

Barclays Bank Ireland PLC

Annual Report

31 December 2025

Contents	Page
Strategic Report	
Performance review	2
Society	4
Colleagues	5
Performance measures	7
Managing risk	10
Directors' Report	13
Sustainability Statement	
Sustainability Statement contents	22
General information	23
Environmental information	37
Social information	54
Governance information	78
EU Taxonomy	83
Independent practitioner's limited assurance report	94
Other governance information	99
Risk Review	
Risk review contents	103
Risk management strategy	104
Material existing and emerging risks	108
Principal risk management	126
Risk performance	140
Supervision and regulation	200
Financial Statements	
Financial statements contents	207
Independent Auditor's report	208
Financial statements	218
Notes to the financial statements	223
Country by Country Reporting	295
Schedules to the Sustainability Statement	
Schedule A: Datapoints in cross-cutting and topical standards that derive from other EU legislation	300
Schedule B: EU Taxonomy (quantitative information)	312

Strategic report

Performance review

The Strategic Report was approved by the Board of Directors on 5 March 2026.

OVERVIEW

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

The Bank is licensed as a credit institution by the Central Bank of Ireland (CBI) and is designated as a significant institution, directly supervised by the Single Supervisory Mechanism (SSM) of the European Central Bank (ECB). The Bank is regulated by the CBI for financial conduct and the Bank's branches are also subject to direct supervision for local conduct purposes by national supervisory authorities in the jurisdictions where they are established.

The Bank has issued debt securities listed on regulated European markets and as a result, the Bank has prepared and published this Annual Report in accordance with the requirements for periodic financial information under the Transparency (Directive 2004/109/EC) Regulations 2007, as amended, which apply to the Bank.

The Bank is the primary legal entity within the Barclays Group serving Barclays European Economic Area (EEA) clients, with branches in Belgium, France, Germany, Italy, Luxembourg, the Netherlands, Portugal, Spain and Sweden, in addition to its Irish Head Office.

Following a comprehensive review, we have started formal legal and regulatory processes to redomicile our European headquarters from Dublin to Paris. Through these processes, Barclays Europe is seeking necessary approvals to convert its corporate form into a "Societas Europaea" (SE), upon conclusion of which its name would be changed to "Barclays Europe SE" (BE SE). This conversion into an SE is expected to be completed by the end of 2026, with the relocation of BE SE's headquarters from Dublin to Paris finalising in H1 2027, subject to regulatory approval. This move will enhance oversight and governance by bringing decision-making closer to the location of principal risk-taking in our Investment Bank in Continental Europe.

Our business in Continental Europe continues to grow and is making an increasingly important contribution to Barclays overall progress. We retain significant ambitions for our Corporate Banking and Private Bank businesses in Ireland, which will remain in place with a strong team of Dublin-based client facing and operational colleagues.

OUR STRUCTURE¹

Barclays has five global business divisions, and Barclays Europe is represented in two of these:

- Investment Bank (IB) which is comprised of the International Corporate Banking, Investment Banking and Global Markets businesses, providing products and services to corporates, financial institutions, governments, supranational organisations and money managers to manage their funding, financing, strategic and risk management needs; and
- Private Bank & Wealth Management (PBWM) includes the Private Banking business in Barclays Europe and offers investment solutions, banking and credit capabilities to meet the needs of our clients across the EEA.

The Bank has disposed of the majority of its Italian retail mortgage book, and continues to consider options with respect to the Swiss-Franc linked Italian retail mortgage portfolio. As per previous years, the CHF portfolio is recorded in the 'Financial assets at fair value through the income statement' line on the balance sheet and continuing operations in the income statement.

In January 2025, the Bank successfully completed the sale of its Consumer Bank Europe (CBE) business to BAWAG P.S.K., a wholly owned subsidiary of BAWAG Group AG.

MARKET AND OPERATING ENVIRONMENT

In 2025, economic activity across continental Europe continued its cautious recovery, following the partial rebound seen in 2024. Growth remained modest across the region due in part to ongoing geopolitical tensions such as the conflicts in Ukraine and the Middle East, US trade policies, and political uncertainty in major European economies such as Germany and France. Despite these challenges, structural reforms, digital transformation initiatives, and accelerated investment in renewable energy sectors offered a more promising medium-term outlook. Inflation showed signs of convergence toward the ECB's 2% target, aided by softer demand and easing labour market pressures. Nonetheless, the continent's economic trajectory remained fragile, shaped by divergent national performances and the lingering effects of global trade disruptions, not least driven by US tariffs.

Note

- 1 Information subject to limited assurance in accordance with (ISAE) (Ireland) 3000

Strategic report

Performance review

In the IB, the Bank continued to assist and advise our clients, ranging from supranational and sovereign to corporate, with access to capital markets for liquidity, capital and investment purposes, and to navigate the changing macroeconomic environment. Our Global Markets business continued to deliver strong performance and consistent client service despite the backdrop of heightened geopolitical uncertainty, shifting monetary policy, and evolving market structure. We remained a trusted partner to our clients, providing liquidity, risk management, and investment solutions across asset classes.

After a slow start, activity in our Investment Banking business has increased substantially, illustrated by the volume and quality of mandates from sophisticated clients across the continent. We also progressed with enhancements to our sustainable finance offerings, continuing to outperform in this area in the context of the financing targets set by Barclays Group. Our International Corporate Banking business has continued to grow in Continental Europe, leveraging further integration with Investment Banking to provide our clients with bespoke solutions and high-quality service, as well as offering good opportunities to capture net interest margin.

The Private Bank in BBI continues to grow, with Client Assets & Liabilities (CAL) and revenue growth primarily driven by banking activities. We also continued seeing conversion of cash into investments, primarily allocated to Multi Asset Discretionary Portfolio Management (DPM) portfolios, despite the more challenging landscape driven by market volatility.

Our desire to maintain a consistently excellent standard across the Bank drives our resilience and continued ability to serve the needs of our customers and clients, whilst assisting them in navigating the complex macro-economic and geopolitical landscape of recent years. In 2026, our risk and control environment will continue to provide a firm foundation on which to do business. Our unique proposition continues to be attractive to clients and customers across Continental Europe, and to top level talent across the industry. Our people reflect the diversity of our communities, and contribute to building a supportive working environment and culture within the Bank which can enable us to operate for the benefit of all our stakeholders.

Strategic report

Society

The following sub-sections include a summary of BBI's specific items from the Barclays PLC 2025 Annual Report. For full details, refer to the 'Society' section of the Barclays PLC 2025 Annual Report.

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.

Climate

In 2025, Barclays published the Barclays Transition Update, reiterated the ambition to be a net zero bank by 2050 and outlined how Barclays will continue to deliver against the strategy. In recognition of the realities of the transition and to balance this climate ambition, shareholder expectations and deliver this strategy, Barclays outlined in the Barclays Transition Update how the approach has evolved to focus on: working with clients on the transition, financing clients' transition and scaling climate tech, while integrating nature and social considerations. BBI will, alongside other Barclays Group companies, contribute to achieving the ambition to be a net zero bank by 2050.

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

For further information, please refer to the Sustainability Statement on page 22 and the Climate and Sustainability Report in the Barclays PLC 2025 Annual Report.

Communities

The Barclays Group, including the Bank, 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.

Barclays LifeSkills is helping to provide people across Europe with the employability skills they need to succeed at work and to connect them with businesses that are recruiting.

In the fourth year of our partnership with the employment charity, INCO, across France, Germany, Ireland, Italy and Spain, we have supported people who are not in education, employment or training; women traditionally excluded from STEM; Black and ethnically diverse individuals facing intergenerational poverty; migrants, refugees and asylum seekers; and people with disabilities. The programme provides skills training in high-demand specialisms such as data analysis and cybersecurity, complemented by a self-paced professional skills development programme and personalised coaching. Our colleagues play an important role in delivering the programme, and, through INCO, in 2025, we enabled over 100 volunteering opportunities for colleagues to mentor programme participants. In addition to INCO, the Bank works with six charity partners to stay close to local communities: JOBLINGE in Germany; ADAGE and Kodiko in France; Focus Ireland; La Cometa SCS in Italy; and Fundación Tomillo in Spain.

More information on how the Barclays Group is supporting communities can be found in the Barclays PLC 2025 Annual Report.

Suppliers

The Barclays Group, which includes the Bank, engages with Third-Party Service Providers (TPSP¹), seeking to integrate sustainability considerations across our supply chain. For further information please see our Barclays Code of Conduct for Third-Party Service Providers (TPSP CoC) and page 209 of Barclays PLC Annual Report 2025, explaining our approach to operational and reputational risk management with respect to our TPSPs.

Note

¹ TPSP means any entity that has entered into an arrangement with the Barclays Group in order to provide business functions, activities, goods and/or services to the Barclays Group.

Strategic report

Colleagues

The following sub-sections include a summary of BBI specific items from the Barclays PLC Annual Report 2025. For full details, refer to the Colleagues section of the Barclays PLC Annual Report 2025.

Barclays use a variety of tools to track and measure its strategic delivery, and collect both quantitative and qualitative information to develop a full picture of its performance. For further information see the (S1) 'Own Workforce' section of the Sustainability Statement starting on page 54.

Our aim

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

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 – 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 engagement with national works councils and the Barclays Group European Forum also offers further insight into the views of our people. We continue to consult, where applicable, with colleague representatives on major change programmes impacting our people, to minimise compulsory job losses and focus on 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 Barclays Group's 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.

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

We also launched the Risk and Control Digital Credential (RCDC) – Barclays' 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. 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 at VP and Director -level; along with sponsorship initiatives for Director-level talent in the Investment Bank. We continued with 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 continued hiring interns and graduates and continued building on our relationships with key partners to ensure inclusive access to all our opportunities. We simplified and personalised learning for colleagues and invested in technology to support our People Leaders' development. For example, by piloting virtual coaching with new managing directors and expanding the deployment of our 360-feedback tool. In 2025 we focused on enhancing our global alumni proposition - including defining a differentiated experience for our Executive Alumni.

Strategic report

Colleagues

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.

Supporting our workforce

Helping our people perform at their best remains a priority. Barclays provides a range of support for colleagues through its 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, supported by our mental health awareness eLearning and our 'Be Well' online wellbeing portal.

Rewarding our colleagues

We offer eligible colleagues the opportunity to acquire Barclays shares on beneficial terms. 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 and in 2026 we will grant a similar colleague share award, for a second successive year.

Our people policies

Our people policies help us recruit the best people, provide equal opportunities and create an inclusive culture – in line with our Purpose, Values and Mindset, and in support of our long-term success. They are 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.

Strategic report

Performance measures

Key performance highlights

	2025 €m	2024 €m
Income statement:		
Continuing operations		
Total income	1,493	1,447
Operating expenses	(1,023)	(1,014)
Share of post-tax results of associates	50	38
Profit before impairment	520	471
Credit impairment charges	(7)	(18)
Profit before tax	513	453
Tax charge	(112)	(85)
Profit after tax from continuing operations	401	368
Profit/(loss) after tax from discontinued operations	12	(226)
Profit after tax	413	142
Attributable to:		
Profit attributable to ordinary shareholders	344	63
Attributable to other equity instrument holders ¹	69	79
Profit after tax	413	142
Balance Sheet information:		
	€bn	€bn
Assets		
Cash and balances at central banks	28.2	27.5
Debt securities at amortised cost	8.6	6.0
Loans and advances at amortised cost to banks	1.3	1.1
Loans and advances at amortised cost to customers	6.1	6.3
Trading portfolio assets	17.9	17.1
Financial assets at fair value through the income statement	17.9	20.6
Derivative financial instruments	31.5	32.8
Assets included in disposal groups classified as held for sale ²	—	4.5
Liabilities		
Deposits at amortised cost from banks	2.5	1.9
Deposits at amortised cost from customers	29.6	27.9
Trading portfolio liabilities	14.5	18.6
Subordinated liabilities	4.9	4.8
Financial liabilities designated at fair value	21.8	21.1
Derivative financial instruments	25.5	25.8
Liabilities included in disposal groups classified as held for sale ²	—	4.5

Strategic report

Performance measures

Capital and liquidity³:

Total risk weighted assets (RWAs) ^{4,5} (€bn)	36.9	39.0
Common equity tier 1 (CET1) ^{4,6} (€bn)	6.1	6.1
CET1 ratio ^{4,5,7,8} (%)	16.7%	15.8%
Total regulatory capital ratio ^{4,5,7,8} (%)	21.4%	21.3%
CRR leverage ratio ⁴ (%)	5.8%	5.4%
Liquidity pool ^{7,9} (€bn)	34.3	33.6
Liquidity coverage ratio (LCR) ¹⁰ (%)	197%	210%
Net stable funding ratio (NSFR) (%)	151%	131%

Notes

- 1 All AT1 instruments issued by the Bank are held by BBPLC.
- 2 Prior year balances of assets and liabilities held for sale of €4.5bn and €4.5bn respectively, related to the CBE portfolio being presented as 'held for sale' in accordance with IFRS 5 'Non-Current Assets Held for Sale and Discontinued Operations'. CBE was sold in January 2025 (see note 40 for further details).
- 3 Capital and liquidity metrics in the table have been presented according to CRR3 guidelines, comparative period disclosures have been presented as per CRR2 guidelines.
- 4 2024 comparatives for Capital, RWAs and leverage were calculated applying the IFRS 9 transitional arrangements in accordance with the Capital Requirements Regulation (CRR). Effective from 1 January 2025, the IFRS9 transitional arrangements no longer applied.
- 5 2024 comparatives have been re-presented following a review of the internal methodology for RWA calculation.
- 6 CET1 is a measure of capital that is predominantly common equity as defined by the EU CRR.
- 7 The classification of CBE as held for sale on balance sheet for FY2024 has no impact on the liquidity metrics and capital ratios of the Bank.
- 8 Capital ratios express the Bank's capital as a percentage of its RWAs (see page 194).
- 9 The Bank's liquidity pool represents its stock of high quality liquid assets (HQLAs), which are high or extremely high liquidity and credit quality assets as defined by Commission Delegated Regulation (EU) 2015/61, commonly referred to as the 'Delegated Act'.
- 10 The LCR expresses the Bank's HQLAs as a percentage of its stressed net outflows over a 30 day period as defined by the Delegated Act.

Changes to key performance highlights

The presentation of performance measures has been amended to reflect the key metrics for the Bank, providing stakeholders with the most relevant information. The historical credit quality performance measures are explained in detail in the credit risk performance section where the expected credit losses are analysed by product and stage in the risk section (pages 149 to 151). A loan to deposit ratio is less relevant for Barclays Bank Ireland PLC given the focus on corporate and investment banking rather than retail deposit taking.

Income Statement Commentary

Continuing Operations

The Bank earned a profit before tax of €513m in 2025 (2024: €453m), an increase of €60m.

Total income increased by €46m to €1,493m (2024: €1,447m), largely reflecting:

- IB income increased by €25m or 1.7% to €1,534m (2024: €1,509m), driven by robust growth in Equities, higher Debt Capital Markets fee income, and strong contribution from the Portfolio Management business, partially offset by margin compression within the International Corporate Bank; and
- PBWM income increased by €5m or 10% to €55m (2024: €50m), driven by continued balance growth across the Banking and Investment business lines.
- The loss from Head Office reduced by €16m to a €96m loss (2024: €112m loss), primarily driven by Treasury activities.

Operating expenses in continuing operations increased by €9m to €1,023m (2024: €1,014m), driven by increased project-related costs in Head Office.

Credit impairment charges in continuing operations were €7m (2024: €18m), reflecting limited single names and model remediation in IB, partially offset by an adjustment for elevated macroeconomic uncertainty.

The Bank's tax charge from its continuing operations was €112m (2024: €85m). The effective tax rate of 21.8% (2024: 18.8%) is higher than the statutory tax rate in Ireland of 12.5%. The difference is due to a number of factors including profits earned outside of Ireland, which are taxed at higher local statutory tax rates, and the effect of tax losses where no deferred tax is recognised.

Discontinued Operations

A profit after tax under discontinued operations was reported at €12m (2024: Loss after tax €(226)m). The profit was mainly driven by CBE business activities, prior to its sale in January 2025. Please refer to Note 40 for more details.

Strategic report

Performance measures

Balance Sheet Commentary

As at 31 December 2025, total assets were €132.4bn, a decrease of €5.7bn compared to 31 December 2024 (€138.1bn), primarily driven by the disposal of the CBE business, as well as decreases in reverse repurchase agreements and other similar secured lending. These were somewhat offset by increases in debt securities at amortised cost and cash collateral and settlement balances.

Debt securities at amortised cost increased by €2.6bn to €8.6bn driven by the increased investment of the Bank's liquidity pool in debt securities.

Derivative financial instrument assets decreased €1.3bn to €31.5bn driven by a reduction in mark-to-market on FX derivatives offset by an increase on interest rate derivatives.

Financial assets at fair value through the income statement decreased by €2.6bn to €17.9bn driven by reduced financing activity.

Trading portfolio liabilities decreased by €4.1bn to €14.5bn driven by reduced client demand and market making activities particularly within European Bonds.

Customer deposits increased by €1.4bn in 2025 to €29.6bn primarily driven by an increase in short-term deposits.

Other Metrics and Capital

The Bank forecasts its liquidity position on a daily basis as the balance sheet asset and liability maturity profile changes. The Bank has sufficient buffers over the required minimum levels of daily liquidity necessary to meet its regulatory liquidity requirements and its own risk appetite. In addition, the Bank has a contingency funding plan in place.

The Bank held a liquidity pool of €34.3bn as at 31 December 2025 (2024: €33.6bn). This comprises balances with central banks of €27.6bn¹ (2024: €26.9bn¹) and highly liquid securities of €6.6bn (2024: €6.7bn), which meet the requirements for classification as HQLA.

The decrease in LCR to 197% (Dec 24: 210%) is primarily driven by increased Markets funding requirements, Treasury investments (Non-Buffer eligible securities) and repayment of Credit Linked Notes (CLN), partially offset by increased deposits and reduction in lending.

The Bank's NSFR at 31 December 2025 was 151% (2024: 131%), which is above the regulatory minimum requirement of 100% under CRR II for the Bank.

The Bank's CET1 ratio was 16.7% as at 31 December 2025 (2024: 15.8%), which was above the regulatory capital minimum requirement. The movement in the year was primarily due to a decrease in RWAs of €2.1bn. The Bank's total regulatory capital ratio was 21.4% as at 31 December 2025 (2024: 21.3%). The Bank's capital continues to be managed on an ongoing basis to ensure there are sufficient capital resources.

Note

¹ Residual central bank balances related to minimum reserves.

POST BALANCE SHEET EVENTS

There have been no significant events affecting the Bank since year end.

FUTURE DEVELOPMENTS

The Bank continues to review opportunities to optimise its business portfolio and operational approach, which could lead to further changes in 2026.

OTHER INFORMATION

Information on research and development (R&D), existence of branches of the Bank and financial risk management objectives and policies can be found in the Directors' Report on page 13.

Strategic Report

Managing risk

The Bank 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

Within the Bank, risks are identified and overseen in accordance with the Enterprise Risk Management Framework (ERMF), which supports the business in its aim to embed effective risk management and a strong risk management culture.

The ERMF governs the way in which the Bank 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 Bank and reinforce independent assessment, management and oversight of financial crime risk.

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 Bank may choose to adopt a lower risk appetite than allocated to it by the Barclays Group.

Three Lines of Defence

The first line of defence (1LOD) is comprised of the revenue-generating and client-facing areas, along with all associated support functions, including Finance, Treasury, Human Resources, Operations and Technology. The first line identifies the risks, sets the controls and escalates risk events to the second line of defence (2LOD). 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 2LOD 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 (3LOD) comprises of Internal Audit, and provides independent assurance to the BBI Board and the BBI 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 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 (LRR). 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.

For further detailed analysis of our approach to risk management and risk performance see the full Risk review on pages 103 to 199.

The Enterprise Risk Management Framework defines ten Principal Risks¹

<i>Principal Risks</i>	<i>Risks are classified into Principal Risks, as below</i>	<i>How risks are managed</i>
<i>Climate risk</i>	<i>The risk of financial losses arising from climate change through physical risks and risks associated with transitioning to a lower carbon economy.</i>	<i>A risk management framework has been implemented for managing financial and operational risks from climate change across BBI's first and second line activities. BBI 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 BBI's 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</i>

The Enterprise Risk Management Framework defines ten Principal Risks¹			
Principal Risks	Risks are classified into Principal Risks, as below	How risks are managed	
Principal Risk	Credit risk	<p>The risk of loss to the Bank from the failure of clients, customers or counterparties (including sovereigns), to fully honour their obligations to the Bank, including the whole and timely payment of principal, interest, collateral and other receivables.</p>	<p>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.</p>
	Market risk	<p>The risk of loss arising from potential adverse changes in the value of the Bank's assets and liabilities from fluctuation in market variables including, but not limited to, interest rates, foreign exchange (FX), equity prices, commodity prices, credit spreads, implied volatilities and asset correlations.</p>	<p>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 & scale (M&S) limits set by the second line.</p>
	Treasury and Capital risk	<p>Liquidity risk: The risk that the Bank is unable to meet its monetary contractual or contingent obligations or that it does not have the appropriate amount, tenor and composition of funding and liquidity to support its assets.</p> <hr/> <p>Capital risk: The risk that the Bank 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 Bank's defined benefit pension plans.</p> <hr/> <p>Interest Rate Risk in the banking book (IRRBB): The risk that the Bank 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 Bank is exposed to capital or income volatility because of changes in credit spreads on its (non-traded) assets and liabilities.</p>	<p>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.</p> <p>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.</p> <p>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.</p> <p>Pension risks are monitored regularly and reported to relevant stakeholders and committees to support discussions with the relevant pension fund's actuaries and trustees.</p> <p>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.</p>
	Operational risk	<p>The risk of loss to the Bank from inadequate or failed processes or systems, human factors or due to external events (for example fraud or cyberattacks) where the root cause is not due to credit or market risks.</p>	<p>Operational risks are managed in accordance with the Operational Risk Framework (ORF), 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.</p>

The Enterprise Risk Management Framework defines ten Principal Risks¹			
Principal Risks	Risks are classified into Principal Risks, as below	How risks are managed	
Principal Risk	Model risk	<p>The potential for adverse consequences from decisions based on incorrect or misused model outputs and reports.</p>	<p>Model risk is managed in accordance with the Model Risk Management Framework supported by the Model Risk Policy and associated Standards .</p> <p>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.</p>
	Compliance risk	<p>The risk of poor outcomes for, or harm to, customers, clients and markets, arising from the delivery of the Bank'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 LRR applicable to the Bank (also known as Laws, Rules and Regulations Risk (LRR Risk)).</p>	<p>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 2LOD oversight to all the Bank's businesses, providing advice and challenge where appropriate.</p>
	Financial Crime risk	<p>The risk that the Bank and its associated persons (employees or third parties) commit or facilitate financial crime, and/or the Bank'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 Bank's reputation; regulatory breaches; and/or financial penalties.</p>	<p>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).</p> <p>Financial Crime must oversee adherence to the FCRMF and the management of financial crime risk, and provide independent 2LOD oversight to all Barclays businesses, providing advice and challenge where appropriate.</p>
	Reputation risk	<p>The risk that an action, transaction, investment, event, decision, or business relationship will reduce trust in the Bank's integrity and/or competence.</p>	<p>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 BBI Board.</p>
	Legal risk	<p>The risk of loss or imposition of penalties, damages or fines from the failure of the Bank to meet applicable LRR or contractual requirements or to assert or defend its intellectual property rights.</p>	<p>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 Bank'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 CRMF, including the responsibility of the legal professionals to proactively identify, communicate and provide legal advice on applicable LRR.</p>

Note

1 The ERMF defines ten Principal Risks. For further information on how these Principal Risks apply specifically to the Bank, please refer to pages 126 to 139.

Directors' Report

The Directors present their report together with the financial statements for the financial year ended 31 December 2025.

The Bank has chosen, as noted in this Directors' Report, to include certain matters in its Strategic Report that would otherwise be disclosed in this Directors' Report.

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

	Pages
Performance measures	7
Sustainability Statement	22
Risk management	126
Principal risks	126
Financial instruments	242

REVIEW OF THE BUSINESS AND LIKELY FUTURE DEVELOPMENTS

A detailed review of the Bank's business activities is provided on page 2, and the performance for the year and an indication of likely future developments are detailed on pages 7 to 9, in each case within the Strategic Report.

PROFITS AND DIVIDENDS

The Bank's profit after tax for the financial year ended 31 December 2025 was €413m (2024: €142m).

The 2025 financial statements include an interim dividend paid on ordinary shares of €150m (2024: nil) which was paid during the year.

In addition to the interim dividend of €150m, the Directors have recommended a final dividend of €175m to the sole shareholder for approval, in respect of 2025. No dividends were paid in respect of 2024.

Further details on dividends on ordinary shares paid in respect of 2025 are set out in Note 10 to the financial statements.

SHARE CAPITAL

At 31 December 2025, the Bank had 898,669,234 ordinary shares of €1.00 each in issue (2024: 898,669,234). Further details on the Bank's capital is set out in Note 27 to the financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The Bank is exposed to internal and external risks as part of its ongoing activities. These risks include (among other things) Credit Risk, Market Risk, Liquidity Risk, Climate Risk, Operational Risk and Compliance Risk. For a description of the Bank's ERMF, the risks faced by the Bank and the management of those risks, please refer to the Risk review section which begins on page 103.

The Bank faces a complex and evolving risk landscape, driven by heightened macroeconomic and geopolitical uncertainty, periods of market volatility, regulatory change, and evolution of non-financial risks, such as cyber and AI related threats. Geopolitical tensions have required enhanced scenario analysis and stress testing to assess exposures and inform management actions.

NON-FINANCIAL INFORMATION

Information required in accordance with S.I. No. 360/2017 (EU (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017) (as amended) can be found in the Sustainability Statement and in the Climate Risk and Financial Crime sections of the Risk review.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Information regarding the Bank's financial risk management objectives and policies in relation to the use of financial instruments is set out in the Risk review section on pages 103 to 206.

POLITICAL DONATIONS

The Directors have satisfied themselves that there were no political donations that require disclosure under the Electoral Act, 1997 (as amended, supplemented, or replaced).

Directors' Report

ENVIRONMENT

Information regarding the Bank's approach to environmental matters can be found within the Bank's Sustainability Statement, which begins on page 22.

RESEARCH AND DEVELOPMENT

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

KEY INTANGIBLE RESOURCES

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

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

BRANCHES OUTSIDE THE STATE

At 31 December 2025, in addition to its Irish Head Office, the Bank had branches in Belgium, France, Germany, Italy, Luxembourg, the Netherlands, Portugal, Spain and Sweden.

GOING CONCERN

In preparing the Bank's financial statements, the Directors are required to:

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

This involves an assessment of the future performance of the business, to provide assurance that the Bank has the resources in place that are required to meet its ongoing regulatory requirements. The assessment is based upon business plans which contain future forecasts of profitability taken from management's five year medium term plan as well as projections of future regulatory capital requirements and business funding needs. This also includes details of the impact of internally generated stress testing scenarios on the liquidity and capital requirement forecasts. The stress tests used were based upon management's assessment of reasonably possible economic scenarios that the Bank could experience.

This assessment showed that the Bank had sufficient capital in place to support its future business requirements and remained above its regulatory minimum requirements in the stress test scenarios. It also showed that the Bank has an expectation that it can continue to meet its funding requirements during the scenarios. The Directors concluded that there was a reasonable expectation that the Bank has adequate resources to continue as a going concern for the foreseeable future.

The Strategic Report and Risk Review sections contain details on the Bank's business activities, financial position, capital, factors likely to affect its future development and performance, and its objectives and policies in managing the financial risks to which it is exposed.

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

ACCOUNTING RECORDS

The measures taken by the Directors to secure compliance with the Bank's obligation to keep adequate accounting records are the appointment of professionally qualified accounting personnel with appropriate expertise, ensuring the provision of adequate resources to the Bank's Finance function and the use of appropriate systems. The Bank's accounting records are maintained using electronic systems which form part of the wider systems of the Barclays Group. The accounting records are accessible from its registered office at One Molesworth Street, Dublin 2, Ireland.

Directors' Report

STATUTORY AUDITORS

KPMG, Chartered Accountants, were first appointed Statutory Auditor on 24 April 2017 and, pursuant to section 383(2) of the Companies Act 2014, as amended (Companies Act 2014), will continue in office.

The Barclays Board Audit Committee reviews the appointment of the Barclays Group statutory auditor, as well as their relationship with the Barclays Group, including monitoring the Barclays Group's use of the statutory auditor for non-audit services and the balance of audit and non-audit fees paid to them. The Bank Board Audit Committee reviews and monitors the independence, objectivity and effectiveness of the statutory auditor process, in addition to monitoring the performance of the statutory auditor and the use of the statutory auditor for non-audit services within the Bank.

In our 2024 Annual Report, we disclosed Barclays' intention to conduct a formal tender process for the role of statutory auditor for the Barclays Group (including the Bank) with effect from the 2027 financial year onwards. The audit tender process was conducted in early 2025 and overseen by the Barclays Board Audit Committee (with active and independent participation from the Bank's Board Audit Committee). Following conclusion of the audit tender process in May 2025, upon recommendation from the Bank Board Audit Committee, KPMG were re-appointed as the Bank's statutory auditor with effect from the financial year ending 31 December 2027. For more information on the audit tender process, please refer to the report of the Barclays' Board Audit Committee in the Barclays PLC Annual Report 2025.

DISCLOSURE OF RELEVANT INFORMATION TO AUDITORS

The Directors in office at the date of this report have confirmed that, as far as they are aware:

- there is no relevant audit information of which the Bank's auditor is unaware; and
- they have taken all the steps that ought to be taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Bank's auditor is aware of that information.

CORPORATE GOVERNANCE

The Bank is subject to the CBI's Corporate Governance Requirements for Credit Institutions 2015 (the Requirements), including the additional corporate governance obligations set out in the Requirements for institutions which are deemed significant for the purposes of the Capital Requirements Directive ('CRD IV') [S.I. 158/2014]. A statement of compliance with the Requirements is prepared and signed annually by the Board and is submitted to the CBI alongside the Annual Report.

The Board aspires to have high standards of corporate governance and has adopted corporate governance arrangements which it believes are appropriate and are designed to ensure effective decision making to promote the Bank's success for the long term.

The Board's primary aim is that its governance arrangements:

- are effective in providing advice and support to management;
- provide checks and balances and encourage constructive challenge;
- drive informed, collaborative and accountable decision making; and
- create long term sustainable value for the Bank's shareholder, the ultimate shareholders of BPLC and our wider stakeholders.

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

A description of the main features of the Bank's internal control and risk management systems in relation to its financial reporting process is set out in the section titled Controls over Financial Reporting on page 19.

The Bank is not subject to the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006.

Directors' Report

DIRECTORS

The names of persons who were Directors at any time during the financial year ended 31 December 2025, or who have been appointed since that date, are set out below.

Directors ¹	Appointed/Resigned	Nationality	Position
Tim Breedon CBE ^{(1), (4)}		British	Board Chair and Chair of Board Nominations Committee
Etienne Boris ^{(1), (2), (3), (4)}		French	Board Audit Committee Chair
Joanna Nader ^{(1), (2), (3), (4), (5)}		British/ Canadian	Board Risk Committee Chair
Jennifer Allerton ^{(1), (2), (3), (4), (5)}		British	Board Remuneration Committee Chair
Dioni Lebot ^{(1), (4)}	Appointed 10 November 2025	Greek/ French	
Sylvie Matherat ^{(1), (2), (3), (4)}		French	
Eduardo Stock da Cunha ^{(1), (2), (3), (4), (5)}		Portuguese	
Francesco Ceccato ⁽⁶⁾		Italian	Chief Executive Officer
Gian Marco Martino ⁽⁶⁾		Italian	Chief Financial Officer

- (1): Independent Non-Executive Director
(2): Member of the Board Audit Committee
(3): Member of the Board Risk Committee
(4): Member of the Board Nominations Committee
(5): Member of the Board Remuneration Committee
(6): Executive Director

The Board gender diversity stands at 44%¹ female, meeting the Board target of at least 40% gender diversity. The independence of the Non-Executive Directors is considered by the Board Nominations Committee annually. As at 31 December 2025, 7 of the 9 (78%) Directors¹ on the Board were independent Non-Executive Directors, including the Chairman. In respect of its Committees, the percentage of independent Non-Executive Directors on each of the Board Nominations Committee, Board Audit Committee, Board Risk Committee and Board Remuneration Committee is 100%.¹

Note

- ¹ Information subject to limited assurance in accordance with (ISAE) (Ireland) 3000

COMPANY SECRETARY

Fiona Burden was appointed as Company Secretary on 1 October 2025 in place of Francesca Carbonaro.

COMPANY NUMBER

396330

DIRECTORS' AND COMPANY SECRETARY'S INTERESTS

During the year ended 31 December 2025, certain of the Directors and the Company Secretary had interests in the ordinary shares of the Bank's ultimate parent company, B PLC. At no point during the year ended 31 December 2025 did any interest held by a Director or Company Secretary and any connected person of such Director/Company Secretary exceed 1% of B PLC's ordinary share capital.

Save as provided above, none of the Directors or Company Secretary had any interests in ordinary shares, debentures or other debt securities of any member of the Barclays Group during the year ended 31 December 2025.

THE BOARD

Executive and Non-Executive Directors share the same duties and are subject to the same constraints. However, a clear division of responsibilities has been established. The Chair is responsible for leading the Board and its overall effectiveness, demonstrating objective judgement and promoting a culture of openness and constructive debate between all Directors. The Chair facilitates the effective contribution of the Board and ensures Directors receive accurate, clear and timely information. It is the Board's responsibility to ensure that management delivers on short-term objectives, whilst promoting the long-term success of the Bank in the context of the Barclays Group. The Board is also responsible for ensuring that management maintains an effective system of internal control which should provide assurance of effective and efficient operations, internal financial controls and compliance with law and regulation.

Directors' Report

The Bank's Schedule of Matters Reserved to the Board specifies those decisions to be taken by the Board, including but not limited to material decisions relating to strategy, risk appetite, medium term plans, capital and liquidity plans, risk management and controls frameworks, reputation risk, approval of financial statements, and approval of share allotments and dividends. The Board has delegated the responsibility for making and implementing operational decisions and running the Bank's business on a day-to-day basis to the Chief Executive Officer (CEO) and his senior management team.

The current Board comprises of a Chair, who was independent on appointment, two Executive Directors, and six independent Non-Executive Directors. The majority of the Board are independent Non-Executive Directors bringing significant expertise (including external perspectives) and independent challenge. There are no Directors appointed to the Board as workforce representatives.¹

The size and composition of the Board is considered appropriate for the Bank's Board. There is a good balance between Executive and independent Non-Executive Directors, with the Non-Executive Directors able to provide essential independent challenge. Board members have a strong combination of technical, financial (including significant financial services experience) and commercial skills, along with broader experience in culture and colleague engagement.

Further detail on industry and leadership experience and international experience, on the basis of Board composition as at 31 December 2025, is set out in the tables below.

The below table provides an overview of the experience held by Board members relevant to the sectors, products and geographic locations of the Bank.

Industry and leadership experience (number of Directors) ¹		International experience (number of Directors) ¹	
Financial Services	9	Europe	9
Political/Regulatory Experience	9	UK	9
Current/recent Chair/CEO	7	US	8
Accountancy/Auditing	9	Rest of World	8
Operations/Technology	7		

Note

¹ Information subject to limited assurance in accordance with (ISAE) (Ireland) 3000

BOARD COMMITTEES

The Board has established four board sub committees, which are the Audit Committee, Risk Committee, Nominations Committee and Remuneration Committee. Each Board Committee has delegated authority from the Board in respect of the functions and powers, which are set out in each Committee's Terms of Reference.

The Chair of each Board Committee provides a report on the proceedings of each Committee meeting at the next scheduled Board meeting, including any matters being recommended for approval.

Audit Committee

The Bank's Board Audit Committee (BAC) is comprised solely of independent Non-Executive Directors, is a Committee of the Board and assists the Board in monitoring:

- the integrity of the Bank's accounting policies and contents of its financial statements and the disclosure controls and procedures;
- the effectiveness of the Bank's internal controls;
- the effectiveness of the internal and external audit functions and processes;
- the performance and independence of the external auditors; and
- the effectiveness of the Bank's whistleblowing procedures.

The Board Audit Committee held 9 meetings in 2025.¹

Directors' Report

Risk Committee

The Bank's Board Risk Committee (BRC) is comprised solely of independent Non-Executive Directors, is a Committee of the Board and assists the Board in:

- reviewing the risk profile of the Bank;
- considering the risk appetite and risk tolerance for Principal Risks (with the exception of Reputation Risk, which is a matter reserved to the Board) as set out in the Barclays ERMF, bearing in mind the current financial situation of the Bank and the present and future strategy;
- reviewing the management of the Principal Risks in the ERMF to ensure that they are in line with the Bank's business strategy, objectives, corporate culture and values;
- overseeing the implementation of strategies for capital and liquidity management, as well as for all relevant risks, such as market, credit, climate and operational risks (including legal, human resources and IT risks), in order to assess their adequacy against the approved risk appetite and strategy; and
- assessing the risks associated with the Bank's offered financial products and services, taking into account the alignment between the prices assigned to and the profits gained from those products and services.

The Board Risk Committee held 9 meetings in 2025.¹

Nominations Committee

The Bank's Board Nominations Committee is comprised solely of independent Non-Executive Directors, is a Committee of the Board and assists the Board in fulfilling its responsibilities relating to:

- identifying individuals who are best able to discharge the duties and responsibilities of Directors and Key Function Holders (individuals holding CBI Pre-Approval Controlled Function roles) for the Bank in line with legal and regulatory requirements;
- the composition, appointments, succession and evaluating the effectiveness of the Board, ensuring that both appointments and succession policies are based on suitability, merit and objective criteria including promoting diversity in all its forms including gender, age, social and ethnic background and cognitive and personal strengths; and
- the adoption of appropriate internal policies on the assessment of the suitability of Directors, members of the Bank's Executive Committee and other key personnel subject to regulatory approval.

The Board Nominations Committee held 11 meetings in 2025.¹

Remuneration Committee

The Bank's Board Remuneration Committee (RemCo) is comprised solely of independent Non-Executive Directors, is a Committee of the Board and assists the Board in fulfilling its responsibilities relating to:

- the over-arching principles and parameters of the Remuneration Policy for the Bank;
- the incentive pool for the Bank and the remuneration of key Bank executives and other specified individuals as determined by the Committee; and
- oversight of remuneration issues.

The Board Remuneration Committee held 4 meetings in 2025.¹

Note

¹ Information subject to limited assurance in accordance with (ISAE) (Ireland) 3000

ACCOUNTABILITY

The Board has put processes in place to support the presentation to stakeholders of fair, balanced and understandable information.

The Board is responsible for setting the Bank's risk appetite within the overall parameters set by BB PLC, that is the level of risk it is prepared to take in the context of achieving the Bank's and the Barclays Group's strategic objectives. The ERMF is designed to identify and set minimum requirements in respect of the main risks to achieving the Bank's strategic objectives and to provide reasonable assurance that internal controls are effective.

The Board, assisted by the BRC, conducts robust assessments of the principal risks facing the Bank, including those that would threaten its business model, future performance, solvency or liquidity.

The BAC oversees the effectiveness of the Bank's internal and external auditors. The Directors also review the effectiveness of the Bank's systems of internal control and risk management.

Directors' Report

CONTROLS OVER FINANCIAL REPORTING

A framework of disclosure controls and procedures is in place to support the approval of the Bank's financial statements. Accountable individuals 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.

Relevant accountable individuals report their conclusions to the BAC, which debates the conclusions and provides further challenge. Finally, the Board scrutinises and approves the Interim Report 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 Bank's financial statements and other significant disclosures before they are made public.

AUDIT, RISK AND INTERNAL CONTROL

The Bank is committed to operating within a strong system of internal control that enables business to be transacted and risk taken without exposure to unacceptable potential losses or reputational damage.

The Board is 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 provide only reasonable, rather than absolute, assurance against material misstatement or loss.

Processes are in place for identifying, evaluating and managing the principal risks facing the Bank. A key component of the framework is the ERMF which supports the business in its aim to embed effective risk management and a strong risk management culture. The ERMF is designed to identify and set minimum requirements, in respect of the main risks, to achieve the Bank's strategic objectives and to provide reasonable assurance that internal controls are effective. Further detail on the Principal Risks and management of them can be found in the Risk review on pages 103 to 199.

The effectiveness of the risk management and internal control systems is reviewed regularly by the BRC and the BAC (as detailed above).

The BRC is responsible for providing oversight and advice to the Board in relation to current and potential future risk exposures, examining reports covering the principal risks including those that would threaten the Bank's business model, future performance, solvency or liquidity, as well as reports on risk measurement methodologies and risk appetite.

