued by Barclays Bank PLC subsidiaries £492m(2024:£623m) with maturities ranging from 2026 to 2032.

Interest

Interest on the Floating Rate Notes is fixed periodically in advance, based on the related market rates.

Interest on Fixed Rate Notes is set by reference to market rates at the time of issuance and fixed until maturity.

Interest on the 3.811% USD Fixed Rate Resetting Subordinated Callable notes, 1.125% EUR Fixed Rate Resetting Subordinated Callable Notes, 3.564% USD Fixed Rate Resetting Subordinated Callable Notes, 4.973% EUR Fixed Rate Resetting Tier2 Subordinated Callable Notes, 4.616% EUR Fixed Rate Resetting Subordinated Callable Notes , and the 8.407% GBP Fixed Rate Resetting Subordinated Callable Notes are fixed until the call date. After the respective call dates, in the event that they are not redeemed, the interest rates will be reset and fixed until maturity based on a market rate. Interest on the 5.088% USD Fixed-to-Floating Rate Subordinated Callable Notes, 6.158% AUD Fixed to Floating Tier 2 Subordinated Callable notes and 7.119% USD Fixed-to-Floating Rate Subordinated Callable Notes are fixed until the call date. After the call date, in the event that they are not redeemed, the interest rate will reset periodically in advance based on market rates.

Repayment

Those subordinated liabilities with a call date are repayable at the option of the issuer 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. The remaining dated subordinated liabilities outstanding at 31 December 2025 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 require, in the case of Barclays PLC and Barclays Bank PLC, the prior consent of the PRA, or in the case of the overseas issues, the approval 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.

Notes to the financial statements (continued)

Capital instruments, equity and reserves

27 Ordinary shares, share premium, and other equity

Called up share capital, allotted and fully paid

	Number of shares	Ordinary share capital	Ordinary share premium	Total share capital and share premium	Other equity instruments
	m	£m	£m	£m	£m
As at 1 January 2025	**14,420**	**3,605**	**581**	**4,186**	**12,075**
Issued to staff under share incentive plans	**83**	**20**	**130**	**150**	**—**
AT1 securities issuance	**—**	**—**	**—**	**—**	**3,784**
AT1 securities redemption	**—**	**—**	**—**	**—**	**(3,133)**
Repurchase of shares	**(636)**	**(158)**	**—**	**(158)**	**—**
Other movements	**—**	**—**	**—**	**—**	**(1)**
As at 31 December 2025	**13,867**	**3,467**	**711**	**4,178**	**12,725**
As at 1 January 2024	15,155	3,789	499	4,288	13,259
Issued to staff under share incentive plans	83	21	82	103	—
AT1 securities issuance	—	—	—	—	1,598
AT1 securities redemption	—	—	—	—	(2,753)
Repurchase of shares	(818)	(205)	—	(205)	—
Other movements	—	—	—	—	(29)
As at 31 December 2024	14,420	3,605	581	4,186	12,075

Called up share capital

Called up share capital comprises 13,867m (2024: 14,420m) ordinary shares of 25p each.

Share repurchase

At the 2025 AGM on 7 May 2025, Barclays PLC was authorised to repurchase up to an aggregate of 1,437m of its ordinary shares of 25p each. The authorisation is effective until the AGM in 2026 or the close of business on 30 June 2025, whichever is the earlier. During 2025, 636m shares were repurchased with a total nominal value of £158m (2024: 818m shares with a nominal value of £205m).

Other equity instruments

Other equity instruments of £12,725m (2024: £12,075m) include AT1 securities issued by Barclays PLC. 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 2025, there were four issuances of AT1 instruments, in the form of Fixed Rate Resetting Perpetual Subordinated Contingent Convertible Securities, for £3,784m (2024: twoissuances for £1,598m) which includes issuance costs of £15m (2024: £6m). There were three redemptions in 2025 totalling £3,133m (2024: tworedemptions totalling £2,753m).

AT1 equity instruments

	Initial call date	2025 £m	2024 £m
AT1 equity instruments - Barclays PLC			
7.125% Perpetual Subordinated Contingent Convertible Securities	2025	**—**	996
6.375% Perpetual Subordinated Contingent Convertible Securities[1]	2025	**—**	994
6.125% Perpetual Subordinated Contingent Convertible Securities (USD 1,500m)	2025	**—**	1,142
8.875% Perpetual Subordinated Contingent Convertible Securities[1]	2027	**1,247**	1,247
8.300% Perpetual Subordinated Contingent Convertible Securities (SGD 450m)	2027	**264**	264
4.375% Perpetual Subordinated Contingent Convertible Securities (USD 1,500m)[1]	2028	**1,075**	1,078
7.300% Perpetual Subordinated Contingent Convertible Securities (SGD 400m)	2028	**248**	248
9.250% Perpetual Subordinated Contingent Convertible Securities[1]	2028	**1,484**	1,497
8.000% Perpetual Subordinated Contingent Convertible Securities (USD 2,000m)	2029	**1,647**	1,647
9.625% Perpetual Subordinated Contingent Convertible Securities (USD 1,750m)[1]	2029	**1,395**	1,395
5.400% Perpetual Subordinated Contingent Convertible Securities (SGD 600m)[1]	2030	**343**	339
8.500% Perpetual Subordinated Contingent Convertible Securities[1]	2030	**1,245**	1,228
8.375% Perpetual Subordinated Contingent Convertible Securities[1]	2031	**993**	—
4.650% Perpetual Subordinated Contingent Convertible Securities (SGD 500m)[1]	2031	**290**	—
7.625% Perpetual Subordinated Contingent Convertible Securities (USD 1,500m)	2035	**1,181**	—
6.125% Perpetual Subordinated Contingent Convertible Securities (EUR 1,500m)[1]	2035	**1,313**	—
Total AT1 equity instruments		**12,725**	12,075

Note:

1 Reported net of securities held by the Group.

Notes to the financial statements (continued)

Capital instruments, equity and reserves

The principal terms of the AT1 securities are described below:

- AT1 securities rank behind the claims against Barclays PLC i) of all creditors of Barclays PLC; ii) such claims which are expressed to be subordinated to the claims of unsubordinated creditors of Barclays PLC, but not further or otherwise; or iii) such claims which are, or are expressed to be, junior to the claims of other creditors of Barclays PLC, whether subordinated or unsubordinated, other than claims which rank, or are expressed to rank, pari passu with, or junior to, the claims of holders of the AT1 securities of Barclays PLC.
- AT1 securities are undated and are redeemable, at the option of Barclays PLC, in whole on either (i) the initial reset date, or on any fifth anniversary after the initial reset date or (ii) any day falling in a named period ending on the initial reset date, or on any fifth anniversary after the initial reset date. In addition, the AT1 securities are redeemable, at the option of Barclays PLC, in whole in the event of certain changes in the tax or regulatory treatment of the securities and, in certain cases, on a clean-up call. Any redemptions require the prior permission of the PRA.
- Interest on the AT1 securities is due and payable only at the sole discretion of Barclays PLC, and Barclays PLC has sole and absolute discretion at all times and for any reason to cancel (in whole or in part) any interest payment that would otherwise be payable on any interest payment date.
- The Additional Tier 1 securities shall convert into ordinary shares of Barclays PLC, at a predetermined price, should the fully loaded CET1 Ratio fall below 7%.

28 Reserves

Currency translation reserve

The currency translation reserve represents the cumulative gains and losses on the retranslation of the Group's net investment 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 profit or loss 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 and treasury shares

Other reserves relate to redeemed ordinary and preference shares issued by the Group.

Treasury shares relate to Barclays PLC shares held in relation to the Group's various share schemes. These schemes are described in Note 31. Treasury shares are deducted from shareholders' equity within other reserves.

	2025	2024
	£m	£m
Currency translation reserve	**2,493**	3,625
Fair value through other comprehensive income reserve	**(1,100)**	(1,873)
Cash flow hedging reserve	**(666)**	(2,930)
Own credit reserve	**(990)**	(1,059)
Other reserves and treasury shares	**1,891**	1,769
Total	**1,628**	(468)

Notes to the financial statements (continued)

Capital instruments, equity and reserves

29 Non-controlling interests

	Profit attributable to non-controlling interest		Equity attributable to non-controlling interest		Dividends paid to non-controlling interest	
	2025	2024	2025	2024	2025	2024
	£m	£m	£m	£m	£m	£m
Barclays Bank PLC issued:						
– Preference shares	**32**	41	**318**	529	**32**	41
Undated subordinated liabilities	**8**	8	**126**	126	**8**	8
Other non-controlling interests	**1**	—	**8**	5	**1**	—
Total	**41**	49	**452**	660	**41**	49

In 2025, there were no issuances (2024: none) and £211m redemptions (2024: £0m). Other non-controlling interests relates to the holding in Female Innovators Lab LP, see Note 43 for more details.

Barclays Bank PLC and protective rights of non-controlling interests

Barclays PLC holds 100% of the voting rights of Barclays Bank PLC. As at 31 December 2025, Barclays Bank PLC has in issue preference shares and undated subordinated liabilities instruments. These are non-controlling interests to the Group.

A fixed coupon rate is attached to all undated subordinated liabilities instruments until the initial call date.

After the initial call date, in the event they are not redeemed, coupon payments in relation to the 6.125% Undated Notes are fixed periodically in advance for five-year periods based on market rates. Coupon payments for all other undated subordinated liabilities instruments are at rates fixed periodically in advance based on market rates.

The payment of preference share dividends are at the discretion of Barclays Bank PLC, save that payment of preference share dividends will be compulsory where Barclays PLC has declared or paid a dividend on ordinary shares, or in certain cases, any class of preference shares, in the preceding six-month period. If Barclays Bank PLC does not declare or pay in full any dividend on the preference shares, Barclays Bank PLC and Barclays PLC are restricted from paying dividends on ordinary shares until a dividend or coupon is next paid on these instruments or the instruments are redeemed or purchased by Barclays Bank PLC. Any unpaid dividends will accumulate if not paid and dividends not paid become payable if Barclays PLC subsequently declares or pays a dividend on ordinary shares, or in certain cases, any class of preference shares, or in certain other circumstances. There are no restrictions on Barclays Bank PLC's ability to remit capital to Barclays PLC as a result of these issued instruments. The payment of undated subordinated liabilities instrument coupons are typically at the sole discretion of Barclays Bank PLC. No dividend or coupon payments may be made unless Barclays Bank PLC satisfies a specified solvency test.

Preference share redemptions are typically at the discretion of Barclays Bank PLC and are redeemable in whole, but not in part, at the initial call date and on any dividend payment date after the initial call date, pursuant to their respective terms. Undated subordinated liabilities instruments 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 instruments 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 or redemptions require the prior consent of the PRA, and in respect of the preference shares, any such redemption will be subject to the Companies Act 2006 and the Articles of Barclays Bank PLC.

	2025	2024
Instrument	£m	£m
Preference Shares:		
US Dollar Preference Shares	**318**	318
Euro Preference Shares	**—**	211
Total Barclays Bank PLC Preference Shares	**318**	529
Undated subordinated liabilities:		
5.03% Undated Reverse Dual Currency Subordinated Loan (JPY8bn)	**39**	39
5.0% Reverse Dual Currency Undated Subordinated Loan (JPY12bn)	**53**	53
6.125% Undated Subordinated Notes (£550m)	**34**	34
Total undated subordinated liabilities	**126**	126

Notes to the financial statements (continued)

Employee benefits

Employee benefits

The notes included in this section focus on the costs and commitments associated with employing our staff.

30 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 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 retirement benefits are included in Note 31 and Note 32, respectively.

	2025	2024	2023
	£m	£m	£m
Incentive awards granted:			
Current year bonus	**1,422**	1,278	1,202
Deferred bonus	**786**	636	543
Total incentive awards granted	**2,208**	1,914	1,745
Reconciliation of incentive awards granted to income statement charge:			
Less: deferred bonuses granted but not charged in current year	**(555)**	(452)	(384)
Add: current year charges for deferred bonuses from previous years	**426**	405	390
Other differences between incentive awards granted and income statement charge	**3**	(2)	(1)
Income statement charge for performance costs	**2,082**	1,865	1,750
Other income statement charges:			
Salaries	**5,099**	4,994	5,120
Social security costs	**863**	754	755
Retirement benefits[1]	**572**	558	539
Other compensation costs	**637**	587	555
Total compensation costs[2]	**9,253**	8,758	8,719
Other resourcing costs:			
Outsourcing	**929**	693	601
Redundancy and restructuring	**199**	235	452
Temporary staff costs	**70**	61	91
Other	**156**	129	154
Total other resourcing costs	**1,354**	1,118	1,298
Total staff costs	**10,607**	9,876	10,017
Group compensation costs as a % of total income	**31.8**	32.7	34.4
Group staff costs as a % of total income	**36.4**	36.9	39.5

Notes:

1 Retirement benefits charge includes £382m (2024: £377m; 2023: £371m) with respect to defined contribution schemes and £190m (2024: £181m; 2023: £168m) with respect to defined benefit schemes.

2 £834m (2024: £875m; 2023: £860m) of Group compensation cost was capitalised as internally generated software and excluded from the staff costs disclosed above.

Notes to the financial statements (continued)

Employee benefits

31 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 applicable 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		
	2025	**2024**	**2023**
	£m	**£m**	**£m**
Share Value Plan and Deferred Share Value Plan	**353**	319	284
Others	**259**	178	191
Total equity settled	**612**	497	475
Cash settled	**40**	10	4
Total Share-based payments	**652**	507	479

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. 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. A free share award was delivered under the SVP to all eligible employees in 2025, with this award being subject to a two-year holding period.

Notes to the financial statements (continued)

Employee benefits

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:

	2025				2024			
	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]	**2.86**	**3.09**	**1**	**438,402**	1.52	1.74	1	504,825
Others[1,3]	**1.46-3.55**	**3.04-3.99**	**0-3**	**210,182**	0.81-2.10	1.71-2.12	0-3	240,029

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 29.04% for 3 years and 26.48% for 5 years. The risk-free interest rates used for valuations are 3.47% and 3.56% for 3 years and 5 years, respectively. The pure dividend yield rates used for valuations are 1.99% and 2.14% for 3 years and 5 years respectively. The repo rates used for valuations are (0.60)% and (0.69)% 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 (£)	
	2025	2024	2025	2024	2025	2024
Outstanding at beginning of year/acquisition date	**504,825**	495,724	**240,029**	288,755	**1.19**	1.06
Granted in the year	**144,110**	224,385	**102,649**	132,013	**2.99**	1.79
Exercised/released in the year	**(190,408)**	(191,471)	**(123,832)**	(163,322)	**1.01**	0.95
Less: forfeited in the year	**(20,125)**	(23,813)	**(7,874)**	(15,164)	**1.44**	1.19
Less: expired in the year	**—**	—	**(790)**	(2,253)	**1.19**	1.25
Outstanding at end of year	**438,402**	504,825	**210,182**	240,029	**1.54**	1.19
Of which exercisable:	**—**	—	**39,755**	25,164	**0.95**	1.23

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 22,046,433 (2024: 5,343,579)). The weighted average exercise price relates to Sharesave.

Awards and options granted to employees and former employees under the Group's share plans may be satisfied using new issue shares, treasury shares and market purchase shares. Awards granted under the DSVP may be satisfied using market purchase shares only.

There were no significant modifications to the share-based payments arrangements in 2025 and 2024.

As at 31 December 2025, the total liability arising from cash-settled employee share-based payments transactions was £40m (2024: £11m).

Holdings of Barclays PLC shares and hedges

Various employee benefit trusts established by the Group hold shares in Barclays PLC to meet obligations under the Barclays share-based payment schemes. The total number of Barclays shares held in these employee benefit trusts at 31 December 2025 was 20m (2024: 19m). Dividend rights have been waived on all these shares. The total market value of the shares held in trust based on the year end share price of £4.80 (2024: £2.68) was £96m (2024: £50m). For accounting of treasury shares, see Note 28.

The Group has entered into physically settled forward contracts to hedge the settlement of certain share-based payment schemes. The fixed forward price to be paid under these contracts is £30m and has been recorded in retained earnings.

Notes to the financial statements (continued)

Employee benefits

32 Retirement benefits

Accounting for retirement benefits

The Group operates a number of pension schemes and post-employment benefit schemes.

Defined contribution – the 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 – the 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).

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 Group, using a methodology similar to that for defined benefit pension schemes.

Pension schemes

UK Retirement Fund (UKRF)

The UKRF is the Group's main scheme, representing 95.3% (2024: 96%) of the Group's total retirement benefit obligations.

Between 1 January 2025 and 30 June 2025, Barclays Bank PLC was the principal employer of the UKRF, with Barclays Bank UK PLC and Barclays Execution Services Limited as the participating employers.

From 1 July 2025, the UKRF was amended to become a sectionalised scheme to meet the requirements of the Financial Services and Markets Act 2000 (Banking Reform) (Pensions) Regulations 2015, creating two separate sections - the Barclays Bank Section and the Barclays UK Section. From 1 July 2025, Barclays Bank PLC became the principal employer of the Barclays Bank Section, with Barclays Execution Services Limited as a participating employer. From that date, Barclays Bank UK PLC participates only in the Barclays UK Section and is solely responsible for funding that section.

Sectionalisation did not change the balance sheet position of the UKRF from the Group's perspective, and employees' benefits are unchanged.

The UKRF was closed to new entrants on 1 October 2012, and comprises a number of different benefit categories, 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 risks that Barclays is exposed to 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 Barclays is exposed to in relation to the 1964 Pension Scheme 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 Barclays 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, Barclays 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.

Notes to the financial statements (continued)

Employee benefits

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 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 Group.

The Trustee Board comprises six Management Directors selected by Barclays, of whom three are independent Directors, with no relationship with Barclays (and who are not members of the UKRF), plus three Member Nominated Directors selected from eligible active, deferred or pensioner members of the UKRF, 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 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 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 30 Staff costs.

Income statement charge/(credit)

	2025	2024	2023
	£m	£m	£m
Current service cost	**171**	180	165
Net finance income	**(159)**	(154)	(222)
Past service cost	**18**	—	—
Other movements	**1**	1	3
Total	**31**	27	(54)

Balance sheet reconciliation

	2025		2024	
	Total	Of which relates to UKRF	Total	Of which relates to UKRF
	£m	£m	£m	£m
Benefit obligation at beginning of the year	**(19,600)**	**(18,729)**	(21,513)	(20,618)
Current service cost	**(171)**	**(143)**	(180)	(155)
Interest costs on scheme liabilities	**(1,029)**	**(994)**	(933)	(901)
Past service cost	**(18)**	**—**	—	—
Remeasurement gain – financial	**536**	**548**	1,794	1,797
Remeasurement (loss)/gain – demographic	**(59)**	**(47)**	12	13
Remeasurement loss – experience	**(196)**	**(202)**	(55)	(54)
Employee contributions	**(5)**	**—**	(6)	—
Benefits paid	**1,206**	**1,163**	1,230	1,189
Exchange and other movements	**25**	**—**	51	—
Benefit obligation at end of the year	**(19,311)**	**(18,404)**	(19,600)	(18,729)
Fair value of scheme assets at beginning of the year	**22,623**	**21,928**	24,914	24,234
Interest income on scheme assets	**1,188**	**1,164**	1,087	1,062
Employer contribution	**55**	**42**	37	22
Remeasurement – return on scheme assets less than discount rate	**(292)**	**(303)**	(2,192)	(2,184)
Employee contributions	**5**	**—**	6	—
Benefits paid	**(1,195)**	**(1,163)**	(1,221)	(1,189)
Exchange and other movements	**(30)**	**(14)**	(8)	(17)
Fair value of scheme assets at end of the year	**22,354**	**21,654**	22,623	21,928
Net surplus	**3,043**	**3,250**	3,023	3,199
Retirement benefit assets	**3,308**	**3,250**	3,263	3,199
Retirement benefit liabilities	**(265)**	**—**	(240)	—
Net retirement benefit assets	**3,043**	**3,250**	3,023	3,199

Included within the total benefit obligation is £701m (2024: £695m) relating to overseas pensions and £206m (2024: £175m) relating to other post-employment benefits.