As referenced above, the BAC carries out several duties delegated to it by the Board, including oversight of financial reporting processes, reviewing the effectiveness of internal controls, considering whistleblowing arrangements and oversight of the work of the external and internal auditors.

Throughout the year ended 31 December 2025 and to the date of this report, the Bank has operated an effective system of internal control that provides reasonable assurance of financial and operational controls and compliance with laws and regulations.

The Board, assisted by the BAC, is responsible for ensuring the independence and effectiveness of the internal and external audit functions. For this reason, the BAC members meet periodically with the Bank's Chief Internal Auditor and the Key Audit Partner/Lead Audit Engagement Partner of the external auditor without management present.

Management is responsible for establishing and maintaining adequate internal controls over financial reporting under the supervision of the principal executive and financial officers, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements, in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. Internal controls over financial reporting include 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 assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS as adopted by the EU and that receipts and expenditures are being made only in accordance with authorisations of management and the respective Directors; and
- 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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Directors' Report

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

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

EXECUTIVE COMMITTEE

During 2025, the Executive Committee membership included the Bank's CEO, Chief Financial Officer (CFO), Chief Operating Officer (COO), Chief Risk Officer (CRO), leaders of each business unit, and the respective Heads of Sustainable Finance, Human Resources, Legal, Compliance and Controls. The Executive Committee meets regularly and is chaired by the CEO. The Executive Committee also includes two standing invitees; the Bank's Chief Internal Auditor to ensure full transparency of all matters discussed at the Committee and to inform the audit plan, and the Company Secretary who joins to provide open connectivity between Board and Executive Committee members and to inform Board meeting agendas. In addition to the day-to-day management of the Bank, the Executive Committee supports the CEO in ensuring that the values, strategy and culture align, are implemented and are communicated consistently to colleagues – for example, through regular town halls and communications that are available to all colleagues.

INCLUSION AND OPPORTUNITY

On the recommendation of the Barclays Group Committee, the Barclays Group Board adopted an updated version of the Board Inclusion and Opportunity Policy in February 2026. The policy confirms the Barclays Group Board's support for the Barclays Group's culture in which Barclays is committed to continuing to build an inclusive workplace.

As at the date of this report BBI PLC Board gender diversity stands at 44% female, which meets the target of at least 40%. You can read more about Barclays' approach to inclusion within the Colleagues section and Board Nominations Committee report of the Barclays PLC Annual Report 2025.

DIRECTORS' COMPLIANCE STATEMENT

The Directors acknowledge that they are responsible for securing the Bank's compliance with its relevant obligations under the Companies Act 2014.

The Directors confirm that:

- a compliance policy statement setting out the Bank's policies that, in the Directors' opinion, are appropriate to the Bank, regarding compliance by the Bank with its relevant obligations has been drawn up;
- appropriate arrangements or structures that are designed to secure material compliance with the Bank's relevant obligations have been put in place; and
- a review of these arrangements and structures has been conducted during the financial year ended 31 December 2025.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and the Consolidated and Company financial statements in accordance with, and subject to, applicable law and regulations.

Irish company law requires the Directors to prepare financial statements for each financial year. Under that law, they have elected to prepare the Consolidated and Company financial statements in accordance with IFRS as adopted by the EU.

Under Irish company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the Bank's assets, liabilities and financial position as at the end of the financial year and of the profit or loss of the Bank for that year. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Bank or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Bank and which enable them to ensure that the financial

Directors' Report

statements of the Bank comply with the provisions of the Companies Act 2014. 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, and have general responsibility for taking all reasonable steps to ensure such records are kept which enable them to ensure that the financial statements of the Bank comply with the provisions of the Companies Act 2014.

The Directors are responsible for safeguarding the assets of the Bank, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2014.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included in respect of the Bank which is on the Barclays Group website.

Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The current Directors, whose names and functions are set out on page 16, confirm to the best of their knowledge that:

- they have complied with the above requirements in preparing the Consolidated and Company financial statements;
- the Consolidated and Company financial statements, prepared in accordance with IFRS as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Bank;
- the management report contained within the Strategic Report, on pages 2 to 12, includes a fair review of the development and performance of the business and the position of the Bank, together with a description of the principal risks and uncertainties that the Bank faces; and the Sustainability Statement referenced therein, which is set out on pages 22 to 98, has been prepared in accordance with Part 28 of the Companies Act 2014, the European Sustainability Reporting Standards, and the specifications adopted pursuant to Article 8(4) of Regulation (EU) 2020/852; and
- the Annual Report and the financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for the Bank's shareholder to assess the Bank's position and performance, business model and strategy.

SUSTAINABILITY STATEMENT

The content of the Sustainability Statement, required to be included in the Directors' Report further to Part 28 of the Companies Act 2014, is set out in the Schedule to the Directors' Report on pages 22 to 98 and represents a dedicated section of the Directors' Report.

On behalf of the Board



Tim Breedon
Chair



Francesco Ceccato
Chief Executive Officer



Gian Marco Martino
Chief Financial Officer

5 March 2026

Schedule to the Directors' Report: Sustainability Statement

Content

	Page
General information	
Basis of preparation for sustainability reporting	23
Sustainability governance	
• Board and Board Committee oversight of sustainability matters	24
• Management's role in governance	25
• Sustainability-related performance in incentive schemes	25
• Sustainability due diligence	26
• Risk management and internal control over sustainability reporting	27
• Strategy, business model and value chain	28
• Interests and views of stakeholders	29
Double materiality assessment	
• Assessment process	31
• Material impacts, risks and opportunities, and their Interaction with strategy and business model	35
Environmental information	
Climate change	37
Biodiversity and ecosystems	49
EU Taxonomy	51
Sustainable and transition products and services (entity specific)	52
Social information	
Own workforce	54
Workers in the value chain	72
Affected communities	74
Consumers and end users	76
Governance information	
Data privacy (entity specific)	78
Anti-money laundering and sanctions (entity specific)	80
EU Taxonomy (qualitative information)	83
Important information/Disclaimers	89
Further information	
Disclosure requirements (including those incorporated by cross reference)	91
Key definitions as captured in the Barclays Climate Change Statement	92
Independent practitioner's limited assurance report	94
Schedule A: Datapoints in cross-cutting and topical standards that derive from other EU legislation	300
Schedule B: EU Taxonomy (quantitative information)	312

Schedule to the Directors' Report: Sustainability Statement

General Information

Basis of preparation for sustainability reporting

This 'Sustainability Statement' has been prepared in accordance with the requirements set out in Part 28 of the Companies Act 2014 (as amended) (which represents the transposition of the Corporate Sustainability Reporting Directive (CSRD) into Irish law), the Transparency (Directive 2004/109/EC) Regulations 2007 (as amended), the requirements of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 (as amended), the EU Taxonomy Regulation as amended by Commission Delegated Regulation (EU) 2026/73 and European Sustainability Reporting Standards (ESRS). The content of this Sustainability Statement is subject to limited assurance, and findings of this exercise are outlined within the assurance provider's conclusion, on pages 94 to 98.

The threshold for information material for inclusion within this Sustainability Statement is based on the requirements outlined in paragraph 31 of ESRS 1. The sustainability matters disclosed are aligned to the results of the double materiality assessment (DMA), see page 31, and the information provided to meet our related disclosure requirements, including any metrics, has been based on the significance of the information in relation to the matter and identified impact, risk or opportunity, or the capacity of such information to meet the users' decision-making needs.

Level of consolidation

This Sustainability Statement has been prepared on a consolidated basis for BBI, consistent with the financial statements. For further information on the financial consolidation, see the notes to the financial statements on page 223.

Coverage of value chain

An important cornerstone of the ESRS disclosure requirements is the DMA. The DMA was first performed in 2024 to determine our material sustainability matters for 2024 reporting. BBI refreshed its DMA for this reporting period.

The DMA covered direct and indirect business relationships in the value chain. For details relating to our value chain, see page 28. The DMA process and reporting criteria are described further on page 31. The outcome of the DMA serves as the starting point for our disclosures on our material impacts, risks and opportunities (IROs), which are included in the Environmental, Social and Governance sections below.

Omission of information

We have not used the option in the ESRS to omit any specific pieces of information corresponding to intellectual property, know-how or the results of innovation.

Disclosures in relation to specific circumstances that may have an effect on the preparation of the sustainability statement

i) Sources of estimation and outcome uncertainty

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.

For further details on the data sources and estimations in financed emissions metrics, including a summary of the basis of preparation and level of accuracy, see page 47.

ii) Changes in preparation or presentation of sustainability information

For the 2025 disclosure, we have made the following changes to our disclosed metrics:

- Inclusion Index has replaced other previously disclosed diversity related metrics, see further details on page 63; and
- Updated the EU Taxonomy tables reporting to align the requirements of the EU Taxonomy Regulation, as amended by Commission Delegated Regulation (EU) 2026/73. See further details on pages 83 and 312.

iii) Incorporation by reference

Certain disclosure requirements are closely linked to requirements that the Bank is already disclosing against. As such, these disclosures are included in other relevant sections of the Annual Report and incorporated by reference into this Sustainability Statement. The table on page 300 identifies all these disclosure requirements.

iv) Use of phase-in provisions

We have applied phase-in reliefs set out in the Commission Delegated Regulation (EU) 2025/1416 (Quick Fix Regulation) adopted on 11 July 2025, including in relation to:

Schedule to the Directors' Report: Sustainability Statement

General Information

- All disclosure requirements (E4, S2, S3 and S4 impacts);
- Own workforce metrics (S1-7 to S1-15); and
- Quantitative disclosures on anticipated financial effects (ESRS 2 SBM 3).

Sustainability Governance

Board and Board Committee oversight of sustainability matters

Information on the composition, including number of INEDs, and diversity of the BBI Board and its Committees, and the frequency of their meetings, is outlined in the Directors' Report, starting on page 16. The Directors' experience, split by sector and geography, is outlined on page 17.

The Board sets the strategic direction for BBI and has direct oversight of matters relating to culture. Further to this, the Board and, as appropriate, its Committees are responsible for the oversight of sustainability matters, including related material impacts, risks and opportunities (IROs) as relevant.

The Matters Reserved to the Board document sets out the decisions and authorities specifically retained by the Board, including those relating to strategy, risk appetite, risk management and controls frameworks and the approval of large transactions, among other matters. The Board considers a range of matters in its decision-making process and, as appropriate, due consideration would be given to BBI's IROs.

Each Board Committee has its own Terms of Reference setting out its principal role and responsibilities and incorporating oversight of BBI's IROs, as relevant. In particular:

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

The Matters Reserved to the Board and Committee Terms of Reference are reviewed on a regular basis to ensure they appropriately reflect changes in the nature of BBI's business, including BBI's IROs.

During 2025, the key areas of focus for the Board and, where relevant, its Committees, from a sustainability perspective, included:

- receiving updates on climate and sustainability matters from Executives throughout the year; and
- considering culture and colleague engagement, receiving regular updates on the Barclays Group-wide cultural change programme to deliver to a consistently excellent standard and considering progress on embedment through management reporting and Your View colleague survey results. Board members also engaged directly with colleagues during the year, including through site visits.

In relation to our material impacts, risks and opportunities, BBI has set a target in relation to the completion of mandatory training by colleagues (please see page 63 for further details). Given the nature of the target, it is set and overseen by management. Any material issues relating to performance against this target may be escalated to the Board Audit Committee, as appropriate, as part of reporting provided by management on the control environment in relation to monitored risks.

Skills and expertise related to sustainability matters

Board members and members of relevant Committees are able to reflect on and deepen their skills and expertise on sustainability matters, including in relation to our IROs as relevant, through periodic briefings on key business developments and external developments provided by management. In the context of an evolving legal and regulatory environment with respect to climate and sustainability, the Board Audit Committee receive regular updates on the external reporting landscape in this area, including in respect of the disclosure requirements under the CSRD. Additionally, in 2025, the Board received training on the EBA guidelines on the management of ESG risks.

Where the Board or a Committee identifies that additional expertise and insight would be helpful to support informed decision-making, they are able to call on internal subject matter experts to provide additional briefings and training on particular material sustainability matters. Where appropriate, training may be requested from relevant external experts.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: General Information

Management's role in the governance processes

Oversight and management of Barclays' climate and sustainability strategy, to which BBI is a key contributor, 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 periodic 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.

The Barclays Europe Risk Committee (BERC) is the designated forum to review risk profile, risk practices and recommend, where necessary, updates to the Barclays Bank Ireland PLC Board Risk Committee (BRC). In relation to climate, the BERC reviews and recommends proposed risk appetite and relevant limits to the BRC. Climate, Environmental, Social, and Governance risks, as underlying factors influencing existing risk categories, are escalated to the BERC through the appropriate established channels.

The Barclays Europe Executive Committee (ExCo) is the primary senior management forum responsible for overseeing the execution of strategic priorities, financial and non-financial performance, and the effective management of material risks across the entity. ExCo provides direction on key business and governance matters and ensures that significant risks, issues, and dependencies are appropriately identified, managed, and escalated through established governance channels.

In relation to risk management, ExCo considers risk topics escalated by the Barclays Europe Chief Risk Officer on an exceptional basis and holds responsibility for the consideration of reputational risk.

In relation to Environmental, Social and Governance matters, ExCo monitors and reviews the ESG agenda across businesses and functions, while delegating the oversight and management of all ESG-related risks, including climate and environmental risks, to the Barclays Europe Risk Committee, which in turn escalates matters as appropriate to the Board Risk Committee.

The target set out on page 62, which relates to our material IRO (S1 - Equal Opportunities for all), is set centrally by management and overseen by management in each key business area through relevant reporting.

ERMF Oversight

The ERMF governs the way in which BBI 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 BBI. The ERMF is complemented by frameworks, policies and standards which are mainly aligned to individual principal risks:

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

In relation to the management of material impacts, risks and opportunities, BBI's standard business controls and operating procedures apply.

Sustainability-Related Performance in Incentive Schemes

Barclays' Reward Policy, and the remuneration philosophy within, applies to all colleagues globally. It is set by the BPLC Board Remuneration Committee and adopted by the BBI Board Remuneration Committee, and is designed to promote the long-term success of Barclays and ensure that remuneration is aligned to the Barclays strategy and risk management approach. The remuneration philosophy includes our objectives to:

- 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, meaning that results must be achieved in a manner consistent with our Values, and emphasising that our Values, Culture and Mindset should drive the way that business is conducted.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: General Information

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

Incentives are delivered in the form of annual bonus awards for all employees, including BBI Executive Committee members, (subject to eligibility criteria). Non-Executive Directors of BBI are not eligible for annual bonus awards or other incentives.

Annual bonuses incentivise and reward the achievement of the Barclays Group, business and individual objectives, and reward colleagues for demonstrating behaviours in line with Barclays' Values and Mindset. Climate and sustainability-related performance is factored into annual bonus outcomes in two ways – via its impact on incentive pools, and through individual performance assessments.

Incentives for BBI employees, including BBI Executive Committee members, are set from the BBI incentive pool, which is determined from the BB PLC and Group incentive pools. Barclays' performance against non-financial measures, including climate and sustainability-related measures, is factored into the determination of the Barclays Group and BB PLC incentive pools – impacting annual bonus awards of all employees. Since the assessment is holistic, there is no pre-determined weighting for sustainability-related measures. For 2025, climate and sustainability-related measures considered as part of this assessment included:

- climate-related measures focused on progress towards Barclays' Sustainable and Transition Financing target, reductions in its financed emissions and progress against targets relating to achieving net zero operations;
- consideration of how Barclays is investing in communities through programmes such as LifeSkills (including number of people upskilled and placed into work);
- colleague-related measures including engagement, culture, and inclusion.

The incentive pools are 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. The BBI Board Remuneration Committee also considers the financial and non-financial performance and risk profile of BBI in isolation and may apply further adjustments to the incentive pool to reflect BBI specific sustainability-related matters.

Performance for all colleagues is assessed against individual performance objectives aligned to the consistently excellent standard. Where relevant, these objectives include sustainability-related considerations, which are tailored to the individual's role. Individual bonus outcomes are determined based on Barclays Group, business and individual performance, and are discretionary, so there is no pre-determined weighting for sustainability-related measures. For employees earning higher bonuses and other employees identified as 'Material Risk Takers', a significant portion of their annual bonus is deferred.

The BBI Executive Committee members have sustainability-related objectives included in their performance assessment. Their remuneration approach is aligned with the approach for all other colleagues and is reviewed annually by the BBI Board Remuneration Committee and, where appropriate, the BBPLC and BPLC Board Remuneration Committees. No individual is involved in deciding their own remuneration.

Sustainability due diligence

Sustainability due diligence is the process used to identify, prevent, mitigate and account for how the actual and potential negative impacts on the environment and people connected with a company's business are addressed. These include negative impacts connected with a company's own operations and its upstream and downstream value chain, including through its products or services, as well as through its business relationships. Due diligence is an ongoing practice that responds to and may trigger changes in our strategy, business model, activities, business relationships, operating, sourcing and selling contexts.

The table below outlines where information relating to sustainability due diligence can be found within the Sustainability Statement.

Core elements of due diligence	Pages in the Sustainability Statement
Embedding due diligence in governance, strategy and business model	24
Engaging with affected stakeholders in all key steps of the due diligence	29
Identifying and assessing adverse impacts	31
Taking actions to address those adverse impacts	44, 50, 73, 75, 76, 79, 81
Tracking the effectiveness of efforts and communicating	46, 53, 62, 70, 80, 82

Schedule to the Directors' Report: Sustainability

Sustainability Statement: General Information

Risk management and internal control over sustainability reporting

Barclays' approach to risk management and internal control over sustainability reporting is set out in the Operational Risk Framework (ORF), which defines what the organisation needs to do to manage operational risk effectively. Operational risk is managed under the Barclays' ERMF. The ORF and associated policies and standards allow operational risks to be managed effectively and consistently, and in line with regulatory expectations.

The framework consists of integrated components that work together to effectively manage operational risk. The components involve the structure of risk identification and assessment, mitigation and management, and monitoring and reporting of risks, operated across the three Lines of Defence.

The risk identification and assessment for sustainability reporting, as set out in the ORF, is supported by various risk assessment tools. Risk and Control Self-Assessment (RCSA) is a Group-wide approach to identify and assess:

- the risks that are inherent in each process;
- the effectiveness of the controls in place to mitigate the risks;
- the level of residual risks after the application of the controls; and
- the actions required to reduce any residual risk that is outside the risk appetite/tolerance.

The RCSA process assesses the effectiveness of the control environment and helps management determine if the residual risk is within or outside the appetite/tolerance; and is a key factor in determining changes to the residual risk. For example, where the control environment improves, the level of residual risk is expected to fall, and vice versa.

The risk and control assessments, risk events, issues and key indicators, among others, inform management if a risk should be subjected to an enhanced oversight, review and challenge, and be prioritised for any risk mitigation/reduction plan.

The main risks associated with the sustainability reporting processes, defined by Barclays' financial reporting policies and standards, are grouped in risk themes (such as calculation error, reporting error and late reporting) which in turn consider risks relating to:

- completeness and integrity of data;
- accuracy of estimation results;
- timing and availability of information; and
- fairness, balance and understandability of disclosures.

Such policies and standards also describe the control objectives and control requirements to mitigate the associated risks. These are preventative and detective controls, such as data integrity checks, external disclosure checks, reconciliations, validations, analytical reviews, and management review/challenge, operated by the relevant functions over the sustainability reporting process.

These controls are established to manage and mitigate the risks within the risk appetite and tolerance. Risk mitigation is either through implementation of additional controls against the risk, or remediation of existing controls assessed as operating ineffectively, in order to strengthen the effectiveness of the control environment of the relevant functions to the sustainability reporting process.

Any findings of the risk assessment and internal controls associated with the sustainability reporting processes are assessed by the relevant function for severity (financial and non-financial impact) and probability of occurrence in accordance with the Risk and Issue Classification Matrix (RICM). RICM provides a consistent basis for classifying risks and issues and helps determine the escalation and reporting requirements, commensurate with the overall risk exposure.

Any issues, such as control gaps, are documented and recorded in the approved system of record, including remedial actions to address the findings, and are tracked and reviewed for completion and closure. Where applicable, a risk reduction plan is performed whenever the residual risk (after taking into consideration the effectiveness of controls) is outside of the risk appetite/tolerance. Such plan includes remedial activities to bring the residual risk within the acceptable level.

Any findings of risk assessment and internal controls associated with the sustainability reporting process are reviewed and reported by the relevant functions through risk and control committees on a regular and event-driven basis, such as the Risk Category and Control Forums. Where applicable, any material findings are escalated to the BEREC. The BEREC is the senior executive body responsible for reviewing and monitoring material risks for BBI.

Schedule to the Directors' Report: Sustainability Statement

General Information

Strategy, business model and value chain

Business model

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

Significant products, services, and customer groups

For information on our structure, including a summary of our significant products, services and customer groups, refer to our Strategic Report from page 2 onwards.

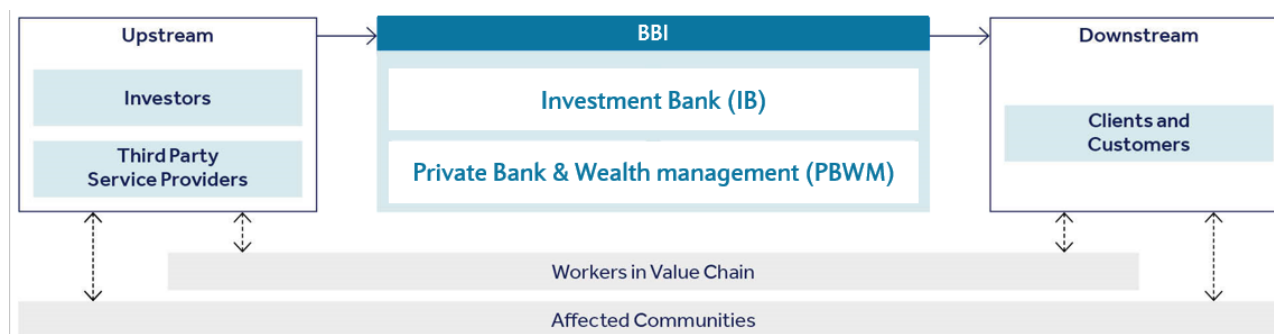
Significant markets

BBI is the primary legal entity within the Barclays Group serving Barclays European Economic Area (EEA) clients. The significant markets where BBI operates are Ireland, Belgium, France, Germany, Italy, Luxembourg, the Netherlands, Portugal, Spain and Sweden.

Headcount:

We had a workforce of 1,327 employees (including full and part time) across Europe at the end of FY25 (FY24: 1,954). For further details on the characteristics of our workforce, please refer to the ESRS S1 disclosure on page 54.

Main features of our upstream and downstream value chain



Direct relationships in value chain:

Upstream

- **Investors:** BBI is a wholly owned subsidiary of BBPLC, which is a wholly owned subsidiary of BPLC. BBI is focused on creating long term sustainable value for Barclays Group and ultimately its shareholders. We are also a frequent issuer in the debt capital markets and have wholesale and retail debt investors.
- **Third-Party Service Providers (TPSPs)¹:** A TPSP is any entity that has entered into an arrangement with Barclays' entities, including BBI, to provide business functions, activities, goods and/or services. For example, through our TPSPs we obtain a wide range of goods and services including technology, facilities management, client-focused payment solutions, customer service and clearing services, supporting our colleagues through recruitment services, learning partnerships and other TPSPs that support multiple functions through data services.

Downstream

- **Clients and Customers:** Our IB clients are corporates, financial institutions, governments, global organisations and money managers. Private Bank and Wealth Management primarily cater to high net worth individuals.

Indirect relationships in value chain

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

Note

¹ Third-Party Service Providers are equivalent to suppliers as defined in Annex II- Acronyms and Glossary of Terms in ESRS, published by the European Union

Schedule to the Directors' Report: Sustainability

Sustainability Statement: General Information

Sustainability strategy and goals

BBI contributes to Barclays' sustainability strategy and goals. These are primarily focused on impacts, risks and opportunities arising from financing activities. We support Barclays' climate strategy, which focuses on working with clients on their transition, financing clients' transition, and scaling climate technology, while integrating nature and social considerations. This is reflected in Barclays' target to facilitate \$1trn of Sustainable and Transition Finance between 2023 and the end of 2030. The products and services offered as a part of this strategy are financing activities including debt and equity capital markets, corporate lending, trade finance and consumer lending. It applies to all Barclays businesses globally. These products and services help to generate positive social and environmental outcomes through financing of activities such as, but not limited to, energy efficiency, renewable energy, affordable housing, basic infrastructure and services.

Our products and services that support the Barclays climate strategy are as follows:

PBWM: Responsible investing and sustainable investing solutions focus on ESG integration and dedicated sustainable investment strategies, as appropriate per the relevant mandates.

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

Barclays has set 2030 financed emissions reduction targets for eight high-emitting sectors set out on page 44. More generally, our broader sustainability goals include developing ways to effectively mitigate our material potential sustainability impacts and risks which could impact our customers and services, for example through the effective management of potential data privacy and cyber security impacts globally.

The Third-Party Service Provider Code of Conduct (TPSP CoC) encourages our TPSPs to adopt our approach to doing business and details our expectations for matters including environmental management, human rights and also for living the Barclays Values. The TPSP CoC is published on the Barclays public website for all new and existing TPSPs to view and are refreshed at least annually.

Our sustainability goals in relation to other stakeholders (such as investors and regulators) are focused on maintaining and strengthening these relationships, and continuing to develop understanding of their individual sustainability related views, goals, expectations and challenges.

Main challenges ahead relevant to sustainability reporting

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

The development of sustainability related metrics, targets and disclosures is also dependent on data availability. Barclays relies on disclosures made by its clients and customers, which at this time are complex and still evolving, to be reliable and consistent. Further information is set out in the Important Information section on page 89.

Interests and views of stakeholders

The table below outlines how we engage with our six key stakeholder groups. The purpose of this engagement is to enable us to understand the interests and views of our key stakeholders, in relation to sustainability matters, and allow us to consider these views in our strategy and business model. The table outlines:

- the different types of engagement methods used to engage with our key stakeholders;
- the purpose of our engagement with our key stakeholders; and
- how the outcomes are used in our strategy and business model.

The Board recognises the importance of listening to, and understanding, the views of its stakeholders, including our workforce, and specifically the impact of the Bank's behaviour and business on customers and clients, colleagues, suppliers, communities and society more broadly; having regard to these views and impact when taking decisions. The Board is informed of our stakeholders' views on sustainability-related impacts, where relevant, through updates from management.

Stakeholder engagement enables us to understand the priorities of our different stakeholder groups. The key topics our stakeholders raised and discussed, as part of stakeholder engagement, allow us to understand their interests and views on our strategy and business model pertaining to Environmental, Social and Governance matters. This understanding is used to support the due diligence process, and was considered as part of the DMA, as outlined on page 31, and specifically:

Schedule to the Directors' Report: Sustainability

Sustainability Statement: General Information

- When assessing the appropriateness of the IROs that were taken forward for assessment under the DMA, and
- During the stakeholder questionnaire (as discussed in the 'Double Materiality Assessment' section), to inform and enhance our understanding of external stakeholders views.

Stakeholder	How BBI engages	Engagement purpose	How the outcomes are taken into account
Third-party service providers (TPSPs)	<ul style="list-style-type: none"> • Direct engagement with TPSPs through our relationship managers and sustainability subject matter experts • Communication of our TPSP Code of Conduct to ensure TPSPs are aware of and able to meet expectations on matters including environmental management and human rights 	<ul style="list-style-type: none"> • Promote good practice on matters including environmental management and human rights 	<ul style="list-style-type: none"> • Assess the TPSPs against environmental management and human rights matters
Investors	<p>BBI is a wholly owned subsidiary of BBPLC, which is a wholly owned subsidiary of BPLC. BPLC is a publicly traded company with diverse group of investors. Investors in BPLC refer to the disclosures made at BBI level. Barclays Group engagement with investors includes:</p> <ul style="list-style-type: none"> • Regular quarterly meetings and updates on results and future guidance and expectations • Frequent deep-dive and thought leadership conferences and group sessions • Ad hoc engagement to address queries • Annual AGM to engage with BPLC investors and shareholders • Via a Sustainability resource hub to demonstrate non-financial performance, policies and statements, and applicable ESG ratings, as well as frameworks utilised by Barclays 	<ul style="list-style-type: none"> • Provide a feedback mechanism for the Barclays Group, and indirectly to BBPLC and BBI to understand the needs of investors • Educate and explain current performance and future expectations to best illustrate performance to investors • Provide access to the subject matter experts within the Barclays Group as well as access to Senior Management and the Board 	<ul style="list-style-type: none"> • Drives topics of prioritisation in a changing environment, guiding relevant and accurate reporting against market expectations • Inform disclosure requirements of investors to aid investment decision, helping to develop sustainability-related policy and strategy, governing all activities of Barclays
Government, Policy makers and Regulators	<ul style="list-style-type: none"> • Ongoing supervisory relationships with our regulators • Engagement with policymakers and governments directly and indirectly (including through trade associations) consistent with our business strategy • Participating in key international and domestic policy forums • Providing feedback and engaging with regulatory and government consultations, directly and indirectly through trade associations 	<ul style="list-style-type: none"> • Enhance our understanding of regulatory expectations and requirements in relation to our business • Identify and engage in the development of the key policy initiatives that could impact us and our clients, including in relation to sustainable finance and the energy transition 	<ul style="list-style-type: none"> • Embed our understanding of regulatory expectations and requirements within our business • Make informed and insightful contributions to the development of policy that could impact us and our clients • Enhance existing relationships and build new relationships with a range of governments, policymakers, regulators and relevant trade associations

Schedule to the Directors' Report: Sustainability

Sustainability Statement: General Information

Stakeholder	How BBI engages	Engagement purpose	How the outcomes are taken into account
Employees	<p>BBI's approach to workforce engagement delivers meaningful, regular two-way dialogue and recognises the importance of closing the feedback loop. We engage with colleagues, directly or through Barclays Group, in a wide variety of ways, including:</p> <ul style="list-style-type: none"> • Townhalls • Skip-level meetings • Site visits • Leader led engagement • Focus groups • Surveys • Unions and Works Councils 	<p>Our engagement channels provide senior leaders with the opportunity to engage with colleagues in a variety of ways. We engage in regular, meaningful, two-way dialogue with our colleagues to understand what is working well across the organisation and where we can improve.</p>	<p>Our engagement mechanisms enable us to listen to our colleagues, monitor organisational culture, and supports Senior Leaders to take action</p>
Customers and Clients	<ul style="list-style-type: none"> • Regular client surveys • Analysis of customer complaints • Direct interaction 	<ul style="list-style-type: none"> • Support our customers and clients • Gather customer and client feedback, and engage on their own financial health, financial and non-financial strategy and plans • Influence and develop products and services to meet their needs 	<ul style="list-style-type: none"> • Build our understanding of customer and client evolving needs • Adapt our products and services accordingly • Continue to build the expertise, knowledge and capabilities customers and clients are looking for • Identify and address the root causes of customer complaints • Tailor financing and advise clients on future financing requirements, aiding their own sustainability and supporting the longevity of our relationship
Affected Communities and Workers in the downstream value chain	<p>On an ad hoc basis, Barclays have engaged credible proxies and representatives to gain insight into the perspectives of affected communities, this has taken the form of Engagement with credible proxies, such as NGOs and civil society organisations.</p>	<ul style="list-style-type: none"> • Develop our understanding of the actual and potential human rights risks relevant to our business from the perspective of affected stakeholders • Enhance the robustness and legitimacy of the process for assessing salient human rights risks 	<ul style="list-style-type: none"> • Inform the identification of a list of human rights impacts relevant to the then Corporate and Investment Bank financing portfolio • Support the enhancement of the evolving framework of policies and processes that seek to embed our commitment across our business

Double materiality assessment

Double materiality has two dimensions, impact materiality and financial materiality. A sustainability matter is material from an impact perspective when it pertains to the undertaking's material impacts on people or the environment over the short, medium or long-term. A sustainability matter is material from a financial perspective if it generates risks or opportunities that materially influence (or could reasonably be expected to materially influence) the undertaking's financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium or long term. The ESRS require undertakings to disclose specific information on environmental, social and governance matters when the undertaking has assessed the matter as material in its double materiality assessment.

Description of the process to identify and assess material impacts, risks and opportunities

During 2025, BBI updated its DMA using the steps outlined below. Subject matter experts (SMEs) supported the completion of the DMA. The SMEs were identified based on their role in or knowledge of BBI and appropriate knowledge of the specific sustainability matters and related impacts, risks and opportunities. The DMA was a continuous process with steps

Schedule to the Directors' Report: Sustainability

Sustainability Statement: General Information

completed through the year and the prior period's results reviewed through ongoing assessment and used where deemed appropriate for the current reporting period.

Step 1: Understanding Barclays' products and services, value chain and stakeholders.

We relied on last year's process to identify activities, business relationships and geographies of BBI that could give rise to heightened risk of adverse impacts across our value chain. For more details on the outcomes of this, see Strategic Report on page 2, Significant markets and Value Chain sections on page 28 and Stakeholder engagements on page 29.

Step 2: Developing a preliminary list of potentially relevant sustainability matters

In 2024, we completed an exercise to identify a list of sustainability matters that were relevant and important to BBI, its stakeholders and the geographies and the sectors in which it operates. The following eight document types were manually reviewed, and relevant sustainability topics were extracted:

1. BBI and BPLC company documents
2. ESG frameworks
3. ESG rating agency publications
4. Industry publications
5. Regulations
6. Investor reports
7. Peer sustainability disclosures
8. Media results relating to ESG topics

The sustainability matters identified were ranked based on the number of occurrences in the data sources and weighted, in order to prioritise the matters and arrive at a list of potentially material sustainability matters. This list formed our initial basis for assessing relevant impacts, risks and opportunities.

In the current reporting period, the list of sustainability matters was reviewed by SMEs to ensure it was up to date. In conducting their review, SMEs exercised professional judgement, taking into account:

- Market insights;
- Regulatory focus areas; and
- Emerging sustainability topics.

The list of sustainability matters was amended based on this review, to ensure that the sustainability matters assessed under the DMA remained appropriate.

Stakeholder questionnaire

In 2025, Barclays used a questionnaire to capture the ongoing engagement with stakeholders, including those relevant to BBI, including with external experts for a number of areas. The SMEs responsible for engaging with the stakeholder groups outlined on page 29 completed the questionnaire based on their interactions over the past 12 months. The objective was to document stakeholders' views and ensure all views relevant to potentially material sustainability matters and IROs were considered in the DMA and to inform our understanding of how stakeholder groups are impacted. The responses were collated and mapped to the list of sustainability matters. New sustainability matters were added, and relevant SMEs were informed of stakeholders' views.

Step 3: Identifying the impacts, risks and opportunities of each sustainability matter across the value chain

Existing impact, risk and opportunity library

Any new impacts, risks and opportunities identified by SMEs were added to the library for assessment. Items considered no longer appropriate were excluded from the 2025 assessment. This includes those that have been superseded by new impacts, risks, or opportunities, or those with a negligible materiality score in prior periods that is expected to remain unchanged. In addition, some existing IROs within the library, including those which formed part of our material IROs for

Schedule to the Directors' Report: Sustainability

Sustainability Statement: General Information

the previous financial reporting period, were revised to reflect the findings from the review conducted for this reporting period. This has resulted in some changes to the presentation and description of some IROs reported this year, compared to the previous reporting period; see further detail on page 35.

Drafting a new impact, risk and opportunity

When a new impact, risk, or opportunity is identified, SMEs draft concise descriptions of the impact, risk or opportunity to be assessed for materiality. The description clearly identifies the driver of the impact, risk or opportunity and assigns it the appropriate value chain location. Additionally, for impacts, SMEs state whether the impact is positive or negative and, for risks and opportunities, SMEs indicate whether they are connected to an impact or a dependency, and in the case of risks, identify the related principal risk, where relevant.

Step 4: Scoring materiality

Existing impact, risk and opportunity

For impacts, risks and opportunities previously assessed, SMEs reviewed the prior year's scoring for appropriateness by considering the following:

- Changes in organisation or operational changes (i.e. changes in own operations, upstream or downstream value chains);
- Any mergers and acquisitions, change in strategy or entering new markets affecting BBI (i.e. entering/exiting new products or geographical markets);
- Significant changes in regulatory, geopolitical or social environments which may impact regulatory obligations (i.e. investigations, peer bank incidents/fines);
- Internal check-and-challenge review based on other assessments conducted by BBI; and
- Developments in sustainability across the market.

In instances where the assessment needed updating, the SME re-assessed the impact, risk or opportunity following the guidance outlined in Step 4.a or Step 4.b below.

New impact, risk and opportunity for 2025

Each new impact, risk and opportunity is assessed by the most appropriate SME function, based on the SME relevant expertise. In cases where the impact, risk or opportunity is assigned to multiple functions, the average of their assessments was used to calculate a materiality score. Further detail on the scoring is outlined below.

Step 4.a: Impact materiality: Assessing the materiality of the impacts

All impacts are scored and prioritised by SMEs based on their severity, reflecting their scale, scope, irremediability (for negative impacts) and likelihood (for potential impacts) as relevant for BBI. The SMEs rated each parameter on a scale of 0-5, with the severity ratings then averaged and multiplied by the likelihood to obtain a rating for each impact. SMEs also considered the specific time horizon within which the impact could occur and any outsized impact related to geography or business segment in their assessment.

4.b: Financial materiality: Assessing the materiality of risks and opportunities

All risks and opportunities were scored and prioritised by SMEs based on their financial magnitude and likelihood as relevant for BBI. The initial assessment of magnitude and likelihood was qualitative and relied on their professional judgement. The qualitative assessment was then augmented with quantitative thresholds, where available, such as stress test outcomes. Professional judgement was applied in mapping the quantitative thresholds and definitions in the Barclays risk register to the qualitative definitions of magnitude and likelihood. The SMEs rated each parameter on a scale of 0-5, with the magnitude ratings then multiplied by the likelihood to obtain a rating for each risk and opportunity. SMEs also considered the specific time horizon within which the risk or opportunity could occur and any outsized risk or opportunity related to geography or business segment in their assessment.

Step 5: Validation of the completeness and materiality of IROs through internal governance forums.

The 2025 SME assessment scores were reviewed and challenged through the internal calibration forums and internal working groups, consisting of SMEs involved in the DMA, to ensure appropriate comparability and agreement across the output of the assessment. Following this, SMEs confirmed their scores for this reporting period.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: General Information

A threshold of materiality to identify the shortlist of material sustainability matters (including their specific impacts, risks and opportunities) was determined by the CSRD Steering Committee, which includes representatives from business, finance, risk, regulatory, group sustainability and legal functions. Impacts, risks, and opportunities that scored above the determined threshold, and their corresponding sustainability matters, were considered material for reporting purposes. Impacts, risks, and opportunities that scored close to the threshold or that have moved across the threshold year-over-year, were subject to additional investigation by the Steering Committee, on a case-by-case basis.

The CSRD Steering Committee reserved the right to amend the initial materiality decision for each IRO and its corresponding sustainability matter, based on their expert judgement and senior leadership insight.

The material sustainability matters and related IROs for 2025 were then presented to the BBI Audit Committee. Please refer to the full list of material matters on page 35.

We will continue to consider how we approach our double materiality assessment for future reporting periods, considering any changes made to the ESRS.

Additional information on IRO identification for Environmental matters

As part of the DMA process, when assessing climate change, we considered BBI's direct operations and our value chain's emission contribution and the impact of these emissions. Additionally, we completed analysis to identify and assess both physical and transition risks and opportunities, including the use of scenario analysis to assess how our assets and business activities may be exposed to or impacted by climate risks. Further details, including scenarios overview, are set out on page 37 in the Climate Change disclosure.

Actual and potential impacts, risks and opportunities relating to pollution, water and marine resources, resource use and circular economy in Barclays' direct operations and its value chain were identified and assessed qualitatively based on expert judgement of Barclays subject matter experts according to the process and criteria above. This process will continue to be developed.

The DMA was primarily qualitative and relied on the professional judgement of the SMEs. We considered BBI site-level operational activities to determine our actual and potential impacts, opportunities relating to pollution, water and marine resources, and resource use and circular economy.

We did not undertake any additional consultations with our stakeholders beyond the engagement outlined in the DMA.

Additional information on IRO identification for Business conduct matters

Business conduct within our operations was assessed to identify material impacts risks and opportunities in line with the DMA process. This included assessing our specific activities, sectors and locations, to identify any specific matter that may be more or less relevant to us.

Embedding sustainability in risk management:

We recognise sustainability related risks (including environmental, social and governance) as drivers of other existing financial risks (credit risk, market risk, treasury and capital risk) and non-financial risks (including operational risk and reputation risk). As such, these risk drivers are not treated as a standalone risk type. These risks are continuously identified, assessed, and monitored through our risk management processes as they develop over time. We prioritise sustainability related risks based on internal assessment outcomes, regulatory requirements, and investor and stakeholder sentiments.