Notes to the financial statements (continued)

Employee benefits

Breakdown of the UKRF benefit obligation and assets split by section

	2025		2025	2024
	Barclays Bank Section	Barclays UK Section	UKRF Total	UKRF Total
	£m	£m	£m	£m
Active members	**981**	**719**	**1,700**	1,699
Deferred members (Afterwork)	**1,828**	**11**	**1,839**	1,716
Deferred members (non-Afterwork)	**3,786**	**—**	**3,786**	4,269
Pensioners and Dependents	**11,079**	**—**	**11,079**	11,045
Benefit obligation at end of the year	**17,674**	**730**	**18,404**	18,729
Assets at end of the year	**20,855**	**799**	**21,654**	21,928

Barclays previously considered the potential implications for the UKRF of the ruling and appeal in Virgin Media v NTL Pension Trustees II Ltd. This activity did not identify 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. Since this activity was completed the Pension Schemes Bill 2025 (the Bill) has been published, which once in force will enable trustees to obtain retrospective actuarial confirmation in certain circumstances. Progress of the Bill continues to be tracked by Barclays. The position remains that no material additional benefit obligation is expected.

As at 31 December 2025, the UKRF as a whole was in surplus versus benefit obligations by £3,250m (2024: £3,199m). The Barclays Bank Section had a surplus of £3,181m and the Barclays UK Section had a surplus of £69m.

The weighted average duration of the benefit payments reflected in the defined benefit obligation for the Barclays Bank Section of the UKRF is 11 years and Barclays UK Section is 10 years (2024 UKRF: 11 years). The UKRF expected benefits promised to date are projected to be paid out for in excess of 50 years, although 35% of the benefits are expected to be paid in the next 10 years; 34% in years 11 to 20 and 20% in years 21 to 30. The remainder of the benefits are expected to be paid beyond 30 years.

Of the £1,163m (2024: £1,189m) UKRF benefits paid out, £148m (2024: £165m) related to transfers out.

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 if the Group has an unconditional right to a refund of this asset at the end of the life of the plan (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 Group expects to be able to recover any surplus or reduce contributions. 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 the Group or termination of contributions by the Group. 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

Key areas involving a higher degree of judgement or estimation include:

Estimates
Valuation of defined benefit scheme obligations are dependent on a number of assumptions, the most critical being discount rates, price inflation, and life expectancy.

These estimates are considered to have a significant risk of resulting in a material adjustment to the carrying amount of defined benefit obligations within the next financial year.

Below is a summary of the main financial and demographic assumptions adopted for both sections of the UKRF with the Barclays Bank Section representing 91.5% of the UKRF benefit obligation and the Barclays UK Section representing 3.8%.

	2025		2024
	Barclays Bank Section	Barclays UK Section	UKRF
Key UKRF financial assumptions	% p.a.	% p.a.	% p.a.
Discount rate	**5.46**	**5.42**	5.44
Inflation rate (RPI)	**2.92**	**2.89**	3.32

The discount rate assumption for 2025 for both sections of the UKRF was based on a standard WTW RATE Link model. The RPI inflation assumption for 2025 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.

Notes to the financial statements (continued)

Employee benefits

The Barclays Bank Section of 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 2024 core projection model published by the Continuous Mortality Investigation Bureau subject to a long-term trend of 1.1% per annum in future improvements (2024: 1.25% per annum). Barclays UK Section of the UKRF does not have any post-retirement mortality assumptions as it only provides a cash lump sum at retirement, not a pension for life.

The table below shows how the assumed life expectancy, for members of the Barclays Bank Section, has changed since last year:

Assumed life expectancy[1]	2025	2024
Life expectancy at 60 for current pensioners (years)		
– Males	**26.6**	26.5
– Females	**29.3**	29.4
Life expectancy at 60 for future pensioners currently aged 40 (years)		
– Males	**28.0**	28.0
– Females	**30.6**	30.8

Note:
1 The life expectancies disclosed are in respect of a population of the membership that represents c60% of the Defined Benefit Obligation of the Barclays Bank Section of the UKRF (excluding Afterwork, which has no post-retirement mortality risk) with the remaining members having life expectancy at age 60 of between 26.4 years and 29.3 years.

Approximately, 70% of the longevity risk for current pensioners of the Barclays Bank Section of the UKRF has been reinsured and the transactions will provide income to the Section if pensions are paid out for longer than expected. The contracts form part of the Section'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 Barclays expressing any specific view of the probability of such movements happening.

Change in key assumptions for the UKRF

	2025	2025	2024
	(Decrease)/Increase in defined benefit obligation		
	Barclays Bank Section	Barclays UK Section	UKRF
	£bn	£bn	£bn
Discount rate			
0.5% p.a. increase	**(0.9)**	**(0.03)**	(1.0)
0.25% p.a. increase	**(0.4)**	**(0.02)**	(0.5)
0.25% p.a. decrease	**0.5**	**0.02**	0.5
0.5% p.a. decrease	**1.0**	**0.04**	1.1
Assumed RPI			
0.5% p.a. increase	**0.7**	**0.03**	0.7
0.25% p.a. increase	**0.3**	**0.01**	0.3
0.25% p.a. decrease	**(0.3)**	**(0.01)**	(0.4)
0.5% p.a. decrease	**(0.6)**	**(0.03)**	(0.7)
Life expectancy at 60			
One year increase	**0.5**	**0.00**	0.5
One year decrease	**(0.5)**	**0.00**	(0.5)

Assets

A long-term investment strategy has been set for the Barclays Bank Section and Barclays UK Section of the UKRF, with asset allocation comprising a mixture of gilts, bonds, and other appropriate assets. This strategy 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 strategies ensure, among other aims, that investments are adequately diversified.

Notes to the financial statements (continued)

Employee benefits

The value of the assets of the schemes and their percentage in relation to total scheme assets were as follows:

Analysis of scheme assets

	Total				Of which relates to UKRF			
	Quoted[1] £m	Unquoted[1,2] £m	Value £m	% of total fair value of scheme assets %	Quoted[1] £m	Unquoted[1,2] £m	Value £m	% of total fair value of scheme assets %
As at 31 December 2025								
Bonds - fixed government	**1,975**	**4**	**1,979**	**8.9**	**1,769**	**4**	**1,773**	**8.2**
Bonds - index-linked government	**8,283**	**—**	**8,283**	**37.1**	**8,269**	**—**	**8,269**	**38.2**
Bonds - corporate and other[3]	**1,767**	**5,015**	**6,782**	**30.3**	**1,562**	**5,015**	**6,577**	**30.4**
Equities	**227**	**—**	**227**	**1.0**	**99**	**—**	**99**	**0.4**
Private equities	**—**	**1,859**	**1,859**	**8.3**	**—**	**1,859**	**1,859**	**8.6**
Property	**22**	**1,392**	**1,414**	**6.3**	**—**	**1,392**	**1,392**	**6.4**
Infrastructure	**—**	**414**	**414**	**1.9**	**—**	**413**	**413**	**1.9**
Hedge funds	**13**	**1,635**	**1,648**	**7.4**	**—**	**1,635**	**1,635**	**7.6**
Derivatives	**1**	**(1,476)**	**(1,475)**	**(6.6)**	**—**	**(1,475)**	**(1,475)**	**(6.8)**
Longevity reinsurance contracts	**—**	**(103)**	**(103)**	**(0.5)**	**—**	**(103)**	**(103)**	**(0.5)**
Cash and liquid assets[4]	**2,309**	**(1,093)**	**1,216**	**5.4**	**2,305**	**(1,093)**	**1,212**	**5.6**
Mixed investment funds	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Other	**15**	**95**	**110**	**0.5**	**—**	**3**	**3**	**—**
Fair value of scheme assets[5]	**14,612**	**7,742**	**22,354**	**100.0**	**14,004**	**7,650**	**21,654**	**100.0**
As at 31 December 2024								
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
Equities	121	—	121	0.5	—	—	—	—
Private equities	—	2,134	2,134	9.4	—	2,134	2,134	9.7
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 contract	—	(117)	(117)	(0.5)	—	(117)	(117)	(0.5)
Cash and liquid assets[4]	(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[5]	15,087	7,536	22,623	100.0	14,444	7,484	21,928	100.0

Notes:

1 During the year ended 31 December 2025, there were c£3bn assets re-classified from unquoted to quoted under cash and liquid assets and c£4bn assets reclassified from quoted to unquoted for Bonds - corporate and other (year ended 31 December 2024: there were no material re-classifications). These re-classifications reflect enhancement to the Bank's levelling policy, including the use of additional data in the active market assessment of issued debt.

2 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 2025 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 does not believe these valuations will differ materially from the fair value, in the context of the overall UKRF asset size.

3 During the year ended 31 December 2025, there were c£740m of infrastructure loan assets reclassified to Bonds - corporate and other (2024 classification : Infrastructure).

4 Cash and liquid assets for the UKRF consists of £189m (2024: £484m) of cash including receivables/payables, £2,116m (2024: £2,529m) of pooled cash funds and £(1,093)m (2024: £(948)m) of repurchase agreements.

5 Included within the fair value of UKRF assets was nil (2024: nil) relating to shares in Barclays PLC and nil (2024: nil) relating to bonds issued by Barclays PLC. The UKRF also invests in pooled investment vehicles which may hold shares or debt issued by Barclays PLC.

The value of the UKRF assets split by section are shown in the table below.

UKRF assets split by section

	Barclays Bank Section				Barclays UK Section			
	Quoted £m	Unquoted £m	Value £m	% of total fair value of scheme assets %	Quoted £m	Unquoted £m	Value £m	% of total fair value of scheme assets %
As at 31 December 2025								
Bonds - fixed government	**1,721**	**4**	**1,725**	**8.3**	**48**	**—**	**48**	**6.0**
Bonds - index-linked government	**7,751**	**—**	**7,751**	**37.2**	**518**	**—**	**518**	**64.8**
Bonds - corporate and other	**1,471**	**4,729**	**6,200**	**29.7**	**91**	**286**	**377**	**47.2**
Equities	**—**	**—**	**—**	**—**	**99**	**—**	**99**	**12.4**
Private equities	**—**	**1,859**	**1,859**	**8.9**	**—**	**—**	**—**	**—**
Property	**—**	**1,392**	**1,392**	**6.7**	**—**	**—**	**—**	**—**
Infrastructure	**—**	**413**	**413**	**2.0**	**—**	**—**	**—**	**—**
Hedge funds	**—**	**1,635**	**1,635**	**7.8**	**—**	**—**	**—**	**—**
Derivatives	**—**	**(1,478)**	**(1,478)**	**(7.1)**	**—**	**3**	**3**	**0.4**
Longevity reinsurance contracts	**—**	**(103)**	**(103)**	**(0.5)**	**—**	**—**	**—**	**—**
Cash and liquid assets	**2,288**	**(830)**	**1,458**	**7.0**	**17**	**(263)**	**(246)**	**(30.8)**
Other	**—**	**3**	**3**	**—**	**—**	**—**	**—**	**—**
Fair value of scheme assets	**13,231**	**7,624**	**20,855**	**100.0**	**773**	**26**	**799**	**100.0**

Notes to the financial statements (continued)

Employee benefits

At 31 December 2025, 39% of the Barclays Bank Section assets and 38% of the Barclays UK Section assets (2024 UKRF: 38%) 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 Trustee also uses repurchase agreements and reverse repurchase agreements to achieve the Trustee's liability hedging objective.