The process for evaluating financial materiality of risks through the existing risk management processes is outlined below.

The risk register contains all material risks that may impact forward-looking business plans across business units. Quantitative (typically based on stress testing) or qualitative assessments are performed to quantify the impact of material risks on capital or liquidity positions of legal entities/business units. Following this assessment, each material key risk driver is mapped to the risk ratings (which are derived based on the magnitude of impact and materiality thresholds). BBI's risk register is refreshed on at least an annual basis and is subsequently used to support strategic planning, scenario design, sensitivity analysis and capital adequacy assessments.

While the existing risk management processes inform the DMA, the DMA process itself is not currently integrated into our overall risk management processes or used to evaluate our overall risk profile and processes. While the outputs from Risk register feed into the DMA process, they may differ from the materiality ratings determined through the DMA process. There needs to be further deliberation on how the concepts of magnitude and likelihood as required by DMA for ESRS disclosures can be further aligned with existing risk processes.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: General Information

Embedding sustainability in opportunity management:

On an annual basis, a strategic review of sustainable finance opportunities is undertaken by the business along with relevant stakeholders. The opportunities prioritised are then captured into Barclays' annual planning cycle. Barclays' 2025 financial planning process included a review of its strategy, its implementation, and tracking of progress against climate-related targets – as well as capturing a view of climate-related opportunities. During 2025, BBI continued to enhance its monthly reporting framework to cover a view of the balance sheet from Sustainable and Transition Financing. This supports Barclays' ability to review its sustainable and transition finance portfolio at greater granularity and improve relevant business engagement through the financial planning process.

The DMA process is not currently integrated into our overall opportunity management processes or used to evaluate our overall pipeline of opportunities.

Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

We have identified one new sustainability matter compared to our previous reporting period: a new potential negative impact relating to Anti-Money Laundering (AML) and Sanctions. Alongside making a number of editorial or presentational changes across the descriptions for our IROs (such as streamlining the language or aggregating our potential negative impacts in relation to S3 from five to three key themes), we have also updated a number of these descriptions from last year as a result of our DMA process, as follows:

- E4 (Biodiversity and ecosystems) – Updated our negative impact disclosure as we continue to build our understanding of drivers of biodiversity loss and related negative impacts in our downstream value chain, with pollution no longer identified as a primary driver that is materially relevant to our clients' impacts.
- S1 (Own workforce) – Updated our positive impact disclosures to reflect our evolving approach to inclusion and opportunity and equal opportunities for all to progress, while aspiring to hire from the broadest global talent pools, within a culture of belonging and equal opportunity for all. We have presented policies in such a way as to reinforce our wider focus on creating a workforce culture where colleagues feel safe to speak up. See Strategy Update in 2025 section on page 57 for further details.

Information about the current effects of these material IROs on our business model, value chain, strategy and decision making, and how we manage and respond to these effects are reflected, in particular, in the key actions we have taken over the year and the actions which we have planned, is outlined in the topical disclosures below relating to each of these IROs. When determining what information to include we consider the significance of the information in relation to the matter or the decision usefulness of the information, aligning to the ESRS 1 section 3.2 requirements.

Anticipated effects of these material IROs on our business model, value chain and strategy are also reflected in the key actions we plan to take. Further information regarding both our strategy and actions can be found in the topical disclosures below relating to each of these IROs.

We will continue to reflect on how we can appropriately monitor and respond to the anticipated effects of our material IROs on our business model, value chain and strategy and decision making.

Resilience of strategy and business model

BBI assesses the resilience of its strategy and business model regarding the capacity to identify material impacts, address related risks and take advantage of resulting material opportunities. This is the responsibility of the relevant committees and senior management, who are responsible for ensuring the risk and opportunities are considered in both the strategy and the business model. At this point in time, there are no material amendments to our strategy or business model required. Further specific details can be found in the Climate Change and Sustainable and Transition Products and Services sections on pages 37 and 52 respectively.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: General Information

The table below shows the material sustainability matters for BBI and their mapping to the associated ESRS standard or, in the case of our entity-specific sustainability matters, the most appropriate ESRS standard.

ESRS	Page	IRO	Type	Value Chain			Time Horizon		
				Upstream	Own Operations	Downstream	Short >= 1year	Medium (1-5 years)	Long (>5 years)
E1	37	Climate Change Mitigation	Negative Impact			*	*	*	*
E1	37	Climate Change - Transition	Risk			*		*	*
E4	49	Drivers of Biodiversity loss ¹	Negative Impact			*	*	*	*
Entity Specific	52	Sustainable and Transition Products and Services ²	Positive Impact			*	*	*	*
Entity Specific	52	Sustainable and Transition Products and Services ²	Opportunities			*	*	*	*
S1	57	Equal Opportunities for All	Positive Impact	*			*	*	*
S1	67	Working Conditions	Positive Impact	*			*	*	*
S2	72	Labour Rights (including Modern Slavery) ¹	Negative Impact			*	*	*	*
S3	74	Communities' economic, social and cultural rights ¹	Negative Impact			*	*	*	*
S3	74	Communities' civil and political rights ¹	Negative Impact			*	*	*	*
S3	74	Indigenous Peoples rights ¹	Negative Impact			*	*	*	*
S4	76	Cybersecurity ¹	Negative Impact			*	*	*	*
Entity Specific	78	Data Privacy - Accurate records ²	Negative Impact	*			*	*	*
Entity Specific	78	Data Privacy - Right to privacy of consumers and end-users ²	Negative Impact			*	*	*	*
Entity Specific	80	Anti-Money Laundering and Sanctions ²	Negative Impact	*			*	*	*

Note

- 1 Denotes sustainability matter disclosed under ESRS 2 BP-2 paragraph 17 to comply with the phased-in reliefs set out in ESRS 1, Appendix C and allowed by the Quick Fix Regulation
- 2 Denotes entity specific sustainability matter disclosed under ESRS 1, Appendix A, AR 1-5 and ESRS 2 sections 4.2-5 (MDRs).

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

We are required to disclose a list of datapoints in cross-cutting and topical standards that derive from other EU legislation. These disclosures are incorporated by reference into this section of the Sustainability Statement and can be found in Schedule A to the Sustainability Statement on page 300.

Schedule to the Directors' Report: Sustainability Statement

Environmental Information

Contents

BBI identified material IROs in the following environmental topical standards:

ESRS Standard	Section	Page
E1	Climate Change	37
E4	Biodiversity and Ecosystems	49

E1: Climate Change

Climate change related impacts, risks and opportunities

The DMA process identified the following material IROs for climate change as outlined in the table below:

Material Impacts and Risks	Description	Type	Value Chain		Time Horizon			
			Upstream	Own Operations	Downstream	Short (0-1 year)	Medium (1-5 years)	Long (>5 years)
Climate Change Mitigation								
	BBI is connected to environmental impacts in relation to continuing financing to clients operating in high emitting sectors ¹ .	Negative Impact			*	*	*	*
Climate Change - Transition								
	BBI may face material financial risk arising from transition-related impacts on its investments and financing activities. The transition risks caused by extensive policy, legal, technology and market changes may result in significant adverse impacts to wholesale credit corporates, especially within high-emitting industries which may not be well-prepared to transition.	Risk		*		*	*	

Note

¹ For more detail on high emitting sectors, please refer to the Metrics section on page 47.

Strategy

Barclays recognises that climate change has widespread impacts on the group and its legal entities, its clients and the broader economy. Barclays integrates climate risk considerations into its strategy, scenario analysis, policies and actions, risk management frameworks, and performance metrics and targets to ensure a resilient and sustainable response to climate change. Barclays ambition to be a net zero bank by 2050, approved by shareholders in 2020, was driven by a recognition of the risks and opportunities associated with climate change. Since then, Barclays has continued to deliver against its strategy whilst at the same time, evolving its approach in recognition of the realities of the transition. The Barclays Transition Update (BTU): Clients, Capital and Innovation, published in July 2025, sets out how the Group plans to continue delivering on its ambition to be a net zero bank by 2050.

Transition plan for climate change

BBI does not have its own transition plan for climate change mitigation, nor does it plan to adopt its own transition plan. However, BBI is part of the Barclays Group and, as such, alongside other Barclays Group companies, will contribute to achieving Barclays ambition to be a net zero bank by 2050. The actions taken by BBI are grouped under decarbonisation levers and captured in the E1-3 (MDR-A) disclosure on page 44.

The BTU outlines the role that Barclays can play in supporting its clients as they navigate the opportunities and challenges from transitioning to a low-carbon economy and how overall it is managing the risks presented by the transition. The update is structured around three themes that Barclays as a whole is focusing on: working with clients on their transition, financing clients' transition and scaling climate technology. The update is published on the Barclays website.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Environmental Information

Climate related risks and scenario analysis

BBI is exposed to climate-related risks indirectly through its downstream financing and investment activities. The feedback effects of climate risk drivers through macro and micro transmission channels when materialised are likely to be observed in BBI's portfolios in its traditional risk categories such as Credit risk, Market risk, Treasury and Capital risk, and Operational risk. Climate risk is recognised as a driver of other existing financial (Credit, Market, Treasury and Capital) and non-financial (including Operational and Reputational) risks.

Climate Risk is designated as a principal risk under its Enterprise Risk Management Framework (ERMF), with the purpose of capturing the impact of climate change on financial and operational risk categories. For Climate as a Principal Risk, Barclays has developed and implemented a dedicated risk framework, the Climate Risk Framework, which integrates within the broader ERMF aiming to guide effective management of climate risk and support the delivery of the Barclays' Climate Strategy. This framework is applicable to all legal entities in the Barclays Group (including BBI) and business lines. Climate change can also drive non-financial risk categories such as reputational risks mainly in connection with the negative impacts on climate, which continue to be managed under their respective frameworks. BBI continuously updates and refines its risk management practices and internal frameworks.

Identifying and assessing climate risk in downstream financing and investment activities

The Climate Risk Framework supports in establishing a systematic and enterprise-wide approach to managing financial and operational risks from climate change. The approach to identifying, measuring and managing climate-related risks is consistent with other key risks, focusing on those climate risk drivers that are relevant and could amplify financial and operational risk types. The potential impacts of transition risk drivers will vary across BBI's portfolios depending on composition, industry, geographic location, business operations and other contextual factors. Transition risk 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. Transition risks could occur in all timeframes. There remains significant uncertainty around the speed and scale of the transition. Assessments across short (0-1 yr), medium (1-5 yrs) and long-term (>5 yrs) timeframes are conducted to understand and quantify the impact of climate transition risks on its financed portfolios and risk types. The approach is customised to reflect portfolio characteristics, size and exposure to specific climate risk drivers (including transition risk drivers) within various portfolios. Barclays has leveraged and enhanced its risk taxonomy and existing risk identification processes such as horizon scanning, sector and geographical assessments to connect and understand impact of various transition risk drivers on its existing risk categories. Refer to Climate Risk management section (page 126) for further details.

BBI uses its risk register process to assess the potential effects of climate risk drivers on its existing financial and operational risk categories and portfolios across various time horizons. The materiality of financial impact from climate risks is derived either quantitatively (typically based on stress testing) or through qualitative estimations. The outcome of this process feeds into the CSRD double materiality assessment to identify and flag material sustainability topics for the firm.

Climate Scenario analysis

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

Barclays uses climate scenario analysis primarily for (1) understanding Barclays' resilience to climate scenarios, (2) as a consideration within its financial planning process, (3) as a consideration within its assessment of Expected Credit Losses reported under IFRS 9. 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 us.

Two Group-wide stress tests incorporating climate risk were conducted during 2025, each with its own scenario aligned to a less than 2°C pathway. Whilst we only assessed transition risk to be material, the scenarios explored Barclays' financial resilience to both transition and physical risks. Firstly, the 2025 annual Internal Stress Test (IST25) 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 analyses performed to date, our view is that BBI's 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 BBI's resilience to various climate scenarios, particularly given high uncertainty in this area.

The IST25 was conducted as a Group wide exercise across all portfolios (including BBI), with the scenario specifically designed to evaluate BBI's 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. Variable paths were benchmarked against

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Environmental Information

NGFS (Network for Greening the Financial System) short-term scenarios wherever narratives aligned, ensuring stronger consistency with industry-standard methodologies. The IST25 for BBI covered assessment of impacts not only from climate risk but also from other risk drivers such as nature-related and macroeconomic factors. The sections below primarily focus on the climate-related aspects.

Scenario analysis - scope and process

The IST25 climate scenario consists of three chronological stages. 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.

The scenario's three stages include the following key events over five years, which is aligned to our short and medium-term horizons for climate risk generally:

Stage 1:

- Consumer preferences shift toward greener products and practices, 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 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 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.

Stage 3:

- By 2029, carbon price growth in the EU slows but remains high. Technological progress, coupled with global capital shifting towards low-carbon solutions, drives the creation of new green jobs.

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.

Results and insights

Results of the exercise indicate that losses are primarily driven by exposures to carbon-intensive sectors that are most vulnerable to the combined effects of transition and physical climate risks. In particular, the scenario featured a sharp rise in carbon prices in the EU, with the EU Emissions Trading System (ETS) price rising to \$309/tCO₂e. This was driven by a decline in global oil and gas demand, accelerated transition policies and the increasing cost burden from carbon pricing, all of which placed pressure on profitability in these industries.

The impacts of the IST25 exercise remain manageable within the Bank's established risk profile. The IST25 results are fully integrated into the Internal Capital Adequacy Assessment Process (ICAAP), informing the setting of risk appetite and

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Environmental Information

supporting the Board's approval of the medium-term capital plan. The scenario confirms that the Group's (including BBI'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.

Challenges and Limitations

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

There exist inherent uncertainties with scenario design largely attributed to limited history of the interactions between climate risks and the economy. 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. 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. 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.

It is recognised, however, that further advances in modelling capability and data availability are required to fully capture the potential extent of climate-related losses. Given the evolving climate landscape, we seek to further enhance our capabilities and modelling to refine our understanding of BBI's resilience to various climate scenarios, particularly given high uncertainty in this area.

Policies

Policies relating to Climate Change Mitigation Impacts

Climate Change Statement

BBI applies the Barclays position statement titled 'Climate Change Statement' to manage our downstream negative impact in certain high-emitting sectors. The statement addresses climate change mitigation and relates to the negative downstream impact that BBI can have by continuing to finance activities and/or companies active in high-emitting sectors which significantly contribute to global emissions. The statement does not address climate change adaptation, energy efficiency or renewable energy deployment. With regard to climate change adaptation, energy efficiency and renewable energy deployment, we address this by including the financing of the above activities as eligible under our Sustainable and Transition Finance Frameworks, to be counted towards Barclays Group target to facilitate \$1 trillion of Sustainable and Transition Finance between 2023 and the end of 2030.

The Climate Change Statement sets out Barclays' position and approach to certain high-emitting sectors. The statement has been developed in addition to Barclays sector-specific emission reduction targets consistent with the Barclays Purpose. The statement considers risk and market factors for energy and power sectors.

The key contents of the Climate Change Statement are:

- Conditions or restrictions on the financing of certain activities, such as project finance for expansion projects in upstream oil and gas, or financing provided to certain clients or groups active in sectors including but not limited to upstream oil and gas, thermal coal mining and thermal coal power.
- The applicability of stated financing restrictions and the governance approach of the statement.
- A brief overview of the following:
 - The Client Transition Framework (CTF) evaluates our in-scope clients' progress towards business models aligned to a low-carbon economy.
 - The Client Transition Review Forum (CTRF) which carries out targeted reviews of groups (any entity, the relevant parent company and its consolidated subsidiaries, as a whole) subject to a CTF assessment. These reviews are informed by the CTF assessment and take into account consideration of relevant risks and other business factors.
 - The approach to Sustainability Enhanced Due Diligence (SEDD) which evaluates groups that are in scope of the statement, their performance on a range of environmental and social issues in addition to adherence to restrictions detailed in our external position statements (taking into account regional and jurisdictional considerations).

Clients in-scope of our Climate Change Statement are subject to SEDD and assessed against the Equator Principles (if a project finance or credit transaction is deemed to be in scope) including, where appropriate, any relevant International Finance Corporation (IFC) performance standards. The Performance Standards are directed towards clients, providing

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Environmental Information

guidance on how to identify risks and impacts, and are designed to help avoid, mitigate and manage risks and impacts as a way of doing business in a sustainable way, including stakeholder engagement and disclosure obligations of the client in relation to project-level activities.

Additional SEDD questions will vary by sector, for instance, for *Biomass*, this process will also consider the sustainable sourcing of feedstock. External technical input may be obtained to assist the business in reviewing and assessing whether certain *Group* activities meet our internal SEDD criteria, or where there is uncertainty as to whether a certain activity is within scope of our SEDD criteria.

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

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

The scope of the statement is outlined in the table below and covers our approach to financing sectors such as Mountain Top Removal Coal Mining, Thermal Coal Mining, Thermal Coal Power, Unconventional Oil and Gas, Upstream Oil and Gas, and SEDD requirements for Biomass.

Words in *italics* as captured in the table below are defined in the Key Definitions table in the 'Further Information' section starting from page 92. These definitions clarify the intended scope of this statement. The Climate Change Statement is available to stakeholders on the Barclays website.

Sector	Project Level	Entity Level
Mountain Top Removal (MTR) Coal Mining	<ul style="list-style-type: none"> We will not <i>directly finance</i> projects or developments using <i>MTR</i> coal mining. 	
Thermal Coal Mining	<ul style="list-style-type: none"> We will not provide <i>project finance</i> for greenfield development or <i>material expansion of thermal coal</i> mines anywhere in the world, including <i>captives</i> We will not provide <i>project finance</i> for development of infrastructure projects primarily to be used for <i>thermal coal</i> mines anywhere in the world 	<ul style="list-style-type: none"> We will not provide <i>financing</i> to <i>new clients</i> engaged in <i>thermal coal</i> mining We will not provide general corporate purpose <i>financing</i> that is specified as being for new or <i>material expansion of thermal coal</i> mining We will not provide <i>financing</i> to existing <i>clients</i> that generate more than 30% of revenues from <i>thermal coal</i> mining We will not provide general corporate purposes <i>financing</i> to <i>clients</i> with entities <i>engaged in</i> opening new <i>thermal coal</i> mines or <i>material expansion of existing thermal coal</i> mines, unless an undertaking is received from the borrower, or we are otherwise satisfied that the proceeds of such <i>financing</i> will not be made available to entities <i>engaged in</i> opening new <i>thermal coal</i> mines or <i>material expansion of existing thermal coal</i> mines <p><u>By 1 January 2030:</u></p> <ul style="list-style-type: none"> For EU and OECD, we will phase out <i>financing</i> to all <i>clients engaged in thermal coal</i> mining For the rest of the world, we will no longer provide <i>financing</i> to <i>clients</i> that generate more than 10% of revenue from <i>thermal coal</i> mining <p><u>By 1 January 2035:</u></p> <ul style="list-style-type: none"> We will phase out <i>financing</i> for all <i>clients engaged in thermal coal</i> mining

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Environmental Information

Sector	Project Level	Entity Level
Thermal Coal Power	<ul style="list-style-type: none"> We will not provide <i>project finance</i> to enable the construction or <i>material expansion</i> of <i>thermal coal</i>-fired power plants anywhere in the world, including <i>captives</i> 	<ul style="list-style-type: none"> We will not provide general corporate purpose <i>financing</i> that is specified as being for new or <i>material expansion</i> of <i>thermal coal</i>-fired power plants We will not provide <i>financing to clients</i> that generate more than 30% of <i>revenue from thermal coal-fired power generation</i> We will not provide general corporate purposes <i>financing to clients</i> with entities <i>engaged in</i> developing new <i>thermal coal</i>-fired power plants or <i>material expansion</i> of existing <i>thermal coal</i>-fired power plants, unless an undertaking is received from the borrower, or we are otherwise satisfied that the proceeds of such <i>financing</i> will not be made available to entities <i>engaged in</i> developing new <i>thermal coal</i>-fired power plants or <i>material expansion</i> of existing <i>thermal coal</i>-fired power plants <p><u>By 1 January 2030:</u></p> <ul style="list-style-type: none"> For EU and OECD, we will phase out <i>financing to clients engaged in thermal coal</i>-fired power generation For rest of the world, we will no longer provide <i>financing to clients</i> that generate more than 10% of <i>revenue from thermal coal-fired power generation</i> <p><u>By 1 January 2035:</u></p> <ul style="list-style-type: none"> We will phase out <i>financing</i> for all <i>clients</i> engaged in <i>thermal coal</i>-fired power generation. <p><u>Exceptions to the phase out date(s) for <i>thermal coal</i>-fired power generation apply if:</u></p> <ul style="list-style-type: none"> Remaining <i>thermal coal</i>-fired power plants are abated to reduce Greenhouse Gas (GHG) emissions to near zero; or Remaining <i>thermal coal</i>-fired power plants solely utilised as backup to low carbon power supply; or Remaining <i>thermal coal</i>-fired power plants are required to remain open by operation of law, regulation or contract.
Unconventional Oil and Gas	<p><u>Amazon Biome/Ultra-Deep Water/Extra Heavy Oil</u></p> <ul style="list-style-type: none"> We will not provide <i>direct financing</i> to <i>Energy Groups</i> for any oil and gas projects in the <i>Amazon Biome</i>, or any oil and gas projects involving <i>Ultra-Deep Water</i> and/or <i>Extra Heavy Oil</i>, or infrastructure projects primarily to be used for such oil and gas projects <p><u>Arctic Circle</u></p> <ul style="list-style-type: none"> We will not <i>directly finance</i> oil and gas projects in the <i>Arctic Circle</i> <p><u>Hydraulic Fracturing (Fracking)</u></p> <ul style="list-style-type: none"> We will not <i>directly finance</i> projects involving <i>Hydraulic Fracturing (Fracking)</i> in the UK and Europe <p><u>Oil Sands</u></p> <ul style="list-style-type: none"> We will not provide <i>direct financing</i> wholly or primarily to be used for the construction of new: (i) <i>Oil Sands</i> exploration, production and/or <i>Oil Sands</i> processing assets; or (ii) <i>Oil Sands</i> pipelines 	<p><u>Amazon Biome</u></p> <ul style="list-style-type: none"> We will not provide financing to Clients engaged in exploration, appraisal, development, and production of oil and gas in the Amazon Biome <p><u>Arctic Circle</u></p> <ul style="list-style-type: none"> We will not provide financing to Clients materially engaged in oil and gas exploration and production or pipeline transportation operations in the Arctic Circle We will not provide financing to Clients with ancillary oil and gas businesses in the Arctic Circle where proceeds are known to be for supporting new oil and gas exploration, production or new pipeline transportation projects in the Arctic Circle <p><u>Hydraulic Fracturing (Fracking)</u></p> <ul style="list-style-type: none"> We will not provide financing to Clients materially engaged in Fracking activities in the UK and Europe <p><u>Oil Sands</u></p> <ul style="list-style-type: none"> We will not provide financing to Oil Sands exploration and production companies We will not provide general corporate purposes financing that is specified as being wholly or primarily for the construction of new: (i) Oil Sands exploration, production and/or Oil Sands processing assets; or (ii) Oil Sands pipelines <p><u>Unconventional Oil and Gas</u></p> <ul style="list-style-type: none"> We will not provide financing to Energy Groups whose aggregate share of production in Oil Sands, Extra Heavy Oil, Hydraulic Fracturing in the UK/EU, and Arctic Circle oil and gas exceeds 20% of their total oil and gas production.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Environmental Information

Sector	Project Level	Entity Level
Upstream Oil and Gas	<ul style="list-style-type: none">We will not provide <i>project finance</i> for <i>expansion</i> projects or infrastructure projects primarily to be used for such <i>expansion</i> projectsWe will not provide other <i>direct financing</i> to <i>Energy Groups</i> for <i>expansion</i> projects or infrastructure projects primarily to be used for such <i>expansion</i> projects	<ul style="list-style-type: none">We will not provide <i>financing</i> to new clients that are <i>Energy Groups</i> where more than 10% of their total planned oil & gas capital expenditure is in <i>expansion</i>We will only provide new <i>financing</i> or renewal of existing <i>financing</i> for <i>Non-diversified Groups</i> where more than 10% of their total planned oil & gas capital expenditure is in <i>long-lead expansion</i>, by exceptionWe expect all <i>Energy Groups</i> to be producing relevant information in relation to their transition plans or decarbonisation strategiesWe expect <i>Energy Groups</i> to demonstrate that they are committed to reducing their own emissions by having:<ul style="list-style-type: none">net zero-aligned <i>near-term</i> Scope 1 and 2 emissions reduction targets (absolute or intensity-based); andtargets to reduce methane emissions by 2030, aligned with OGCI, OGMP2.0, or similar industry guidance; anda commitment to end all routine / non-essential venting and flaring by 2030. <p><u>Client Transition Framework (CTF)</u> We assess the information available on <i>Energy Groups</i>' plans for alignment with our 2030 financed emissions reduction targets through the <i>Client Transition Framework (CTF)</i> against several factors including, but not limited to, the following:</p> <ul style="list-style-type: none">Scope 1 and 2 emissions reduction targets, including methane.Scope 3 absolute emissions reduction targets/ commitments.Plans to expand production.Low carbon business model activities and plans. <p><u>Client Transition Review Forum (CTRF)</u> We have established a Client Transition Review Forum (CTRF) to carry out targeted reviews of <i>Groups</i> subject to a <i>CTF</i> assessment. <i>Energy Groups</i> meeting any of the following will be subject to mandatory annual review by the CTRF to determine whether continued financing support is appropriate in the context of their investment plans and overall decarbonisation or transition plans:</p> <ul style="list-style-type: none"><i>Energy Groups</i> where more than 10% of their total planned upstream oil & gas capital expenditure is in expansion.<i>Non-diversified Groups</i><ul style="list-style-type: none">We recognise that <i>Non-diversified Groups</i> may present greater transition risk than diversified <i>Energy Groups</i>, in particular those engaged in <i>long-lead expansion</i>.We have very limited appetite for <i>Non-diversified Groups</i> where they are engaged in <i>long-lead expansion</i>.<i>Energy Groups</i> with the lowest <i>CTF</i> assessment scores. <p>Notwithstanding the outcomes of the CTRF reviews, <i>financing</i> decisions are transaction specific and will continue to be subject to consideration by relevant committees, if appropriate, to consider issues such as credit risk, reputational risk and capital impact.</p> <p>See "Applicability of Financing Restrictions" below for further detail on how restrictions will be applied.</p>
Biomass		<ul style="list-style-type: none">We will conduct SEDD on <i>Groups</i> that have >500MW installed <i>Biomass</i> capacity AND/OR >50% of their total installed capacity as <i>Biomass</i>.

Exceptions to Barclays Climate Change Statement

- We will consider exceptions to our *thermal coal* mining policy on a case-by-case basis for any *transition finance* provided by Barclays to *clients* reducing their *thermal coal* portfolio including retrofitting of existing facilities.
- We will consider exceptions to our *thermal coal* power policy on a case-by-case basis for any *transition finance* to *clients* reducing their *thermal coal* portfolio including retrofitting of existing facilities or where we are providing *financing* for decommissioning plants for those unable to transition.

Applicability of financing restrictions in Barclays Climate Change Statement

- Any existing commitments or *financing* entered into prior to any of the restrictions coming into effect under the Upstream Oil & Gas and Unconventional Oil & Gas sections of this statement may remain in place (but refinancings of any such commitments or financing shall be subject to the restrictions described above).
- In certain cases, we may enter into *Sustainable Finance* or *Transition Finance* transactions with an entity in a *Group* that would otherwise be restricted as a result of the application of the Upstream Oil & Gas section of this statement where Barclays is satisfied that any *Sustainable Finance* or *Transition Finance* transactions provided to it will not be used directly to support oil & gas activity.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Environmental Information

- 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.

Policies relating to Climate Change Transition Risk in downstream financing

BBI has adopted and implemented the Barclays Group's Climate Risk Framework for Climate - Principal Risk, focusing on managing impacts on financial and operational risk categories from climate change within the broader ERMF aiming to guide effective management of climate risk and support the delivery of its Climate Strategy. The Climate Risk Framework is underpinned by the Climate Risk Policy and Climate Risk Standard which collectively aim to embed climate-related considerations into Barclays' risk management practices. The Group Head of Climate Risk is the accountable executive for the management and oversight of climate risk. The BBI Head of Climate Risk reports to the BBI deputy CRO, both of whom are responsible for the oversight and management of BBI's climate and environment risk profile including the responsibility of embedding the above-mentioned framework along with the relevant policies and standards across the Bank.

The Climate Risk Policy and Climate Risk Standard set out the control objectives and minimum control requirements for managing climate risk across different stages of the risk management cycle (across risk identification and assessment, management and mitigation, monitoring and reporting). Further, these components guide BBI in managing transition risks in its financed portfolios, maintaining financial resilience and aligning with its broader climate strategy. These documents articulate the approach for risk appetite by specifying guiding principles, quantitative limits and escalation protocols to maintain exposures within acceptable boundaries. These documents also outline the roles and responsibilities across governance structures and the three lines of defence for managing and overseeing climate risk.

The key principle underpinning the Climate Risk Framework is that climate risk is considered as a driver of traditional risk categories (e.g. credit, market, operational risk etc), and as such the frameworks and standards of other principal risk categories have also been enhanced to support the integration and embedding of climate risk within existing risk practices. The oversight and management of climate-related risks occur at a number of levels including through various governance committees and forums across business lines and legal entities. The frameworks, policies and standards are reviewed annually and updated to reflect internal and external developments including changing regulatory expectations.

Actions

Actions to manage Climate Change Mitigation Impacts

We have taken and will continue to take the following key actions, grouped under decarbonisation levers:

Measuring and monitoring emissions

Sustainability Enhanced due diligence (SEDD) to achieve Climate Change Statement objectives

We conduct SEDD on clients in-scope of our public position statements, via detailed Sustainability Enhanced Due Diligence (SEDD) questionnaires, which are used to evaluate their performance on a range of environmental and social issues in addition to adherence to restrictions detailed in our public position statements (application of the provisions is subject to compliance with applicable laws and regulations, which may change from time to time) and may be supplemented by a review of client policies/procedures, further client engagement and adverse media checks as appropriate. SEDD questionnaires generate an outcome based on alignment with position statements and identified environmental and social issues, which in turn determines whether further review by the Environmental and Social Risk Management (ESRM) team within Group Sustainability, client engagement may be required and periodic review cycle (either annual or biennial). We follow a risk-based approach where certain clients would require further risk assessment prior to execution of transactions. The outcome of this action is the evaluation of a client's performance on a range of environmental and social issues and adherence to restrictions detailed in our external position statements, which in turn determines whether further review and client engagement may be required throughout the year and can be used to inform our financing decisions. SEDD for clients in scope of our external position statements is undertaken by Barclays client coverage teams, supported by control teams, as well as the Environmental and Social Risk Management (ESRM) Team, within the Group Sustainability function, who may advise on the application of the statements. Application of SEDD in relation to other identified impacts, risks and opportunities, is detailed in pages 50, 73 and 75.

Clients in-scope of Barclays' Climate Change Statement continue to be subject to SEDD.

Financed emissions tracking and benchmarking

Barclays measures certain financed emissions and tracks them at a portfolio level against the goals and timelines of the Paris Agreement – this methodology is called BlueTrack™. Currently, Barclays has set 2030 financed emissions reduction

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Environmental Information

targets for Upstream Energy, Power, Steel, Cement, Automotive manufacturing, Aviation, UK Commercial Real Estate¹, UK Agriculture portfolios¹ and a convergence point for UK Housing¹. The BlueTrack™ methodology was developed to measure and track Barclays progress against targets integrating 1.5°C aligned scenarios. The BlueTrack™ methodology uses an external climate scenario to construct a Paris-aligned portfolio benchmark that defines how a given financing portfolio will need to reduce emissions over time. These scenarios have been selected because they have been developed by reputable external providers, are aligned with the Paris Agreement goals, and are sufficiently granular. The financed emissions for BBI are reported within the metrics section of this disclosure.

Working with clients on their transition

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).

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. It 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 2025, the CTF Methodology was extended to increase the scope of clients covered by assessments to include in-scope publicly listed corporate clients in all sectors across the Investment Bank. This is in addition to continuing 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 the expanded scope, methodology updates, and lending activity.

In the sectors where we have set 2030 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. 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.

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

Sustainable and transition finance

We continue to expand the breadth of sustainable and transition finance banking products we offer to support the transition to a low-carbon economy including those aimed at mitigating climate change. For details on this please refer to actions on page 52 of the Sustainable and Transition Products and Services section.

Actions to manage Climate Change Transition risk in downstream financing activities

Barclays, including BBI has adopted an integrated approach to managing and mitigating climate risks in its downstream financing activities, combining continuous monitoring with both portfolio-level and bottom-up transaction-level assessments. These activities are tailored to the underlying portfolio's composition and characteristics, ensuring that risk management efforts are focused on areas with material exposure to climate risks.

Barclays, including BBI's, approach to setting risk appetite for climate risk is aligned with Barclays Group's ambition to be a net zero bank by 2050 and reducing financed emissions in line with its 2030 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 various risk limits, triggers and indicators set across different Principal Risk types. Regular monitoring, reporting and governance provide oversight of climate risk profile and exposures and ensure they remain within the thresholds of risk appetite. When breaches occur, investigation is conducted to understand the rationale for the breach. Corrective actions, such as decreasing exposure or considerations for other risk mitigating measures are reviewed and

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Environmental Information

discussed to address the breach. Client and Portfolio-level assessments are performed to identify and assess portfolios that are more vulnerable to climate risks. These actions are completed on a continuous basis through the year. For further information on actions, refer to the Climate Risk Management section of the Risk Review on page 126.

At transaction level, BBI integrates climate risk considerations into its credit decisioning and underwriting processes. BBI has implemented enhanced oversight and additional scrutiny for new deals originated in elevated sectors, particularly those with sector targets and subjected to external position statements. The scores from the Client Transition Framework (CTF) and emissions data from BlueTrack™ support identification of clients and portfolio segments with elevated transition risk. These insights further inform key risk management practices—including risk monitoring, limit setting, concentration management, credit decisioning, across both portfolio level and transaction level. Please refer to the Climate Risk Management section for additional details (page 126).

Stress testing, ICAAP (Internal Capital Adequacy Assessment Process), and ILAAP (Internal Liquidity Adequacy Assessment Process) are essential tools used by BBI to manage and mitigate financial risks. These exercises help assess the Bank's resilience under adverse scenarios, ensuring it maintains sufficient capital and liquidity buffers to withstand shocks.

Barclays continues to enhance its risk management capabilities with increased knowledge and ability to identify, quantify and manage climate related risks, including transition risk, in line with external developments and regulatory expectations.

Future Actions planned in relation to Climate Change Impacts and Risks

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

Targets

Considering Climate Change Mitigation Impacts and Climate Change Transition risk

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

However, BBI, as a part of the wider reporting group, contributes towards achieving the 2030 financed emissions reduction targets set at the Barclays Group level to manage climate change impacts or transition risk. Therefore, we track the effectiveness of the policies and actions referred to above through monitoring of the progression against the targets set at Barclays level. Barclays has set 2030 emission reduction targets using BlueTrack™ for eight high-emitting sectors: Upstream Energy, Power, Cement, Steel, Automotive manufacturing, UK Commercial Real Estate¹, UK Agriculture¹ and Aviation; and a convergence point for UK Housing¹. These 2030 financed emissions reduction targets established at the Barclays level for high-emitting sectors also include subsidiary legal entities' portfolios. Emission reduction targets and CTF scores help us engage with clients, inform decision making and risk management practices. In addition, in relation to tracking the effectiveness of our policies and actions in relation to transition risk, the approach and practices for managing climate risk are reviewed on a regular basis for alignment with regulatory developments and industry leading practices. Barclays has implemented controls to manage climate-related risks. A governance forum oversees these controls including climate related risk events, policy and issue management. Additionally, the assurance teams are responsible for performing climate risk specific reviews to ensure effectiveness of the Climate Risk Framework and risk practices.

The 2030 financed emissions reduction targets set at Barclays level are outlined in the below table.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Environmental Information

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

Notes

- 1 BBI does not have UK Agriculture, UK Commercial Real Estate and UK Housing activities that contribute to respective Barclays Group targets
- 2 Barclays has identified a 2030 emission intensity convergence point for UK Housing but has not set a formal target.

The key drivers behind changes to the portfolio metrics for 2025, as well as cumulatively against the relevant baseline, are covered within the 'Update on Progress Against Targets' section of Barclays' Annual Report.

Metrics

Metrics relating to Climate Change Mitigation Impact and Climate Change Transition risk

Emissions

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

We have determined it appropriate to report absolute emissions only from activities where Barclays has set 2030 financed emissions reduction targets due to the reasons below:

1. Emissions from sectors where Barclays has set 2030 financed emissions reduction targets represent the only relevant data points in relation to evaluating the performance and effectiveness of the E1 IROs.
2. Within financed emissions, the activities where Barclays has set targets are those that drive the Group business strategy and client action.
3. Upstream Energy and Power measures are also embedded within the strategic non-financial measures for Executive Directors of BPLC. Further details on the performance assessment against these measures can be found in the Remuneration report section of the Barclays' PLC Annual Report 2025.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Environmental Information

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

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

For other business activities where Barclays has not set targets, BBI has not disclosed metrics.

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

Scope 3 financed emissions where Barclays has set targets				
Activities ¹	Sector boundaries	Unit of measurement	December 2025	December 2024
Upstream Energy	Upstream Energy (producers of coal, oil, gas and NGLs)	MtCO ₂ e	9.5	6.0
Power	Power generators	MtCO ₂ e	1.1	1.5
Cement	Cement manufacturers	MtCO ₂ e	0.0	0.0
Steel	Steel manufacturers	MtCO ₂ e	0.1	0.0
Automotive manufacturing	Light Duty Vehicles manufacturers	MtCO ₂ e	1.2	1.7
Aviation	Commercial Aviation (Air Travel) – Passenger (including belly cargo) and Dedicated cargo	MtCO ₂ e	1.1	0.9
Total		MtCO₂e	13.0	10.1

Note

¹ BBI does not have UK Agriculture, UK Commercial Real Estate and UK Housing activities that contribute to respective Barclays Group targets.

Our methodology and assumptions in calculating financed emissions

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

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

Approach for estimating emissions mapped to PCAF DQ scores			
Activity	Data Quality option employed	PCAF Data Quality score ¹	
		Scope 1,2	Scope 3
Upstream Energy	Estimated based on production data Estimated based on average portfolio economic intensity if production data is not available	3.0	3.0
Power		3.0	NA
Automotive manufacturing		2.2	3.1
Aviation	Estimated based on production data	3.0	3.0
Cement	Reported emissions	2.0	NA
Steel		2.0	NA

Note

¹ 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.

Climate data, models and methodologies are evolving and are not yet at the same standard as more traditional financial metrics – nor are they yet subject to the same or equivalent disclosure standards, historical reference points, benchmarks or globally accepted accounting principles. Most of our data is collected from external sources, and the quality and

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Environmental Information

methodologies relating to the underlying data can be hard to assess. External sources then require mapping to Barclays' internal data. While we have set a framework that facilitates a robust matching process, it is likely residual issues will remain for reasons such as mergers and acquisitions within corporate sectors. There are also issues with time lags as most of our data is not available as at the reporting date. Further details on our BlueTrack™ methodology can be found within our Financed Emissions Methodology paper (published in 2026) accessible at: home.barclays/sustainability/esg-resource-hub/reporting-and-disclosures/.

Internal Carbon Pricing

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

E4: Biodiversity and Ecosystems

The below table describes the impact for the material sustainability matter related to biodiversity and ecosystems, as identified during the DMA process:

Material Impacts	Type	Value Chain			Time Horizon	
		Upstream	Own Operations	Downstream	Short (0-1 year)	Medium (1-5 years)
Description						
Drivers of Biodiversity loss						
BBI is connected to environmental impacts through the provision of financial services to clients in sectors which materially contribute to certain drivers of biodiversity and ecosystems loss.						
Our clients primarily contribute through:	Negative Impact			*	*	*
<ul style="list-style-type: none"> highly water intensive operations in water stressed areas; and converting or degrading land, including deforestation. 						

Strategy

Barclays is working to build an understanding of the ways our activities and those of our clients impact and depend on nature, including negative impacts on biodiversity and ecosystems. To better understand how these impacts may originate from its financing of different industry sectors, we continue to refer to Barclays' sector heatmap which analyses the potential materiality of nature impacts and dependencies associated with priority sectors identified in the Taskforce on Nature related Financial Disclosures (TNFD) Guidance for Financial Institutions, and which informs the selection of sectors for further analysis.

Building on the application of the TNFD's Locate, Evaluate, Assess and Prepare (LEAP) approach to a sample of clients in Barclays Mining and European Power portfolios in 2023/2024, in 2025, Barclays initiated an assessment of our Automotive Manufacturing portfolio, including consideration of these clients' upstream and downstream impacts. This will help to further build Barclays and BBI's understanding and management of nature-related dependencies, impacts, risks and opportunities. We also contributed to Barclays' report 'Navigating Nature Risk: Applying the TNFD's LEAP framework', which outlined the methodology, results and key insights from the assessment of a sample of Barclays Mining and European Power portfolios.

Policies

We apply the following Barclays policy statements in relation to addressing the potential negative impacts on biodiversity and ecosystems in our downstream value chain relating to land use change:

- Forestry and Agricultural Commodities (FAC) Statement;
- Protected Areas Statement; and

Schedule to the Directors' Report: Sustainability Statement

Environmental Information

- Climate Change Statement.

FAC Statement

The FAC Statement addresses the potential deforestation (including through direct exploitation or degradation of forests), land conversion and human rights impacts associated with our financing of the forestry and agricultural commodities sectors. It covers the provision of financial services to Barclays clients involved in the production or primary processing of soy, beef, palm oil and timber in High Deforestation Risk Countries¹ and includes both mandatory requirements and non-mandatory expectations for in scope clients covering their policies, zero deforestation commitments, supply chain traceability, verification and reporting.

Protected Areas Statement

The Protected Areas Statement aims to support the preservation of biodiversity and ecosystems in Protected Areas, through a combination of financing restrictions for certain projects and provisions relating to conducting sustainability enhanced due diligence (SEDD) on in scope clients. It covers clients developing new assets or expanding existing assets in a Protected Area and/or within its buffer zone(s).

Specifically it restricts the provision of project financing to support the development or expansion of a material project located in a Protected Area and/or within its buffer zone(s), or where it becomes known that a client is developing or expanding assets relating to a material project in a UNESCO World Heritage Site or Ramsar Wetland and/or within its buffer zone(s).

Climate Change Statement

Barclays Climate Change Statement, as outlined in detail on page 40, addresses the provision of certain financing for projects in sensitive biomes such as the Amazon and Arctic, which are known to be important areas for biodiversity preservation and which may be negatively impacted by the Energy sector.

The Climate Change Statement restricts:

- The provision of direct financing to Energy Groups¹ for any oil and gas projects in the Amazon Biome, and restrictions on the provision of financing to Clients engaged in exploration, appraisal, development, and production of oil and gas in the Amazon Biome; and
- The provision of direct financing for oil and gas projects in the Arctic Circle, and restrictions on the provision of financing to Clients materially engaged in oil and gas exploration and production or pipeline transportation operations in the Arctic Circle.

We do not have policies in place that are primarily aimed at addressing the potential negative impacts of our financing from a water consumption perspective. Barclays is engaged in ongoing work to build a deeper understanding of these potential negative impacts in our downstream value chain through assessment of prioritised sectors, applying the TNFD's LEAP framework. These assessments can provide Barclays and BBI with a detailed understanding of how clients in selected sector portfolios may potentially negatively impact on biodiversity and ecosystems, including as a result of water consumption, and their findings may support the enhancement of the Barclays risk management approach and policy framework.

Note

¹ High Deforestation Risk Countries are defined in Barclays Forestry and Agricultural Commodities Statement as: For forestry and timber and palm oil companies: Angola, Argentina, Bolivia, Brazil, Cambodia, Cameroon, Colombia, Côte d'Ivoire, Democratic Republic of Congo, Ecuador, Ethiopia, Gabon, Ghana, Guatemala, Guinea, Honduras, India, Indonesia, Laos, Liberia, Madagascar, Malaysia, Mexico, Mozambique, Myanmar, Nicaragua, Nigeria, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Suriname, Tanzania, Thailand, Uganda, Venezuela, Vietnam, Zambia.

Actions

BBI, through Barclays, has taken the following key actions this year in relation to addressing the negative impacts on biodiversity and ecosystems in our downstream value chain:

- Continued to conduct SEDD on clients in scope of the FAC Statement, Climate Change Statement, and Protected Areas Statement, which has resulted in more informed decision making in relation to the financing provided.
- Engaged with a selection of Mining and European Power clients on nature impacts, risks and opportunities identified during our 2023/24 LEAP assessment of these portfolios. During these engagements we shared and

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Environmental Information

tested our approach and results with these clients, engaging on identified areas of interest and related mitigation activities, as well as exploring their strategic and financing requirements.

- Initiated an additional TNFD LEAP assessment of Barclays Automotive Manufacturing portfolio, measuring selected material impacts for this sector such as water use, water pollution, and air pollution across the value chain. Barclays plans to conduct client engagement with a selection of Automotive Manufacturing clients once this exercise is completed in 2026.
- Extended nature-related criteria within Barclays' Client Transition Framework assessments to cover four sectors in total: Power, Mining, Automotive and Food, building on the pilot conducted for the Power sector last year. The evaluation provides a structured view of how clients are integrating nature considerations into their business models, and these insights will help inform client engagement planned for next year. Further information on our CTF is provided on page 45.

Note

1 Energy Groups refers to Groups that have over 20% revenue from upstream oil and gas activities (i.e. exploration, development and production) and/or Groups that are considered to be super major or major integrated oil and gas companies.

EU Taxonomy information (disclosures pursuant to Article 8 of the Taxonomy Regulation (EU/2020/852))

Further to Article 8 of the Taxonomy Regulation, we are required to disclose certain information regarding how and to what extent our activities are associated with environmentally sustainable economic activities, as defined in that regulation. These disclosures are incorporated by reference into this section of the Sustainability Statement and can be found as follows:

1. Qualitative information to support our explanations of Taxonomy key performance indicators ('KPIs'), especially the Green Asset Ratio ('GAR') – see page 83 of the Sustainability Statement.
2. A series of detailed prescribed templates disclosing quantitative information analysing our KPIs, including the assets included in the GAR and sectoral information – see Schedule B to the Sustainability Statement on page 312.

Schedule to the Directors' Report: Sustainability Statement

Entity Specific- Sustainable and Transition Products and Services

Entity Specific: Sustainable and Transition Products and Services

The table below describes the impact and opportunity in relation to the material entity specific sustainability matter, Sustainable and Transition Products and Services, which we identified during our DMA process.

Material Impacts and Opportunity	Value Chain	Time Horizon				
		Upstream	Own Operations	Downstream	Short (0-1 year)	Medium (1-5 years)
Description	Type					
Sustainable and Transition Products and Services						
BBI is connected to impacts on the environment and people by providing sustainable and transition finance to clients, which encompasses environmental, social, transition, nature and broader sustainability linked financing.	Positive Impact		*	*	*	*
BBI has an opportunity by offering sustainable and transition products and services. BBI has a sustainable and transition finance strategy of offering and supporting sustainability related products and services to capitalise on the potential market.	Opportunity		*	*	*	*

Strategy

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

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

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

Policies

We do not have a relevant policy in place, as the positive impact and opportunity are underpinned by our overall strategy of working with clients on their transition, financing our clients' transition and scaling climate technology, and our role in contributing to the Barclays target of facilitating \$1 trillion of Sustainable and Transition Finance between 2023 and the end of 2030. This financing approach is guided by our SFF and TFF, as referenced above.

Actions

Sustainable and Transition Products

We continue to broaden our sustainable and transition finance offering, such as developing our sustainability notes and deposits products in 2025. Sustainable and transition finance products also help us achieve our focus on working with clients on their transition. In 2026, we will continue to consider and evaluate additional sustainable and transition products.

Strategic Review

Our sustainable finance strategy was refreshed during 2025 across key businesses. The review built upon both new and previously identified commercial opportunities. The output was considered in the financial planning process, including incremental revenue, cost and capital. Key opportunities continue to reside within Debt Capital Markets, Equity Capital Markets, Transaction Banking and lending.

We continue to embed key teams whilst hiring to grow our existing talent pool with a focus on expanding our product capabilities as we continue to drive performance against our selected Barclays targets. In particular, the Energy Transition

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Entity Specific- Sustainable Products and Services

Group within Barclays continues to provide holistic and cohesive strategic advice and financing solutions through the energy value chain, with a particular emphasis on decarbonisation. These teams continue to enable further implementation of our climate strategy and increase co-ordination, with a focus on how they can help our customers and clients on the transition to a low-carbon economy.

We will continue to endeavour to further enhance how our sustainability strategy is embedded into the way we think about financial planning over the coming years – reflecting on the progress made during 2025.

Tracking of our Sustainable and Transition Finance:

BBI tracks the amount of sustainable and transition finance we facilitate using the methodology outlined in both the SFF and TFF. Tracking finance enables us to measure progress towards financing the transition. These volumes are reported externally semi-annually, see the Metrics section below for 2025 volume.

Targets

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

Following analysis of the market opportunity for sustainable finance, together with a review of its capabilities, in 2022, Barclays announced a new target to facilitate \$1trn of Sustainable and Transition Financing between 2023 and the end of 2030. BBI is expected to be a key contributor towards achieving this target. By tracking the amount of sustainable and transition finance we facilitate using the methodology outlined in both the SFF and TFF, we track the effectiveness of our actions and monitor progress against the target set at Barclays level of facilitating \$1trn of Sustainable and Transition Finance between 2023 and the end of 2030².

Metrics

In 2025, BBI facilitated \$31.3bn (2024: \$30.1bn) of Sustainable and Transition Financing^{1,2}, which contributed to the overall Barclays \$1trn target. This contribution was calculated using the SFF and TFF methodologies outlined above.

For further details please refer to the Barclays' ESG Reporting Framework, available on the Barclays website.

It should be noted that the methodology is reliant on a range of data sources including Dealogic and Bloomberg transaction listings and league tables, as well as other third-party data and verification sources, including company disclosures, to aid the classification of financing into eligible green and social categories. Legal entities for capital markets financing are identified using Dealogic 'Issuer Nation/Deal Nationality', while internal lending entities are mapped by the Financial Control team. BBI recognises that the quality, consistency and comparability of the data relied upon is not yet of the same standard as more traditional financial metrics and presents an inherent limitation to the performance reported. We will continue to review available data sources and enhance our methodology and processes to improve the robustness of the performance disclosed.

Notes

1 Key assumptions for Sustainable and Transition Financing:

Accounting basis:

- Financing volumes for the FY25 and FY24 are reported on a proportional bookrunner share basis;
- Share of capital markets transactions calculated as deal size divided by the total number of bookrunners or league table credit. BBI's role in the deal is further confirmed by the desk where unclear from underlying documents;
- Syndicated lending reflects BBI's share or hold of the overall transaction value; and
- Lending is calculated as total value of limits at issuance and any subsequent increases.

Reporting Process:

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

2 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.

Schedule to the Directors' Report: Sustainability Statement

Social Information

Contents

The Bank identified material IROs in the following social topical standards:

ESRS Standard	Section	Page
S1	Own Workforce	54
S2	Workers in the Value Chain	72
S3	Affected Communities	74
S4	Consumers and End users	76

S1: Own Workforce¹

Section	Page
Strategy	
Processes for engaging with own workforce and workers' representatives about impacts	54
Channels to Raise Concerns	55
Characteristics of the undertaking's employees	55
Material IROs	
<i>Equal Opportunities for All</i>	
– Policies	57
– Actions	60
– Targets	62
– Metric	63
<i>Working Condition</i>	
– Policies	67
– Actions	69
– Targets	70
– Metric	70

Note

¹ Within this 'S1: Own Workforce' statement, "colleague(s)" means the employees as set out and defined in the table at page 56, being: "Permanent/Regular", "Graduate", "Apprentice" and "Temp/Contractor Payroll (Fixed Term)" employees, unless stated otherwise.

Strategy

Colleagues are at the heart of Barclays' three-year plan to becoming Simpler, Better and More balanced. Our shared Purpose, Values and Mindset underpin this strategy, while the identified positive impacts of Equal Opportunities for All and Working Conditions are both outcomes of and contributors to Barclays' strategy. The effect of the identified positive impacts is an inclusive workplace, where colleagues feel safe to speak up, are supported in their career, feel listened to, and receive fair pay with equal opportunities to progress. The impacts both stem from and shape our strategy in the respective areas, detailed below, and are expected to be maintained year on year through a relationship with its workforce.

Processes for engaging with own workforce and workers' representatives about impacts

Sharing our strategy and how colleagues can contribute towards its delivery are key parts of Barclays' engagement. Regular, two-way dialogue helps identify what is working well and where there is room for improvement across the organisation. Barclays' Group CEO and the Barclays' Group Board are responsible for agreeing Barclays' workforce engagement methods and ensuring these remain effective. Engagement with colleagues is delivered through multiple channels such as townhalls, skip-level meetings, site visits, leader-led sessions, focus groups and surveys.

The key channels of engagement are outlined below.

Annual Survey: Through the biannual all-colleague Your View surveys, colleagues can share their feedback on working at the Barclays Group (please note colleagues is as noted in the 'basis of preparation' for the Inclusion Index metric on page 65). This is a voluntary and confidential survey. The 2025 Autumn census survey had a 70% participation rate within BBI. The 2025 survey covered questions focused on areas including engagement, inclusion, wellbeing and speak-up. Results are shared with leaders across the organisation (based on meeting minimum response thresholds to uphold confidentiality), including to Executive committees and Boards (including the BBI Board), and highlights are communicated back directly to colleagues.

Engagement through Employee Resource Groups: Barclays' Employee Resource Groups (ERGs) are voluntary, colleague-led communities that: amplify the experiences and unique perspectives of our colleague community; support a culture of

Schedule to the Directors' Report: Sustainability Statement

Social Information

inclusion by fostering connection, dialogue and awareness; and bring Barclays' purpose to life – creating better financial futures for our clients, colleagues and communities – through inclusive behaviours and storytelling. The ERGs are open to all colleagues no matter their gender, background or affiliation. The Barclays Inclusion and Opportunity (I&O) team engages with the ERGs monthly. The Barclays I&O, Talent and Citizenship teams also partner with ERGs where relevant.

Engagement with colleague representatives: The Barclays Group proactively engages with employee representatives in relevant jurisdictions on change programmes, where applicable, with the aim of minimising compulsory redundancies and maximising opportunities for reskilling and redeployment. As part of that process, Works Councils or employee representatives formally engage with impacted colleagues, as appropriate and where applicable, to enable their views to be reflected as part of the consultation process. In addition to engaging regularly with national works councils in some of its European jurisdictions, the Bank discusses transnational issues annually, at a minimum, with the Barclays Group European Forum (BGEF), which represents the interests of colleagues in EU member states and the UK. The overall relationship with the BGEF is managed through Barclays Industrial Relations, with national works councils managed via local HR teams. The Barclays Workforce Change & Restructuring team oversees restructuring activity in all jurisdictions across the Barclays Group.

The Bank assesses the industrial relations climate on a quarterly basis to identify any issues and emerging risks in its engagement with workplace representatives considering factors such as the number of formal disputes or risks of such disputes.

Channels to Raise Concerns

The Barclays Group strives to create a respectful and inclusive environment where colleagues feel safe to speak up. The Raising Concerns process allows colleagues to raise concerns, including whistleblowing concerns, through a range of gateways (including on an anonymous basis). For more on channels to raise concern, refer page 60.

Human Rights Commitments

Barclays Group's Statement on Human Rights expresses its commitment to respecting human rights as defined in the International Bill of Human Rights and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work (ILO Declaration). The approach to respecting human rights is guided by the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (OECD Guidelines).

Note

1 The Barclays Group European Forum (BGEF) is a forum designed to consult employees about transnational issues which affect their interest. The BGEF represents all Barclays Group employees within the European Union Member States, and the United Kingdom. The Forum's purpose is to establish a meaningful dialogue and exchange of views on transnational issues. The BGEF does not cover issues that relate to a single country.

Characteristics of the undertaking's employees

Breakdown by employment type and by gender	Female		Male		Other		Non-disclosed		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Number of employees (Headcount)	511	857	796	1,078	0	0	20	19	1,327	1,954
Number of permanent employees ¹	506	845	790	1,076	0	0	19	18	1,315	1,939
Number of temporary employees ²	5	12	6	2	0	0	1	1	12	15
Non Guaranteed hours	0	0	0	0	0	0	0	0	0	0

See page 274 for the most representative number in the financial statements.

Basis of Preparation:

1. Number of Permanent Employees (HC) in the table includes Permanent/Regular, Graduate and Apprentice, Operational and Non-Operational
2. Number of Temporary Employees (HC) in the table includes Temp/Contractor Payroll (Fixed Term), Operational and Non-Operational

Schedule to the Directors' Report: Sustainability Statement

Social Information

Data is as at 31st December 2025

Breakdown by country (countries in which the undertaking has 50 or more employees representing at least 10% of its total number of employees)

Headcount	2025	2024
France	385	348
Germany ¹	241	913
Ireland	350	346
Italy	185	182

Note

¹ The reduction in German headcount is primarily attributable to the sale of the Bank's German consumer finance business

Turnover Metrics	2025	2024
Number of employees¹	824	229
Rate of turnover ¹	61 %	12 %

Note

¹ The increase is primarily attributable to the sale of the Bank's German consumer finance business

Basis of Preparation:

1. Number and Percentage of total leavers, based on a rolling 12-month period ended 31st December 2025.
2. Data is captured at the end of each month, e.g. 31 December 2025.
3. Data is reported as a total number of leavers in the reporting period and as volume of leavers for the last 12 months divided by the average headcount for the last 12 months.
4. Employees that leave for voluntary and involuntary reasons such as dismissal are included in this metric.

Definition of employment types:

Worker Type	Colleague / Non-Perm	Definition
Colleague	Permanent/Regular	Employee, paid by BBI payroll, engaged on BBI contract (contract open-ended for indefinite period with pre-set working hours).
	Graduate	Employee, paid by BBI payroll, engaged on BBI contract (contract open-ended for indefinite period with pre-set working hours). Working in Barclays via a formal Graduate Trainee programme.
	Apprentice	Employee, paid by BBI payroll, engaged on BBI contract (contract open-ended for indefinite period with pre-set working hours). Working in Barclays via a formal Apprentice Trainee programme.
	Temp/Contractor Payroll (Fixed Term)	Employee, paid by BBI payroll, engaged on BBI contract (contract temporary for pre-defined period with pre-set working hours).

Operational Status	Definition
Non-Operational	Colleagues will be considered Non-Operational when they are still employed by Barclays but are not actively working – which is defined as an absence or non-working period of 60 consecutive days or more.
Operational	All employees are considered Operational unless they fall under the Non-Operational category.

Non-employees are either people with contracts with the undertaking to supply labour (“self-employed people”) or people provided by undertakings primarily engaged in “employment activities.”

Schedule to the Directors' Report: Sustainability Statement

Social Information

The table below describes which policies and standards apply to each colleague type. Note that local laws, rules and regulations mean that the application of policies and standards may differ in some countries in which Barclays operates.

	Permanent/ Regular	Graduate	Apprentice	Temp/ Contractor Payroll (Fixed Term)
Inclusion and Opportunity Strategy	✓	✓	✓	✓
Whistleblowing Standard	✓	✓	✓	✓
Employee Relations Policy – Working at Barclays Standard	✓	✓	✓	✓
Learning Policy & Learning Mandatory Training Standard	✓	✓	✓	✓
Performance Management Policy and Standard	✓	✓	✓	✓
Employee Relations Policy – Health Services and Wellbeing Standard	✓	✓	✓	✓
Retirement and Benefits Standard	✓	✓	✓	✓
Employee Relations Policy – Industrial Relations Standard	✓	✓	✓	✓
Culture Measurement Policy	✓	✓	✓	✓
Employee Relations Policy – Workforce Change and Restructuring Standard	✓	✓	✓	✓
Fair Pay Agenda (living wages)	✓	✓	✓	✓

Basis of preparation for metrics in this section

Unless otherwise stated, for each Own Workforce metric, no significant assumptions have been made and the methodology has no data limitations.

Equal Opportunities for All

The below table describes the impacts for the material sustainability matters related to Equal Opportunities for All, as identified during the Double Materiality Assessment (DMA) process:

Material Impacts	Type	Value Chain			Time Horizon		
		Upstream	Own Operations	Downstream	Short (0-1 year)	Medium (1-5 years)	Long (>5 years)
Equal Opportunities for All BBI has a positive impact on employees by enabling a culture of inclusion and equal opportunity for all, where colleagues can speak up with confidence, and within which we foster development and career opportunities. The Barclays Group does this by: <ul style="list-style-type: none"> Implementing efforts to embed employee inclusion and opportunity in its policies and programmes. Committing to gender equality positively impacts Barclays' culture. Aiming to create a workplace culture with the highest standards of conduct and integrity and where employees feel able to speak up about actions and behaviours that are not aligned to Barclays culture and/or values. Providing training, development and performance management helps up-skill and re-skill employees. 	Positive Impact	*	*	*	*	*	

Strategy and Policies related to equal treatment and opportunities for all

This section details the policies, standards and strategy related to equal treatment and opportunities for all colleagues across the Barclays Group, which are applicable to BBI. Our policies and standards have been developed taking account of the interests of our key stakeholders, informed by colleague engagement and workforce insights, together in accordance with legal and regulatory obligations.

Unless otherwise stated, the scope of all policies, standards and strategy outlined below is applicable to BBI and the colleagues as defined in note 1 on page 54.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

Strategy Update in 2025

Following a strategic review, Barclays announced in 2025 that promoting and embedding an inclusive workplace at Barclays will be referred to as Inclusion & Opportunity (I&O) moving forward.

We are committed to creating a workplace where everyone feels valued and respected, within a culture of belonging and equal opportunity for all. Our approach to I&O continues to evolve, with a focus on empowering our colleagues and leaders, engaging our communities and driving company success. We continue to monitor colleague engagement in relation to I&O through a range of feedback channels, including those that allow for anonymous input, to support the evolution of the strategy.

The effectiveness of the I&O strategy and actions is now assessed through regular engagement and feedback. This includes confidential feedback on our inclusive culture obtained through our colleague sentiment survey, Your View.

This means our approach to Equal Opportunities for All has been refreshed. During the Double Materiality Assessment (DMA) review process, the relevant material impacts were updated to reflect this shift and accurately capture the positive impacts Barclays has on its employees.

Policies/ Standards	Description of key content/ objectives	Accountability & stakeholder input	Availability to stakeholders
Inclusion and Opportunity Strategy	<p>For the purpose of this disclosure, where 'policy' is mentioned, it refers to the I&O strategy.</p> <p>Following a strategic review, we announced in 2025 that promoting and embedding an inclusive workplace at Barclays will be referred to 'Inclusion & Opportunity' (I&O). The general objective of the refreshed I&O strategy is to create a workplace where inclusion is the key principle. This means everyone feels valued and respected, within a culture of belonging and equal opportunity for all. The strategy supports the organisation in embedding practices that cultivate high-performing teams and generate rich opportunities to progress. We aspire to hire from the broadest global talent pools available to deliver against our strategy.</p> <p>The three strategic priorities are:</p> <ul style="list-style-type: none"> • Empowering colleagues • Engaging communities • Driving company success 	<p>The Barclays Head of I&O is accountable for the implementation of these priorities. Stakeholders in the business, including senior leaders, are responsible for embedding the I&O strategy.</p> <p>The Barclays I&O team review the I&O strategy on a regular basis, including engaging with the Barclays Group Executive Committee and BPLC Board, where appropriate.</p> <p>The BPLC Board engaged with management on the evolution of the I&O strategy, and new I&O strategy was agreed with the BPLC Board and the Barclays Group Executive Committee.</p>	<p>The Barclays approach to I&O is available to colleagues through the external website and internal colleague communications from the Barclays CEO and business leaders.</p> <p>We continue to monitor colleague engagement in relation to I&O through a range of feedback channels, including those that allow for anonymous input, to support the evolution of the strategy.</p>
Whistleblowing standard	<p>Outlines controls related to the following.</p> <ol style="list-style-type: none"> 1. To encourage individuals to raise concerns about inappropriate conduct 2. Whistleblowing concerns are dealt with appropriately 3. The confidentiality and anonymity of whistleblowers are protected 4. Zero tolerance approach to whistleblower retaliation 5. Oversight of whistleblowing arrangements 	<p>The Head of Compliance Framework and Policies Team is accountable for approving and implementing the content of the Standard.</p>	<p>The standard is available to colleagues through Barclays' intranet channel.</p>

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

Employee Relations Policy - Working at Barclays standard	<p>Outlines controls that are required to manage the following topics.</p> <ol style="list-style-type: none"> 1. Conduct 2. Disciplinary, Capability and Grievance 3. Family and Carers 4. Time at Work 5. Time Away from Work 	<p>The Barclays Global Head of Employee Relations is accountable for approving and implementing the content of the Standard.</p>	<p>The standard is available to colleagues through Barclays' intranet channel.</p>
Learning Policy	<p>The policy guides management of mandatory training through the following.</p> <ol style="list-style-type: none"> 1. Governance and approval approach for Mandatory Training 2. Monitoring of Mandatory Training completion 3. Monitoring of unassigned Mandatory Training 4. Monitoring and reconciliation of Exclusions from Mandatory Training 5. Execution and operation of related processes 	<p>The Barclays Group Head of Talent is accountable for the implementation of the frameworks outlined above.</p>	<p>The policy is available to colleagues and non-employees through Barclays' intranet channel.</p>
Learning Global Mandatory Training Standard	<p>Mandatory Training (MT) is a critical component of Barclays' risk and control framework, ensuring that colleagues are appropriately trained to meet regulatory, legal, and executive requirements. The bank adopts a proactive approach to risk management by using training to clarify both required and prohibited behaviours for colleagues. Participation in Global Mandatory Training is non-optional and essential for achieving business objectives, maintaining statutory compliance, and mitigating high-level risks. The Mandatory Training Decision Forum (MTDF), comprising representatives from across the business, oversees the process in accordance with approved terms of reference. Ultimately, each business area is responsible for monitoring, tracking, and prompting colleagues to complete their required training by the specified deadlines.</p>	<p>While HR facilitates the deployment of training across the organisation, the responsibility for the design, implementation, and ongoing management of training content rests with the originating Risk Category or Business Unit. All instigators or owners of training must ensure they maintain clear accountability for the full training lifecycle, including content accuracy, relevance, and compliance with governance standards.</p>	<p>The standard is available to colleagues and non-employees via the Barclays intranet channel.</p>
Performance Management Policy and Standard	<p>The general objectives of the Performance Management Policy and Standard are to ensure that colleagues' performance is managed appropriately.</p> <p>The Policy and Standard include:</p> <ul style="list-style-type: none"> • Expectations for colleagues in relation to their objectives for the performance year; and • Requirements for people leaders (including non-employees, being agency workers) in relation to performance management for their teams, including year-end reviews. <p>Specific guidance is included on how to consider and assess colleagues conduct.</p>	<p>The Barclays Co-Heads of Reward and Performance are accountable for the Policy and Standard. Any major changes in approach are discussed and agreed with the Barclays Co-Heads of Reward and Performance and Barclays Group HR Director, where appropriate.</p>	<p>The Policy and Standard are available to colleagues through Barclays' intranet channel.</p>

Unless otherwise stated, all policies and standards are monitored and refreshed on an annual basis.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

Taking action to drive equal treatment and opportunities for all

Unless otherwise stated, the scope of actions outlined below is applicable to BBI and the colleagues as defined in note 1 on page 54.

This section outlines the list of actions taken by the Barclays Group which are applicable to BBI to drive positive equal treatment and opportunities for all colleagues.

These actions are ongoing in nature (unless specified otherwise) and will continue to evolve to further advance our objective in relation to Equal Opportunities and outcomes for our own workforce. The relevant Barclays teams track and assess the effectiveness of these actions annually, at minimum, by monitoring workforce data and insights, including colleague engagement captured through a range of feedback channels.

Inclusion and Opportunity:

We are evolving our approach to I&O, with a focus on empowering our colleagues and leaders, engaging our communities and driving company success. The actions listed below are derived from the refreshed I&O strategy and aligned to the approach taken across the organisation. However, additional actions are noted in respect of the gender resource group, Women Initiative Network (WIN).

The Barclays Group has taken the following key actions this year:

- Refreshed our strategic priorities (as noted above in the policy objective), following a review of internal insights and recommendations derived from horizon scanning across the external landscape. The Barclays I&O team liaise with colleagues, including business leaders, to embed the strategy across the organisation.
- Refreshed our I&O approach to data (as noted in the below metrics section). Business leaders continued to monitor relevant workforce data and insights, including in particular colleague sentiment, as required for transparency and understanding.
- The Barclays I&O team continued to partner with functional and subject matter experts, including Employment, Incentives and Pensions Legal, Government and Corporate Relations to monitor the external regulatory and legal environment and to build recommendations for implementation across the organisation. Barclays ensured prompt engagement with regulatory and governmental organisations and met the legal and regulatory obligations for reporting.
- Continued to leverage the ERG communities to further embed an inclusive culture. To support gender inclusion in skill and career development, Barclays continued to hold a Careers Week powered by WIN, the gender resource group, which empowers colleagues to take control of their career.
- To build technical industry knowledge and broaden the existing extensive experience of our most senior leaders, Barclays continued to offer a four-month rotational ex-officio position on the Barclays Group Executive Committee, which develops diversity of thought at the highest level.

Promoting fair and equal treatment free from bias:

The Barclays Group is committed to establishing a transparent process that enables individuals to Speak Up without fear of retaliation. Our Raising Concerns process ensures all concerns raised are assessed and referred to the most appropriate team for review and possible investigation. Barclays colleagues are reminded annually of the channels through which they can speak up as part of the mandatory Whistleblowing training. In addition to the Working at Barclays Standard, The Barclays Way is the code of conduct, setting standards of behaviour colleagues should follow every day. It is designed to support all colleagues in exercising good judgement and making the right decisions each day. Barclays has a no-tolerance approach to non-financial misconduct, including inappropriate behaviour, bias, bullying, harassment (including sexual harassment) or discrimination of any kind, in accordance with legal and regulatory obligations.

Our policies/standards are aligned with our commitment on inclusion for all. They are aimed to adapt to and support colleagues who may be at particular risk of additional vulnerability and/or are going through period of a vulnerability. Including, for example, our Employee Relations Policy – Working at Barclays standard, which supports those through family and carers leave; time at work; and time away from work. Our Employee Relations Policy – Health Services and Wellbeing standard, which supports those from a wellbeing perspective, including workplace adjustments.

Raising Concerns

- The Raising Concerns process allows colleagues to raise concerns, including whistleblowing concerns, through a range of gateways: email, webform, telephone or via the Navex Ethics point portal. Concerns may be raised on an

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

anonymous basis, subject to jurisdictional requirements. The Barclays Way includes advice and guidance on speaking up and the raising concerns process.

- Colleagues can also use the HR issue resolution service that covers a range of HR topics. The HR Issue Resolution Service provides guidance and support to help colleagues resolve issues informally at an early stage, where it is appropriate to do so. The HR issue Resolution Service can also provide help and support with requests for information / guidance in relation to formal HR processes, for example, raising a formal grievance.
- The Barclays Group has dedicated intranet pages that provide principles, provisions, processes and guidance for colleagues and people leaders. These pages cover raising a grievance and provide specific country level provisions. Following receipt of a formal written grievance, an independent grievance manager is assigned to take the grievance forward and provide an outcome. Depending on local rules, colleagues may have the right to appeal if they disagree with the outcome.
- The Barclays Group monitors the formal grievance and Raising Concerns process through relevant data and insights analysis. As part of our annual colleague engagement survey, we ask colleagues for their views on speaking up and raising concerns to assess their levels of understanding and confidence in our processes as a way to raise their concerns or needs and have them addressed, with results shared with leaders across the organisation. This is how we understand and assess whether colleagues trust our process. In 2025, Barclays demonstrated its commitment to a strong speak up culture through targeted Raising Concerns and Whistleblowing awareness activities across the Group, including the channels through which to do so, such as a CEO sponsored awareness campaign on World Whistleblower Day.

Training, Skills Development and Performance Management:

The Barclays Group is committed to fostering a continuous learning culture that empowers all colleagues to unlock their potential. Barclays has taken the following key actions this year:

Mandatory Training (MT)

- Monitored and tracked MT completion to meet the required standard and timeframe, consistently achieving =>97% completion within 65 days, delivering consistent performance aligned to 2024.
- Enabled people leaders to provide appropriate monitoring and oversight via the learning system.
- Maintained controls to identify and address MT non-completion, ensuring policy compliance and appropriate follow-up actions.

Early Career and Skill Development

- Continued investment in graduate programmes (Expert & Explorer) and internships, including off-cycle opportunities in investment banking and quantitative analytics.

Career-Based Learning

- Delivered Accelerator programmes for high-potential colleagues and sponsorship initiatives for Director-level talent in the Investment Bank.
- Enhanced the identification process for high-potential talent, introducing greater rigour and consistency across the group.

Upskilling and Reskilling

- Delivered global upskilling programmes for all colleagues, people leaders and senior leaders including enterprise-wide rollout of the Consistently Excellent (CE) programme.
- Simplified and tailored learning experiences with investment in technology e.g. virtual coaching.
- Embedded the new global HR system and Job Architecture, defining roles and skills consistently across the organisation.
- Promoted the use of career profiles in our HR system, enabling personalised learning, career pathing, and visibility of workforce skills.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

- Provided access to LinkedIn Learning, Coursera, and Pluralsight for broad and specialised skill development.
- Curated learning pathways for 5 critical skills, including digital certifications and Microsoft Career Essentials Certificates.
- Required 360 feedback reviews for Directors and Managing Directors to embed a feedback-driven development culture.
- Through performance management actions such as:
 - Updated training, guidance and learning materials covering the performance management cycle, including the performance review process, and shared with people leaders (including non-employees, being agency workers) and other colleagues via appropriate communication channels, to help support quality performance conversations throughout the cycle.
 - Monitored year-end performance review submissions, and reminded people leaders of timelines and requirements, to encourage timely completion of performance review meetings and documentation.

Policy & Standards Enhancement

- Updated Learning Policies and Standards to address FCA findings improving governance and accountability.
- Introduced clearer training categories: Global Mandatory, Role-Specific Mandatory, and Grow & Develop.
- Centralised deployment via Workday for improved oversight and communication.

We have continued working with the Barclays Inclusion & Opportunity (I&O) team to embed the I&O strategy across the organisation, ensuring our talent practices align with I&O priorities.

Resources aligned to these actions include Barclays designed knowledge and skills content/modules, as well as content/modules from external specialists.

Regular reviews are undertaken of learning content which includes colleague feedback and analysis of associated key metrics. This helps to determine if the program or product is relevant and aligned to learning needs. For MT, the MTDf is also a key contributor to the on-going development and management of the MT curricula; working closely with business leaders and policy owners to ensure MT is reviewed confirmed as appropriate, and is timely and consistent.

Targets related to equal treatment and opportunities for all

This section outlines the targets (if applicable) in place to manage the potential positive impacts related to equal treatment and opportunities for all colleagues across the Barclays Group which are applicable to BBI.

Inclusion and Opportunity:

There are no targets to manage the potential positive impacts.

The representation of women in senior leadership roles (Managing Director and Directors) is no longer considered a measure for the effectiveness of the strategy. Instead, the effectiveness of our strategy and actions is monitored through regular engagement and feedback from relevant stakeholders, including through our Inclusion Index, to reflect changes in Barclays' strategy and priorities.

The Inclusion Index

As defined in our I&O approach to data, business leaders continued to monitor relevant workforce data and insights, as required for transparency and understanding. This includes confidential feedback on our inclusive culture obtained through our colleague sentiment survey, Your View. Within Your View, the Inclusion Index measures how included colleagues feel working at Barclays. The Index is a collection of insights, including colleague sentiment on equal opportunity to progress at Barclays and the colleague's own sense of feeling included in their team. It therefore measures our refreshed positive impact on employees through implementing efforts to embed employee inclusion in policies and programmes.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

Training, Skills Development and Performance Management:

The target of =>97% completion within 65 days of assignment aligns to the objectives outlined in the Learning Policy and the Learning Global Mandatory Training standard and measures timely completion of assigned Mandatory Training (MT). The aim of the policy and standard is to prevent people related risks linked to colleague capability and performance.

Tracking of MT completion and the associated target, is outlined in the Learning Global Mandatory Training Standard (which is aligned to the overall Barclays Learning policy) which means controls are aligned to the Barclays Control Framework (BCF), ensuring that tracking of performance, review of control effectiveness, on-going residual risk assessment and reporting is in place.

Tracking of completion and attainment of the target refers to colleagues in-scope of the Learning Policy and the Learning Global Mandatory Training Standard and also considers if they are in-scope of a particular learning module. This includes both new and existing colleagues.

MT completion is in line with expectations and completion rates are consistently stable. The completion target was set prior to 2019 and is reviewed annually as part of the review of the Control Environment Characteristic (CEC). The baseline value has remained the same and is set as =>97%, this target is absolute.

Each business area is responsible for monitoring, tracking, and prompting colleagues to complete MT in a timely manner. Seeking =>97% compliance takes into account that it is the colleague's responsibility to complete MT by the specified due date but also reflects the risk that this may not be adhered to. The Learning Policy and the Learning Global Mandatory Training Standard owner will review the associated target for MT in conjunction with the Mandatory Training Decision Forum (MDTF) core members, including compliance. Their input is to define and shape the MT strategy and set and monitor risk appetite.

The performance against this target shows BBI exceeded the target in 2025.

The effectiveness of the Performance Management Policy and Standard and related actions are tracked through key indicators, including completion rates for objectives, performance ratings, and people leader performance reviews, all of which are monitored against internal benchmarks via internal reporting to HR Directors, the Barclays Group HR Executive Committee, and the relevant People Control Forum. The Performance Management Policy and Standard are reviewed at least annually, and those reviews consider any relevant stakeholder feedback and changes in Barclays' strategy, priorities or legal and regulatory requirements. Compliance with the policy and standard is also monitored.

Metrics related to equal treatment and opportunities for all

This section outlines the metrics which help to measure the potential positive impacts related to equal treatment and opportunities for all colleagues across BBI.

Inclusion & Opportunity:

Last year, we disclosed the following metrics: Gender percentage across professional and executive hiring (Female); and Percentage of female graduate hires. Following our strategic review, these metrics no longer measure our refreshed positive impact on all employees through implementing efforts to embed employee inclusion in policies and programmes, and are not material.

Instead, we have included the Inclusion Index. This Index measures how included colleagues feel working at Barclays. The Index is a collection of insights, including colleague sentiment on equal opportunity to progress at Barclays and the colleague's own sense of feeling included in their team.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

Diversity metrics (S1-9)

Gender distribution at top management level

Metric description	2025	2024
Females at Managing Director and Director level		
Count	102	111
Percentage	25.8 %	27.3 %
Males at Managing Director and Director level		
Count	290	293
Percentage	73.2 %	72.2 %
Other at Managing Director and Director level		
Count	0	0
Percentage	— %	— %
Not Disclosed at Managing Director and Director level		
Count	4	2
Percentage	1.0 %	0.5 %

Distribution of employees by age group

Metric description	2025	2024
Employees under 30 years old		
Count	232	282
Percentage	17.5 %	14.5 %
Employees 30-50 years old		
Count	827	1,264
Percentage	62.5 %	65.2 %
Employees over 50 years old		
Count	264	393
Percentage	20.0 %	20.3 %

Basis of preparation

As part of the hiring and onboarding process, colleagues are asked to voluntarily disclose their gender; if this is not declared gender will be recorded as unknown. When gender is reported as unknown, this is considered as Not Disclosed. During hiring and onboarding process, colleagues must provide their date of birth. When date of birth is not available, this is reported as unknown. Gender, age and grade data is maintained in the HR system (Workday) and extracted through the People Insights reporting tool. Data is captured at the end of each month, e.g. 31 December 2025.

Total Directors and Managing Directors in Barclays are defined as senior leadership (male, female, other and not disclosed) and make up the two most senior grades in the organisational hierarchy.

All colleagues, including operational and non-operational, as at 31 December 2025 are considered in the total population of these metrics unless otherwise stated.

BBI staff are identified through BBI Company Codes as validated by Finance.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

1. Gender distribution at top management level

Data is reported in actuals and as a % of female, male, other or not disclosed Managing Directors and Directors out of the total population of Managing Directors and Directors.

2. Distribution of employees by age group

Data is reported in actuals and as a % out of the total population, excluding unknown age.

Remuneration metrics - gender pay gap

Metric description	2025 ¹	2024
Gender pay gap		
Median	27.5 %	33.3 %
Mean	40.9 %	44.3 %

Basis of Preparation

To calculate the gender pay gap metrics, pay data consisting of fixed pay and bonus awards for the reporting year is taken from the HR system for all colleagues. This data reflects pay for the year. Bonus is annualised based on the proportion of the year for which the colleague was bonus eligible.

The sum of fixed pay and annualised bonus is then converted into hourly figures by dividing it by the colleagues' working hours over the year. This average 'hourly pay'² is calculated separately for females and males.