The UKRF has a comprehensive and robust liquidity framework in place. The aim of the liquidity framework is to ensure that benefit 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 Barclays Bank Section of the UKRF holds two longevity reinsurance contracts covering 70% of the current pensioner liabilities of the Barclays Bank Section. The contracts provide income to the Section if pensions are paid out for longer than expected. At 31 December 2025, the combined value of the contracts was £(103)m (2024: £(117)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.

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 epa.towerswatson.com/accounts/barclays/public/barclays-bank-responsible-investment-policy/.

Funding valuation

The UKRF annual funding update as at 30 September 2024 showed a funding surplus of £1.75bn. The 30 September 2025 funding update is not available at the date of this report , as the triennial funding valuations for the UKRF are due to be completed in 2026 with an effective date of 30 September 2025.

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 funding 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 Barclays Bank Section of the UKRF be sufficiently funded on this basis, the regular employer contributions to this Section to fund future Afterwork accrual will not be required in the following calendar year. The test will be reviewed at the 2025 triennial valuation, which is expected to be completed in 2026. The test was passed in September, so no regular employer contributions to the Barclays Bank Section are required for 2026. Regular employer contributions are being paid to the Barclays UK Section to fund future Afterwork accrual, an annual adequacy test does not apply to this Section.

Other support measure agreed

Collateral – Barclays Bank PLC has entered into an agreement with the UKRF Trustee to provide collateral to cover at least 100% of any Barclays Bank Section funding deficit with an overall cap of £8.4bn. Barclays Bank UK PLC has entered into an agreement with the UKRF Trustee to provide collateral to cover at least 100% of any Barclays UK Section funding deficit with an overall cap of £0.6bn. The collateral pools are currently zero, reflecting the surplus funding position of each Section. The arrangements provide the UKRF Trustee with dedicated access to pools of assets in the event of Barclays Bank PLC or Barclays Bank UK PLC not paying any required deficit reduction contribution to their respective Sections or in the event of their respective insolvency.

Contribution

There were nil (2024: nil) Section 75 contributions included within the Group's contributions paid.

The Group's expected contribution to the UKRF in respect of defined benefits in 2026 is £59m.

Notes to the financial statements (continued)

Scope of consolidation

Scope of consolidation

The notes included in this section present information on the Group's investments in subsidiaries, joint ventures and associates and its interests in structured entities. Detail is also given on securitisation transactions the Group has entered into and arrangements that are held off-balance sheet.

33 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 PLC, investments in subsidiaries are stated at cost less impairment.

Principal subsidiaries for the Group are set out below. This includes those subsidiaries that are most significant in the context of the Group's business, results or financial position. The principal subsidiaries are held directly or indirectly via intermediate holding companies within the Group. There were no significant changes in ownership interests in these subsidiaries during the year, and the Group did not lose control of any of these subsidiaries. There has been no material percentage change in the Group's shareholding for its main subsidiaries since 2024.

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 PLC	United Kingdom	Banking, holding company	**100**	**1**	**—**
Barclays Bank UK PLC	United Kingdom	Banking, holding company	**100**	**—**	**—**
Barclays Bank Ireland PLC	Ireland	Banking	**100**	**—**	**—**
Barclays Execution Services Limited	United Kingdom	Service company	**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**	**—**	**—**
Barclays Bank Delaware	United States	Credit card issuer	**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. Refer to Note 29 for more information.

Significant judgements and assumptions used to determine the scope of the consolidation

Determining whether the 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 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 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 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 Group has control of an entity. Until 25 October 2024, Palomino Limited was excluded from consolidation, despite the Group holding 100% of the voting rights as it was managed by an external counterparty and the Group was not exposed to its variable returns. Following the termination of the management agreement, as from 26 October 2024, the entity is now fully consolidated.

Notes to the financial statements (continued)

Scope of consolidation

Significant restrictions

As is typical for a group of its size and international scope, there are restrictions on the ability of Barclays PLC to obtain distributions of capital, access the assets or repay the liabilities of members of its 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

Barclays' principal subsidiary companies have assets and liabilities before intercompany eliminations of £2,132bn (2024: £2,015bn) and £2,031bn (2024: £1,919bn) respectively. Certain of these assets and liabilities are subject to prudential regulation and regulatory capital requirements in the countries in which they are regulated. These require entities to maintain minimum capital levels which cannot be returned to the parent company, Barclays PLC, on a going concern basis.

In order to meet capital requirements, subsidiaries may issue certain equity-accounted and debt-accounted financial instruments and non-equity instruments, such as Tier 1 and Tier 2 capital instruments and other forms of subordinated liabilities. Refer to Note 26 and Note 27 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 Group are required to meet applicable PRA or local regulatory requirements pertaining to liquidity. The regulated subsidiaries include Barclays Bank PLC and Barclays Capital Securities Limited (which are regulated on a combined basis under a Domestic Liquidity Sub-Group (DoLSub) arrangement), Barclays Bank UK PLC, Barclays Bank Ireland PLC, Barclays Capital Inc. and Barclays Bank Delaware. Refer to the Liquidity risk section for further details of liquidity requirements, including those of the Group's significant subsidiaries.

Statutory requirements

The 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 PLC, the ultimate 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 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 Group. The assets typically affected are disclosed in Note 37.

Other restrictions

The Group is required to maintain cash balances with central banks and other regulatory authorities, and these amounted to £3,007m (2024: £2,945m).

34 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. 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 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 Group has contractual arrangements which may require it to provide financial support to the following types of consolidated structured entities:

- Securitisation vehicles: The Group uses securitisation as a source of financing and a means of risk transfer. Where entities are controlled by the Group, they are consolidated. Refer to Note 36 for further detail.
- Commercial Paper (CP) conduits: These entities issue CP and use the proceeds to lend to clients as part of the Group's multi-seller conduit programme. The Group has provided £21.0bn (2024: £23.9bn) in contractual liquidity facilities to the CP conduits that the 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.
- Employee benefit trusts: The Group provides capital contributions to employee benefit trusts to enable them to meet obligations to employees in relation to share-based remuneration arrangements.
- Tender Option Bond (TOB) trusts: During 2025, the Group provided undrawn liquidity facilities of £4.0bn (2024: £4.0bn) 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.

Notes to the financial statements (continued)

Scope of consolidation

Unconsolidated structured entities

The term 'unconsolidated structured entities' refers to structured entities not controlled by Barclays, and are established either by Barclays 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 Group. Such interests include holdings of debt or equity securities, derivatives that transfer financial risks from the entity to the Group, lending, loan commitments, financial guarantees and investment management agreements.

The 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. Structured entities may take the form of funds, trusts, securitisation vehicles, and private investment companies. The largest transactions for Barclays 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 Group's interests in structured entities is summarised below:

Summary of interests in unconsolidated structured entities

	Secured financing	Short-term traded interests	Traded derivatives	Other interests	Total
	£m	£m	£m	£m	£m
As at 31 December 2025					
Assets					
Trading portfolio assets	**—**	**31,386**	**—**	**—**	**31,386**
Financial assets at fair value through the income statement	**79,053**	**—**	**—**	**654**	**79,707**
Derivative financial instruments	**—**	**—**	**6,257**	**—**	**6,257**
Financial assets at fair value through other comprehensive income	**—**	**—**	**—**	**3,811**	**3,811**
Loans and advances at amortised cost	**—**	**—**	**—**	**47,279**	**47,279**
Debt securities at amortised cost	**—**	**—**	**—**	**23,818**	**23,818**
Reverse repurchase agreements and other similar secured lending	**7,049**	**—**	**—**	**—**	**7,049**
Other assets	**—**	**—**	**—**	**—**	**—**
Total assets	**86,102**	**31,386**	**6,257**	**75,562**	**199,307**
Liabilities					
Derivative financial instruments	**—**	**—**	**6,451**	**—**	**6,451**
As at 31 December 2024					
Assets					
Trading portfolio assets	—	23,941	—	—	23,941
Financial assets at fair value through the income statement	87,546	—	—	1,295	88,841
Derivative financial instruments	—	—	6,540	—	6,540
Financial assets at fair value through other comprehensive income	—	—	—	5,571	5,571
Loans and advances at amortised cost	—	—	—	47,151	47,151
Debt securities at amortised cost	—	—	—	24,331	24,331
Reverse repurchase agreements and other similar secured lending	3,145	—	—	—	3,145
Other assets	—	—	—	—	—
Total assets	90,691	23,941	6,540	78,348	199,520
Liabilities					
Derivative financial instruments	—	—	6,978	—	6,978

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 2025, Barclays entered into transactions with approximately 8,000 (2024: 5,000) structured entities.

Secured financing

The 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 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.

Notes to the financial statements (continued)

Scope of consolidation

Short-term traded interests

As part of its market making activities, the 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 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 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 which 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 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 14. 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 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 Group is mainly exposed to settlement risk on these derivatives which is mitigated through daily margining. Total notional contract amounts were £641,837m (2024: £712,793m).

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 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 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	Lending	Other	Total	Of which: Barclays owned, not consolidated entities[1]
	£m	£m	£m	£m	£m
As at 31 December 2025					
Financial assets at fair value through the income statement	—	25	629	654	—
Financial assets at fair value through other comprehensive income	—	2,367	1,444	3,811	—
Loans and advances at amortised cost	9,697	37,582	—	47,279	—
Debt securities at amortised cost	—	—	23,818	23,818	—
Other assets	—	—	—	—	—
Total on-balance sheet exposures	9,697	39,974	25,891	75,562	—
Total off-balance sheet notional amounts	11,326	24,866	—	36,192	—
Maximum exposure to loss	21,023	64,840	25,891	111,754	—
Total assets of the entity	32,527	195,337	81,686	309,550	—
As at 31 December 2024					
Financial assets at fair value through the income statement	—	27	1,268	1,295	—
Financial assets at fair value through other comprehensive income	—	3,206	2,365	5,571	—
Loans and advances at amortised cost	11,103	36,048	—	47,151	—
Debt securities at amortised cost	—	—	24,331	24,331	—
Other assets	—	—	—	—	—
Total on-balance sheet exposures	11,103	39,281	27,964	78,348	—
Total off-balance sheet notional amounts	11,530	25,737	—	37,267	—
Maximum exposure to loss	22,633	65,018	27,964	115,615	—
Total assets of the entity	41,431	203,723	75,284	320,438	—

Note:

1 Comprises of Barclays owned, not consolidated structured entities per IFRS 10 Consolidated Financial Statements. Refer to Note 33 Principal subsidiaries for more details on consolidation.

Notes to the financial statements (continued)

Scope of consolidation

Maximum exposure to loss

Unless specified otherwise below, the 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

Barclays' 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 entities. The 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 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 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 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 period, the 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 performance of the fund and trusts held on behalf of beneficiaries with interests restricted to unpaid fees.

Assets transferred to sponsored unconsolidated structured entities

Barclays 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 2025, assets transferred to sponsored unconsolidated structured entities were £1,060m (2024: £890m).

35 Investments in associates and joint ventures

Accounting for associates and joint ventures

The equity accounted associates include the Group's investment in the Business Growth Fund £724m (2024: £678m) which has increased primarily due to a fair value gain in its investments by £64m (2024: £30m). The equity accounted joint ventures has decreased to £nil (2024: £199m) due to the announced sale of the holding during the year. The joint ventures held at fair value through profit or loss has increased to £211m (2024: £171m).

	2025			2024		
	Associates	Joint ventures	Total	Associates	Joint ventures	Total
	£m	£m	£m	£m	£m	£m
Equity accounted	**739**	**—**	**739**	692	199	891
Held at fair value through profit or loss	**—**	**211**	**211**	—	171	171
Total	**739**	**211**	**950**	692	370	1,062

Summarised financial information for the Group's equity accounted associates and joint ventures is set out below. The amounts shown are the Group's share of the net income of the investees for the year ended 31 December 2025, 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		
	2025	2024	2023	2025	2024	2023
	£m	£m	£m	£m	£m	£m
Profit/(loss) from continuing operations	**64**	30	(10)	**6**	8	1
Other comprehensive income/(loss)	**—**	—	—	**(4)**	(1)	(3)
Total comprehensive income/(loss) from continuing operations	**64**	30	(10)	**2**	7	(2)

Unrecognised shares of the losses of individually immaterial associates and joint ventures were £nil (2024: £nil).

The Group has provided guarantees amounted to £nil (2024: £nil) to its associates and joint ventures. The Barclays drawn commitments to finance or otherwise provide resources to its associates and joint ventures are £474m (2024: £474m) The Barclays share of the associates and joint ventures unutilised credit facilities commitments amounted to £nil (2024: £1,389m).

Notes to the financial statements (continued)

Scope of consolidation

36 Securitisations

Accounting for securitisations

The 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 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 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 Group transfers financial assets, either where legal rights to the cash flows from the asset are passed to the counterparty or beneficially, where the 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 Group was party to securitisation transactions involving its credit card balances, consumer 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 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:

	2025				2024			
	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
Loans and advances at amortised cost								
Credit cards, unsecured and other retail lending	**12,288**	**12,318**	**(2,213)**	**(2,210)**	10,115	10,698	(2,130)	(2,134)
Mortgage assets	**236**	**238**	**(21)**	**(26)**	254	263	(21)	(20)
Financial assets at FVTPL								
Mortgage assets	**1,523**	**1,523**	**—**	**—**	576	576	—	—
Assets included in disposal group classified as held for sale								
Personal Loans	**—**	**—**	**—**	**—**	846	826	—	—
Total	**14,047**	**14,079**	**(2,234)**	**(2,236)**	**11,791**	**12,363**	**(2,151)**	**(2,154)**

Balances included within loans and advances at amortised cost represent securitisations where substantially all the risks and rewards of the asset have been retained by the 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 Barclays 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 is recognised to the extent of Barclays' continuing involvement. Total Financial assets of £21,932m (2024: £11,951m) were originally transferred in this manner and the carrying value of the asset representing continued involvement is included in the table above.

For transfers of assets in relation to repurchase agreements, refer to Note 37.

Notes to the financial statements (continued)

Scope of consolidation

Continuing involvement in financial assets that have been derecognised

In some cases, the 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 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
2025					
Asset backed securities	**67**	**67**	**141**	**3**	**5**
Residential mortgage backed securities	**3,456**	**3,452**	**3,456**	**150**	**414**
Commercial mortgage backed securities	**360**	**328**	**360**	**5**	**26**
Total	**3,883**	**3,847**	**3,957**	**158**	**445**
2024					
Asset backed securities	53	53	130	1	1
Residential mortgage backed securities	4,462	4,454	4,462	194	261
Commercial mortgage backed securities	377	334	377	3	21
Total	4,892	4,841	4,969	198	283

Notes:
1 Assets which represent the 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.

Notes to the financial statements (continued)

Scope of consolidation

37 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 Group balance sheet, for example, because Barclays retains substantially all the exposure to those assets under an agreement to repurchase them in the future for a fixed price.

Assets pledged or transferred as collateral include all assets categorised as encumbered in the disclosure on pages 205 to 209 of the Barclays PLC Pillar 3 Report 2025 (unaudited), other than those held in commercial paper conduits. In these transactions, the Group will be required to step in to provide financing itself under a liquidity facility if the vehicle cannot access the commercial paper market.

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 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:

	2025 £m	2024 £m
Cash collateral	**79,653**	76,401
Loans and advances at amortised cost	**38,095**	63,531
Trading portfolio assets	**115,923**	107,368
Financial assets at fair value through the income statement	**5,726**	5,728
Financial assets at fair value through other comprehensive income	**17,438**	20,982
Assets pledged	**256,835**	274,010

The following table summarises the transferred financial assets and the associated liabilities. The transferred assets represent the gross carrying value of the assets pledged and the associated liabilities represent the liability recorded on the balance sheet:

	Transferred assets £m	Associated liabilities £m
As at 31 December 2025		
Derivatives	**79,753**	**(79,753)**
Repurchase agreements	**64,689**	**(45,810)**
Securities lending arrangements	**99,238**	**—**
Other	**13,155**	**(12,658)**
	256,835	**(138,221)**
As at 31 December 2024		
Derivatives	75,157	(75,157)
Repurchase agreements	77,793	(53,481)
Securities lending arrangements	106,106	—
Other	14,954	(13,580)
	274,010	(142,218)

Notes to the financial statements (continued)

Scope of consolidation

For repurchase agreements, the difference between transferred assets and the 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
2025					
Recourse to transferred assets only	**12,524**	**(2,234)**	**12,556**	**(2,236)**	**10,320**
2024					
Recourse to transferred assets only	10,369	(2,151)	10,961	(2,154)	8,807

The Group has an additional £10,567m (2024: £9,500m) 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 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 or transferred to others was as follows:

	2025	2024
	£m	£m
Fair value of securities accepted as collateral	**1,513,869**	1,318,862
Of which fair value of securities re-pledged/transferred to others	**1,382,090**	1,191,938

Other disclosure matters

The notes included in this section focus on related party transactions, Auditor's remuneration, Barclays PLC (the Parent company) disclosure, Directors' remuneration and Transition disclosures. Related parties include any subsidiaries, associates, joint ventures and Key Management Personnel.

38 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.

Subsidiaries

Transactions between Barclays PLC and its subsidiaries meet the definition of related party transactions. Where these are eliminated on consolidation, they are not disclosed in the Group's financial statements. Transactions between Barclays PLC and its subsidiaries are fully disclosed in Barclays PLC's financial statements. A list of the Group's principal subsidiaries is shown in Note 33.

Associates, joint ventures and other entities

The Group provides banking services to its associates, joint ventures and the Group pension funds (principally the UK Retirement Fund), providing loans, overdrafts, interest and non-interest bearing deposits and current accounts to these entities, as well as other services. Group companies also provide investment management and custodian services to the Group pension schemes. All of these transactions are conducted on the same terms as third-party transactions. Summarised financial information for the Group's investments in associates and joint ventures is set out in Note 35.

Amounts included in the Group's financial statements, in aggregate, by category of related party entity are as follows:

	Associates	Joint ventures	Pension funds
	£m	£m	£m
For the year ended and as at 31 December 2025			
Total income	**18**	**43**	**8**
Credit impairment charges	**—**	**—**	**—**
Operating expenses	**(22)**	**—**	**(1)**
Total assets	**—**		**—**
Total liabilities	**126**	**—**	**140**
For the year ended and as at 31 December 2024			
Total income	(2)	56	2
Credit impairment charges	—	—	—
Operating expenses	(21)	—	(1)
Total assets	—	1,104	0
Total liabilities	64	—	176
For the year ended and as at 31 December 2023			
Total income	13	70	4
Credit impairment charges	—	—	—
Operating expenses	(20)	—	(1)

Total liabilities includes derivatives transacted on behalf of the pension funds of £89m (2024: £100m).

Key Management Personnel

Key Management Personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of Barclays PLC (directly or indirectly) and comprise the Directors and Officers of Barclays PLC, certain direct reports of the Group Chief Executive and the heads of major business units and functions.

The Group provides banking services to Key Management Personnel and persons connected to them. The balances outstanding as at 31 December were as follows:

Banking services provided

	2025	2024
	£m	£m
Loans outstanding as at 31 December	**15.4**	17.5
Deposit outstanding as at 31 December	**27.5**	23.3

Notes to the financial statements (continued)

Other disclosure matters

Total commitments outstanding

Total commitments outstanding refers to the total of any undrawn amounts on credit cards and/or overdraft facilities provided to Key Management Personnel. Total commitments outstanding as at 31 December 2025 were £0.5m (2024: £0.6m).

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.