Median and mean pay gaps are determined as:

$$\text{Pay gap} = (A-B) * 100/A$$

Mean hourly pay gap:

- A is the mean hourly pay of all colleagues of the male gender; and
- B is the mean hourly pay of all colleagues of the female gender.

Median hourly pay gap:

- A is the median hourly pay of all colleagues of the male gender; and
- B is the median hourly pay of all colleagues of the female gender.

Notes

- 1 The sale of the Bank's German consumer finance business contributed significantly to the narrowing of the gender pay gaps in 2025.
- 2 Hourly pay includes bonus payments but does not include other pay elements such as pension and benefits.

Inclusion Index (Entity specific metrics)

Metric description	2025	2024
Your View score for Inclusion Index	79	77

Basis of preparation

This metric measures how included colleagues feel working at BBI. The Inclusion Index % Your View score is calculated by aggregating the scores of the Inclusions Index questions.

Colleagues respond using an 11-point scale, with responses between 6-10 considered favourable, 5 considered neutral and 0-4 considered unfavourable. Data is reported as a percentage of favourable responses.

The following employees as at 31 July 2025 are eligible to respond to the Your View survey:

- Permanent/Regular, Graduate, Apprentice
- Operational and Non-Operational

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

Data is held in specific Your View projects within Qualtrics. Due to data sensitivity, line-by-line results are restricted to a small number of colleagues with the Organisational Effectiveness and Colleague Experience (Automation & Transformation) Teams.

Promoting fair and equal treatment free from bias

Entity specific metrics:

Metric description	2025	2024
Percentage of colleagues covered by raising concerns mechanism	100	100
Percentage of colleagues completing Mandatory Training (MT) module: Whistleblowing	100	100
Percentage of colleagues completing the Mandatory Training (MT) module: The Barclays Way	100	100
Percentage of colleagues completing Behaviour in the Workplace (MT) module	100	N/A

Basis of preparation:

'Percentage of colleagues covered by raising concerns mechanism' measures the proportion of colleagues who are able to raise concerns, including whistleblowing concerns. The metric is calculated based on the scope of the service which is accessible for all colleagues via Barclays' intranet, external facing webpage and through The Barclays Way. Barclays' intranet allows colleagues to access a range of channels to raise concerns including a web form, email, telephone and external portal whilst the external facing webpage provides access to the external portal only. The scope of the mechanism is outlined within the Whistleblowing Standard and aligns to the regulatory requirement for raising concerns coverage for all colleagues.

Mandatory Training (MT) is assigned to new and existing colleagues when they join Barclays and on an on-going basis; aligned to policy owner requirements and in line with the agreed MT calendar. Policy owners define both the content of the learning and the population/colleagues that are in scope to complete. The MT curricula comprise of both all colleague modules and modules set for a specific group of people. Colleagues have 65 days to complete their MT from the assigned date. Completion is monitored through the controls and reporting Barclays has in place aligned to the Learning Policy and the Learning Global Mandatory Training Standard.

This metric measures the timely completion of MT, drawing on key indicators sourced from the Workday completion report and the quarterly summary report(s). The reports highlight the number of colleagues assigned training across the quarter, the number of colleagues that completed all MT, with a due date in the calendar quarter, before the due date, the report also highlights colleagues who have completed late and those that also have training overdue and outstanding. The report shows the completion % used for the key indicators:

- Colleagues who are reflected as active headcount in our HR system are considered and are included based on end of month reporting taken from our HR system. This may result in a variance each month as headcount is not static. The data used for this metric will always show completions based on the end of month headcount; and
- Scope of the report aligns to the scope of the Learning Policy and the Learning Global Mandatory Training Standard.

Percentage completed is reported against the colleagues in scope to complete the modules in 2025.

This metric measures all MT completions.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

Working Conditions

The below table describes the impact and risk for the material sustainability matters related to Working Conditions, as identified during the DMA process:

Material Impacts	Type	Value Chain			Time Horizon		
		Upstream	Own Operations	Downstream	Short (0-1 year)	Medium (1-5 years)	Long (>5 years)
Description Working Conditions BBI has a positive impact on our employees' wellbeing, by prioritising employee working conditions. The Barclays Group does this by: <ul style="list-style-type: none"> Listening to employee feedback and maintaining a strong and effective partnership with trade unions and national works councils Providing access to private medical cover and health support services Providing secure employment Enabling flexible working arrangements Ensuring the payment of a living wage to all our employees 	Positive Impact	*	*	*	*		

Policies related to working conditions

This section details the policies, standards and strategy related to working conditions for all colleagues across the Barclays Group which are applicable to BBI. Unless otherwise stated, the scope of all policies, standards and strategy outlined below is applicable to BBI and the colleagues as defined in note 1 on page 54. Our Policies and standards have been developed taking account of the interests of our key stakeholders, informed by colleague engagement, collective representative bodies and workforce insights, together in accordance with legal and regulatory obligations.

Policies/ Standards	Description of key content/ objectives	Accountability & Updates	Availability to stakeholders
Employee Relations Policy - Health Services and Wellbeing Standard	The primary objectives of the standard are: <ol style="list-style-type: none"> To provide and operate Health Services & Wellbeing processes and guidance on the hazards covered by the Policy. The processes and guidance must be designed to support the health of colleagues and meet local legislative requirements in a timely and accurate manner. Process and guidance, where legally required, must be made available by HR to colleagues on the following hazards: <ul style="list-style-type: none"> Stress and Mental Ill Health Workplace Adjustments Display Screen Equipment (Eyecare) 	The Barclays Global Head of Employee Relations is accountable for approving and implementing the content of the Standard.	The standard is available to colleagues through Barclays' intranet channel.
Culture Measurement Policy	Guides and controls the following. <ol style="list-style-type: none"> Annual Employee Engagement Survey Culture Measurement annual review at Group and Business Entity level Quality assurance of Culture Measurement Insights provided to annual Group and Business Entity boards 	The Group Co-Head of Colleague Experience and Head of Organisational Effectiveness is accountable for implementation of this policy. The BBI Board Nominations Committee regularly reviews culture with the BBI Head of HR and the BB PLC Head of HR.	The standard is available to colleagues through Barclays' intranet channel.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

Retirement and Benefits Standard	<p>The general objectives of the Barclays Retirement and Benefits Standard are to ensure that colleague benefits, including retirement benefits, are managed appropriately.</p> <p>The Barclays Retirement and Benefits Standard sets out:</p> <ul style="list-style-type: none"> • Expectations on review and benchmarking of retirement and benefits plans; • Global principles that non-retirement colleague benefits plans should align to; • Guidance on ownership, governance, regulatory compliance and financial management of retirement and benefits plans; and • Approval requirements for new retirement or benefits plans. <p>The Barclays Retirement and Benefits Standard governs the approach to benefits, including provision of private medical cover, which help to protect the health and wellbeing of colleagues.</p>	<p>The Barclays Head of Pensions and Benefits is accountable for the Standard.</p> <p>Any major changes in approach are discussed and agreed with the Barclays Co-Heads of Reward and Performance and the Barclays Group HR Director, where appropriate.</p>	<p>The Standard is available to colleagues through Barclays' intranet channel.</p>
Employee Relations Policy - Industrial Relations Standard	<p>Outlines controls related to principles, processes and guidance to ensure the following.</p> <ol style="list-style-type: none"> 1. All formal agreements with collective representative bodies are documented 2. All engagements and formal agreements between Barclays and collective representative bodies adhere to any formal recognition and procedural agreements 3. Management of all formal disputes between Barclays and collective representative bodies in line with agreed dispute resolution protocols 	<p>The Barclays Global Head of Employee Relations is accountable for approving and implementing the content of the Standard.</p>	<p>The standard is available to colleagues through Barclays' intranet channel.</p>
Employee Relations Policy - Workforce Change and Restructuring Standard	<p>Outlines control requirements related to principles, processes and guidance to ensure the following.</p> <ol style="list-style-type: none"> 1. ER WFC&R must ensure that WFC&R principles, provisions, processes and guidance (PPPG) are designed to achieve appropriate outcomes and are documented, authorised, timely, and accurate. 2. HR teams have completed appropriate due diligence and identified any risks, as per country specific requirements, before execution of changes. 3. Individual consultation / communication(s) is carried out in line with all local employment law and regulation and any prior agreements with the collective representative body. 	<p>The Barclays Global Head of Employee Relations is accountable for approving and implementing the content of the Standard & Principles, Provisions, Process & Guidance (PPPG) maintained through the Standard.</p>	<p>The standard & PPPG is available to colleagues through Barclays' intranet channel & HRHub.</p>

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

Fair Pay Agenda (living wages)	The Barclays Fair Pay Agenda aims to ensure that fairness is a key and explicit consideration in the way pay decisions are reached, in line with the Barclays Remuneration Philosophy. It is based on five fair pay principles: 1.Fair pay for the lowest paid 2.Equal opportunities to progress 3.Engaging with colleagues 4.Alignment of colleague and Executive Director pay 5.Equal pay commitment The commitment to paying at least a living wage to all colleagues is a central element of the Fair Pay Agenda.	The Barclays Co-Heads of Reward and Performance are accountable for the Fair Pay Agenda. The Fair Pay Agenda is regularly monitored and updates on this are provided to the Group Board Remuneration Committee and the BBI Board Remuneration Committee.	The Fair Pay Agenda is published annually in our remuneration-related disclosures.
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Unless otherwise stated, all policies and standards are monitored and refreshed on an annual basis.

Taking action to drive positive working conditions

Unless otherwise stated, the scope of actions outlined below is applicable to BBI and the colleagues as defined in note 1 on page 54.

This section outlines the list of actions taken by the Barclays Group which are applicable to BBI to drive positive working conditions for all colleagues.

These actions are ongoing in nature (unless specified otherwise) and will continue to evolve to further advance our objective in relation to Working Conditions and outcomes for our own workforce. The relevant Barclays teams track and assess the effectiveness of these actions annually, at minimum, by monitoring workforce data and insights, including colleague engagement captured through a range of feedback channels.

Health services and wellbeing

The Barclays Group places the utmost importance on a healthy, safe and supportive working environment for all colleagues. Health services provided to employees includes:

- Occupational Health services provide specialist advice for colleagues where their physical or mental health is impacting their work and vice versa. In some jurisdictions, additional medical services are also available to colleagues, such as company doctors or on-site health centres.
- The Workplace Adjustment service provides support for colleagues including, for example, those with disabilities, physical or mental health conditions, or neuro-divergent conditions, who may require adjustments to their working environment and/or working arrangements to deliver to their full potential or to keep them safe.
- The Employee Assistance Programmes provide colleagues with 24/7 confidential support on a range of work related and personal topics, such as coping with stress and anxiety to dealing with bereavement.

Retirement and Benefits Standard

Material arrangements, including providing colleagues with access to private medical cover to support their health by enabling quick access to treatment, are regularly reviewed to ensure that they remain appropriate.

The Retirement and Benefits Standard is reviewed at least annually, and those reviews consider any relevant stakeholder feedback and changes in Barclays' strategy, priorities or legal and regulatory requirements.

Colleague engagement and collective bargaining

Industrial Relations manages Barclays' relationship with the Barclays Group European Forum. It also provides oversight for other local collective representative bodies, including unions, colleague fora and works councils.

Colleague feedback is critical to the Bank's strategy, and this is enabled through various channels. For further detail on engagement see page 29.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

Secure employment

At times, we need to make changes to our business, for example by restructuring or reorganising. Where colleagues are impacted, or potentially impacted, the overarching principle for managing change, is ensuring fair treatment in line with legal requirements and supporting colleagues throughout the journey. Barclays Principles, Provisions, Process and Guidance (PPPG) are maintained through the Managing Change Standard and transparently outline the exit management process for colleagues by jurisdiction, including where to go for support and the support channels available.

Colleagues are supported throughout their employment with Barclays through learning experiences and training, giving colleagues the tools and skills to succeed and progress. Where colleagues may be impacted by change; pre-deployment, redeployment and outplacement support is available to match skills to available roles internally, and assist leavers in navigating their next life and career options and opportunities.

Flexible working

The Barclays Group is committed to providing a supportive and inclusive culture and environment for colleagues. Colleagues are empowered to consider their personal needs which are considered alongside the professional needs of our business.

The Barclays Group provides a range of support for colleagues through its policies covering annual leave, life events, health issues, family and caring and flexible working.

The Barclays Group takes a structured approach to hybrid working, where colleagues work at an onsite location as set by the business area. Working arrangements may be subject to change on reasonable notice to ensure we meet the needs of our business. Colleagues are entitled to request a change to their working arrangements to enable a reasonable adjustment.

Living wages

In line with Barclays' Fair Pay Agenda, Barclays conduct a 'living wage review' at least annually to ensure that all colleagues receive at least the living wage for the location in which they are based.

The Group Remuneration Committee conducts an annual review of wider workforce remuneration policies and outcomes, which includes progress against the Fair Pay Agenda, and an update is provided to the BBI Board Remuneration Committee. Our commitment to pay at least a living wage to all colleagues is a central element of the Fair Pay Agenda and is included as part of that review.

Targets related to working conditions

The Barclays Group (including BBI) does not have specific targets in place to manage the potential positive impacts on colleague working conditions.

We instead track the effectiveness of our Policies, Standards and actions is monitored through annual reviews and feedback from relevant stakeholders to reflect changes in Barclays' strategy, priorities or legal and regulatory requirements.

As part of Barclays Fair Pay Agenda, the Barclays Group aims to pay all our colleagues a living wage.

Metrics related to working conditions

This section outlines the metrics which help to measure the potential positive impacts related to working conditions for all colleagues across BBI.

Working Conditions (Entity specific metrics)

Metric description	2025 value	2024 value
Percentage of BBI colleagues eligible for private medical cover ¹	79	51
Percentage of BBI colleagues covered by EAP and wellbeing services	100	100
Percentage of colleagues covered by Workplace/Reasonable adjustments process	100	100
Wellbeing Index (%)	86	83

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

Basis of preparation:

'Percentage of BBI colleagues eligible for private medical cover' measures the proportion of the colleague population that has access to Barclays funded medical cover to supplement cover provided locally or by the state as at 31 December 2025. Colleagues are usually able to opt in or out of the cover. This cover provides support towards medical expenses, usually facilitated by third-party providers.

To calculate the metric, a review of private medical coverage by geography is performed by the Pensions and Benefits team in conjunction with local teams responsible for the policies. The review was conducted in Q4, and no changes to the private medical provisions were expected for the remainder of the year. The resulting coverage grid is used alongside headcount data by geography to determine the proportion of the total colleague population that is eligible for private medical cover.

'Percentage of BBI colleagues covered by EAP and wellbeing services' measures the proportion of colleagues who are covered by the Employee Assistance Program (EAP) and Wellbeing services. The metric is calculated by identifying the jurisdictions from where BBI operates and confirming an EAP and wellbeing service has been implemented, which will be accessible via Barclays' intranet.

'Percentage of colleagues covered by Workplace/Reasonable adjustments process' measures the proportion of colleagues who are covered by the Employee Assistance Program (EAP) and Wellbeing services. The metric is calculated based on the scope of the services as set out in accordance with the Health Services and Wellbeing Standard, and accessible via Barclays' intranet.

Your View score for 'Wellbeing Index (%)' measures the psychological wellbeing of colleagues. The Wellbeing Index (%) Your View score is calculated by aggregating the scores of the Wellbeing Index questions.

Note

1 The sale of the Bank's German consumer finance business contributed significantly to the year-on-year change in the 'Percentage of BBI colleagues eligible for private medical cover'.

Your View – Employee Engagement Survey (Entity specific metrics):

Metric description	2025	2024
Your View response rate (%)	70	72
Engagement (%) Your View Score	82	78

Basis of Preparation

Metric	Description
Your View response rate	This metric shows the total percentage of colleagues that complete the all colleague Your View survey.
Engagement (%) Your View Score	This metric is derived from the responses to three questions in the Your View survey that measure advocacy, motivation and sense of personal accomplishment. The Engagement % Your View Score is calculated by aggregating the scores of the engagement questions.

Colleagues respond using an 11-point scale, with responses between 6-10 considered favourable, 5 considered neutral and 0-4 considered unfavourable. Data is reported as a percentage of favourable responses.

The following employees as at 31 July 2025 are eligible to respond to the Your View survey:

- Permanent/Regular, Graduate, Apprentice
- Operational and Non-Operational

Data is held in specific Your View projects within Qualtrics. Due to data sensitivity, line-by-line results are held confidentially and restricted to a small number of colleagues within HR.

Living wages

Adequate wages metric

The 2025 living wage review confirmed that as of 31 December 2025, all colleagues across Barclays locations are paid at least an 'adequate wage' in line with applicable benchmarks, as outlined below. This is consistent with 2024.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

Basis of preparation:

- Living wage benchmarks are sourced from Barclays external living wage data provider, the Fair Wage Network.
- Each colleague's fixed pay as at 31 December 2025 is used to calculate their hourly pay, taking into account their working hours.
- This hourly pay is compared against the relevant living wage benchmark for the location in which they are based. Country-level benchmarks are applied across all locations.
- For any colleagues who are paid below the relevant living wage benchmark, or the minimum pay level / collective bargaining rate for the location, if higher, fixed pay is typically increased to at least meet the benchmark during the annual pay review.

S2: Workers in the Value Chain

The below table describes the impact for the material sustainability matter related to Workers in the Value Chain, as identified during the DMA process:

Material Impact	Value Chain	Time Horizon				
		Upstream	Own Operations	Downstream	Short (0-1 year)	Medium (1-5 years)
Description	Type					
Labour Rights (including modern slavery) BBI may be connected to modern slavery (forced labour) of workers in our value chain by providing financial services to clients who:	Negative Impact					
<ul style="list-style-type: none"> • operate across a wide range of sectors and geographies in which modern slavery has been identified as a potential concern • may have weak health and safety protections or poor practices in their operations and/or supply chains of entities in BBI's value chain 		*	*	*	*	

Strategy

As a subsidiary of a global financial institution, BBI provides a range of financial services to entities operating in various sectors and geographies, including those with a higher prevalence of labour rights issues including modern slavery. Therefore, we may be connected to impacts associated with our downstream value chain.

BBI's strategy to manage material impacts relating to workers in the value chain is led by Barclays' commitment to respect human rights. This includes Barclays' position statements, which require enhanced due diligence to be carried out on a periodic basis for clients who are in scope of the policy statements, where potential human rights violations, including modern slavery risks, may be identified.

For definition of workers in the value chain, refer to page 28.

Policies

We follow the approach set out in the Barclays Group Statement on Human Rights in relation to managing our material impacts on value chain workers - including in our role as a provider of financial products and services. In these roles, BBI can be connected to human rights impacts on affected communities and workers in its value chain.

Barclays is committed to respecting human rights as defined in the International Bill of Human Rights and the ILO Declaration, and our approach is guided by the UNGPs and OECD Guidelines. The commitments set out in Barclays Group Statement on Human Rights, which BBI applies, are supported by an evolving framework of policies and processes that seek to embed these commitments across our business. This includes how we identify and seek to address human rights related risks across our operations and value chain.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

BBI's approach to human rights covers our commitments, due diligence, and how we consider remedy. It also outlines our approach to human rights including as a provider of financial services, which are relevant to the management of impacts on affected communities and workers in the downstream value chain, such as human trafficking and modern slavery.

Actions

Clients in scope of Climate Change, Forestry and Agricultural Commodities, and Defence and Security Sector Statements are subject to Sustainability Enhanced Due Diligence (SEDD), which includes social risk considerations.

In 2023, Barclays completed a saliency assessment on human rights risks in the then Corporate and Investment Bank. Guided by this, Barclays identified the Human Rights Focus Areas for Progress, some of which are relevant to BBI. These Focus Areas for Progress set out the actions we are taking to further implement the commitments in the Statement and are guided by the salient issues identified in the 2023 assessment, including modern slavery. These areas are not associated with specific time horizons but aim to guide our focus and actions in relation to human rights. The Focus Areas for Progress are:

- Corporate culture: Strengthen a culture of respect for human rights
- Saliency assessments: Identify salient issues beyond the corporate and investment banking portfolios
- Policies and Sustainability Enhanced Due Diligence (SEDD): Enhance certain sustainability policies and SEDD to reflect salient issues
- Just transition: Support a transition to a low-carbon economy which accounts for societal risks as well as the opportunities
- Remedy: Develop our approach to remedy

Progress against these Focus Areas in 2025 includes the following actions relevant to the management of this IRO:

- Corporate culture: human rights training was delivered to teams across the Group, led by Group Sustainability. These trainings were tailored to the audience to support colleagues' understanding of human rights risks, including modern slavery where relevant.
- Policies and SEDD: During 2025, Group Sustainability reviewed and updated Climate Change, Protected Areas and Defence and Security Statements and underlying SEDD processes. Where opportunities to better reflect the 2023 salient issues for the corporate and investment banking portfolios were identified, work was undertaken to embed considerations for these issues within our public position statements and relevant enhanced due diligence processes.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

S3: Affected Communities

The below table describes the impacts for the material sustainability matters related to Affected Communities, as identified during the DMA process:

Material Impacts	Value Chain	Time Horizon					
		Upstream	Own Operations	Downstream	Short (0-1 year)	Medium (1-5 years)	Long (>5 years)
Description	Type						
<p>Communities' economic, social and cultural rights</p> <p>BBI may be connected to impacts on the economic, social and cultural rights of affected communities by providing financial services to clients:</p> <ul style="list-style-type: none"> In high emitting sectors. The physical risks of climate change could impact rights to food, health, adequate housing, and water and sanitation (Impact of climate change) To support or incentivise their carbon transition strategies, but which may lead to negative impacts on communities, such as the loss of jobs, or to clients in relation to new low carbon energy solutions with negative impacts on land rights or which involve the use of exploitative labour practices (Just Transition) 	Negative Impact			*	*	*	*
<p>Communities' civil and political rights</p> <p>BBI may be connected to impacts on the civil and political rights of people in affected communities by providing financial services to clients whose operations:</p> <ul style="list-style-type: none"> Include the export of weapons and dual-use technologies, which have the potential to significantly impact the rights of affected communities. (Weapons and dual-use exports) Are linked to business or state practices or policies which infringe on communities' land rights, including physical or economic displacement (Land rights) 	Negative Impact			*	*	*	*
<p>Indigenous Peoples' rights</p> <p>BBI may be connected to impacts on Indigenous Peoples rights through the provision of financial services to clients who could potentially be linked to impacts on Indigenous Peoples rights, through their own business practices and/ or because there are insufficient state protections afforded to Indigenous Peoples.</p>	Negative Impact			*	*	*	*

Strategy

As a subsidiary of a global financial institution, BBI provides a range of financial services to entities operating in various sectors and geographies. Therefore, we may be connected to impacts associated with our downstream value chain. Barclays' strategy, which includes BBI, to manage material risks relating to affected communities is led by its commitment to respect human rights. This includes its position statements that require enhanced due diligence to be carried out on a periodic basis for clients who are in scope of those statements which may identify potential human rights impacts.

Barclays has also used insights from the 2023 saliency assessment to inform its approach to managing its most salient human rights risks connected to the corporate and investment banking portfolio, including human impacts of climate change and the energy transition, Indigenous people, land rights, modern slavery, and weapons and dual use technology exports.

Policies

We apply the following Barclays Group policies in relation to managing our material impacts on affected communities:

Barclays Group Statement on Human Rights

This statement, which BBI applies, sets out our commitment and approach to respecting human rights, including in relation to affected communities.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

Details of Barclays Group Statement on Human Rights can be found on page 72.

Barclays Group Statement on the Defence and Security Sector

This statement addresses the management of impacts related to Communities' Civil and Political Rights – Weapons and Dual Use Technology Exports.

This statement addresses our approach to the provision of financial propositions to clients operating in the Defence and Security Sector as detailed below.

- We will not provide any financial proposition to companies known to trade in, or manufacture cluster munitions and their material components in violation of the International Convention on Cluster Munitions.
- We will not provide any financial proposition to companies known to trade in, or manufacture, chemical and biological weapons.
- We will not provide any financial proposition to companies known to trade in, or manufacture, landmines in violation of the Anti-Personnel Landmines Convention or any equipment designed to be used as an instrument of repression or torture, in violation of the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment.
- We will only directly finance the manufacture of, or trade in, nuclear weapons if it is authorised by the government of the US, UK or France and is compliant with applicable legislation.
- Clients in scope of the Defence and Security Statement are subject to SEDD on a case-by-case basis. This approach is risk-based and assesses specific risk considerations, in addition to the above restrictions which may include, but are not limited to:
 - I. In cases where clients or transactions are exporting equipment, the status of the exporter (including confirmation of the appropriate export licence when appropriate) and the importing /exporting country (for example, whether the importing country is considered a conflict zone).
 - II. The nature of the equipment and its likely use, including any potential for it to be on-sold to another end-user or to be adapted for offensive application.
 - III. The potential risks associated with clients' use of any third parties or agents in the course of its business to assist with the gaining of particular contracts.
 - IV. Clients' association with controversial or prohibited weapons banned by international treaty agreements.
 - V. Any adverse media identified relating to the conduct of the client and / or their defence products or services.
 - VI. The human rights track record of the client, their counterparties, or the region(s) within which they operate.
 - VII. Compliance with applicable laws and regulations.
 - VIII. Potential risks of the exports being used to support intrastate oppression or unjustified external aggression.

Actions

Clients that are in scope of Climate Change, Forestry and Agricultural Commodities, and Defence and Security Statements are subject to SEDD on a case-by-case basis, which includes social risk considerations.

During 2025, Barclays took the following actions relevant to BBI's impacts on affected communities. These actions were taken to advance the Barclays Human Rights Focus Areas for Progress, an outline of which can be found on page 73.

Corporate culture

- Barclays Group continues to work to build our colleagues' understanding of human rights risk and responsibilities. In 2025, Group Sustainability delivered a number of bespoke human rights trainings across the Barclays Group. For example, Group Sustainability supported front-line bankers to better understand human rights risks and potential leverage in specific high-risk sectors and worked with specific risk functions such as Financial Crime, to empower colleagues to better identify human rights risk.

Saliency assessments

- In 2025, BBI participated in the human rights saliency assessments that were initiated across all five business divisions in Barclays Group, as well as Human Resources. These assessments were undertaken with specialist human rights support. Barclays Group 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.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

Policies and SEDD

- As part of the SEDD process, Barclays Group have strengthened screening of human rights considerations across clients in-scope of the position statements.

Remedy

- Barclays Group engaged with industry groups and fora such as Equator Principles and Thun Group to understand best practice to support our evolving approach.

S4: Consumers and End Users

Cybersecurity

The below table describes the impact for the material sustainability matter, Cybersecurity, related to Customers and End-users, as identified during the DMA process:

Material Impacts	Type	Value Chain			Time Horizon		
		Upstream	Own Operations	Downstream	Short (0-1 year)	Medium (1-5 years)	Long (>5 years)
Cybersecurity BBI may be connected to an impact on consumers and end-users in the case of a cybersecurity incident. Cybersecurity incidents have the potential to impact all of our consumers and end-users, such as by exposing sensitive personal information, interrupting BBI's online banking services, and delaying transactions which might affect their ability to pay bills or make timely purchases. It is expected that cyber threats will continue in the future.	Negative Impact		*	*	*	*	

Frameworks, policies and standards are adopted throughout Barclays and applied unless local laws or regulations require otherwise. As such, the strategy, policies, and actions below apply to BBI.

Strategy

Cybersecurity continues to inform our business model and strategy by remaining a top focus for Barclays. Cybersecurity incidents did not materially impact Barclays' business strategy, results of operations, or financial condition this year. Barclays continues to strengthen its resilience posture and is focused on ensuring that its business model and strategy remain resilient regarding our capacity to address potential cybersecurity-related impacts on consumers and end-users.

Policies

Barclays maintains an Information and Cyber Security Policy that sets firm-wide minimum requirements for managing cybersecurity risks. Supported by twelve Standards, the Policy establishes processes to identify, assess and manage potential negative impacts on consumers and end-users. It covers Barclays PLC, its subsidiaries including BBI, all employees, and relevant third-party consultants and managed service providers. The Policy's objectives include building organisational understanding of cyber risks, implementing safeguards, detecting events, responding to incidents, and recovering to maintain resilience and continuity of critical services. It operates as a framework that triggers more specific controls and procedures such as anti-phishing training, simulations, and integrated reporting tools.

Actions

BBI takes a variety of actions to help prevent and mitigate any cybersecurity-related potential negative impact on consumers and end-users. Key actions, which were each undertaken throughout FY25, include but are not limited to:

- monitoring of residual risk, identification of gaps, and oversight of remedial actions;
- updating the BBI Board Risk Committee and BBI Board about cybersecurity risks facing Barclays;

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Social Information

- engaging with external security consultants;
- conducting assurance over our third and fourth parties;
- performing phishing exercises; and
- requiring annual cybersecurity training.

To prevent and mitigate impacts, we take a proactive and ongoing approach to engaging with affected consumers and end-users. We maintain detailed public-facing webpages that educate consumers and end-users on cybersecurity best practices and avoiding frauds and scams, including descriptions of common scams such as phishing and how to recognise them, together with practical advice on creating strong passwords, recognising suspicious emails and messages, and safeguarding personal information. We also conduct phishing simulations, require annual cybersecurity training, and implement control enhancements informed by risk assessments and Board-level reporting. To remediate or bring impacts to an end, incident response and recovery plans are executed to contain threats, restore services and safeguard personal data; consumers and end-users can raise concerns via established complaints channels to access support and remediation.

As a result, these actions strengthen resilience, improve detection and response times, reduce phishing susceptibility, inform remedial control uplifts at Barclays and critical third parties, and provide feedback on remedy effectiveness through complaints monitoring and engagement.

Schedule to the Directors' Report: Sustainability Statement

Governance Information

Contents

ESRS Standard	Sections	Page
Entity Specific	Data Privacy	78
Entity Specific	Anti- Money Laundering and Sanctions	80

Entity Specific: Data Privacy

The table below describes the impacts in relation to the material entity specific sustainability matter, Data Privacy, which was identified during the DMA process

Material Impact	Value Chain	Time Horizon					
			Upstream	Own Operations	Downstream	Short (0-1 year)	Medium (1-5 years)
Description	Type						
Data Privacy- Accurate records BBI as an entity that processes personal data, may have impact on data privacy in our own operations if we fail to maintain accurate records of all activities conducted for BBI clients and inadequate safeguarding of this information results in the leakage of sensitive information/data.	Negative Impact		*		*	*	*
Data Privacy- Right to privacy of consumers and end-users BBI as an entity that processes personal data, may have an impact on the data privacy of consumers and end-users if we mishandle their data when using, collecting or storing personal data. Mishandling of this data may infringe their rights to privacy, including their protection from censorship and surveillance.	Negative Impact			*	*	*	*

Strategy

BBI relies on the ability to process personal data in order to provide and deliver products and services to customers and clients.

BBI businesses process personal data in many different ways on a daily basis – whether that is speaking to an existing customer about a query they have on their account, looking at the CV of someone applying for a job with us, or deciding to whom a marketing communication will be sent, all these rely on our ability to process personal data.

Governments and regulators globally impose strong data privacy regimes to balance the competing interests of ensuring individuals' fundamental rights in respect of their personal data are protected, whilst also promoting broader economic and societal growth.

Core components of these data privacy regimes include ensuring:

- clear accountability is in place in organisations processing personal data, with roles and responsibilities defined and understood, and the necessary procedures and oversight in place for these to function;
- transparency for individuals in relation to the purposes for which their personal data is processed, and how this will be achieved and by whom;
- providing individuals with rights in relation to their personal data, and empowering them to make informed choices about how their personal data is processed;
- that personal data is appropriately protected, including where it is transferred to other jurisdictions, and that where personal data breaches occur, these are identified and managed, with Data Protection Authorities informed, where required; and
- the retention and secure disposal of personal data, once it is no longer required.

Making sure that BBI acts fairly, ethically and carefully whenever and however it processes personal data is not only a matter of compliance with the law, however - it is also critical to developing and maintaining trust with the individuals to whom that personal data relates, including BBI customers, clients and employees.

Schedule to the Directors' Report: Sustainability Statement

Governance Information

Policy

BBI is committed to looking after all personal data it processes - whether that relates to employees, clients, customers or other individuals – in line with the applicable regulatory and legal requirements. Most of the countries where Barclays operates have data privacy or data protection laws, rules or regulations 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.

Given the diversity of activity across BBI which involves the use of personal data, and the complexity of the regulatory environment, Barclays' Businesses need to make complex and finely balanced judgements to ensure that they appropriately handle and protect personal data and meet their responsibilities in the course of achieving their business objectives.

BBI takes a global approach to meeting data privacy requirements and has a Data Privacy Policy with associated standards.

The Data Privacy Policy and associated standards:

- apply to BBI, all employees, and relevant third-party consultants and managed service providers;
- are designed to ensure that BBI and its employees know how to identify and manage Data Privacy risk;
- support BBI's broader Enterprise Risk Management and Compliance Risk Management Frameworks which details Barclays Compliance Risk Appetite;
- set out what data privacy is and why it matters, how Barclays manages Data Privacy, the overarching Control Objectives in relation to evaluating, responding to, and monitoring data privacy risk (the "what"), as well as providing more detailed minimum Control Requirements designed to achieve these objectives (the "how");
- assigns Business Senior Management with accountability for implementation of the Data Privacy Policy and associated Standards in their area of responsibility;
- are monitored through various roles across the businesses, namely the Business' Senior Management, the Data Privacy Compliance Team led by the Group Data Protection Officer (GDPO), and Business Oversight Compliance (BOC). Governance within BBI is fulfilled through management committees and forums 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 Compliance Risk profile; and
- are made available and accessible to all employees and those required to implement them via our internal Intranet.

BBI 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 the governance of data privacy risk during business disruptions, crises, adverse events and other types of threats.

Actions

In 2025, the new Data Privacy Policy and associated standards took effect, with implementation under a Groupwide readiness programme. This built on our existing policy requirements that address the Risk that personal data could be handled in a way that might not meet Data Privacy law rules and regulations or an individual's rights and expectations.

In line with the Data Privacy Policy, key actions taken by BBI during the reporting period and on an ongoing basis to manage the risk, and therefore the impact, include:

- measures to ensure that individuals understand how their personal data will be used and what rights they have in relation to that data;
- taking steps to ensure the personal data is accurate when first gathered and subsequently kept accurate and up to date;
- applying higher thresholds of care where required, for example when gathering special category or criminal offence personal data, or personal data relating to individuals under the age of 18;
- measures to ensure that the confidentiality, integrity and availability of personal data are protected, such as when personal data is transferred to other jurisdictions;
- providing individuals with the tools to allow them to easily manage the personal data we hold;
- assessing any new or material changes to the use of personal data, including those involving the use of artificial intelligence, to identify and mitigate potential data privacy risks and prevent harms arising for individuals; and
- tracking data retention periods and secure disposal of records.

In 2025, BBI maintained focus on new and heightened inherent compliance risks, including those relating to the evolving landscape as it relates to ensuring customer and client data is handled appropriately, and in accordance with applicable laws, rules and regulations, thereby managing the impact. Throughout 2025, compliance risks, including outcomes for our customers, were raised by each business area for consideration by the BBI Board Risk Committee. The Committee reviewed the risks raised and whether management's proposed actions were appropriate to mitigate the risks effectively.

Schedule to the Directors' Report: Sustainability Statement

Governance Information

During 2026 the Data Privacy Policy and associated standards will continue to be embedded with independent oversight from the Compliance function. These risks (and therefore the impact) will continue to be monitored on an ongoing basis, with necessary changes undertaken to our Framework where appropriate.

Targets

We do not set targets for this impact because we instead track the effectiveness of our policies and actions that manage this risk (and therefore the impacts) through the Compliance Risk Dashboard, the tool used by Business Senior Management to manage and oversee the compliance risk profile for their business. The Compliance Risk Dashboard provides a quarterly holistic view of the control environment and risk profile (residual risk) using both qualitative and quantitative measures, which assists in decision making on the management of this impact and compliance risk more broadly.

Entity Specific: Anti-Money Laundering and Sanctions

The table below describes the impacts in relation to the material entity specific sustainability matter, Anti-Money Laundering and Sanctions, which was identified during the DMA process

Material Impact	Type	Value Chain			Time Horizon	
		Upstream	Own Operations	Downstream	Short (0-1 year)	Medium (1-5 years)
Anti-Money Laundering and Sanctions BBI may be connected to an impact on people resulting from inadequate internal controls, training around anti-money laundering (AML) and sanctions which may result in increased money laundering and sanctions risk in the jurisdictions in which BBI operates.	Negative Impact	*	*	*	*	*

Strategy

BBI recognises that money laundering (which, in relation to this impact, includes terrorist financing) and breaches of economic and financial sanctions being committed through Barclays products and services may result in harm to the integrity of the financial system and to society. Governments and regulators globally impose strong anti-money laundering and sanctions compliance regimes to protect the international financial system from misuse. In turn, effective implementation of these regimes helps to manage the impact of money laundering and sanctions breaches.

Money Laundering is the process used to conceal the true origin, ownership, and/or purpose of the proceeds of any criminal activity. Terrorist Financing is the financial support, in any form, of terrorism or of those who encourage, plan or carry out terrorism. 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).

In addition to money laundering and sanctions, the term 'Financial Crime' includes facilitation of tax evasion and bribery and corruption. In relation to this impact, facilitation of tax evasion and bribery and corruption are not included in this disclosure because they were not identified as IROs through the double-materiality assessment process.

BBI strives to prevent, detect, and report money laundering and sanctions breaches through the execution of its end-to-end control framework, as part of our approach to managing Financial Crime risk more broadly. By managing the risk in line with our legal and regulatory obligations, we manage the impact.

Money laundering and sanction breach IROs primarily originate from our strategy, business model, and business relationships. This is because these impacts primarily originate from Barclays products and services being used by third parties to facilitate money laundering and sanctions breaches. BBI has set a risk appetite for Financial Crime and ensures that its business model and strategy remain resilient regarding our capacity to manage these impacts by assessing the risk exposure, and therefore the potential impact, of our businesses, strategies, business models, activities, change initiatives, products, and customers.

Schedule to the Directors' Report: Sustainability Statement

Governance Information

Policies

We apply the Barclays Group-wide Financial Crime Risk Management Framework (FCRMF), the Financial Crime Policy and its associated standards to manage the risk, and therefore the impact, of money laundering and sanctions evasion.

The FCRMF, Financial Crime Policy and associated standards:

- apply to BBI, all employees, and relevant third-party consultants and managed service providers;
- consist of a number of integrated components that work together to help manage and measure Financial Crime risk and therefore the impact. Risks are evaluated, responded to and monitored, driving insights and actions that support business decisions and changes to the firm, that help to achieve strategic objectives in the right way. This includes requiring BBI to have adequate systems, procedures and controls in place to manage the risk of being used to facilitate money laundering and sanctions breaches on an on-going basis;
- assigns business Senior Management with accountability for implementation of the FCRMF, Financial Crime Policy and associated standard and for the overall assessment and management of money laundering and sanctions risks in their area of responsibility;
- are monitored through various roles across BBI namely the Business' senior management, Entity Chief Compliance Officers and entity Money Laundering Reporting Officers (MLROs). Governance within BBI is fulfilled through management committees and forums 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; and
- are made available and accessible to all employees and those required to implement them via our internal Intranet.

Actions

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 BBI Board and relevant committees received updates on BBI's Financial Crime risk profile and emerging risks in the context of the macroeconomic, regulatory and geopolitical outlook.

Recognising the potential impact of money laundering and sanctions breaches, along with other types of Financial Crime, Financial Crime risk overall was elevated to a principal risk in the Enterprise Risk Management Framework ('ERMF'), effective from 1 January 2025. During 2025, the Financial Crime principal risk was embedded, with Financial Crime and compliance risks being reported separately to the BBI Board. This has reinforced visibility and focus on managing the risk, and therefore the impact, through appropriate risk management.

To further embed Financial Crime as a principal risk, 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".

Anti-Money Laundering:

In line with the Financial Crime Policy, key actions taken by BBI during the reporting period and on an ongoing basis to manage the risk and therefore the impact of money laundering include:

- conducting risk-based customer due diligence and know your customer measures on new customers prior to onboarding, including but not limited to identifying and verifying customers and their beneficial owners, understanding the nature and purpose of customer relationships, and applying anti-impersonation measures for remote (non-face to face) account opening. This ensures that customer activity is understood and subject to effective monitoring to help identify and act on potential money laundering;
- keeping customer information up to date to ensure that customer relationships continue to be understood and subject to effective monitoring to help identify and act on potential money laundering;
- conducting enhanced due diligence in higher risk situations, such as senior management approval for onboarding and retaining Customers established in countries identified by governments as having anti-money laundering and

Schedule to the Directors' Report: Sustainability Statement

Governance Information

counter-terrorist financing deficiencies. By enhancing our focus on situations that may pose a higher risk of money laundering we more effectively manage the risk and therefore the impact;

- identifying and reporting suspicious activity to law enforcement authorities in line with legal obligations, thereby supporting collective action against money laundering and sanctions breaches;
- ensuring that payments executed by BBI contain all required information for anti-money laundering and sanctions checks and conducting risk-based monitoring of inbound payments to identify and act on payments that do not contain this information; and
- proactively working with governments, international organisations, industry and law enforcement authorities to collectively enhance the effectiveness of measures to manage the impact of money laundering.