	2025	2024	2023
	£m	£m	£m
Salaries and other short-term benefits	**48.3**	45.0	33.3
Pension costs	**0.1**	0.1	—
Other long-term benefits	**13.6**	10.5	7.2
Share-based payments	**26.2**	18.1	10.2
Employer social security charges on emoluments	**10.2**	8.7	6.3
Costs recognised for accounting purposes	**98.4**	82.4	57.0
Employer social security charges on emoluments	**(10.2)**	(8.7)	(6.3)
Other long-term benefits – difference between awards granted and costs recognised	**9.5**	6.6	1.1
Share-based payments – difference between awards granted and costs recognised	**11.7**	7.4	6.0
Total remuneration awarded	**109.4**	87.7	57.8

Disclosure required by the Companies Act 2006

The following information regarding the Barclays PLC Board of Directors is presented in accordance with the Companies Act 2006:

	2025	2024	2023
	£m	£m	£m
Aggregate emoluments[1]	**11.4**	10.9	9.8
Amounts paid under LTIPs[2]	**1.2**	—	—
	12.6	10.9	9.8

Notes:

1 The aggregate emoluments include amounts paid for the 2025 year. In addition, deferred share awards for 2025 with a total value at grant of £1.3m (2024: £1.8m, 2023: £1.5m) will be made to Directors, which will only vest subject to meeting certain conditions.

2 The figure above for "Amounts paid under LTIPs" relates to tranches of prior year LTIP awards that were released to Directors during the year. The LTIP figure in the single total figure table for Executive Directors' 2025 remuneration in the Directors' Remuneration report relates to the 2023-2025 LTIP cycle, the first tranche of which is scheduled to be released following the performance period ending on 31 December 2025.

There were no pension contributions paid to defined contribution schemes on behalf of Directors (2024: £nil, 2023: £nil). There were no notional pension contributions to defined contribution schemes.

As at 31 December 2025, there were no Directors accruing benefits under a defined benefit scheme (2024: nil, 2023: nil).

Directors' and Officers' shareholdings and options

The beneficial ownership of ordinary share capital of Barclays PLC by all Directors and Officers of Barclays PLC (involving 30 persons) at 31 December 2025 amounted to 18,192,011 (2024: 20,479,846) ordinary shares of 25p each (0.13% of the ordinary share capital outstanding).

As at 31 December 2025, Executive Directors and Officers of Barclays PLC (involving 19 persons) held options to purchase a total of 59,803 (2024: 49,911) Barclays PLC ordinary shares of 25p each at a weighted average price of 148p under Sharesave.

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 2025 to persons who served as Directors during the year was £0.7m (2024: £0.6m). The total value of guarantees entered into on behalf of Directors during 2025 was £nil (2024: £nil).

Notes to the financial statements (continued)

Other disclosure matters

39 Auditor's remuneration

Auditor's remuneration is included within consultancy, legal and professional fees in administration and general expenses and comprises:

	2025	2024	2023
	£m	£m	£m
Audit of the Barclays Group's annual accounts	**13**	13	11
Other services:			
Audit of the Company's subsidiaries[1]	**57**	58	53
Other audit related fees[2]	**15**	14	12
Other services	**5**	6	2
Total auditor's remuneration	**90**	91	78

Notes:

1 Comprises the fees for the statutory audit of subsidiaries both inside and outside the UK and fees for work performed by associates of KPMG in respect of the consolidated financial statements of the Company.

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 2025 audit fee includes £nil (2024: 2m, 2023: £1m) relating to the previous year's audit.

	2025	2024	2023
Barclays associated pension schemes	£m	£m	£m
Audit fee	**0.6**	0.3	0.3

40 Assets and liabilities included in disposal group classified as held for sale

Accounting for Non-current assets held for sale and associated liabilities

The 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.

The perimeter of the disposal group has been accounted for in line with the requirements of IFRS 5 as at 31 December 2025. A detailed analysis of the disposal group is presented below.

The 2025 disposal group relates to a USCB co-branded Cards portfolio. Barclays has decided not to compete to become the sole issuer for this portfolio leading to its transfer in H1 2026. The portfolio 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 2024 disposal group includes the USCB Cards portfolio and the German Consumer Finance Business within Head Office.

The fair value level of the financial instruments included in held for sale along with corresponding fair value hierarchy under IFRS13 is disclosed on page 444.

As at 31 December	2025	2024
	£m	£m
Assets included in disposal groups classified as held for sale		
Loans and advances to customers	**5,801**	9,544
Intangible assets	**11**	25
Property, plant and equipment	**—**	24
Other assets	**120**	261
Total assets classified as held for sale	**5,932**	9,854
Liabilities included in disposal groups classified as held for sale		
Deposits from customers	**—**	3,647
Other liabilities	**—**	77
Provisions	**—**	2
Total liabilities classified as held for sale	**—**	3,726
Net assets classified as held for sale	**5,932**	6,128

Notes to the financial statements (continued)

Other disclosure matters

41 Barclays PLC (the Parent company)

Total income

Dividend received from subsidiaries

Dividends received from subsidiaries of £4,185m (2024: £3,087m, 2023: £2,818m) relates to dividends received from Barclays Execution Services Limited £190m, Barclays Bank UK PLC £1,425m and Barclays Bank PLC £2,570m.

Other income

Other income of £714m (2024: £1,183m, 2023: £1,174m expense) includes £997m (2024: £990m, 2023: £985m) of income received from gross coupon payments on Barclays Bank PLC and Barclays Bank UK PLC-issued AT1 securities, net fee and commission income from subsidiaries £154m (2024: £135m, 2023: £139m) and foreign exchange and fair value losses of £(437)m (2024: £58m gain, 2023: £(50)m loss).

Total assets and liabilities

Investment in subsidiaries

The investment in subsidiaries of £63,907m (2024: £63,315m) predominantly relates to investments in the ordinary shares of Barclays Bank PLC of £36,340m (2024: £36,340m) and their AT1 securities of £10,460m (2024: £9,616m), as well as investments in the ordinary shares of Barclays Bank UK PLC of £14,245m (2024: £14,245m) and their AT1 securities of £2,230m (2024: £2,435m). The increase of £592m during the year resulted from net issuances of AT1 holdings.

Impairment in subsidiaries

At the end of each reporting period, an impairment review is undertaken in respect of investment in the ordinary shares of subsidiaries. Where impairment may be indicated a test of the carrying value against the recoverable value is performed; impairment being 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 pre-tax discount rate appropriate to the subsidiary being tested. A terminal growth rate has then been applied to the cash flows thereafter, which is based upon expectations of future inflation rates. The 2025 review did not identify any subsidiaries with indicators of impairment.

Loans and advances to subsidiaries

During the year, loans and advances to subsidiaries decreased by £2,677m to £15,730m (2024: £18,407m). The decrease was largely due to maturities of £2,161m intra-group loans to Barclays PLC subsidiaries.

Subordinated liabilities and debt securities in issue

During the year, subordinated liabilities decreased to £8,644m (2024: £9,706m) primarily due to maturity of £615m of Fixed Rate Resetting Subordinated Callable Notes (£500m and SGD 200m) and FX impact of £453m. Debt securities in issue of £14,476m (2024: £16,337m) have reduced during the year primarily due to redemption of £2,391m Fixed Rate Senior Notes and FX impact of £521m. This is partially offset by issuance of £(1,100)m of Fixed Rate Resetting Senior Callable Notes.

Financial assets and liabilities designated at fair value

Financial liabilities designated at fair value of £48,800m (2024: £42,324m) primarily included new senior issuances of £10,226m during the year with principal amounts of £1,803m Fixed Rate Resetting Senior Callable Notes, £2,033m Floating Rate Senior Callable Notes, £6,317m Fixed-to-Floating Rate Senior Callable Notes. Barclays PLC also issued £1,045m of Subordinated Debt in the year with principal amounts of EUR 1,250m of Fixed Rate Resetting Subordinated Callable Notes. The increase is partially offset by redemption of senior debt of £4,610m (2024:£3,577m). The proceeds raised through these transactions were used to invest in subsidiaries of Barclays PLC and are included within the financial assets designated at fair value through the income statement balance of £50,921m (2024: £44,435m). The effect of changes in the liabilities at fair value, including those due to credit risk, is expected to offset the changes in the fair value of the related financial asset in the income statement. At year end the carrying amount of financial liabilities was £1,168m higher than the contractual amount on maturity (2024: £195m lower).

Derivative financial instruments

During the year, derivative financial liabilities decreased by £119m to £535m (2024: £654m). This is primarily driven by the gain in derivatives due to mark to market movement.

Total equity

Called up share capital and share premium

Called up share capital and share premium of Barclays PLC is £4,178m (2024: £4,186m). The decrease in the year is primarily due to £636m shares repurchased with a total nominal value of £158m. This decrease was partially offset by shares issued under employee share schemes.

Other equity instruments

Other equity instruments of £12,673m (2024: £12,033m) comprises AT1 securities issued by Barclays PLC. 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. During the year, there were four AT1 issuances with principal amounts totalling £3,799m (USD 1,500m, £1,000m, EUR 1,500m and SGD 500m) and three redemptions with principal amounts totalling £3,120m (USD 1,500m and £2,000m). For further details, please refer to Note 27.

Notes to the financial statements (continued)

Other disclosure matters

42 Related undertakings

The Group'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 the Group. The information is provided as at 31 December 2025.

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 PLC Country Snapshot provides details of where the Group carries on its business, where its profits are subject to tax and the taxes it pays in each country it operates in.

Wholly owned subsidiaries

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 Barclays PLC. Unless otherwise stated, the Group holds 100% of the nominal value of each share class.