Sanctions:

In line with the Financial Crime Policy, key actions taken by BBI during the reporting period and on an ongoing basis to manage the risk, and therefore the impact of sanctions breaches include:

- taking measures to ensure we do not enter into, or maintain, customer relationships with, or on behalf of, sanctioned persons in line with legal and regulatory obligations and BBI risk appetite;
- taking targeted customer due diligence measures to identify activity that may pose increased risk of sanctions breaches;
- screening transactions, customers, employees and other relevant persons against sanctions lists;
- taking measures to identify and manage the risk of third parties circumventing sanctions; and
- proactively working with governments, international organisations and industry to collectively enhance the effectiveness of measures to manage the impact of sanctions breaches.

We have planned the following key actions:

Anti-Money Laundering and Sanctions:

These risks will continue to be managed and monitored on an ongoing basis, thereby managing the impact.

Effective 1 January 2026, the Financial Crime Policy was replaced by four policies, two of which set more detailed requirements for managing money laundering and sanctions risks and downstream impacts. This approach supports differentiated reporting and oversight of risk management across the four Financial Crime risks. BBI will implement and embed these new policies through 2026 with independent oversight and validation by Compliance, thereby enhancing our management of the impacts.

Targets

The nature of money laundering and sanctions breaches makes it difficult to establish fixed, measurable, and time-bound targets for managing this impact. We instead track the effectiveness of our policies and actions that manage this impact through the Financial Crime Risk Dashboard, the tool used by Business Senior Management to manage and oversee the Financial Crime risk profile for their business. The Financial Crime Risk Dashboard provides a quarterly holistic view of the control environment and risk profile (residual risk) using both qualitative and quantitative measures, which assists in decision making on the management of this impact and Financial Crime risk more broadly.

Schedule to the Directors' Report: Sustainability Statement

EU Taxonomy

These disclosures are incorporated by reference into the 'Environmental information' section of our Sustainability Statement and form part of our disclosures under the Taxonomy Regulation.

Overview

In 2020, the EU Taxonomy Regulation¹ was published with the objective of establishing a classification system for environmentally sustainable economic activities that plays a role in helping the EU scale up sustainable investment and implement the European Green Deal². Although the Bank has already been reporting in accordance with article 8 of the EU Taxonomy Regulation for several years, from the financial year ended 31 December 2024, the Bank is required to include its Taxonomy reporting in its Sustainability Statement.

The EU Taxonomy Regulation has six environmental objectives, namely:

- climate change mitigation (CCM);
- climate change adaptation (CCA);
- sustainable use and protection of water and marine resources (WTR);
- transition to a circular economy (CE);
- pollution prevention and control (PPC); and
- protection and restoration of biodiversity and ecosystems (BIO).

The EU Taxonomy Regulation defines what can be considered as an environmentally sustainable economic activity. Article 8 of the EU Taxonomy Regulation requires entities subject to the obligation to publish non-financial information pursuant to Article 19a or Article 29a of the Accounting Directive³ as amended from time to time (including by the CSRD⁴), such as the Bank, to disclose to the public how and to what extent their activities are associated with environmentally sustainable economic activities as defined under the EU Taxonomy Regulation.

We have reported "taxonomy-eligibility" and "taxonomy-alignment" based on the reporting by our counterparties within the scope of the EU Taxonomy Regulation. Taxonomy-alignment is assessed at an activity level. The criteria for EU taxonomy-alignment requires the taxonomy-eligible activity to meet all the following requirements:

- Substantially contribute to at least one of the Taxonomy's six environmental objectives;
- Do no significant harm to any of the six environmental objectives set out in the EU Taxonomy Regulation;
- The company as a whole must meet minimum social safeguards; and
- Compliance of the economic activity with the relevant technical screening criteria set out in the Taxonomy Delegated Acts.

For the financial year ended 31 December 2025, the Bank reports its EU Taxonomy disclosures taking into account the amendments introduced by Commission Delegated Regulation (EU) 2026/73 of 4 July 2025 (the Delegated Act). This amended:

- Delegated Regulation (EU) 2021/2178, to simplify the content and presentation of information to be disclosed concerning environmentally sustainable activities; and
- Delegated Regulations (EU) 2021/2139 and (EU) 2023/2486, to simplify certain technical screening criteria for determining whether economic activities cause no significant harm to environmental objectives.

The Bank has therefore applied the updated reporting rules as amended by the Delegated Act and reported using the simplified templates for the financial year ended 31 December 2025.

The EU Taxonomy Regulation uses the term GAR, which is calculated as Taxonomy aligned assets as a % of Total GAR Assets. Until the financial year ended 31 December 2024, Total GAR Assets comprised total assets as defined under IFRS as adopted by the EU, minus trading book assets and minus exposures to central banks, central governments and supranational issuers. As per the amendment by the Delegated Act, the following assets that were previously included within Total GAR Assets are now excluded from the Total GAR Assets calculation:

- Exposures to undertakings that are not obliged to publish non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU, including those who have reported voluntarily;
- On-demand interbank loans;
- Derivatives;
- Cash and cash-related assets; and
- Other categories of assets that are not referred to in Article 7(6) of Delegated Regulation (EU) 2021/2178, as amended (such as goodwill, commodities, etc.)

(Total GAR assets are also referred to as 'Covered Assets' or 'GAR - Covered assets in both numerator and denominator').

Schedule to the Directors' Report: Sustainability Statement

EU Taxonomy

The GAR is calculated on two bases. One, referred to as the "Turnover basis", uses the % of each counterparty's turnover that they report as taxonomy-aligned to quantify how much of our loan exposure to that counterparty is taxonomy-aligned. The other, referred to as the "CapEx basis", uses the % of each counterparty's CapEx that they report as taxonomy-aligned to quantify how much of our loan exposure to that counterparty is taxonomy-aligned.

On a Turnover KPI basis, 28.0% (2024 recalculated: 10.0%, originally reported 5.2%) of our exposures are taxonomy-eligible and 2.0% (2024 recalculated: 1.2%, originally reported 0.6%) are taxonomy-aligned for the financial year ended 31 December 2025 (for financial year ended 31 December 2024). On a CapEx KPI basis, 30.9% (2024 recalculated: 12.0%, originally reported 6.2%) of our exposures are taxonomy-eligible and 3.1% (2024 recalculated: 1.8%, originally reported 0.9%) are taxonomy-aligned for the financial year ended 31 December 2025 (for financial year ended 31 December 2024). Note that the current year KPIs have been calculated in line with the updated reporting rules as amended by the Delegated Act. Further information to facilitate a comparison as against the KPIs reported for financial year ended 31 December 2024 is set out in the table below.

The primary sectors that contributed to our aligned activities for both financial years ended 31 December 2025 and 2024 are "Financial undertakings", "Transportation and storage", "Electricity, gas, steam and air conditioning supply", "Water supply", and "Manufacturing".

The primary differences between our taxonomy-aligned assets and our taxonomy-eligible assets comprise:

- Residential mortgage exposure €215m (2024: €315m); and
- Counterparty exposures that do not meet all of the four criteria for EU taxonomy-alignment outlined above €2,794m (2024: €1,037m) on a Turnover- basis and €3,001m (2024: €1,248m) on a CapEx basis.

The Bank has reported in the comparative data cells of the relevant templates below the KPIs as reported in 2025 (for financial year ended 31 December 2024). These KPIs were calculated in accordance with the reporting requirements of the EU Taxonomy that were applicable at that time. These KPIs for financial year ended 31 December 2024 were not subject to the same methodology as the KPIs reported for financial year ended 31 December 2025. Therefore in order to facilitate a comparison of the KPIs reported for financial year ended 31 December 2024 and financial year ended 31 December 2025, the Bank has in addition recalculated the KPIs published for financial year ended 31 December 2024 using the methodology set out in the Delegated Act. The KPIs that have changed due to this recalculation are set out below (and all other KPIs remain unchanged when the recalculation is performed).

Stock/Flow (€m)	Total GAR Assets	KPI as a % of Total GAR assets for the financial year ended 31 December 2024					
		Taxonomy Eligible	Taxonomy Alignment	CCM	CCA	Of which transitional	Of which enabling
Turnover Basis							
GAR (stock)							
As reported under the Commission Delegated Regulation (EU) 2021/2178	29,735	5.2 %	0.6 %	0.6 %	— %	— %	0.3 %
Less: Assets now excluded from GAR assets ⁵	(14,382)						
As reported under the Commission Delegated Regulation (EU) 2026/73	15,353	10.0 %	1.2 %	1.2 %	— %	— %	0.5 %
GAR (flow)							
As reported under the Commission Delegated Regulation (EU) 2021/2178	9,159	1.9 %	0.5 %	0.5 %	— %	— %	0.1 %
Less: Assets now excluded from GAR assets ⁵	(3,043)						
As reported under the Commission Delegated Regulation (EU) 2026/73	6,116	2.9 %	0.7 %	0.7 %	— %	— %	0.2 %
CapEx Basis							
GAR (stock)							
As reported under the Commission Delegated Regulation (EU) 2021/2178	29,735	6.2 %	0.9 %	0.9 %	— %	— %	0.5 %
Less: Assets now excluded from GAR assets ⁵	(14,382)						
As reported under the Commission Delegated Regulation (EU) 2026/73	15,353	12.0 %	1.8 %	1.8 %	— %	0.1 %	0.9 %
GAR (flow)							
As reported under the Commission Delegated Regulation (EU) 2021/2178	9,159	3.4 %	0.8 %	0.8 %	— %	— %	0.5 %
Less: Assets now excluded from GAR assets ⁵	(3,043)						
As reported under the Commission Delegated Regulation (EU) 2026/73	6,116	5.2 %	1.3 %	1.3 %	— %	— %	0.7 %

Schedule to the Directors' Report: Sustainability Statement

EU Taxonomy

The EU Taxonomy disclosures have been subject to limited assurance from the financial year 31 December 2024. The assurance opinion for the current year is set out on page 94.

The EU Taxonomy disclosures have been prepared on a 'best efforts' basis using corporate disclosures and published financial reports and information from third party data providers (which primarily cover latest counterparty information for financial year 2024 where the counterparty information for financial year 2025 has not yet been published) except in respect of the Barclays Bank PLC Group (meaning Barclays Bank PLC and its subsidiaries), which published its annual report for the financial year ended 31 December 2025 on 10 February 2026, and with whom the Bank had significant balances. We have not contacted individual counterparties to obtain data due to the challenges of doing so. Our approach is to analyse and calculate taxonomy-eligibility and taxonomy-alignment solely based on the published Taxonomy reporting of our counterparties.

BBI's KPIs have been included in the EU Taxonomy reporting of its parent, the Barclays Bank PLC Group, for FY25 (on the basis that Barclays Bank PLC Group was also required to undertake EU Taxonomy reporting and did so on a consolidated basis). To accurately assess the taxonomy eligibility and alignment of BBI's balances with the Barclays Bank PLC Group when calculating BBI's eligibility and alignment, the impact of BBI on Barclays Bank PLC Group KPIs, which are used when calculating BBI's eligibility and alignment, has been removed. This prevents the eligibility and alignment of BBI's balances with the Barclays Bank PLC Group from including the impact of BBI itself.

The EU Taxonomy related disclosures presented in this section have been made on the basis of our understanding of the terms and concepts used under the EU Taxonomy Regulation and its implementing acts (as the case may be, as clarified by the European Commission through additional guidance). As the EU Taxonomy reporting requirements and guidance evolve over the coming years, and as we continue to develop our industry data sourcing methodologies, we will continue to review our disclosure in future periods. We also note the Commission's ongoing review of the technical screening criteria which will impact future reporting periods.

In general, as a wholesale bank that also intermediates financing through listed and wholesale markets, we believe that the EU Taxonomy Regulation does not fully capture the Bank's impact on financing the green transition, and ratios derived from it are also subject to these limitations.

We have presented the following templates, which are shown both on a Turnover basis and on a CapEx basis in the Schedule B to the Sustainability Statement on page 312 and onwards of the annual report:

Templates	Description	Page
1. Assets for the calculation of GAR	Taxonomy-eligible loans and taxonomy-aligned loans, analysed by asset class	312
2. GAR sector information	Taxonomy-eligible loans and taxonomy-aligned loans to non-financial undertakings (other than mining and quarrying), analysed by NACE sector	328
3. GAR KPI stock	Taxonomy-eligible loans and taxonomy-aligned loans, analysed by asset class, as a % of CSRD eligible loans, and as a % of total assets	331
4. GAR KPI flow	New taxonomy-eligible loans and new taxonomy-aligned loans as a % of new CSRD eligible loans, analysed by asset class	335
5. KPI off-balance sheet exposures	Taxonomy-eligible financial guarantees and assets under management ('AUM') and taxonomy-aligned financial guarantees and AUM, as a % of financial guarantees and AUM that are CSRD eligible	339

Schedule to the Directors' Report: Sustainability Statement

EU Taxonomy

The table below sets out the taxonomy alignment and eligibility of the Bank's economic activities in the context of the EU Taxonomy environmental objectives.⁷

Reconciliation of EU Taxonomy KPIs to total assets	As reported taking into account the amendments introduced by the Commission Delegated Regulation (EU) 2026/73				As reported under the Commission Delegated Regulation (EU) 2021/2178		Description
	FY 2025 Turnover basis		FY 2024 Turnover basis - (Recalculated)		FY 2024 Turnover basis		
	(€m)	KPI (% of total covered assets)	(€m)	KPI (% of total covered assets)	(€m)	KPI (% of total covered assets)	
Taxonomy-aligned activities	230	2.0 %	187	1.2 %	187	0.6 %	Economic activities with undertakings subject to CSRD, together with households, that are taxonomy aligned. Numerator of the Green Asset Ratio.
Taxonomy-eligible but not aligned	3,009	26.0 %	1,352	8.8 %	1,352	4.6 %	Economic activities that are taxonomy-eligible but not taxonomy-aligned
Taxonomy-eligible activities ⁶	3,239	28.0 %	1,539	10.0 %	1,539	5.2 %	Economic activities with undertakings subject to CSRD, together with households, that have been assessed as taxonomy-eligible.
Less: Households	(215)	(1.9)%	(315)	(2.1)%	(315)	(1.1)%	Economic activities with households that have been assessed as taxonomy-eligible (retail mortgages).
Taxonomy-eligible activities excluding Households (1)	3,024	26.1 %	1,224	7.9 %	1,224	4.1 %	Economic activities with undertakings subject to CSRD that have been assessed as taxonomy-eligible, other than households.
Taxonomy non-eligible activities (2)	8,323	72.0 %	13,814	90.0 %	13,814	46.5 %	Economic activities with undertakings subject to CSRD assessed as non-eligible.
Exposures to undertakings in scope (1+2)	11,347	98.1 %	15,038	97.9 %	15,038	50.6 %	Covered assets that are exposures to entities subject to CSRD.
Households classified as Taxonomy-eligible (3)	215	1.9 %	315	2.1 %	315	1.0 %	Economic activities with households that have been assessed as taxonomy-eligible (retail mortgages).
GAR - Covered assets in both numerator and denominator (1+2+3)	11,562	100.0 %	15,353	100.0 %	15,353	51.6 %	Covered assets that are exposures to entities subject to CSRD, together with households.
Exposures to undertakings out of scope (4) ⁵	N/A	N/A	N/A	N/A	14,382	48.4 %	Assets excluded from GAR assets by the Commission Delegated Regulation (EU) 2026/73, hence not considered in FY 2025 and FY 2024 recalculated.
Total covered assets (1+2+3+4)	11,562	100.0 %	15,353	100.0 %	29,735	100.0 %	Total covered assets or GAR Assets.
of which Derivatives (Banking book)	N/A	N/A	N/A	N/A	12	— %	Banking Book derivatives (these are part of total covered assets). Further to Commission Delegated Regulation (EU) 2026/73, these no longer need to be taken into account for the denominator.
of which On demand interbank exposures	N/A	N/A	N/A	N/A	578	1.9 %	Exposures to on-demand interbank loans. Further to Commission Delegated Regulation (EU) 2026/73, these no longer need to be taken into account for the denominator.
Reconciliation of EU Taxonomy KPIs to total assets	As reported taking into account the amendments introduced by the Commission Delegated Regulation (EU) 2026/73				As reported under the Commission Delegated Regulation (EU) 2021/2178		Description
	FY 2025 Turnover basis		FY 2024 Turnover basis - Recalculated		FY 2024 Turnover basis		
	(€m)	KPI (% of total assets)	(€m)	KPI (% of total assets)	(€m)	KPI (% of total assets)	
Exposures to central banks, central governments and supranational	36,697	27.7 %	33,610	24.3 %	33,610	24.3 %	Exposures to central banks, central governments and supranational issuers, not included in covered assets.
Exposures to undertakings out of scope ⁵	12,694	9.6 %	14,382	10.4 %	N/A	N/A	Covered assets that are exposures to entities not subject to CSRD.
Trading book	71,536	54.0 %	74,858	54.2 %	74,858	54.2 %	Trading book exposures, not included in covered assets.
Total assets not included in GAR calculation	120,927	91.3 %	122,850	88.9 %	108,468	78.5 %	Assets not included in denominator for the calculation of the GAR.
Total covered assets (as above)	11,562	8.7 %	15,353	11.1 %	29,735	21.5 %	
Total assets (Gross of impairment)	132,489	100.0 %	138,203	100.0 %	138,203	100.0 %	IFRS total assets, together with Impairment deducted in the calculation of total assets.
Impairment	(79)		(91)		(91)		Includes Impairment on Loans and Advances, Debt Securities and Cash Collateral. Excludes impairment on reverse repurchase agreements and other similar secured lending.
Total assets	132,410		138,112		138,112		Total assets as per IFRS balance sheet.

Notes:

- The EU Taxonomy Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, as amended from time to time.
- https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en. Please note that the information on this website does not form part of our report.
- Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, as amended from time to time.
- Directive 2022/2064 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting as amended from time to time.
- Assets excluded from Total GAR Assets pursuant to the amendments introduced by Commission Delegated Regulation (EU) 2026/73. These excluded assets comprise exposures to undertakings that are not obliged to publish non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU, including those who report voluntarily, derivatives, on-demand interbank loans, cash and cash equivalents, and other categories of assets that are not referred to in Article 7(6) of Delegated Regulation (EU) 2021/2178, as amended (such as goodwill, commodities, etc.). These items were previously included in the Total GAR Assets taking into account the disclosure requirements set forth in Commission Delegated Regulation (EU) 2021/2178, but are now excluded from the Total GAR Assets taking into account the amendments introduced by Commission Delegated Regulation (EU) 2026/73.
- Taxonomy eligible activities comprise of certain wholesale lending, cash collateral, financial assets at fair value through other comprehensive income ('FVOCI') and financial assets at fair value through profit and loss ('FVTPL') in the banking book with counterparties which are subject to the sustainability reporting obligations under Article 19a or Article 29a of the Accounting Directive. Collateralised home loans are also included in the calculation for taxonomy-eligibility however are not included in the calculation for taxonomy-alignment. The remainder of loans and advances to customers relates to unsecured loans and other retail lending which are not taxonomy eligible, and are excluded from the calculation of taxonomy-eligible activities.
- Cells that are not applicable (e.g. where we are not required to report) are marked as "N/A," while cells that are applicable but have nil values are shown as "-". This applies to all the EU Taxonomy tables.

Schedule to the Directors' Report: Sustainability Statement

EU Taxonomy

In line with the Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (C/2024/6691) ("Third Commission Notice") dated 8 November 2024, the taxonomy-aligned lending is calculated as the % of taxonomy-aligned Turnover and CapEx reported by each counterparty, applied to our loan exposure to each counterparty. Consequently, the proportion of counterparties in a bank's banking book that are subject to the CSRD is a key determinant of the resulting GAR.

Summary of KPIs to be disclosed by credit institutions under Article 8 of the EU Taxonomy Regulation

31 December 2025		Total exposure to Taxonomy aligned activities (€ m)		KPI ¹ (%)	KPI ² (%)	% coverage (over total assets) ³ (%)	Non assessed exposures (% of covered assets) ⁴ (%)	Non assessed exposures (% of covered assets) ⁴ (%)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Main KPI	Green asset ratio (GAR) stock	230	362	2.0 %	3.1 %	8.7 %	— %	— %
31 December 2025		Total exposure to Taxonomy aligned activities (€ m)		KPI ¹ (%)	KPI ² (%)	% coverage (over total assets) ³ (%)	Non assessed exposures (% of covered assets) ⁴ (%)	Non assessed exposures (% of covered assets) ⁴ (%)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Additional KPIs	GAR (flow)	30	64	1.3 %	2.8 %	32.9 %	— %	— %
	Trading book ⁵	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Financial guarantees	118	233	9.1 %	17.9 %	50.2 %	— %	— %
	Assets under management ⁶	—	—	— %	— %	14.3 %	— %	— %
	Fees and commissions income ⁵	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Summary of KPIs to be disclosed by credit institutions under Article 8 of the EU Taxonomy Regulation

31 December 2024		Total exposure to Taxonomy aligned activities (€ m)		KPI ¹ (%)	KPI ² (%)	% coverage (over total assets) ³ (%)	Non assessed exposures (% of covered assets) ⁴ (%)	Non assessed exposures (% of covered assets) ⁴ (%)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Main KPI	Green asset ratio (GAR) stock	187	281	0.6 %	0.9 %	21.5 %	— %	— %
31 December 2024		Total exposure to Taxonomy aligned activities (€ m)		KPI ¹ (%)	KPI ² (%)	% coverage (over total assets) ³ (%)	Non assessed exposures (% of covered assets) ⁴ (%)	Non assessed exposures (% of covered assets) ⁴ (%)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Additional KPIs	GAR (flow)	45	77	0.5 %	0.8 %	77.5 %	— %	— %
	Trading book ⁵	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Financial guarantees	168	321	15.4 %	29.4 %	N/A	N/A	N/A
	Assets under management ⁶	—	—	— %	— %	N/A	N/A	N/A
	Fees and commissions income ⁵	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Schedule to the Directors' Report: Sustainability Statement

EU Taxonomy

Notes:

1. The Turnover KPI % is calculated as the percentage of Taxonomy aligned exposures over total GAR assets. The Turnover alignment increased primarily due to the change in Total GAR Assets given that Total GAR Assets now also excludes exposures to undertakings that are not obliged to publish non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU, derivatives, on-demand interbank loans, cash and cash equivalents, and other categories of assets that are not referred to in Article 7(6) of Delegated Regulation (EU) 2021/2178, as amended (such as goodwill, commodities, etc.) in line with Commission Delegated Regulation (EU) 2026/73.
2. The CapEx KPI % is calculated as the percentage of Taxonomy aligned exposures over total GAR assets. The CapEx alignment increased primarily due to the change in Total GAR Assets given that Total GAR Assets now also excludes exposures to undertakings that are not obliged to publish non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU, derivatives, on-demand interbank loans, cash and cash equivalents, and other categories of assets that are not referred to in Article 7(6) of Delegated Regulation (EU) 2021/2178, as amended (such as goodwill, commodities, etc.) in line with Commission Delegated Regulation (EU) 2026/73.
3. Our FY24 reporting calculated % coverage (Over total assets) as taxonomy aligned exposures over total assets. To align with what we have observed as market practice (on the basis of FY24 annual reports), the % coverage (Over total assets) is now calculated as Total GAR Assets (covered assets) over total assets. Consequently, the prior year comparative % has been revised from 0.1% to 21.5% for stock and from 0.4% to 77.5% for flow.
4. Non-assessed exposures refer to counterparty exposures subject to CSRD and included within Total GAR Assets, for which Taxonomy eligibility and alignment were not assessed. As all such exposures have been assessed, these are reported Nil under both the Turnover-based and CapEx-based KPIs.
5. Trading book and fees and commission KPIs apply from 1 January 2028 (under the Delegated Act), therefore these cells are not applicable (N/A).
6. Assets under management for financial corporations were not assessed for taxonomy eligibility and alignment to avoid double counting, in line with the Third Commission Notice published on 8 November 2024.

Business Strategy

Addressing climate change is an urgent and complex challenge but also an opportunity. It requires a fundamental transformation of the global economy. The financial sector has an important role to play in supporting the transition to a low-carbon economy.

The Bank's sustainability strategy and goals are set out on page 29 of this report. An overview of the Barclays Group climate strategy can be found on Page 63 of Barclays Group PLC Annual Report 2025, and more information, including progress against targets, is set out in the Climate and Sustainability section of the Barclays Group PLC Annual Report 2025.

Schedule to the Directors' Report: Sustainability

Sustainability Statement: 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.

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 BBI 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 financing, 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 financing activities. Climate and sustainability disclosures are also not subject to the same or equivalent disclosure standards, historical reference points, benchmarks or globally accepted accounting principles. Historical data cannot be relied on as a strong indicator of future trajectories in the case of climate change and its evolution. Outputs of models, processed data, scenario analysis and the application of methodologies will also be affected by underlying data quality, which can be hard to assess, or challenges in accessing data on a timely basis;
- Continued (and will continue) to review and develop our approach to data, models, scenarios and methodologies in line with market principles and standards as this subject area matures. The data, models, scenarios and methodologies used (including those made available by third parties) and the judgements, estimates and/or assumptions made in them or by us are rapidly evolving, including scientific evidence relating to climate change and scenarios outlining pathways to net zero, and this may directly or indirectly affect the metrics, data points, targets, convergence points and milestones contained in the climate and sustainability content within the BBI 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 BBI 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. Such updated information may result in different outcomes than those included in the BBI 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 Barclays PLC Annual Report highlights where

Schedule to the Directors' Report: Sustainability

Sustainability Statement: Important Information/ Disclaimers

information in respect of a previous reporting period has been updated. Page 86 of the Barclays PLC Annual Report 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 of the 2025 Barclays PLC Annual Report.

- Included in the BBI 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 BBI 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 BBI Annual Report as a whole.
- There are a variety of internal and external factors which may impact Barclays' reported metrics and progress against 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 BBI 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 (unless expressly stated otherwise).

Schedule to the Directors' Report: Sustainability Statement

Further Information

List of Disclosure Requirements complied with in our Sustainability Statement

Ref	Disclosure Requirements:	Page
ESRS 2	General Disclosures	
BP-1	General basis for preparation of the sustainability statement	23
BP-2	Disclosures in relation to specific circumstances	23
GOV-1	The role of the administrative, management and supervisory bodies*	24
G1.GOV-1	The role of the administrative, management and supervisory bodies*	24
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	24
GOV-3	Integration of sustainability-related performance in incentive schemes	25
E1.GOV-3	Integration of sustainability-related performance in incentive schemes	25
GOV-4	Statement on due diligence	26
GOV-5	Risk management and internal controls over sustainability reporting	27
SBM-1	Strategy, business model and value chain*	28
SBM-2	Interests and views of stakeholders	28
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	35
E1.SBM-3	Environmental	37
S1.SBM-3	Own Workforce	57
S2.SBM-3	Workers in the Value Chain	72
S3.SBM-3	Affected Communities	74
S4.SBM-3	Consumers and End Users	76
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	31
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement*	91
E1	Climate Change	
E1-1	Transition plan for climate change mitigation	37
E1-2	Policies related to climate change mitigation and adaptation	40
E1-3	Actions and resources in relation to climate change policies	44
E1-4	Targets related to climate change mitigation and adaptation	46
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	47
E1-8	Internal carbon pricing	49
E1.IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	31
S1	Own Workforce	
S1-1	Policies related to own workforce	57, 67
S1-2	Processes for engaging with own workers and workers' representatives about impacts	54
S1-3	Processes to remediate negative impacts and channels for own workers to raise	54
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	60, 69
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	62, 70
S1-6	Characteristics of the undertaking's employees	54
S1-9	Diversity metrics	64
S1-10	Adequate wages	71
S1-16	Remuneration metrics (pay gap)	65

Notes

*denotes that some or all of the disclosure requirement has been incorporated by reference into the Sustainability Statement. Additionally, information relating to the entity specific matter, cybersecurity, has also been incorporated by reference. Please refer to the relevant disclosure for further details on where the information can be found.

Schedule to the Directors' Report: Sustainability Statement

Further Information

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

Term	Definition
Amazon Biome	<p>Refers to the world's largest rainforest, covering 6.7 million km² across nine countries (Brazil, Bolivia, Peru, Ecuador, Colombia, Venezuela, Guyana, French Guiana, Suriname). The boundary of the Amazon Biome is defined by the Amazon Network of Georeferenced Socio-Environmental Information (RAISG) as the area formed by:</p> <ol style="list-style-type: none"> the limits of the Amazon biome in Colombia and Venezuela; the limits of the Amazon basin in Ecuador, Perú and Bolivia; the sum of the limits of the basins (Amazonas and Araguaia/Tocantins) and the limits of the administrative Legal Amazon in Brazil; and the whole continental territories of Guyana, French Guyana and Surinam <p>For further information visit: www3.socioambiental.org/geo/RAISGMapaOnline/</p>
Arctic Circle	Refers to the area within the Arctic Circle, which is subject to sea ice, the Arctic National Wildlife Refuge (ANWR) and Coastal Plains.
Biomass	Refers to energy production from biomass and biogas power plants, which includes the thermal combustion of organic energy sources, including energy crops and woody biomass.
Captives	<p>In relation to Thermal Coal Power, captives refers to <i>thermal coal</i> power plants used and managed with the primary purpose of providing power to an industrial or commercial energy user, for their own use. In relation to Thermal Coal Power, captives refers to <i>thermal coal</i>-fired power plants used and managed with the primary purpose of providing power to an industrial or commercial energy user, for their own use.</p> <p>In relation to Thermal Coal Mining, captives refers to <i>thermal coal</i> mines dedicated to providing <i>thermal coal</i> for captive <i>thermal coal</i>-fired power plants.</p>
Client Transition Framework (CTF)	Refers to a tool developed by Barclays designed to support our evaluation of our corporate clients' current and expected future progress as they transition to a low-carbon business model.
Client(s)	<p>Means in relation to any proposed transaction the client entity (or entities) entering into the transaction.</p> <p>Any restrictions relating to the % revenue generated by such clients from <i>thermal coal</i> activities applies to the consolidated revenues of the entity being financed, whether transacting with a Group parent, subsidiary or joint venture.</p>
Directly finance or direct financing	Refers to <i>financing</i> where the use of proceeds is known to be for a particular project.
Energy Group(s)	<i>Groups</i> that have over 20% revenue from upstream oil and gas activities (i.e. exploration, development and production) and/or <i>Groups</i> that are considered to be supermajor or major integrated oil and gas companies.
Engaged in	<p>In relation to Thermal Coal Mining and Thermal Coal Power, a <i>client</i> is defined as "engaged in" if it generates more than 5% of its revenues from <i>thermal coal-fired power generation</i> and/or thermal coal mining.</p> <p>In relation to Amazon Oil & Gas, a client is defined as "engaged in" if more than 5% of its expenditure (CAPEX and OPEX) are on oil & gas projects in the Amazon Biome.</p>
Expansion	Refers to any upstream oil and gas projects with a final investment decision (or equivalent) after 31 December 2021. This includes, but is not limited to, exploration, development, and production.
Extra Heavy Oil	Refers to Crude Oil with an API gravity of less than 15 ^o .
Finance or financing	<p>Refers to all primary financing activity through lending (including <i>reserve-based lending agreements</i>), underwriting, arranging and/or distribution of debt or equity, as well as trade and working capital finance and excludes, without limitation, any debt or securities traded or placed through secondary market activity.</p> <p>Barclays may occasionally continue to be involved in primary financing activity for distressed entities such as (without limitation) debt for equity swaps and other recapitalisation activities. When undertaking such activity, Barclays has a responsibility to minimise losses and will look to deploy possible financing options to manage distressed positions and/or maximise recoveries where it is a liability holder. Such financing arrangements are not typically for the purposes of funding the ongoing operational activity of the distressed entity. Accordingly, any such activity is excluded from the definition of financing.</p>
Group(s)	In relation to any entity, the relevant parent company and its consolidated subsidiaries, as a whole.

Schedule to the Directors' Report: Sustainability Statement

Further Information

Hydraulic Fracturing (Fracking)	Refers to an oil and gas well development technique, using a high-pressure injection of liquid into the rock, which creates fracturing and allows natural gas and oil to flow more freely.
Long-lead expansion	Refers to long-lead time upstream oil and gas projects with a final investment decision (or equivalent) after 31 December 2021. This includes, but is not limited to, exploration, development, and production ¹ .
Material expansion	<p>In relation to Thermal Coal Mining, refers to an increase in annual tonnage of <i>thermal coal</i> extracted from existing <i>thermal coal</i> mines, including captives, by more than 20%, measured from a baseline of maximum p.a. tonnage for preceding 3 years reported.</p> <p>In relation to Thermal Coal Power, production refers to an investment to (i) extend the unabated operating lifetime of existing <i>thermal coal</i> power plants including captives or (ii) increase net operational thermal power capacity, including captives, by more than 10% measure from a baseline of maximum capacity for preceding 3 years reported.</p> <p>Material expansion in such cases relates to absolute global increases rather than increases for an entity or Group as a result of mergers or acquisitions.</p>
Materially engaged in – Arctic Circle	For Arctic Circle, Groups are defined as “materially engaged in” if they have over 20% revenue from oil and gas activities in the Arctic Circle or have, after February 2024, approved capital investment for new exploration and production or new pipeline transportation of oil and gas within the Arctic Circle.
Materially engaged in – Fracking	For Hydraulic Fracturing, Groups are defined as “materially engaged in” if they have over 20% revenue from Fracking activities in the UK and Europe.
Mountain Top Removal (MTR) coal mining	Refers to surface coal mining (and the associated reclamation operations) that remove entire coal seams running through the upper fraction of a mountain, ridge, or hill, by removing all of the overburden and creating a level plateau or gently rolling contour with no high-walls remaining – as defined by the Surface Mining Control & Reclamation Act (SMCRA 1977), available at www.gpo.gov/fdsys/pkg/CFR-2012-title30-vol3/pdf/CFR-2012-title30-vol3-sec716-3.pdf
Near-term	2030 or such other near-term target as approved by exception by Barclays Group Sustainability Committee.
New client(s)	Refers to an entity in relation to whom no member of the Group is an existing client of Barclays.
Non-diversified Groups	Refers to non-state-owned Energy Groups that generate almost all of their revenues from upstream oil and gas activities (i.e. exploration, development and production).
Oil Sands	Refers to naturally occurring deposits of water and clay, containing a heavy, viscous oil called bitumen.
Oil Sands exploration and production companies	Refers to Groups that majority own (>50%) or operate oil sands exploration, production and Oil Sands processing assets, excluding those that generate less than 10% of revenue from these activities.
Oil Sands pipelines	Refers to pipelines whose primary use is for the transportation of crude oil extracted from oil sands.
Oil Sands processing	Refers to Canadian oil sands clients that process and upgrade extracted oil sands bitumen in situ only.
Project Finance	Refers to transactions that are a form of loan financing originated by Barclays (either as an agent or as part of a syndicate) where the repayment depends primarily on the project's cash flow and on the collateral value of the project's assets. Project Finance excludes corporate level asset financing.
Reserve-based lending agreement	Refers to a type of asset-based lending whereby a loan is secured by collateral. Reserve-based lending is commonly used in the oil and gas sector, where such loans are secured by an oil and gas field or a portfolio of undeveloped or developed and producing oil and gas assets – known as the borrowing base. These facilities are typically multi-banked, and the asset base is approved subject to majority lender consent.
Revenue from thermal coal-fired power generation	Refers to revenues attributable directly to the generation of electricity from thermal coal and excludes any other revenues including revenues attributable to the transmission and distribution of electricity.
Sustainable Finance or Transition Finance Transactions	Refers to transactions that qualify under Barclays' Sustainable Finance Framework or Transition Finance Framework as amended from time to time.
Thermal Coal	Thermal coal (also known as steam coal) are grades of coal used for power and heat generation. These typically include lignite and sub-bituminous grades of coal.
Ultra-Deep Water	Refers to waters where the water depth is 1,500 metres or more.

Note

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

Schedule to the Directors' Report: Sustainability Statement

Independent Practitioners' Limited Assurance Report to the Directors of Barclays Bank Ireland PLC

Our limited assurance conclusion

We have performed a limited assurance engagement on the sustainability reporting set out in the consolidated Sustainability Statement (hereafter referred to as the 'Sustainability Statement') prepared by Barclays Bank Ireland PLC and its consolidated undertakings (the Entity), included in section "Schedule to the Directors' Report: Sustainability Statement" of the Directors' Report of the Entity for the year ended 31 December 2025, prepared in accordance with Part 28 of the Companies Act 2014 and set out on pages 22 to 98, which is a dedicated section of the Directors' Report.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Entity's Sustainability Statement for the year ended is not prepared, in all material respects, in accordance with Part 28 of the Companies Act 2014, including:

- the compliance of the Sustainability Statement with the European Sustainability Reporting Standards (ESRS);
- the process carried out by the Entity to identify material sustainability related impacts, risks, and opportunities in accordance with ESRS;
- the compliance with the reporting requirements of Article 8 of Regulation (EU) 2020/852 (the Taxonomy Regulations); and
- the compliance with the requirement to mark up the Sustainability Statement in accordance with Section 1600 of the Companies Act 2014.

Basis for our conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) (Ireland) 3000, as adopted by the Irish Auditing and Accounting Supervisory Authority (IAASA). Our responsibilities under this standard are further described in the section titled 'Our responsibilities' in this report.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Any internal control structure, no matter how effective, cannot eliminate the possibility that fraud, errors or irregularities may occur and remain undetected and because we use selective testing in our engagement, we cannot guarantee that all errors or irregularities, if present, will be detected.

The Sustainability Statement includes prospective information such as ambitions, strategy, plans, expectations and estimates. Prospective information relates to events and actions that have not yet occurred and may never occur. We do not provide any assurance on the assumptions and achievability of this prospective information.

Our responsibilities under this standard are further described in the section titled 'Our responsibilities' in this report.

We have fulfilled our ethical responsibilities under, and we remained independent of the Entity in accordance with, ethical requirements applicable in Ireland, including the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), the independence requirements of the Companies Act 2014 and the Code of Ethics issued by Chartered Accountants Ireland that are relevant to our limited assurance of the Sustainability Statement in Ireland.

Our firm applies International Standard on Quality Management (ISQM) (Ireland) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASA. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matter – Compliance with the requirement to mark-up the Sustainability Statement

We note that Section 1613(3)(c) of the Companies Act 2014 requires us to report on the compliance by the Entity with the requirement to mark-up the Sustainability Statement in accordance with Section 1600 of that Act. Section 1600 of the Companies Act 2014 requires that the Directors' Report is prepared in the electronic reporting format specified in Article 3 of Delegated Regulation (EU) 2019/815 and shall mark-up the Sustainability Statement. However, at the time of issuing our

Schedule to the Directors' Report: Sustainability Statement

Independent Practitioners' Limited Assurance Report to the Directors of Barclays Bank Ireland PLC

limited assurance report, the electronic reporting format has not been specified nor become effective by Delegated Regulation. Consequently, the Entity is not required to mark-up the Sustainability Statement. Our conclusion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the Strategic Report, Directors' Report, other governance information, Risk Review, and Supplementary Information included in the Entity's Annual Report but does not include the Sustainability Statement, Schedules to the Sustainability Statement and our Limited Assurance Report thereon.

Our limited assurance conclusion on the Sustainability Statement does not cover the other information and we do not express any form of assurance conclusion thereon.

Responsibilities for the Sustainability Statement

As stated in the Directors' responsibility statement on page 20 to 21 of the Directors' Report, the Directors confirm, to the best of their knowledge, that the Sustainability Statement referenced in the Directors' Report, which is set out on pages 22 to 98, has been prepared in accordance with Part 28 of the Companies Act 2014, the European Sustainability Reporting Standards and the specifications adopted pursuant to Article 8(4) of Regulation (EU) 2020/852. For the purposes of this Limited Assurance Report we consider that by providing that confirmation, the Directors are confirming that, to the best of their knowledge, for the purposes of that Sustainability Statement, the Directors have:

- confirmed that the scope of consolidation for the Sustainability Statement is the same as for the financial statements and disclosed to what extent the Sustainability Statement covers the Company's upstream and downstream value chain;
- developed an overview of its activities and business relationships, the context in which these take place and an understanding of its affected stakeholders;
- performed an assessment to identify the material impacts, risks and opportunities to be reported, using appropriate quantitative and/or qualitative thresholds and described its process in the Sustainability Statement;
- where relevant, used reasonable assumptions and estimates when preparing the Sustainability Statement;
- included an overview of the double materiality process in the Sustainability Statement in accordance with the ESRS;
- identified the quantitative metrics and monetary amounts disclosed in the Sustainability Statement that are subject to a high level of measurement uncertainty;
- included in the Sustainability Statement information required under applicable Disclosure Requirements in relation to policies, actions and targets under the ESRS;
- included material value chain information in the Sustainability Statement when this is necessary in accordance with the ESRS;
- included in the Sustainability Statement a mapping of the information provided about the Company's due diligence process; and
- ensured the Entity has maintained adequate records in relation to the preparation of the Sustainability Statement.