Notes	
A	Directly held by Barclays PLC
B	Partnership Interest
C	Membership Interest
D	Class D Shares
E	Preference Shares
F	A Preference Shares
G	B Preference Shares
H	Ordinary/Common Shares in addition to other shares
I	A Ordinary Shares
J	B Ordinary Shares
K	C Ordinary Shares
L	F Ordinary Shares
M	First Preference Shares, Second Preference Shares
N	Registered Address not in country of Incorporation
O	Core Shares, Insurance (Classified) Shares
P	Class B, C, D, E, F, G, H, I, J and K
Q	Non-Redeemable Ordinary Shares
R	Class A, B and C Shares
S	Class A and Class B Shares
T	PEF Carry Shares
U	Not Consolidated (see Note 34 IFRS12 Structured entities)
V	USD Linked Ordinary Shares
W	Redeemable Class B Shares
X	Capital Contribution Shares
Y	Class A Redeemable Preference
Z	Class B Redeemable Preference
AA	First Class Common Shares, Second Class Common Shares
CC	Non-Voting Redeemable Preference Shares
DD	Ordinary "F" Shares - Variable
EE	Class C Preferred Shares and Class D Preferred Shares
FF	Trust Interest
GG	A1 Ordinary Shares (42.85%) and A2 Preference Shares (45.15%)
HH	A2 Ordinary Shares (14.14%) and A3 Ordinary Shares(68.10%)
II	LLC Share
JJ	A Shares (4.99%) and B Shares (100%)
KK	Class A Ordinary Shares (34.47%) and Class C Ordinary Shares (22.98%)
LL	Class A Ordinary Shares (49.52%) and Preference Shares (48.25%)

Wholly owned subsidiaries	Note
United Kingdom	
1 Churchill Place, London, E14 5HP	
Aequor Investments Limited	
Ardencroft Investments Limited	
B D & B Investments Limited	
B.P.B. (Holdings) Limited	
Barclay Leasing Limited	
Barclays Aldersgate Investments Limited	
Barclays Asset Management Limited	
Barclays Bank PLC	A, H
Barclays Bank UK PLC	A
Barclays Capital Asia Holdings Limited	
Barclays Capital Nominees (No.2) Limited	
Barclays Capital Nominees (No.3) Limited	
Barclays Capital Nominees Limited	
Barclays Capital Securities Client Nominee Limited	
Barclays Capital Securities Limited	
Barclays CCP Funding LLP	B
Barclays Converted Investments (No.2) Limited	
Barclays Direct Investing Nominees Limited	
Barclays Directors Limited	
Barclays Equity Holdings Limited	
Barclays Execution Services Limited	A
Barclays Executive Schemes Trustees Limited	
Barclays Financial Planning Nominee Company Limited	
Barclays Funds Investments Limited	
Barclays Gaia Holdings Limited	
Barclays Group Holdings Limited	
Barclays Industrial Development Limited	
Barclays Industrial Investments Limited	
Barclays Insurance Services Company Limited	
Barclays International Holdings Limited	
Barclays Investment Management Limited	
Barclays Investment Solutions Limited	
Barclays Leasing (No.9) Limited	
Barclays Long Island Limited	
Barclays Nominees (George Yard) Limited	U
Barclays OCIO Services Limited	
Barclays Pension Funds Trustees Limited	
Barclays Principal Investments Limited	A, I, J
Barclays Private Bank	
Barclays SAMS Limited	
Barclays Security Trustee Limited	A
Barclays Services (Japan) Limited	
Barclays Shea Limited	
Barclays Term Funding Limited Liability Partnership	B
Barclays UK Investments Limited	
Barclays Unquoted Investments Limited	
Barclays Wealth Nominees Limited	
Barclaycard Payments Limited	
Barclayshare Nominees Limited	
Barcosec Limited	
Barsec Nominees Limited	
BB Client Nominees Limited	
BMI (No.9) Limited	
BNRI ENG 2014 Limited Partnership	B
BNRI ENG GP LLP	B
BNRI England 2010 Limited Partnership	B
BNRI England 2012 Limited Partnership	B
Carnegie Holdings Limited	
Chapelcrest Investments Limited	
Clydesdale Financial Services Limited	
Cornwall Home Loans Limited	
CPIA England 2009 Limited Partnership	B
CPIA England No.2 Limited Partnership	B
Dorset Home Loans Limited	
Durlacher Nominees Limited	
Eagle Financial and Leasing Services (UK) Limited	
Finpart Nominees Limited	
FirstPlus Financial Group Limited	
Foltus Investments Limited	
Global Dynasty Natural Resource Private Equity Limited Partnership	B
Globe Nominees Limited	
Hawkins Funding Limited	
Heraldglen Limited	H, M
Isle of Wight Home Loans Limited	
J.V. Estates Limited	

Notes to the financial statements (continued)

Other disclosure matters

Wholly owned subsidiaries	Note
Kirsche Investments Limited	
Long Island Assets Limited	
Maloney Investments Limited	
Menlo Investments Limited	
Mercantile Credit Company Limited	
Mercantile Leasing Company (No.132) Limited	
MK Opportunities LP	B
Naxos Investments Limited (In Liquidation 14 January 2026)	
North Colonnade Investments Limited	
Northwharf Investments Limited	T,H
Northwharf Nominees Limited	
Oak Pension Asset Management Limited	U
Radbroke Mortgages UK Limited	
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	H, E
Roder Investments No. 2 Limited	H, E
RVT CLO Investments LLP	B
Surety Trust Limited	
Sustainable Impact Capital Limited	
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	
US Real Estate Holdings No.5 Limited	
US Real Estate Holdings No.6 Limited	
Water Street Investments Limited	U
Wedd Jefferson (Nominees) Limited	
Westferry Investments Limited	
Woolwich Homes Limited	
Woolwich Qualifying Employee Share Ownership Trustee Limited	
Zeban Nominees Limited	
C/O Teneo Financial Advisory Limited, 3rd Floor, The Colmore Building, 20 Colmore Circus Queensway, Birmingham, West Midlands, B4 6AT	
Barclays Nominees (Branches) Limited (In Liquidation)	
Leonis Investments LLP (In Liquidation)	B
2nd Floor, Marlow International, Parkway, Marlow, SL7 1YL, United Kingdom	
Kensington Mortgage Company Limited	
Kensington Mortgage Services Limited	
1-4, Clyde Place Lane, Glasgow, G5 8DP	
R.C. Greig Nominees Limited	
50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ	

Wholly owned subsidiaries	Note
BNRI PIA Scot GP Limited	
BNRI Scots GP, LLP	B
Pecan Aggregator LP	B
Logic House, Waterfront Business Park, Park, Fleet Road, Fleet, Hampshire, GU51 3SB	
The Logic Group Enterprises Limited	
The Logic Group Holdings Limited	I
9, allée Scheffer, L-2520, Luxembourg	
Barclays Claudas Investments Partnership	B, N
Barclays Pelleas Investments Limited Partnership	B, N
Barclays Blossom Finance Limited Partnership	B, N
Argentina	
Marval, O'Farrell & Mairal, Av. Leandro N.Alem 882, Buenos Aires, C1001AAQ	
Compañia Regional del Sur S.A.(In Liquidation)	
Brazil	
Av. Brigadeiro Faria Lima, No.4.440, 12th Floor, Bairro Itaim Bibi, Sao Paulo, CEP, 04538-132	
Barclays Brasil Assessoria Financeira Ltda	
Canada	
Bay Wellington Tower, Brookfield Place, 47th floor, 181 Bay Street, Toronto, Ontario, M5J 2T3	
Barclays Capital Canada Inc.	
Barclays Corporation Limited	
1 Churchill Place, London, E14 5HP	
CPIA Canada Holdings	B, N
Cayman Islands	
PO Box 309, Ugland House, George Town, Grand Cayman, KY1-1104	
Alymere Investments Limited	F, G, H
Analytical Trade UK Limited	
Barclays Capital (Cayman) Limited	
Barclays Securities Financing Limited	F, G, H
Barclays US Holdings Limited	E, I
Braven Investments No.1 Limited	
Capton Investments Limited	
Claudas Investments Limited	H, Y, Z
Claudas Investments Two Limited	
CPIA Investments No.2 Limited	E, H
Gallen Investments Limited	
Hornbeam Limited	U
Mintaka Investments No. 4 Limited	
Palomino Limited	
Pelleas Investments Limited	
Pippin Island Investments Limited	

Wholly owned subsidiaries	Note
Razzoli Investments Limited	E, H
RVH Limited	E, H
France	
34-36 avenue de Friedland, 75008, Paris	
Barclays ADF SA	
Guernsey	
P.O. Box 33, Dorey Court, Admiral Park, St. Peter Port, GY1 4AT	
Barclays Insurance Guernsey PCC Limited	O
Barclays UKRF No.1 IC Limited	U
Barclays UKRF ICC Limited	U
Barclays UKRF No.2 IC Ltd	U
Hong Kong	
Level 41, Cheung Kong Center, 2 Queen's Road Central, N/A, Hong Kong	
Barclays Capital Asia Limited	
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	
Barclays Investments & Loans (India) Private Limited	E, H
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, D02 RF29	
Barclaycard International Payments Limited	
Barclays Bank Ireland Public Limited Company	
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, D01	
Erimon Home Loans Ireland Limited	
70 Sir John Rogerson's Quay, Dublin 2, D02 R296	
Barclays Finance Ireland Limited	
Isle of Man	
Eagle Court, Circular Road, Douglas, IM1 1AD	
Barclays Nominees (Manx) Limited (In Liquidation)	U

Notes to the financial statements (continued)

Other disclosure matters

Wholly owned subsidiaries	Note
Barclays Private Clients International Limited	I, J, U
c/o Zedra Trust Company (Isle of Man) Limited, 2nd Floor, St Georges Court, Upper Church Street, Douglas, IM1 1EE	
Barclays Holdings (Isle of Man) Limited (In Liquidation)	
Japan	
10-1, Roppongi 6-chome, Minato-ku, Tokyo	
Barclays Funds and Advisory Japan	
Barclays Securities Japan Limited	F, H
Jersey	
28 Esplanade, St Helier, JE2 3QA	
Barclays Services Jersey Limited (In Liquidation)	
13 Library Place, St Helier, JE4 8NE	
Barclays Nominees (Jersey) Limited	U
Barclaytrust Channel Islands Limited	U
Estera Trust (Jersey) Limited, 13-14 Esplanade, St Helier, JE1 1EE	
MK Opportunities GP Ltd	
3rd Floor, 44 Esplanade, St. Helier, JE4 9WG, Jersey	
Barclaycard Payments Holdings Limited	
Barclaycard Payments Midco Limited	
Luxembourg	
9, allée Scheffer, L-2520, Luxembourg	
Barclays Bedivere Investments S.à r.l.	H, I, J
Barclays Cantal Investments S.à r.l.	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.	
Barclays Luxembourg Holdings SSC	B
BNRI Limehouse No.1 S.à r.l.	P
68-70 Boulevard de la Petrusse, L-2320	
Adler Toy Holding Sarl	

Wholly owned subsidiaries	Note
10 rue du Château d'Eau, Leudelange, Grand Duchy of Luxembourg L-3364	
BPM Management GP SARL	
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)	
Barclays Capital Securities Mauritius Limited	
Fifth Floor Ebene Esplanade, 24 Bank Street, Cybercity 72201 Ebene	
Barclays Mauritius Overseas Holdings Limited	
Mexico	
Paseo de la Reforma 505, Torre Mayor Floor 41, Colona Cuauhtémoc, 06500, Mexico City	
Barclays Bank Mexico, S.A.	J, L
Barclays Capital Casa de Bolsa, S.A. de C.V.	J, L
Grupo Financiero Barclays Mexico, S.A. de C.V.	J, L
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)	
Building 4.09- Unit 2- Level 9th, King Abdullah Financial District Riyadh, KSA, Kingdom Abdullah Financial District, Riyadh	
Barclays Regional Headquarters Company	
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.	
Switzerland	
Chemin de Grange Canal 18-20, PO Box 3941, 1211, Geneva	
Barclays Bank (Suisse) SA	
Barclays Switzerland Services SA	
BPB Holdings SA	