The Directors are responsible for such internal controls as they determine are necessary to enable the preparation of the Sustainability Statement so that it is free from material misstatement, whether due to fraud or error.

Terms used above have the meaning given to them in the European Sustainability Reporting Standards.

Inherent limitations in preparing the Sustainability Statement

We obtained limited assurance over the preparation of the Sustainability Statement in accordance with the Companies Act 2014. Inherent limitations exist in all assurance engagements.

There are inherent limitations regarding the measurement or evaluation of the Sustainability Statement subject to limited assurance, which have been set out below:

Schedule to the Directors' Report: Sustainability Statement

Independent Practitioners' Limited Assurance Report to the Directors of Barclays Bank Ireland PLC

- Estimates, approximations and/ or forecasts used by the Entity in preparing and presenting their Sustainability Statement are subject to significant inherent uncertainty. The extent to which the Sustainability Statement contains, qualitative, quantitative, objective, subjective, historical and prospective disclosures, also represents a significant degree of uncertainty. The selection by management of different but acceptable estimation, approximation or forecasting techniques, could have resulted in materially different amounts or disclosures being reported. For the avoidance of doubt, the scope of our engagement and our responsibilities will not involve us performing work necessary for any assurance on the reliability, proper compilation, or accuracy of the prospective information;
- Certain metrics reported within the Sustainability Statement may be subject to inherent limitations, for example, value chain information relating to emissions data provided by third parties;
- Where estimated, approximated and/ or forecast information is provided by management in respect of value chain information, we may be unable to verify or benchmark this information in full;
- When applicable, as described in your disclosures relating to ESRS E1 Climate Change, GHG emissions quantification is subject to significant inherent measurement uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values to combine emissions of different gases. Greenhouse gas quantification is unavoidably subject to significant inherent uncertainty as a result of both scientific and estimation uncertainty. Estimation uncertainty can arise because of:
 - i. The inherent uncertainty in quantifying inputs, such as activity data and emission factors, that are used in mathematical models to estimate emissions (measurement uncertainty);
 - ii. the inability of such models to precisely and accurately characterise under all circumstances the relationships between various inputs and the resultant emissions (model uncertainty); and
 - iii. the fact that uncertainty can increase as emission quantities with different levels of measurement and calculation uncertainty are aggregated (aggregation uncertainty).
- The self-defined applicable criteria and/or Basis of Preparation, the nature of the sustainability matters, and absence of consistent external standards allow for different, but acceptable, measurement methodologies to be adopted which may result in variances between entities. The adopted measurement methodologies may also impact the comparability of sustainability matters reported by different organisations and from year to year within an organisation as methodologies develop;
- The Sustainability Statement has been prepared in a context of sustainability reporting standards requiring entity-specific and temporary interpretations and addressing inherent measurement or evaluation uncertainties;
- The comparability of sustainability information between entities and over time may be affected by the lack of historical sustainability information in accordance with the ESRS and by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques, especially in the initial years; and
- The Sustainability Statement may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder (group) may consider important in its own particular assessment.

Our responsibilities

Our objectives are to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement in scope of our conclusion, is free from material misstatement, whether due to fraud or error, and to issue a Limited Assurance Report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users on the basis of the Sustainability Statement.

As part of a limited assurance engagement in accordance with ISAE (Ireland) 3000, we exercise professional judgment and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal controls relevant to the engagement, to identify disclosures where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Entity's internal control;
- Design and perform procedures responsive to where material misstatements are likely to arise in the Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

Schedule to the Directors' Report: Sustainability Statement

Independent Practitioners' Limited Assurance Report to the Directors of Barclays Bank Ireland PLC

- Design and perform procedures to evaluate whether the Sustainability Statement has been prepared in accordance with the ESRS, which includes the process carried out by the Entity to identify material sustainability related impacts, risks and opportunities;
- Design and perform procedures to evaluate whether the Sustainability Statement has been prepared in in compliance with the Taxonomy Regulations; and
- With respect to our conclusion in respect to the Entity's reporting obligations and responsibility to mark up the Sustainability Statement in accordance with Section 1600 of the Companies Act 2014, we assess whether we have become aware of anything to suggest that the Sustainability Statement has not been prepared, in all material respects in this specified format. However, as explained in the 'Other matter- Compliance with the requirement to mark-up the Sustainability Statement' section of our assurance report, the Entity is not currently required to mark-up the Sustainability Statement.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The nature, timing and extent of procedures selected depend on professional judgment, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Sustainability Statement.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and depend on professional judgment, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Sustainability Statement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

In conducting our limited assurance engagement, the procedures we have performed included the following:

- Obtaining an understanding of the Sustainability Statement reporting process performed by the Entity, including the preparation of the Sustainability Statement;
- Obtaining an understanding of the Entity's double materiality assessment process by performing inquiries to understand the sources of the information used by management and reviewing the Entity's internal documentation of this process; and evaluating whether the evidence obtained from our procedures about the Entity's process is consistent with the description of the process set out in the Sustainability Statement;
- Performing risk assessment procedures to understand the Entity and its environment, including the Entity's reporting boundary, its value chain information and identify risks of material misstatement;
- Designing and performing further assurance procedures (which included inquiries, analytical procedures and tests detail) to respond to the identified risks of material misstatement;
- Obtained an understanding of the Entity's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- Performed substantive limited assurance procedures on selected information with respect to the EU Taxonomy disclosures; and
- Evaluating the overall presentation of the Sustainability Statement, and considered whether the Sustainability Statement as a whole, including the sustainability matters and disclosures, is disclosed in accordance with the applicable criteria.

The purpose of our limited assurance work and to whom we owe our responsibilities.

Our report is made solely in accordance with Section 1613 of the Companies Act 2014 to the Directors of the Entity.

Schedule to the Directors' Report: Sustainability Statement

Independent Practitioners' Limited Assurance Report to the Directors of Barclays Bank Ireland PLC

Our assurance work has been undertaken so that we might state to the Directors those matters we are required to state to them in a limited assurance 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 Entity and its Directors, as a body, for our limited assurance work, for this report, or for the conclusions we have formed.



Conor Holland
For and on behalf of
KPMG
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5
Ireland
5 March 2026

Other governance information

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 Barclays and BBI operate 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 Bank 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 Barclays 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 and BBI 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.

BBI 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.

BBI 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 and Barclays Bank Ireland PLC deploy 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 and Barclays Bank Ireland PLC seek 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 and Barclays Bank Ireland PLC work 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.

Other governance information

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.

Resilience and security are key priorities for the BBI 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.

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. This includes the BBI CISO, who is a member of the Group CISO Executive Committee.

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, including the BBI CISO, 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. For Barclays Bank Ireland, BBI CISO conducts an annual review of the Group Information and Cyber Security Policy and the supporting Standards, and subject to BBI COO approval, attests annually to the Barclays Bank Ireland Board of the completion of this review.

Other governance information

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.

The BPLC 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 BPLC 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 BPLC Board detailing the progress being made to strengthen cybersecurity capabilities and reduce risk across the organisation as the threat environment continues to evolve. For Barclays Bank Ireland, the BBI CISO similarly presented updates concerning cyber risk management to the Barclays Europe Board Audit Committee and Board Risk Committee during 2025.

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 coordinate key decision making.

To manage security risk from Barclays' third-party suppliers, including BBI 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 ISO27001 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.

Other governance information

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. The mandatory training was further supported in 2025 within BBI by dedicated Security Awareness sessions open to all BBI colleagues and delivered by the BBI CISO team.

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.

		Page
Risk management strategy	▪ Enterprise Risk Management Framework	104
	▪ Segregation of duties – the “Three Lines of Defence” model	104
	▪ Principal Risks	104
	▪ Risk appetite for the principal risks	105
	▪ Risk committees	106
	▪ Barclays’ risk culture	106
Material existing and emerging risks	• Material existing and emerging risks to the Bank’s future performance	108
	• Material existing and emerging risks potentially impacting more than one principal risk	108
	• Material existing and emerging risks impacting individual principal risks:	113
	▪ Climate Risk	113
	▪ Credit Risk	114
	▪ Market Risk	115
	▪ Treasury and Capital Risk	115
	▪ Liquidity Risk	115
	▪ Capital Risk	116
	▪ Interest Rate Risk in the banking book	116
	▪ Operational Risk	116
	▪ Model Risk	121
	▪ Compliance Risk	122
	▪ Reputation Risk	123
	▪ Legal Risk and legal, competition and regulatory matters	123
▪ Financial Crime	125	
Principal risk management	▪ Climate risk management	126
	▪ Credit risk management	131
	▪ Market risk management	132
	▪ Treasury and Capital risk management	133
	▪ Operational risk management	135
	▪ Model risk management	136
	▪ Compliance risk management	137
	▪ Reputational risk management	138
	▪ Legal risk management	138
▪ Financial crime	139	
Risk performance	▪ Climate risk performance	140
	▪ Credit risk performance	144
	▪ Market risk performance	186
	▪ Treasury and Capital risk performance	188
	▪ Operational risk performance	195
	▪ Model risk performance	198
	▪ Compliance risk performance	198
	▪ Reputational risk performance	198
	▪ Legal risk performance	199
▪ Financial Crime risk performance	199	
Supervision and regulation	▪ Supervision of the Bank	200
	▪ Supervision in the EU	200
	▪ Financial regulatory framework	201

Risk review

Risk management strategy

Risk management strategy

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

Enterprise Risk Management Framework

The ERMF governs the way in which the Bank 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 Bank. The Bank's ERMF is adapted from and consistent with the Barclays Group ERMF as approved by the Barclays PLC Board on the recommendation of the Group BRC and the Barclays Group CRO. This is then reviewed and formally adopted by the Bank's Board at local legal entity level.

The ERMF sets out:

- Risk management and segregation of duties: the ERMF defines a "Three Lines of Defence" model;
- Principal Risks faced by the Bank which guides the organisation of risk management processes;
- Risk appetite requirements: this helps define the level of risk we are willing to undertake in our business; and
- Roles and responsibilities for risk management and governance.

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

- Frameworks cover high-level principles guiding the management of principal risks, and set out details of which policies are needed, and high-level governance arrangements.
- Policies set out the control objectives and high-level requirements to address the key principles articulated in their associated frameworks. Policies state 'what' those within scope are required to do.
- Standards set out 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 Bank and all associated support functions, including Finance, Operations, Treasury, and Human Resources etc. The first line is responsible for identifying and managing the risks in which they are engaged in, operating within applicable limits and developing a control framework, and escalating risk events or issues as appropriate. Employees in the first line have primary responsibility for their risks and their activities are subject to oversight from the relevant parts of the second and third Lines.
- The second line comprises 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 Bank, and to oversee the performance of the Bank 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 LRR. 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.

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 risk, 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 Bank and reinforce independent assessment, management and oversight of financial crime risk.

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

Risk review

Risk management strategy

Risk appetite for the principal risks

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

Risk appetite is approved by the Barclays PLC Board in aggregate and disseminated across legal entities and businesses, including the Bank.

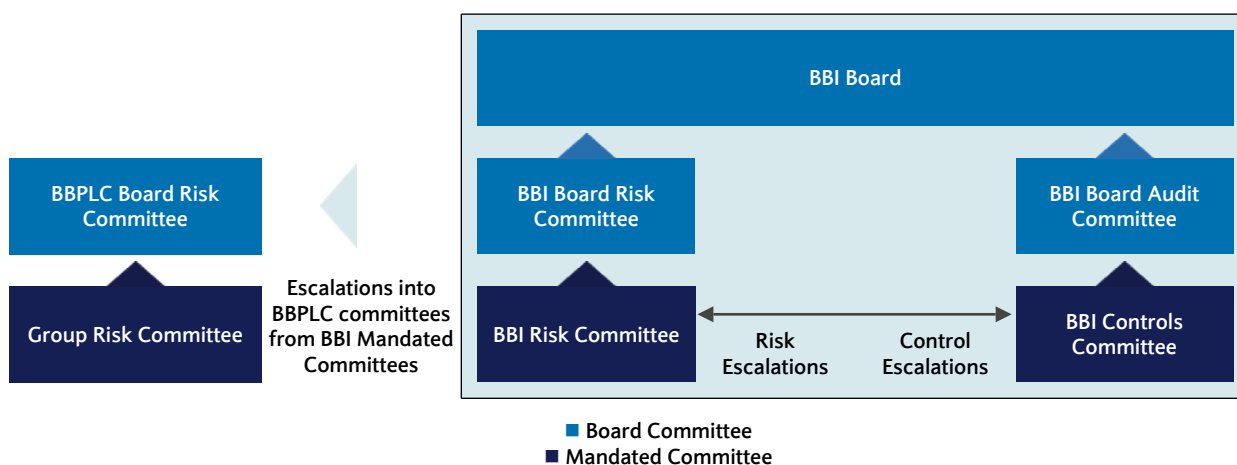
The Barclays Group total risk appetite and its allocation to the Bank are supported by limits to enable and control specific exposures and activities that have material concentration risk implications.

Risk review

Risk management strategy

Risk Committees

The Bank's executive-level and Board-level risk committee consider risk matters relevant to BBI. Escalation occurs within the entity to Board-level committees and the Bank's Board, and to requisite committees for BBI's direct parent, BBPLC. Control matters are escalated to the BBI Controls Committee, BBI BAC and, as required, BBI Board.



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

Further, there are two Board-level committees which oversee the application of the ERMF and review and monitor risk across the Bank. These are the Barclays Bank Ireland PLC BRC and the Barclays Bank Ireland PLC BAC. Additionally, the Barclays Bank Ireland PLC Board RemCo oversees pay practices focusing on aligning pay to sustainable performance.

- **The Barclays Bank Ireland PLC Board Risk Committee (BRC):** The BRC monitors the Bank'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 Bank's CRO regularly presents a report to the BRC summarising developments in the risk environment and performance trends in the key portfolios. The BRC receives regular reports on risk methodologies, the effectiveness of the risk management framework, and the Bank's risk profile, including the material issues affecting each business portfolio and forward risk trends. The committee also commissions in-depth analyses of significant risk topics, which are presented by the Bank's CRO or senior risk managers in the businesses.
- **The Barclays Bank Ireland PLC Board Audit Committee (BAC):** The BAC receives regular reports on the effectiveness of internal control systems, on material control issues of significance and on accounting judgements, including a review of the adequacy of impairment allowances.
- **The Barclays Bank Ireland 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 BBI Risk Committee is the most senior executive body responsible for reviewing and monitoring the risk profile of the Bank. 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 Bank is exposed. The BBI Risk Committee reviews and recommends the proposed risk appetite and associated limits to the BRC.

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

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 Bank identifies, escalates and manages risk matters.

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

- management expect, model and reward the right behaviours from a risk and control perspective; and

Risk review

Risk Management strategy

- colleagues identify, manage and escalate risk and control matters, and meet their responsibilities around risk management.

The CEO works with the Executive Management to embed a strong risk culture within the Bank, 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 as by setting a standard of consistent excellence. Specifically, all employees regardless of their positions, functions or locations must play their part in the Bank'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 Barclays colleagues must attest to a familiarity with the “Barclays Way”, our code of conduct, and all frameworks, policies and standards applicable to their roles. The code of conduct outlines the Purpose, Values and Mindset which govern our “Barclays Way” of working across our business globally. It constitutes a reference point covering all aspects of colleagues' working relationships, and provides guidance on working with other Barclays employees, customers and clients, governments and regulators, business partners, suppliers, competitors and the broader community. See home.barclays/sustainability/esg-resource-hub/statements-and-policy-positions/ for more details.

Risk review

Material existing and emerging risks

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

The Bank 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 Bank'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 Bank faces. For example, certain other factors beyond the Bank'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 Bank.

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

i) Business conditions, general economy and geopolitical issues

The Bank'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 Bank'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 Bank and require the Bank 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 Bank'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 setting, the impact of US trade policies, diverging monetary policies, continued economic slowdown in China and structural economic issues in the EU and the UK. Without limitation, the Bank has observed the following macroeconomic risk themes and 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 customer 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, which could have a material adverse effect on the Bank's results of operations and profitability.
- 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 Bank's business in the affected economies.
- 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 Bank's business in the EU.
- 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 Bank'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 remain.

Risk review

Material existing and emerging risks

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

- A prolonged slowdown in the markets where the Bank operates, with lower economic output, higher unemployment, and depressed property prices, which could lead to increased impairments in relation to a number of the Bank's portfolios including unsecured lending portfolio (credit cards) and commercial real estate exposures;
- Increased market volatility (in particular in currencies and interest rates), which could impact the trading book positions and affect the underlying value of assets held in the banking book, including securities held by the Bank 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 Bank's liquidity position;
- A credit rating downgrade for one or more members of the Bank's parent entity, B PLC (either directly or indirectly as a result of a downgrade in the UK sovereign credit ratings), which could significantly increase the Bank's cost of funding and/or reduce its access to funding, widen credit spreads and have a material adverse impact on the Bank's interest margins and liquidity position; and/or
- A market-wide widening of credit spreads or reduced investor appetite could negatively impact the Bank'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 Bank operates:

- 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.
- The role of financial institutions in global developments or events like geopolitical conflicts, climate change, digitalisation, fraud, money laundering, and sanctions, gives 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 Bank 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 Bank operates.
- Diverging financial, conduct and prudential regulations between the jurisdictions where the Bank 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 Bank 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 Bank'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 Bank's customers, employees and suppliers.

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

The impact from changes to interest rates are potentially significant for the Bank, especially given the uncertainty as to the size and frequency of such changes.

Interest rate reductions could put pressure on the Bank's net interest margins (the difference between lending income and borrowing costs) due to either a delay in pass-through or a smaller pass-through 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 Bank.

Higher Interest rates could result in higher funding costs either due to higher refinancing costs if customers withdraw balances to switch to higher rate paying deposits externally 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, lower investment and higher unemployment. This, combined with the impact that higher interest rate rises may have on the affordability of loan arrangements for borrowers (especially when combined with inflationary pressures), could cause stress in the Bank's

Risk review

Material existing and emerging risks

lending portfolio and underwriting activity. This could result in higher credit losses driving increased impairment charges which could have a material effect on the Bank'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 Bank's liquid asset portfolio.

iii) Competition in the banking and financial services industry

The Bank 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 Bank expects that competition in the financial services industry will remain intense and may have a material adverse effect on the Bank'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 alternative access to financial services and increase the disintermediation of banking services.

New technologies and changing consumer behaviour have previously required, and could continue to require, the Bank 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 Bank 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 Bank's customers and clients. Failure to efficiently develop or integrate such AI technologies may impact the Bank's competitive position and its ability to increase the efficiency of and reduce costs associated with its operations and to offer innovative products and services to customers.

Ongoing or increased competition and/or disintermediation of our services may put pressure on the pricing of the Bank's products and services, which could reduce the Bank's revenues and profitability, or may cause the Bank to lose market share, including with respect to traditional banking products such as deposits and bank accounts. 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 Bank'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 restructuring, changes in client and customer expectations or other factors, could affect the Bank's ability to attract or retain clients and customers. Any such impact could, in turn, reduce the Bank's revenues.

iv) Regulatory change agenda and impact on business model

The Bank's businesses are subject to ongoing regulation and associated regulatory risks, including the effects of changes in the laws, regulations, policies, voluntary codes of practice and interpretations in Ireland, the EU and the other markets in which it operates. Many legislative and regulatory changes relevant to the Bank's business may have an effect beyond the country in which they are enacted, either because the Bank's regulators, including national and supranational governments, deliberately enact laws and/or regulations with extra-territorial effect or because the Bank's operations result in the Bank adhering 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. The governments and regulators in Ireland, the EU or elsewhere may intervene further in relation to areas of industry risk already identified, or in new areas, which could adversely affect the Bank.

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

Risk review

Material existing and emerging risks

- the increasing 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 national measures such as the introduction of the revised consumer protection regulations (S.I. No 81 of 2025) and accompanying standards for business (S.I. No 80 of 2025) due to take effect from March 2026;
- reviews of regulatory frameworks at EU-level supporting the wholesale financial markets, including reforms and other changes to conduct of business, listing, securitisation and derivatives related requirements;
- ongoing regulatory focus on business model and strategic risks in order to address potential deficiencies in “traditional” incumbent banks’ ability to adapt to the changing competitive landscape, including non-bank financial institutions (NBFIs) and digital-only new entrants;
- the focus globally on technology adoption and digital delivery, including the use of artificial intelligence (AI), digital assets and digital money (including central bank digital currencies), financial technology risks, payments and related infrastructure, operational resilience and cybersecurity. This also includes the introduction of new and/or enhanced 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;
- 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 implementation of the reforms to the Basel III package (including the introduction of the Capital Requirements Directive (CRD VI)), 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;
- 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 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;
- the incorporation of climate change considerations within the global prudential framework, including the transition risks resulting from a shift to a low carbon economy and its financial effects;
- continuing regulatory focus on organisational culture and individual behaviours, governance and risk management including ongoing requirements to allocate and monitor senior management accountability within the Bank (for example, the newly introduced requirements of the Fitness and Probity Regime in Ireland - the Individual Accountability Framework and Senior Executive Accountability Regime);
- continuing regulatory focus on national and 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 Bank’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;
- the application and enforcement of economic sanctions including those with extra-territorial effect and those arising from geopolitical tensions;
- requirements flowing from arrangements for the resolution strategy of the Barclays Group and its individual operating entities (including the Bank) that may have different effects in different countries;
- the increasing regulatory expectations and national and supra-national requirements relating to various aspects of operational resilience, including an increasing focus on the response of institutions to operational disruptions

Risk review

Material existing and emerging risks

(including digital operational disruptions and IT systems failures), the role of critical third-party service providers to financial institutions and operational incident and third-party reporting requirements;

- 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 regulatory disclosure and reporting obligations; 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 Bank, refer to the Bank's Supervision and regulation section.

v) Change delivery and execution risks

The Bank constantly adapts and transforms the way it conducts business in response to changing customer behaviour and needs, technological developments, regulatory expectations, increased competition and cost management initiatives. The Barclays Group's strategy is focused on a plan to become simpler, better and more balanced. This strategy is intended to enable the Barclays Group to improve its customer service, provide more support to consumers and businesses, deliver higher quality income growth and build returns. Furthermore, changes to the Bank's business model might also arise from the ECB's ongoing cross-industry review of how international banking groups (such as Barclays) manage their EU businesses, including through the ECB's cross-industry desk mapping review. Accordingly, effective management of transformation projects (for example the process for redomiciliation of the Bank's headquarters from Dublin to Paris, announced in January 2026) is required to successfully deliver the Bank's strategic priorities, involving delivery of 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 Bank's strategy may be limited by operational capacity and the increasing complexity of the regulatory environment in which the Bank operates. In addition, whilst the Bank 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 Bank's business, results of operations, financial condition, customer outcomes, prospects and reputation.

The Bank 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 Bank may face challenges from changing circumstances and external factors which are beyond the Bank's control, including the rapid growth of energy demand, lingering geopolitical uncertainty, and the lack of policy consistency between, and within, jurisdictions. Achieving the Bank's climate-related ambitions and targets will also depend on a number of factors outside the Bank'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 Bank operates. If there is a lack of progress in the aforementioned areas, the Bank may fail to achieve its climate related ambitions and targets, and this could have a material adverse effect on the Bank's business, operations, financial condition, prospects and reputation.

vi) 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 Bank and its third-party service providers, while presenting significant benefits, can also present risks and challenges to the Bank's business. Use of AI (and particularly the growing use of agentic AI) may expose the Bank 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.

The use of AI by the Bank's third-party service providers in their business activities, whether or not disclosed or known to the Bank, could also expose the Bank to risks. While the Bank believes it conducts appropriate diligence prior to onboarding third-party service providers, the failure of one or more such service providers to meet the Bank's expectations may have an adverse effect on the Bank's operations or financial condition, result in legal or regulatory violations, jeopardise the Bank's

Risk review

Material existing and emerging risks

intellectual property rights, cause the Bank 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 Bank, inputting the Bank'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 Bank'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 Bank. For example, emerging AI regulations may require the Bank 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 Bank 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 CCPA regulations (which came into effect 1 January 2026) and the Colorado Consumer Protections for Artificial Intelligence Act (effective 30 June 2026).

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 Bank to conduct its business using AI, lead to regulatory fines or penalties, require the Bank to change its product offerings or business practices, or limit the Bank's use of AI. If the Bank's use of AI is restricted, it could lead to business disruption and the Bank'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 Bank's usage of AI to drive business efficiencies, the Bank 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 Bank'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 Bank'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 Bank'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 (including BBI'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. Specifically applicable to BBI, an Environmental Risk Addendum to the Climate Risk Policy has been established to outline 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 environmental risk (*detailed under climate risk management section*).

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).

Risk review

Material existing and emerging risks

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 shifting demands for goods and services. These impacts could subsequently affect the business model and profitability of both the Bank 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 Bank 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 (including BBI) to adopt a unified approach to managing climate risk and meeting regulatory obligations. This fragmentation increases operational complexity and the cost of compliance, and could undermine the Bank'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.

BBI recognises climate & environmental risk as an amplifier of existing risk categories, exerting influence across multiple principal risk types and heightening their severity. BBI's wholesale credit corporates 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 BBI'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 BBI's liquidity position and capital buffers, while also necessitating adjustments to funding strategies and capital planning requirements. BBI's Risk Register process reflects the potential effects of climate & environmental risk drivers on principal risks and its portfolios. Based on the 2025 assessment, climate & environmental risk are assessed as having a higher materiality rating within BBI's Risk Register for credit risk than the treasury and capital risk, market and operational risk.

The Group (including BBI) may face difficulties from changing circumstances and external factors which are beyond the Bank's control, which can provide challenges to BBI in contributing to the Group's 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 BBI operates. Furthermore, BBI'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.

ii) Credit Risk

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

a) Impairment

Impairment is calculated in line with the requirements of IFRS 9. Loss allowances, based on ECLs, are measured on a forward-looking basis using a broad range of financial metrics and the 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 Bank to accurately estimate credit losses through ECLs could have a material adverse effect on the Bank's business, results of operations, financial condition, and prospects. For further details, refer to Note 8 in Notes to financial statements.

b) Specific portfolios, sectors and concentrations

The Bank is subject to risks arising from changes in credit quality and recovery rates for loans and advances due from borrowers and counterparties. Additionally, the Bank 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 Bank's business, results of operations, financial condition, and prospects:

Risk review

Material existing and emerging risks

- **Leveraged finance underwriting:** the Bank takes on non-investment grade underwriting exposure, including single name risk. The market tone has remained constructive and highly competitive in 2025, despite geopolitical tensions and concern around the impact of tariffs.
- **Sovereign wholesale exposure:** the Bank 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 Bank's results of operations including, but not limited to, increased credit losses.
- **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.
- **Information technology:** companies may struggle to monetise their technology offerings including usage of AI or alternatively find their offerings disrupted by emerging new technology. The Bank'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.

The Bank also has large individual exposures to single name counterparties (such as brokers, central clearing houses, dealers, banks, mutual 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 Bank's results due to, for example, increased credit losses and higher impairment charges.

For further details on the Bank's approach to Credit Risk, refer to the Credit risk management and Credit risk performance sections on pages 131 and 144 respectively. Impacts to the creditworthiness of the Bank's clients, customers and counterparties (particularly in high carbon sectors), can arise out of climate-related legal actions or investigations commenced against the Bank'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 the Bank's portfolios.

iii) Market Risk

Market Risk is the risk of loss arising from potential adverse changes in the value of the Bank's assets and liabilities from fluctuation in market variables including, but not limited to, interest rates, FX 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 inflationary pressures. A disruptive transition to lower interest rate levels, deteriorating trade, and intensifying geopolitical tensions are some of the factors that could heighten market risks for the Bank's portfolios.

In addition, the Bank'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 Bank'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 Bank's business, results of operations, financial condition and prospects.

For further details on the Bank's approach to Market Risk, refer to the Market risk management and Market risk performance sections on pages 132 and 186 respectively.

iv) Treasury and Capital Risk

There are three primary types of Treasury and Capital Risk faced by the Bank:

a) Liquidity Risk

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

Risk review

Material existing and emerging risks

- stability of the Bank's deposit funding profile: deposits which are payable on demand or at short notice could be adversely affected by the Bank 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 Bank 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 Bank's unsecured and secured wholesale funding or affect the Bank's access to such funding;
- impacts of market volatility: adverse market conditions, with increased volatility in asset prices, could: (i) negatively impact the Bank's liquidity position through increased derivative margin requirements and/or wider haircuts when monetising liquidity pool securities; (ii) make it more difficult for the Bank to execute secured financing transactions; and (iii) expose the Bank 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 Bank'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 (RCF), negatively affecting the Bank's liquidity position; and
- credit rating changes and impact on funding costs: any reductions in a credit rating (in particular, any downgrade below investment grade) may affect the Bank's access to money or capital markets and/or the terms on which the Bank 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 Bank.

Any of these factors could have a material adverse effect on the Bank's business, results of operations, financial condition and prospects.

b) Capital Risk

Capital Risk is the risk that the Bank 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 Bank's defined benefit pension plans.

A key capital risk that the Bank faces includes failure to meet prudential capital requirements. This could lead to the Bank being unable to support some or all of its business activities, a failure to perform adequately in stress tests, increased cost of funding due to deterioration in investor appetite and / or credit ratings, restrictions on distributions and/or the need to take additional measures to strengthen the Bank's capital or leverage position.

c) Interest Rate Risk in the banking book

IRRBB is the risk that the Bank 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 Bank is exposed to capital or income volatility because of changes in credit spreads on its (non-traded) assets and liabilities. The Bank's hedging programmes for IRRBB 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 in Euro and other G3 currencies may also compress net interest margins on banking book liabilities. In addition, the Bank's liquid asset buffer is exposed to income reduction due to adverse movements in market rates which may have a material adverse effect on the capital position of the Bank.

For further details on the Bank's approach to Treasury and Capital Risk, refer to the Treasury and Capital risk management and Treasury and Capital risk performance sections on pages 133 and 188 respectively.

v) Operational Risk

Operational Risk is the risk of loss to the Bank 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 Bank 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 Bank and across the financial services industry, which has impacted the Bank in the past and may continue to impact the Bank in the future,

Risk review

Material existing and emerging risks

whether arising through failures in the Bank's technology systems, cyber and/or data integrity disruptions, unavailability of services supplied by third parties or unavailability of personnel and premises.

A challenge for the Bank, 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 Bank's business processes depend, may result in significant customer harm, costs to reimburse losses incurred by the Bank'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 Bank experiences numerous attempts to compromise its cybersecurity protections. In 2025, cybersecurity incidents experienced by the Bank included phishing and cyber incidents within our supply chain.

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

Inadequacies in, or failures in the adherence to, the Bank'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 Bank'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 Bank'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 Bank directly, or indirectly through its critical suppliers or national infrastructure.

Certain cybersecurity risks to the Bank may be unknown to management and therefore not fully accounted for in the Bank's cybersecurity assessments, strategy, and programme priorities.

The Bank uses targeted external independent reviews to help ensure that its assessment of cybersecurity risk is comprehensive and dynamic, and the Bank continues to implement enhancements identified through previous cybersecurity testing and reviews.

Risk review

Material existing and emerging risks

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 Bank 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 Bank'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.

While the Bank 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 Bank. In addition, any new regulatory measures introduced to mitigate these risks are likely to result in increased technology and compliance costs for the Bank.

For further details on the Bank's approach to cyber attacks, see the Operational risk performance section on page 195. For further details on cybersecurity regulation applicable to the Bank, refer to the supervision and regulation section on page 200.

c) New and emergent technology

Technology is fundamental to the Bank's business and the financial services industry. Technological advancements present opportunities to develop new and innovative ways of doing business across the Bank, 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 Bank is monitoring closely. This includes the identification of potential use cases for responsible adoption of AI in the Bank'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 Bank 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 Bank 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 Bank'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 Bank (particularly relating to the use of AI agents).

If the output from AI in the Bank'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 Bank 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 Bank'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 Bank to miss significant business opportunities, fall behind competitors, and adversely affect its growth prospects

Risk review

Material existing and emerging risks

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 Bank'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. Fraudsters use various techniques to target customers and colleagues directly (i.e., third party fraud) or the Bank directly (i.e., first party fraud such as, for example, intentionally providing false information to Barclays for personal gain). 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 Bank and its customers, loss of business, missed business opportunities and reputational damage, all of which could have a material adverse impact on the Bank's business, results of operations, financial condition, and prospects.

e) Data management, information protection and AI

The Bank holds and processes large volumes of data, including personal information, financial data, and other confidential information, and the Bank'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 (GDPR) as it applies in the EU). This data could relate to: (i) the Bank's clients, customers, prospective clients and customers and their employees; (ii) clients and customers of the Bank's clients and customers and their employees; (iii) the Bank's suppliers, counterparties and other external parties, and their employees; and (iv) the Bank's employees and prospective employees. This data may also be held and processed for the Bank by third-party vendors, partners, or suppliers which therefore exposes the Bank to risks from vulnerabilities and non-compliance in its supply chain.

The nature of both the Bank'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 Bank 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 Bank'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 Bank's management; and (v) require the Bank 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 Bank's measures to safeguard data, including personal information, or even the perception that those measures are inadequate, could expose the Bank to the risk of loss or unavailability of data or data integrity issues and/or cause the Bank to lose existing or potential clients and customers, and thereby reduce the Bank's revenues. Furthermore, any failure or perceived failure by the Bank 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 Bank'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 Bank's reputation, subject the Bank to material fines or other monetary penalties, make the Bank 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 Bank'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 Bank 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 Bank has been trained by a third party in a manner that is not compliant with data protection laws, there is a risk that the Bank will be held liable in certain jurisdictions (e.g., the EU).

For further details on data protection regulation applicable to the Bank, refer to the Supervision and regulation section on page 200 and for further detail on the associated risks, refer to the sections entitled "Evolving landscape with respect to

Risk review

Material existing and emerging risks

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 Bank’s pricing abilities, which could have a material adverse effect on the Bank’s business, results of operations, financial condition, prospects, and reputation.

g) Processing errors

The Bank’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 Bank’s 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 Bank works to implement AI technologies into the Bank’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 Bank’s ability to accurately execute, track or report transactions. There can be no assurances that AI usage will enhance the Bank’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 Bank’s control, such as a spike in transaction volume, could adversely affect the Bank’s ability to process transactions or provide banking and payment services.

Processing errors could result in the Bank, among other things: (i) failing to provide information, services and liquidity to clients and counterparties in a timely manner; (ii) failing to settle and/or confirm transactions; (iii) causing funds transfers, capital markets trades and/or other transactions to be executed erroneously, illegally or with unintended consequences; and (iv) adversely affecting financial, trading or currency markets. Any of these events could materially disadvantage the Bank’s customers, clients and counterparties (including suffering financial loss) and/or result in a loss of confidence in the Bank which, in turn, could have a material adverse effect on the Bank’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 Bank depends on suppliers for the provision of many of its services and the development of technology, including AI technology. Whilst the Bank 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 Bank’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 Bank 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 Bank’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 financial statements and regulatory returns and disclosures, include credit impairment provisions, fair value of financial instruments, the calculation of RWAs, capital and liquidity metrics, provisions including conduct and legal, competition and regulatory matters, assets included in disposal groups classified as held for sale, discontinued operations, and taxes (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

Risk review

Material existing and emerging risks

feedback from the Bank's regulators, this could result in material losses to the Bank, 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 Bank's distribution policy could be impacted and/or additional measures may be required to strengthen the Bank's capital or leverage position, which may also lead to the Bank's inability to achieve stated targets. Further development of accounting standards and regulatory interpretations could also materially impact the Bank's results of operations, financial condition and prospects.

j) Tax risk

The Bank is required to comply with the domestic and international tax laws and practices of all countries in which it has business operations. There is a risk that the Bank 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 Bank'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 pan-European structure of the Bank. In addition, the introduction of new international tax regimes such as the OECD Inclusive Framework on Base Erosion and Profit Shifting Pillar Two Framework introducing a global minimum tax rate of 15%, country specific bank surtaxes or levies, increasing tax authority focus on reporting and disclosure requirements as well as the digitalisation of the administration of tax in Europe have the potential to increase the Bank's tax compliance obligations further. System and process changes associated with complying with these obligations introduce additional operational risks.

k) Ability to hire and retain appropriately qualified employees

As a regulated financial institution, the Bank requires diversified and colleagues with specialist skills. The Bank's ability to attract, develop and retain a diverse mix of talent is key to the delivery of its core business activity and strategy. This is impacted by a range of external and internal factors, such as macroeconomic factors, labour, immigration and related policies in the jurisdictions in which the Bank operates, regulatory limits on compensation for senior executives, and operational factors. Failure to attract or prevent the departure of appropriately qualified and skilled employees could have a material adverse effect on the Bank's business, results of operations, financial condition and prospects. Additionally, this may result in disruption to service which could in turn lead to customer harm and reputational damage. The introduction of the Individual Accountability Framework in Ireland may have adverse consequences on our ability to hire branch management vs. other competitors operating in those jurisdictions with an EU point of origin that is not Ireland.

For further details on the Bank's approach to Operational Risk, refer to the Operational risk management and Operational risk performance sections on pages 135 and 195 respectively.

vi) Model Risk

Model Risk is the potential for adverse consequences from decisions based on incorrect or misused model outputs and reports. The Bank 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 Bank making inappropriate business decisions and/or inaccuracies or errors in the Bank'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 Bank's business, results of operations, financial condition and prospects.

For further details on the Bank's approach to Model Risk, refer to the Model risk management and Model risk performance sections on pages 136 and 198 respectively and the section on "New and emergent technology".

Risk review

Material existing and emerging risks

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 Bank's products and services (conduct risk) and the risk to BBI, its clients, customers or markets from a failure to comply with the laws, rules and regulations (LRR) applicable to the Bank.

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 was revised to better reflect material and emerging risks. Compliance risks have been categorised into six core areas, including:

a) Wholesale conduct risk

The Bank'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 Bank's business activities.

Examples of wholesale conduct which could have a material adverse effect on our 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

BBI 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 expectations; 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 BBI throughout their life cycle. However, there is a risk that the design and review of the Bank'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 Bank.

d) Regulatory compliance risk

BBI must ensure that business activities, and those carrying them out, observe relevant laws, codes, rules and regulations that are applicable to them. BBI must also ensure that our employees are adequately supervised, manage personal conflicts of interest, and disclose activities which may harm the Bank's business, customers, the Group and the markets in which BBI 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.

e) Data privacy risk

BBI 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. BBI does 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 to comply with applicable rules, laws and regulations may subject BBI to potential contractual liability, claims, litigation, fines, reputational damage, and cause enhanced regulatory oversight.

f) Laws, rules and regulations risk

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

Risk review

Material existing and emerging risks

viii) Reputation Risk

Reputation risk is the risk that an action, transaction, investment, event, decision or business relationship will reduce trust in BBI'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 BBI's overall reputation and any one transaction, investment or event (in the perception of key stakeholders) can reduce trust in BBI's integrity and competence.

BBI'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 BBI'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 Bank (including its employees, clients and other associations) conducts its business activities, or BBI'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 BBI'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 BBI's business, results of operations, financial condition and prospects. Claims of potential greenwashing arising from sustainability-related statements made by the Barclays Group may also give rise to reputation risk.

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

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

ix) Legal risk, and legal competition and regulatory matters

The Bank conducts diverse activities in a highly regulated 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 Bank's businesses and business practices. In each case, this exposes the Bank 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 Bank 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 Bank'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 Bank and/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 Bank operates. Where clients, customers or other third parties are harmed by the Bank'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 Bank.

Risk review

Material existing and emerging risks

Clients and customers of the Bank who qualify as eligible complainants under the Financial Services and Pensions Ombudsman Act (as amended) may also bring complaints against the Bank before the Financial Services and Pension Ombudsman Service (FSPO). As the Ombudsman has a relatively high degree of discretion when adjudicating complaints, dispute resolution through the FSPO is inherently more uncertain than adjudication through the courts in traditional civil legal proceedings. FSPO decisions have knock-on impacts on the Bank, as the Bank 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 Bank 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 Bank being liable to third parties or may result in the Bank's rights not being enforced, or not being enforced in the manner intended or desired by the Bank.