Wholly owned subsidiaries	Note
Taiwan	
19F-1, No. 7, Xinyi Road, Sec. 5, Taipei, A322, Taiwan	
Barclays Securities Taiwan Limited	
Turkey	
13th floor, Kanyon Office Block, Büyükdere Caddesi, Levent, Istanbul, 34394	
Barclays Menkul Değerler Anonim Şirketi	
United States	
Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808	
Analytical Trade Holdings LLC	
Barclays Asset Backed Depositor LLC	C
Barclays Bank Delaware	E, H
Barclays Capital Derivatives Funding LLC	C
Barclays STBT Inc.	
Barclays Capital Equities Trading GP	B
Barclays Capital Holdings Inc.	F, G, H
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.	F, H
Barclays Lifestyles LLC	C
Barclays Nest LLC	C
Barclays Oversight Management Inc.	
Barclays Receivables LLC	C
Barclays Services Corporation	
Barclays Services LLC	C
Barclays US CCP Funding LLC	C
Barclays US Investments Inc.	
Barclays US LLC	H, EE
BCAP LLC	C
Gracechurch Services Corporation	
Lagalla Investments LLC	
Marbury Holdings LLC	
Preferred Liquidity, LLC	I
Procella Investments No.2 LLC	II
Procella Investments No.3 LLC	II
Relative Value Holdings, LLC	
Surrey Funding Corporation	
Sussex Purchasing Corporation	
Sutton Funding LLC	C
US Secured Investments LLC	X
Verain Investments LLC	
Wilmington Riverfront LLC	C
100 Bank Street, Suite 630, Burlington, Vermont 05401	
Barclays Insurance U.S. Inc.	

Notes to the financial statements (continued)

Other disclosure matters

Wholly owned subsidiaries	Note
Corporation Service Company, 80 State Street, Albany, NY, 12207-2543	
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, Wilmington, Delaware, 19890	
Barclays Dryrock Issuance Trust	FF
745 Seventh Avenue, New York, NY10019	
Alynore Investments Limited Partnership	B, N

Other Related Undertakings

Unless otherwise stated, the undertakings below are included in the consolidation and the share capital held by the Group comprises ordinary and/or common shares, which are held by subsidiaries of Barclays PLC. The percentage of the nominal value of each share class held by the Group is provided below.

Other Related Undertakings	%	Note
United Kingdom		
1 Churchill Place, London, E14 5HP		
Barclaycard Funding PLC	100.00	I
Barclays Covered Bonds Limited Liability Partnership	50.00	B
Barclays Secured Funding (LM) Limited	20.00	
Barclays Secured Notes Finance LLP	20.00	B
80 Fenchurch Street, London EC3M 4AE		
Igloo Regeneration (General Partner) Limited	25.00	K, U
3-5 London Road, Rainham, Gillingham, Kent ME8 7RG		
Trade Ideas Limited	20.00	U
50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ		
Equistone Founder Partner III L.P.	20.00	B, U
Enigma, Wavendon Business Park Milton Keynes, MK17 8LX		
Intelligent Processing Solutions Limited	19.50	U
180 Borough High Street, London SE1 1LB		
Protium Green Solutions Limited		U, GG
13-15 York Buildings, London, WC2N 6JU		
BGF Group PLC	24.60	I, U
Unit 9 Westbrook Court, Sharrowvale Road, Sheffield, S11 8YZ		
Palms Row Healthcare Holdings Limited	100.00	U, CC
3rd Floor 19-20 Berners Street, London, W1T 3NW		
AVFI TIDE I LP	41.30	B, U
3rd Floor, 19-20 Berners Street, London W1T 3NW		
Female Innovators Lab L.P.	60.00	B
6th Floor 60 Gracechurch Street, London, EC3V 0HR		
BMC (UK) Ltd		U, LL
1301 K Street Nw, Washington DC 20005, United States		
Barclays Pre-Seed Investments I LP	100.00	B, N, U
Barclays Pre-Seed Investments II LP	100.00	B, N, U
The White House, High Street, Dereham, Norfolk, NR19 1DR		
Naked Energy Limited	25.80	G, U
Belgium		
Klipperstraat 15 2030 Antwerp		
Euphony Benelux NV (In Administration)	20.00	U
Cayman Islands		
Maples Corporate Services Limited, PO Box 309, Ugland House, South Church Street, Grand Cayman, KY1-1104		
Southern Peaks Mining LP	54.05	B, U
SPM GP Limited	90.00	U
Korea, Republic of		
18th Floor, Daishin Finance Centre, 343, Samil-daero, Jung-go, Seoul		
Woori BC Pegasus Securitization Specialty Co. Ltd	70.00	AA
Luxembourg		
9, allée Scheffer, L-2520, Luxembourg		
Barclays Alzin Investments S.à r.l.	100.00	D, S
Barclays Bordang Investments S.à r.l.	100.00	S
17, Boulevard F.W. Raiffeisen		
Salica Growth Debt Fund II SCSp	33.00	B, U
Netherlands		
Winschoterdiep, 70, Groningen, 9723AB, Groningen,		
Cube Solidus B.V.		U, JJ
Alexanderstraat 18, The Hague, 2514 JM, Zuid-Holland		
Tulip Oil Holding BV		U, KK

Joint Ventures

The related undertaking below is dealt with as a Joint Venture[1] in accordance with s.18, Schedule 4, The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and is proportionally consolidated. The proportion of the capital of the related undertaking held by the Group is stated below.

Joint Venture	%	Note
United Kingdom		
All Saints Triangle, Caledonian Road, London, N1 9UT		
Vaultex UK Limited	50.00	

Joint management factors

The Board of Directors of the above Joint Venture comprises two Barclays representative Directors, two JV partner Directors and two non-JV partner Directors. The Board of Directors are responsible, amongst other things, for setting the company strategy and budgets.

The last financial year of the above JV ended on 3 October 2025 and the average number of monthly employees reported in the accounts was 1,118.

Notes:

1 This is distinct to how the term "joint venture" may be used for the purposes of IFRS.

Notes to the financial statements (continued)

Other disclosure matters

Notes

The terms Barclays or Group refer to Barclays PLC together with its subsidiaries. Unless otherwise stated, the income statement analysis compares the year ended 31 December 2025 to the corresponding twelve months of 2024 and balance sheet analysis as at 31 December 2025 with comparatives relating to 31 December 2024. The abbreviations '£m' and '£bn' represent millions and thousands of millions of Pounds Sterling respectively; the abbreviations '$m' and '$bn' represent millions and thousands of millions of US Dollars respectively; and the abbreviations '€m' and '€bn' represent millions and thousands of millions of Euros respectively.

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

Relevant terms that are used in this document, but are not defined under applicable regulatory guidance or International Financial Reporting Standards (IFRS) are explained in the results glossary that can be accessed at home.barclays/investor-relations/reports-and-events/latest-financial-results.

These results will be filed on a Form 20-F, with the US Securities and Exchange Commission (SEC) as soon as practicable following their publication. Once filed with the SEC, a copy of the Form 20-F will be available from the Barclays Investor Relations website at home.barclays/annualreport and from the SEC's website at sec.gov.

Barclays is a frequent issuer in the debt capital markets and regularly meets with investors via formal roadshows and other ad hoc meetings. Consistent with its usual practice, Barclays expects that from time-to-time over the coming quarter, it will meet with investors globally to discuss these results and other matters relating to the Group.

Non-IFRS performance measures

Barclays' management believes that the non-IFRS performance measures included in this document provide valuable information to the readers of the financial statements as they enable the reader to identify a more consistent basis for comparing the businesses' performance between financial periods and provide more detail concerning the elements of performance which the managers of these businesses are most directly able to influence or are relevant for an assessment of the Group. They also reflect an important aspect of the way in which operating targets are defined and performance is monitored by Barclays' management. However, any non-IFRS performance measures in this document are not a substitute for IFRS measures and readers should consider the IFRS measures as well. Refer to pages 373 to 377 for further information and calculations of non-IFRS performance measures included throughout this document, and the most directly comparable IFRS measures.

Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to the Group. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements. Forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Forward-looking statements can be made in writing, but also may be made verbally by directors, officers and employees of the 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 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 sustainability-related 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 sustainability reporting standards (including emissions accounting methodologies); changes in tax laws and practice; the outcome of current and future legal proceedings and regulatory investigations; the 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 Group operates, including as a result of the adoption of rules and regulations taking a different or opposing position on sustainability matters, or other forms of governmental and regulatory action against sustainability policies; environmental, social and geopolitical risks and incidents and similar events beyond the 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 Group or any securities issued by it; changes in counterparty risk; changes in consumer behaviour; changes in trade policy, including the imposition of tariffs or other protectionist measures; 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; changes in US legislation and policy; developments in the UK's relationship with the European Union; the risk of cyber attacks, information or security breaches, technology failures or operational disruptions and any subsequent impact on the Group's reputation, business or operations; the use of new technology, including artificial intelligence; the Group's ability to access funding; and the success of acquisitions, disposals, joint ventures and other strategic transactions. A number of these factors are beyond the Group's control. As a result, the 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 Group's forward-looking statements. In setting its targets and outlook for the period 2026-2028, Barclays has made certain assumptions about the macroeconomic environment, including, without limitation, inflation, interest and unemployment rates, the different markets and competitive conditions in which Barclays operates, and its ability to grow certain businesses and achieve costs savings and other structural actions. Additional risks and factors which may impact the Group's future financial condition and performance are identified in the description of material existing and emerging risks beginning on page 226 of this Annual Report.

Subject to Barclays PLC'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.

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BARCLAYS

Our 2025 suite of Reports

Barclays PLC Annual Report 2025
A detailed review of Barclays' 2025 performance with disclosures that provide useful insight and go beyond reporting requirements. The 2025 report integrates our Climate and Sustainability report, incorporating Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

Barclays PLC Pillar 3 Report 2025
A summary of our risk profile, its interaction with the Group's risk appetite, and risk management.

Barclays PLC Country Snapshot 2025
An overview of our global tax contribution as well as our approach to tax, including our UK tax strategy, together with our country-by-country data.

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