Further details of legal, competition and regulatory matters to which the Bank is currently exposed are set out in Note 25. In addition to matters specifically described in Note 25, the Bank is engaged in various legal proceedings which arise in the ordinary course of business.

The Bank is also subject to requests for information, investigations and other reviews (including thematic reviews and firm-specific assessments) by regulators, governmental and other public bodies. These may be in connection with business activities in which the Bank is, or has been, engaged, or areas of particular regulatory focus, such as financial crime, money laundering or terrorist financing as set out in, but not limited to, the Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010 to 2021, the Criminal Justice (Corruption Offences) Act 2018 and the Protected Disclosures Act 2014.

In addition, regulatory authorities' approaches and expectations, including their policies and priorities for enforcement investigations or actions, may change from time to time. The Bank 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 member of the Barclays Group (including, but not limited to, regulatory capital and liquidity reporting and sustainability disclosures). Financial institutions, including the Bank, 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 continues to be an increased focus on greenwashing, including by regulators. Certain stakeholders have taken legal action (including under "soft law" mechanisms) against the Barclays Group and others (including regulators, campaign groups and customers) may decide to take action against the Barclays Group or the Bank in the future for allegedly financing or contributing to climate change, environmental degradation and other social, governance and sustainability-related issues, or because such entities' response to climate change or other sustainability factors is perceived to be ineffective, insufficient or inappropriate. On the other hand, there are 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 Bank is currently exposed and any others which may arise in the future, is difficult to predict (and any provision made in the Bank's financial statements relating to those matters may not be sufficient to cover actual losses).

In connection with such matters, the Bank may incur significant expense, regardless of the ultimate outcome, and any such matters could expose the Bank 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 Bank'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 Bank'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

Risk review

Material existing and emerging risks

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 Bank's business, results of operations, financial condition and prospects.

x) Financial Crime

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

Financial crime risk management incorporates anti-bribery and corruption, anti-money laundering (including terrorist financing), tax evasion facilitation and sanctions risks (including proliferation financing). BBI is subject to laws and regulations governing these areas, including "failure to prevent" offences whereby the Bank may be liable for failure to prevent crimes carried out by persons acting on its behalf.

Bribery and corruption occurs 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 BBI in connection with (i) employees/prospective employees who have connections to external stakeholders, Politically Exposed Persons, or public officials; (ii) different types of payments and expenses such as facilitation payment requests, gifts and entertainment, charitable donations, commercial sponsorships and political donations; (iii) certain types of funding provided to customers with increased exposure to public officials; (iv) third parties who are engaged by the Bank to win or retain business; (v) BBI's proprietary investments, joint ventures and mergers and acquisition or (vi) suppliers who act for and on behalf of BBI.

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 BBI. The UK, where BBI's Parent Company is domiciled and regulated, has legislation that applies to Barclays globally and BBI must comply with these laws, in addition to EU Specific laws, rules and regulations in respect of AML.

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) and the United Nations (UN) (including but not limited to the proliferation of nuclear, chemical, or biological weapons). As a global financial institution, Barclays 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 Bank 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 BBI'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.

For details on the Bank's approach to financial crime risk, refer to the principal risk management and performance sections.

Risk review

Principal risk management

Climate risk management (including environmental risk)

In the 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.

- **Climate physical risk:** is defined as the risk of financial losses related to the physical impacts of a changing climate. Physical risks can be event driven (acute hazards), including increased frequency and/or severity of extreme weather events such as cyclones, hurricanes and flood. 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.
- **Climate transition risk:** is defined 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.

In the Barclays' Environmental Risk Addendum to the Climate Risk Policy, **environmental risk** is defined as the risk of financial losses arising from a degradation in nature through physical risks and risks associated with adjustments towards a more sustainable economy aimed at protecting, restoring, and/or reducing negative impacts on nature.

- **Environmental physical risk:** is defined as the risk of financial losses arising from degradation in nature such as air, water and land pollution, water stress, biodiversity loss and deforestation. Physical risks can be event driven (acute hazards), including extreme changes in ecosystem services such as acute water scarcity, flood, or longer-term shifts in ecosystems (chronic hazards), including a deterioration in soil quality, biodiversity loss and resource scarcity.
- **Environmental transition risk:** is defined as the risk of financial losses caused by the extensive policy, legal, technology and market changes aimed at protecting, restoring, and/or reducing negative impacts on nature.

Overview

The Barclays Group has developed a Climate Risk Framework (CRF) for managing the financial and operational risks stemming from climate change. It is underpinned by the Climate Risk Policy and Climate Risk Standard. BBI introduced an Environmental Risk Addendum for each of the Climate Risk Policy and Climate Risk Standard, to document the control requirements needed to manage risk exposures from environment-related risk factors. The CRF, Climate Risk Policy, Climate Risk Standard and Environmental Risk Addenda are applicable for the Bank's business activities, with a focus on lending, capital markets and investments.

Barclays' (including BBI's) 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 BBI's portfolios. The approach is customised to reflect portfolio characteristics, size and exposure to specific climate risk drivers.

BBI recognises climate & environmental risks as drivers of other existing financial risks (credit, market, treasury and capital) and operational risks, and are not treated as a standalone risk type. The non-financial risks (e.g. reputation risks) associated with climate & environmental change continue to be managed under their respective frameworks.

To operationalise the CRF, Barclays (including BBI) has and continues to implement new processes, tools, models and data repository as applicable, whilst also enhancing its existing ones. Barclays (including BBI) regularly reviews its approach and practices for alignment with regulatory developments and industry-standard practices for climate & environmental risks. Barclays (including BBI) has designed and implemented targeted controls to manage climate and environmental related risks.

Organisation, roles and responsibilities

The Group Head of Climate Risk is the accountable executive for the management and oversight of climate risk. The BBI Head of Climate Risk reports to the BBI deputy CRO, both of whom are responsible for the oversight and management of BBI's climate and environment risk profile.

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. The BBI CRO and BBI Head of Climate Risk are members of the CRC with participation by representatives from various teams in BBI.

The Bank's risk committee, called the Barclays Europe Risk Committee (BERC), receives a monthly report detailing the Bank's climate & environmental risk profile and associated risk metrics. Any material climate & environmental risks are

Risk review

Principal risk management

escalated to BERC by the BBI Head of Climate Risk which is further escalated as applicable to the Bank's BRC. During 2025, updates included:

- Regulatory remediation updates detailing ongoing progress on the integration of climate & environmental risks into the Bank's processes and practices to align with regulatory expectations;
- Approval of Risk appetite and supporting limits & triggers;
- Approval of Risk register results;
- Internal Stress testing results;
- Approval of ICAAP;

Barclays has implemented controls to manage climate risks. BBI has an Environmental Risk Addendum for each of the Climate Risk Policy and Climate Risk Standard, to document the control requirements needed to manage risk exposures from environment-related risk factors. The Climate Risk Control Forum (CRCF) provides oversight of climate & environmental-related controls, including reviewing risk events, policy and issues management. The BBI Head of Climate Risk is a member of the CRCF.

Risk appetite

The Group (including BBI) 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 & environmental risk considerations have been included in the BBI risk appetite qualitative statement and quantitative constraint (climate risk only).

BBI risk appetite for climate & environmental 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. BBI performs regular monitoring, reporting and governance to provide an oversight so that exposures remain within the appetite and corrective actions are taken to address any breaches or excesses.

BBI continues to regularly review its risk appetite and makes enhancements to maintain alignment with the Bank'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 Barclays Transition Update for further details on Barclays climate risk appetite.

Risk identification

BBI employs a multi-layered risk identification approach, beginning with the analysis of transmission channels through which climate & environmental risk can drive risks in the Bank's 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 144-147 for details on sector exposures.

Climate & environmental risks identified through these processes guide the Bank 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	Example effects of climate & environmental risk drivers
Credit risk	A changing climate & environment (i.e. more frequent and more intense physical hazards such as water stress and pollination decline) and society's response (i.e. increased transition factors such as new policies or technologies to reduce carbon emissions) impact 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 BBI's 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.

Risk review

Principal risk management

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 & environmental 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 liability management (ALM) and exposures to changes in interest rates. Climate & environmental 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.

Reputation risk, compliance risk, and legal risk arising as a result of climate & environmental risk continue to be managed under their respective principal risk frameworks.

Risk Register and Materiality Assessment

Barclays (including the Bank) uses its Risk Register process to assess the potential effects of climate risk drivers on principal risks and its portfolios. The Bank also considers environmental risk drivers in its Risk Register. The Risk Register contains risks that may impact forward-looking business plans of the Bank and its business units. The materiality of climate & environmental risks is derived either quantitatively (typically based on stress testing) or through qualitative estimations. The potential impact is evaluated based on a severe but plausible stress scenario. The Risk Register process for the Bank has been extended to cover materiality assessment over the short, medium and long term for climate & environmental risks.

Climate & environmental risks are assessed as having a higher materiality rating within the Bank's Risk Register for wholesale credit risk than other in-scope principal risk categories. The Bank's Risk Register is reviewed and updated on at least an annual basis and is subsequently used to support strategic planning, risk management, scenario design, sensitivity analysis and capital adequacy assessments.

BBi's work on assessing climate & environmental related risks included an assessment over the short (0-1 year) and medium term (1-5 years) horizons, in line with our financial planning and stress testing cycle. Long-term climate risks (> 5 years) have been considered using both quantitative approaches, such as reverse stress testing, and qualitative analysis.

In 2025, both climate & environmental risks were incorporated into the established internal stress testing to analyse the financial impact of physical and transition risk drivers through various transmission channels on traditional risk categories such as credit risk, market risk, treasury and capital risk and operational risk. Transmission channels are causal chains that explain how climate risk drivers impact firms, such as Barclays Group and the Bank, either directly through their own operations and infrastructure or indirectly through financing and investment activities. The Bank utilised an in-house developed scenario, incorporating climate, environmental and macroeconomic combined stress impacts for the first time, with variable paths benchmarked to NGFS short term scenarios. In addition to the climate components of the scenario, as outlined under the Climate Scenario Analysis section of the Bank's Sustainability Statement (see page 24), environmental stress impacts were assessed through the physical risk effects of hot and dry weather leading to biodiversity loss, soil degradation and water scarcity and transition risk effects following the introduction of nature and biodiversity policies. Both climate and environmental results of the IST25 exercise remain manageable within the Bank's established risk profile and are integrated into the Bank's ICAAP.

Risk assessment

The Group has developed a suite of tools and practices to assess climate & environmental risk, leveraging both qualitative insights and quantitative techniques. The Bank relies on such tools and practices to enable evaluation of potential exposures and vulnerabilities across portfolios of other principal risk types.

Risk review

Principal risk management

For credit risk, BBI has integrated climate & environmental 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 (as relevant) in the downside cashflow modelling within the credit analysis process, and influence internal credit ratings when there is demonstrable evidence that such factors (including environmental risk considerations) can have material adverse impact on the counterparty's financial position.

For market risk, BBI measures the impact of climate & environmental risk by applying a multi-asset combined stress scenario, which stresses the core risks susceptible to climate & environmental 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 the Bank monitors and controls market risk arising from climate & environmental risk drivers.

For treasury and capital risk (TCR), climate & environmental risk considerations have also been incorporated into the Internal Capital Adequacy Assessment Process (ICAAP) and Internal Liquidity Adequacy Assessment Process (ILAAP). The Capital adequacy assessment has been supported by incorporating climate & environmental risk variables into the established stress testing framework.

For liquidity risk, assessments are informed by the application of industry and country classifications, evaluated using internal stress testing and portfolio-specific analysis to determine material areas of climate & environmental 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.

BBI's approach to managing reputation risk issues, including those associated with climate & environmental risk, is aligned to the Barclays Group approach to sustainability-related matters which sits under the management of the Reputation Risk Principal Risk within the Barclays Enterprise Risk Management Framework. It 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.

Risk monitoring and reporting

The Bank has adopted an integrated approach to managing and mitigating climate & environmental risk, combining continuous monitoring at a portfolio level, and bottom-up transaction-level assessments.

At the portfolio level, the Bank translates its climate & environmental 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.

At a transaction level, BBI integrates climate & environmental risk considerations into credit decisioning and underwriting processes. Enhanced oversight and additional scrutiny have been introduced for new deals originated in elevated climate & environmental risk sectors, particularly those with 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 relevant portfolios. The guidelines and criteria for additional scrutiny are reviewed and updated regularly.

Barclays' bespoke BlueTrack™ model is used to measure emissions and setting emission reduction sector targets for its financed portfolio, including the Bank. Currently, BlueTrack™ covers nine sectors as mentioned in page 85-95 of the Group Annual Report. Barclays has also 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 methodology are on page 74 of the Group Annual Report. 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. The Bank has implemented climate-aware limits and controls for priority sectors, including limits based on BlueTrack™ measures of emissions intensity combined with the CTF.

Risk review

Principal risk management

Stress testing, scenario analysis, ICAAP, and ILAAP are essential tools used by Barclays (including BBI) to manage and mitigate financial risks. These exercises help the assessment of Barclays' (including BBI) 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 39 - 41.

Climate & environmental risk related management information packs, including Climate Risk Dashboards, are produced and reported to various committees and governance forums, including the BEREC. The oversight by committees within Group and its legal entities seek to ensure proper oversight and monitoring of climate & environment-sensitive exposures.

The Bank seeks to continuously monitor regulatory developments, including emerging disclosure standards on climate and wider sustainability areas, and builds 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 (including the Bank) conducted an exploratory exercise to extend climate scenario analysis from a 5 year period to a 10 year period. The Bank continues to reflect on the outcomes of this exercise to deepen the understanding and support the further development of long term assessment capabilities.

Key enhancements

The Bank remains committed to maintaining a robust risk management framework for climate & environmental risk, with a continued focus on achieving greater maturity and integration across principal risks. In 2025, notable enhancements and improvements were made in the following areas:

- In response to regulatory requirements, progress has been made within BBI to incorporate 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).
- The Bank has established the lineage between the risk drivers and transmission channels used in the IST to assess impacts of climate & environmental risk drivers on financial and operational risks.
- 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.
- The climate risk models within BBI's 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.
- Barclays has continued to enhance 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. Similarly, BBI enhanced its Environmental Risk Addendum for each of the Climate Risk Policy and Climate Risk Standard, to document the control requirements needed to manage risk exposures from environment-related risk factors.

Risk review

Principal risk management

Credit risk management (audited)

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

Overview

Credit Risk is the risk of suffering financial loss, should any of the Bank's customers, clients or market counterparties fail to fulfil their contractual obligations to the Bank. Credit Risk exists as a result of the Bank providing loans, advances and loan commitments arising from such lending activities and from credit enhancements provided by the Bank such as financial guarantees, letters of credit, endorsements and acceptances.

The granting of credit is one of the Bank's major sources of income and the Bank dedicates considerable resources to its control. The sanctioning of individual exposures is performed by the Bank's Credit Sanctioning Team (in accordance with sanctioning discretions).

Organisation, roles and responsibilities

Responsibility for oversight of credit sanctioning lies with the Credit Risk Management Forum which is chaired by the Bank's Head of Credit Risk, who reports to the Bank's CRO.

The Bank's Credit Risk Management Forum exercises oversight through regular review of the Bank's credit portfolio examining, inter alia the constitution of the portfolio in terms of sectorial and individual exposures against the Bank's overall risk appetite. The CRO, who is a Co-Chair of the Bank's Credit Risk Management Forum, reports the views of this forum to the BRC as part of the CRO Risk Report, which is a standing agenda item.

Corporate loans which are identified as showing signs of credit stress/deterioration are recorded on graded problem exposure lists known as watch lists. These lists are updated monthly and circulated to the relevant Management Committees. Once listing has taken place, exposures are closely monitored and, where appropriate, reduced and/or cancelled.

Watch list exposures are categorised in line with the perceived degree of the risk attached to the lending, and its probability of default (PD). In line with the wider Group's policy, the Bank works to four watch list categories based on the degree of concern. By the time an account becomes credit impaired it will normally have passed through all four categories, each of which reflect the need for ever-increasing caution and control.

Where a customer's financial condition gives grounds for concern, it is placed into the appropriate category. Corporate customers, regardless of financial health, are typically subject to a full review of all facilities on, at least, an annual basis. More frequent interim reviews may be undertaken should circumstances dictate. Retail customers are greater in number and, therefore, are managed in aggregated segments.

Credit Risk mitigation

The Bank mitigates Credit Risk to which it is exposed through netting and set-off, collateral and risk transfer.

Netting and set-off

Credit risk exposures can be reduced by applying netting and set-off. For derivative transactions, the Bank's normal practice is to enter into standard master agreements with counterparties (e.g. International Swaps Derivatives Association master agreements (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 FX transactions) by allowing payments on the same day in the same currency to be set-off against one another.

Collateral

The Bank 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;
- derivatives: the Bank also often seeks to enter into a margin agreement (e.g. Credit Support Annex (CSA)) with counterparties with which the Bank 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 Bank subject to an agreement to return them for a fixed price; and
- financial guarantees and similar off-balance sheet commitments: cash collateral or collateral in the form of securities may be held against these arrangements.

Risk review

Principal risk management

Risk transfer

A range of instruments including guarantees, sub participations, 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; and
- first loss exposures across pools of credit risk can be hedged via synthetic securitisation structures, typically via credit linked notes (CLN) 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.

Market risk management (audited)

The risk of loss arising from potential adverse changes in the value of the Bank's assets and liabilities from fluctuation in market variables including, but not limited to, interest rates, FX, 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 Bank 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.

The Bank's market risk is managed with intragroup and external market counterparts and the Bank is committed to sourcing external hedges, where required, in line with the Bank's operating model. Some desks within the Bank employ a back to back booking model (structured credit and equity derivatives as two examples). In the back to back model, market risk is transferred to a Barclays affiliate (BB PLC, Barclays Capital Securities Limited (BCSL) and/or Barclays Capital Incorporated (BCI) or a third party on a one to one, trade by trade basis).

A measurement technique used to measure and control market risk is Management Value at Risk (VaR). Management VaR is an estimate of the potential loss which might arise from unfavourable market movements, if the current positions were to be held unchanged for one business day, measured to a confidence level of 95%. Daily losses exceeding the Management VaR figure are likely to occur, on average five times in every 100 business days. Management VaR is calculated with Barclays Group models using the historical simulation method with a historical sample of one year.

The Management VaR model in some instances may not appropriately measure some market risk exposures, especially for market moves that are not directly observable via prices. When reviewing Management VaR estimates, the following considerations are taken into account:

- the historical simulation uses the most recent year of past data to generate possible future market moves, but the past year may not be a good indicator of the future;
- the one-day time horizon may not fully capture the market risk of positions that cannot be closed out or hedged within one day;
- management VaR is based on positions as at close of business and consequently, it is not an appropriate measure for intra-day risk arising from a position bought and sold on the same day; and
- management VaR does not indicate the size of potential loss beyond the Management VaR confidence level.

Organisation, roles and responsibilities

The Market Risk Sub Committee reviews and makes recommendations concerning the Bank's market risk profile. This includes overseeing the operation of the Market Risk Framework and associated policies and standards; reviewing market dynamics or regulatory issues and reviewing limits and utilisation. The committee is chaired by the Head of Market Risk and attendees include business aligned market risk managers and the co-heads of the Markets business.

Risk review

Principal risk management

Treasury and Capital risk management

This comprises:

Liquidity Risk: The risk that the Bank is unable to meet its contractual, contingent or monetary 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 Bank 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 Bank's defined benefit pension plans.

Interest rate risk in the banking book: The risk that the Bank 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 Bank is exposed to capital or income volatility because of changes in credit spreads on its (non-traded) assets and liabilities

BBI Treasury manages Treasury and Capital Risk exposure on a day-to-day basis, with the Asset and Liability Committee (ALCO) acting as the principal management body. The Treasury and Capital Risk function is responsible for oversight and provides insight into key capital, liquidity, IRRBB and pension risk management activities.

Liquidity risk management (audited)

Overview

The efficient management of liquidity is essential to the Bank in retaining the confidence of the financial markets and maintaining 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 Board. The Board sets liquidity limits on both internal and regulatory liquidity metrics.

Organisation, roles and responsibilities

The Treasury and Capital Risk function is responsible for the management and governance of the Liquidity Risk mandate defined by the Board. Treasury has the primary responsibility for managing Liquidity Risk within the set risk appetite and for the production of the ILAAP.

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 Bank's balance sheet and Recovery Plan, including limit setting. Limit setting and transfer pricing are tools that are designed to control the level of liquidity risk taken and drive the appropriate mix of funds. Together, these tools reduce the likelihood that a liquidity stress event could lead to an inability to meet the Bank's obligations as they fall due. The framework is subject to internal conformance testing and internal audit review.

The Board approves the Bank's funding plan, internal stress tests, results of regulatory stress tests, Liquidity Risk qualitative statement that supports risk appetite, Contingency Funding Plan and the Bank's Recovery Plan. The Bank's ALCO is responsible for monitoring and managing Liquidity Risk in line with the Bank's funding management objectives, funding plan and risk frameworks. The Bank's Risk Committee monitors and reviews the Liquidity Risk profile and control environment, providing second line oversight of the management of Liquidity Risk. The Bank's BRC reviews the risk profile, Liquidity Risk qualitative statement and the impact of stress scenarios on the Bank's funding plan/forecast in order to agree the Bank's projected funding abilities. The Bank's BRC also approves liquidity limits to define the Bank'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 entity 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 Bank 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 Bank considers the context from which the business consumption arises, the impact of client utilisation on leverage and the available actions to manage.

Risk review

Principal risk management

Organisation, roles and responsibilities

The management of Capital Risk is integral to the Bank's approach to financial stability and sustainability management, and is embedded in the way businesses and legal entities operate.

Capital Risk management is underpinned by a control framework and policy. The capital management strategy, outlined in the Bank's 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 Bank's objectives.

The Board approves the Bank's capital plan, internal stress tests and results of regulatory stress tests, and the Bank's recovery plan. The ALCO is responsible for monitoring and managing capital risk in line with the Bank's capital management objectives, capital plan and risk frameworks. The 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 Bank's capital plan/forecast in order to agree the Bank's projected capital adequacy.

Management assures compliance with the Bank's minimum regulatory capital requirements by reporting to the ALCO, with oversight also from the Risk Committee.

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 Bank's ICAAP is the responsibility of the Bank's Treasury function. 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 the need to maintain a healthy leverage ratio, and (ii) monitoring execution of actions taken to course-correct as necessary.

The Bank 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. BBI 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 Bank could be required or might choose to make extra contributions to the pension fund.

Interest rate risk in the banking book

Overview

IRRBB is driven by customer and counterparties deposit taking and lending activities and funding activities. As per the Bank's policy to remain within the defined risk appetite, businesses and Treasury execute hedging strategies to mitigate the various IRRBB risks that result from these activities. However, the Bank 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 the Bank. 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

Organisation, roles and responsibilities

The Bank's ALCO, is responsible for monitoring and managing IRRBB risk in line with the Bank's management objectives and risk frameworks. The 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 Bank's banking books.

In addition, the Bank'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.

Risk review

Principal risk management

Operational risk management

The risk of loss to the Bank 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; and
- 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 Bank's strategy, the stated risk appetite and stakeholder needs.

The Bank 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 with the business and functional units where the risk arises. The Operational Risk profile and control environment is reviewed by business management through specific meetings which cover these items. 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 Barclays Group Risk Committee, the Group Controls and Risk Committee, the Bank's BRC or the Bank's BAC.

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

The Barclays Group Head of Operational Risk and Risk Oversight is responsible for establishing, owning and maintaining an appropriate Barclays Group-wide Operational Risk Management Framework and for overseeing the portfolio of operational risk across Barclays Group. The Bank's Head of Operational Risk is responsible for recommending the Bank's adoption of the Operational Risk Management Framework, ensuring the Bank's specific requirements are recognised through the Bank's addenda where appropriate, and is responsible for monitoring the portfolio of operational risk across the Bank.

The Operational Risk function acts in a second line of defence capacity, and is responsible for defining and overseeing the implementation of the Framework and monitoring Barclays' 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.

Specific reports are prepared by Operational Risk on a regular basis for the Bank Risk Committee, and the Bank BRC.

Operational Risk categories

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

Connected risks

Barclays also recognises that there are certain threats/risk drivers which are interconnected and have the potential to impact the Bank's strategic objectives. These are referred to as Connected Risks and require an overarching and integrated risk management and/or reporting approach. The Bank's connected risks include Cyber, Resilience and TPSPs.

For definitions of the Bank's Operational Risk Categories and Connected Risks, refer to the Bank's Pillar 3 Report 2025.

Risk review

Principal risk management

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 bank, meeting financial and regulatory reporting and disclosure requirements.

Since models are imperfect and incomplete representations of reality, they may be subject to uncertainty, errors and inappropriate use affecting the accuracy of their output. 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 CRO. 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.

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 BRC, 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:

Risk review

Principal risk management

- 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.

The Bank's Board has designated a subcommittee of the executive Risk Committee to provide executive oversight of model issues and to assist the CRO to review and challenge the management of Model Risk by the MRM function within the Bank. This subcommittee escalates issues to the Bank's Executive Risk or Control Committees as appropriate, and regular updates are provided to the Bank's Board.

The Bank is also supported by a dedicated team within the MRM function that provides oversight of the activities of the Groupwide MRM function and the appropriateness of its activities for the Bank.

As per the ERMF, the 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 2LOD.

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

Compliance risk management

The risk of poor outcomes for, or harm to, customers, clients and markets, arising from the delivery of the Bank's products and services (Conduct Risk), and the risk to the Bank, 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. The Bank 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 Bank manages and measures its Compliance Risk profile. The Group Chief Compliance Officer is accountable for developing, maintaining and overseeing the CRMF. The Bank's Chief Compliance Officer is responsible for overseeing the adoption of and monitoring compliance with the CRMF and its associated Policies & Standards at the BBI entity level.

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.

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 Officer 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 Bank 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 Bank's Risk Committee is 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 Bank.

Risk review

Principal risk management

Reputation risk management

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

Overview

A reduction of trust in BBI's integrity and competence may reduce the attractiveness of BBI 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 BBI Board is responsible for reviewing and monitoring the effectiveness of the Bank's management of reputation risk. The BBI Executive Committee is dedicated to providing executive oversight of Reputation Risk and escalating to the Board as appropriate.

The Group Chief Compliance Officer is responsible for overseeing the management of Reputation Risk for BBI. The Reputation Risk Management Framework sets out what is required to manage reputation risk across BBI, including escalations to the Barclays Group Reputation Risk Committee, as required.

Each colleague is responsible for identifying, assessing and escalating reputation risk.

BBI is 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 BBI Risk Committee and the BBI Board.

Legal risk management

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

Overview

In conjunction with Barclays' Operational Risk Framework, the Group-wide Legal Risk Management Framework (LRMF) comprises a number of integrated components that details how the Bank 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. This results in a high level of inherent Legal Risk. The LRMF seeks to mitigate Legal Risk, including 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 Risk by those legal professionals, and escalation of Legal Risk as necessary. Legal Risk is also mitigated by the requirements of the CRMF, including the responsibility of legal professionals to proactively identify, communicate and provide legal advice on applicable LRR. Notwithstanding these mitigating actions, the Bank operates with a level of residual Legal Risk, for which the Bank has limited tolerance.

Organisation, roles and responsibilities

The Bank'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 Bank receives legal advice and support from appropriate legal professionals, working in partnership proactively to identify, manage and escalate Legal Risks as necessary. The Bank is supported specifically by the BBI General Counsel, who draws on the support of the wider Barclays Legal Function as appropriate.

The senior management of the wider Barclays Legal Function oversees, challenges and monitors the Legal Risk profile and effectiveness of the Legal Risk control environment across the Barclays Group. The Legal Function provides support to all areas of the Barclays Group 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 2LOD with respect to its own operational and compliance risks, as well as with respect to the Legal Risk to which the Bank is exposed.

The Barclays Group General Counsel is responsible for developing and maintaining the Barclays Group-wide LRMF. This includes defining the relevant Legal Risk policies and producing the Barclays Group-wide qualitative statement for Legal Risk as part of the Group's 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.

Risk review

Principal risk management

The Legal Risk profile and control environment is reviewed by management through business risk committees and control committees. The BBI Risk Committee is the most senior executive body responsible for reviewing and monitoring the effectiveness of risk management across the Bank. Escalation paths from this committee exist to the Barclays GRC and BBI BRC.

Financial crime risk management

The risk that the Bank and its associated persons (employees or third parties) commit or facilitate financial crime, and/or the Bank'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 Bank's 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).

BBI 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. BBI 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.

BBI 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 BBI Head of Financial Crime Compliance is responsible for overseeing the adoption of and monitoring compliance with the FCRMF and its associated Policies, Standards and jurisdictional uplifts at the BBI entity level. 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 owning the 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 accountabilities are carried out effectively.

The governance of Financial Crime Risk within Barclays Europe is fulfilled through management committees and forums, with clear escalation and reporting lines to Board level committees.

The BBI Head of Financial Crime Compliance provides reporting as required by BBI's Executive and Corporate (Board-level) Governance arrangements to support the oversight of the Bank's Financial Crime Risk profile.

Additional Information on Anti-bribery and Corruption

BBI and its employees are prohibited from engaging in or facilitating any form of bribery and corruption. Barclays' Financial Crime Policy contains the minimum risk-based control requirements that all our businesses, and employees must follow. The Financial Crime Policy is designed to ensure that BBI's employees know how to identify and manage the legal, regulatory and reputational risks associated with all forms of bribery and corruption.

Risk review

Climate risk performance

All disclosures in this section, pages 140 to 142, are unaudited unless otherwise stated.

Climate risk performance

Carbon-related assets

According to the Taskforce on Climate-related Financial Disclosures (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, GHG emissions, extreme weather events like storms, hurricanes etc. and dependencies on stable weather conditions for their operations and products. Barclays' exposures to these industries are reported as carbon-related assets and can be found in the table below.

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 distinguish elevated activities within high-level sectors, not all our clients in sectors classified as elevated will have high carbon intensity or physical risk vulnerability.

Residential Real Estate exposures are 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.

Risk review

Climate risk performance

Carbon-related assets (Incl. sub-sector breakdown) ^{1,2,9}											
	Physical risk ³	Transition risk ³	2025 €m				2024 €m				% Change
			Loans & advances ⁴	Loan commitments ⁵	Total	of which Elevated	Loans & advances ⁴	Loan commitments ⁵	Total	of which Elevated	
Agriculture, food and forest products (logging)			85	15	100	100	—	—	—	—	NA
Agriculture	✓	✓	85	15	100	100	—	—	—	—	
Energy & waters			259	4,046	4,305	4,305	161	4,132	4,293	4,293	0.3 %
Power utilities ⁶	✓	✓	251	3,833	4,084	4,084	161	3,908	4,069	4,069	
Water utilities	✓	✓	8	213	221	221	—	224	224	224	
Manufacturing			561	7,670	8,231	4,677	765	7,086	7,851	4,474	5 %
Automotive		✓	87	2,445	2,532	2,378	112	2,254	2,366	2,213	
Cements		✓	—	3	3	3	—	1	1	1	
Chemicals		✓	209	1,509	1,718	1,658	183	1,495	1,678	1,613	
Food, beverage and tobacco		✓	77	719	796	184	148	697	845	192	
Manufacturing - others ⁷		✓	69	2,543	2,612	75	210	2,226	2,436	102	
Metals		✓	9	55	64	64	37	40	77	75	
Oil and gas (refining)	✓	✓	38	247	285	285	—	278	278	278	
Packaging manufacturers: metal, glass and plastics			2	61	63	—	43	16	59	—	
Paper and forest products (excluding logging)			63	65	128	—	32	79	111	—	
Steel		✓	7	23	30	30	—	—	—	—	
Materials and building			244	1,286	1,530	502	342	961	1,303	279	17 %
Construction and materials	✓		22	516	538	502	25	292	317	279	
Real estate management and development			222	770	992	—	317	669	986	—	
Mining and quarrying			258	1,695	1,953	1,953	177	1,624	1,801	1,801	8 %
Mining (incl diversified miners) ⁸	✓	✓	6	36	42	42	31	80	111	111	
Oil and gas (extraction)	✓	✓	252	1,659	1,911	1,911	146	1,544	1,690	1,690	
Transport & storage			154	1,344	1,498	394	287	1,218	1,505	452	(0.5)%
Aviation	✓	✓	8	286	294	294	38	309	347	347	
Other transport services			126	832	958	—	164	773	937	—	
Road haulage		✓	20	226	246	100	85	136	221	105	
Wholesale and retail distribution and leisure			23	707	730	475	41	708	749	473	(3)%
Oil and gas (wholesale)		✓	—	115	115	—	—	94	94	—	
Others		✓	23	592	615	475	41	614	655	473	
Home loans			31	—	31	—	39	—	39	—	(21)%
Residential real estate			31	—	31	—	39	—	39	—	
Carbon-related assets / Elevated risk sectors:			1,615	16,763	18,378	12,406	1,812	15,729	17,541	11,722	5 %
Grand total											
Total loans & advances and Loan commitments			16,041	26,763	42,804	42,804	13,379	26,808	40,187	40,187	7 %
Carbon-related assets / Total loans & advances and Loan commitments			10 %	63 %	43 %	29 %	14 %	59 %	44 %	29 %	(1)%
Sub-total of sectors spanning in multiple industries											
Oil and gas			290	2,021	2,311	2,196	146	1,916	2,062	1,968	12 %

Notes:

- 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.
- This table excludes sectors for which BBI has Nil exposure, being the "Metals (waste & recycling)", "Coal mining and coal terminal" "Oil & Gas (midstream)", "Ports" "Shipping" and "Real Estate Management and Development (REIT)" sectors.
- Physical risk and Transition risk indicators are added for elevated risk sectors to indicate the primary drivers of elevated risk. See page 113 for further details.
- Loans and advances include debt securities at amortised cost amounting to €8,645m (2024: €5,997m), of which carbon-related assets are Nil.
- Loan commitments exclude fair value exposures of €1,701m (2024: €393m).
- Power utilities includes exposure towards renewable energy of €1,381m (2024: €859m).
- Manufacturing - others includes sectors such as special purpose machinery, perfumes and toiletries, electricity distribution and control apparatus, medical and surgical equipment, mining, quarrying and construction machinery, other general purpose machinery, Aerospace defence, other transport equipment, etc.
- Diversified miners with minority interests in thermal coal mining are included in this category.
- Whilst a counterparty can have activities across several industries, each counterparty is assigned to an individual sector in the table above.

Risk review

Climate risk performance

Credit exposure to nature priority sectors

According to the Taskforce on Nature-related Financial Disclosures (TNFD), certain industry segments ("nature priority sectors") are considered to have material nature-related dependencies and impacts. The table below shows BBI's exposure to these sectors, which has been calculated by mapping the industry codes provided by TNFD to Barclays Industry classifications.

In addition, since 2025 BBI has identified nature elevated sectors, using a similar process to the identification of climate elevated sectors. The vast majority of nature priority sectors identified by the TNFD fall within the Barclays nature elevated sectors.

Overall, the monitoring and reporting of our exposures to these elevated sectors will continue to evolve in line with approaches taken to nature-related risk management and, as such, are subject to change in future. Nature-related risks within a sector may vary substantially according to company and project.

Credit exposure to nature priority sectors ^{1,3,5,10}

	2025				2024				% Change in Total
	Loans & advances ⁶	Loan commitments ⁷	Total ²	Barclays Elevated Sectors ²	Loans & advances ⁶	Loan commitments ⁷	Total ²	Barclays Elevated Sectors ²	
Agriculture	85	15	100	100	—	—	—	—	100 %
Food, beverage and tobacco	77	719	796	796	148	697	845	845	(6)%
Paper and forest products	63	65	128	128	32	79	111	111	15 %
Oil and gas	290	2,021	2,311	2,311	146	1,916	2,062	2,062	12 %
Power utilities ⁸	251	3,833	4,084	4,084	161	3,908	4,069	4,069	0.4 %
Cement	—	3	3	3	—	1	1	1	200 %
Chemicals	209	1,509	1,718	1,718	183	1,495	1,678	1,678	2 %
Construction and materials	22	748	770	716	24	526	550	496	40 %
Manufacturing - personal care products	—	386	386	386	—	—	—	—	100 %
Manufacturing - semiconductors and semiconductor equipments	5	492	497	497	15	374	389	389	28 %
Manufacturing - textiles, apparel and luxury goods	—	—	—	—	—	11	11	11	(100)%
Metals	9	55	64	64	37	40	77	77	(17)%
Mining (incl. diversified miners) ⁹	6	36	42	42	31	80	111	111	(62)%
Packaging manufacturers: metal, glass and plastics	2	61	63	63	43	16	59	59	7 %
Steel	7	23	30	30	—	—	—	—	100 %
Automotive	87	2,445	2,532	2,532	112	2,254	2,366	2,366	7 %
Aviation	8	286	294	294	38	309	347	347	(15)%
Other transport services	126	832	958	958	164	773	937	937	2 %
Road haulage	20	226	246	100	85	136	221	105	11 %
Pharmaceuticals	75	950	1,025	1,025	104	938	1,042	1,042	(2)%
Home building and property development ⁴	26	23	49	49	72	27	99	99	(51)%
Sewerage, waste collection, treatment and disposal	17	3	20	20	—	—	—	—	100 %
Water utilities	8	213	221	221	—	224	224	224	(1)%
Total exposure to sectors identified by TNFD as Nature priority	1,393	14,944	16,337	16,137	1,395	13,804	15,199	15,029	7 %
Manufacturing - Others	—	—	—	75	—	—	—	75	— %
Wholesale and retail distribution and leisure	—	—	—	99	—	—	—	133	— %
Nature priority sectors/ Elevated risk sectors: Grand total	1,393	14,944	16,337	16,311	1,395	13,804	15,199	15,237	7 %
Total loans & advances and Loan commitments⁸	16,041	26,763	42,804	42,804	13,379	26,808	40,187	40,187	7 %
Nature priority sectors assets/ Total loans & advances and Loan commitments	9 %	56 %	38 %	38 %	10 %	51 %	38 %	38 %	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 sectors above are considered as a priority by the TNFD. In 2025, the Bank identified its own elevated environmental risk sectors. The Bank will continue to review its portfolio in relation to environmental risk drivers and consider the TNFD framework as environmental risk management practices evolve.
- 3 The TNFD highlights real estate development as a high-priority sector for nature. Barclays has €943m (2024: €887m) of Loans & Advances and Loan Commitments to Real Estate Management and Development, of which the majority is from real estate investment activity. As a result, this has been excluded from the Priority sector assets for Nature.
- 4 The comparative amounts for December 2024 for Home building and property development have been updated to €99m from €0m. These amounts were recorded under the sector real estate management and development and this was excluded in full from the disclosures in 2024 as the majority of this sector related to real estate investment.
- 5 This table excludes sectors for which BBI has Nil exposure, being the "Coal mining and coal terminal", "Ports" and "Shipping" sectors.
- 6 Loans and advances includes debt securities at amortised cost amounting to €8,645m (2024: €5,997m) of which nature priority sector assets are Nil.
- 7 Loan commitments excludes the fair value exposures of €1,701m in 2025 (2024: €393m).
- 8 Power utilities includes exposure towards renewable energy of €1,381m (2024: €859m).
- 9 Diversified miners with minority interests in thermal coal mining are included in this category.
- 10 Whilst a counterparty can have activities across several industries, each counterparty is assigned to an individual sector in the table above.

Risk review

Credit risk performance

Credit risk performance contents		Page
Credit risk represents a significant risk to the Bank and mainly arises from exposure to loans and advances together with the counterparty credit risk arising from derivative contracts entered into with clients.	Credit risk overview and summary of performance	145
	Maximum exposure and effects of netting, collateral and risk transfer	146
This section outlines the ECL allowances, the movements in allowances during the period, material management adjustments to model output and measurement uncertainty and sensitivity analysis.	Expected credit losses	149
	Loans and advances at amortised cost by product	149
	Movement in gross exposures and impairment allowance including Provisions for loan commitments and financial guarantees	152
	Stage 2 decomposition	158
	Management adjustments to models for impairment	158
	Measurement uncertainty and sensitivity analysis	161
The Bank reviews and monitors risk concentrations in a variety of ways. This section outlines performance against key concentration risks.	Analysis of the concentration of credit risk	172
	Credit risk concentration by Industry and geography	172
	Approach to management and representation of credit quality	174
	Asset credit quality	174
	Debt securities	174
	Balance sheet credit quality	175
	Credit exposures by internal PD grade	177
Credit Risk monitors exposure performance across a range of significant portfolios.	Analysis of specific portfolios and asset types	182
This section outlines the ECL allowances, material management adjustments to model output, sensitivity analysis and monitors risk concentration for assets held for sale.	Assets held for sale	183

Risk review

Credit risk performance

All disclosures in this section, pages 145 to 185 are unaudited unless otherwise stated.

Overview

Credit Risk represents a significant risk to the Bank, arising primarily from loans and advances and counterparty credit risk from derivative contracts with clients.

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

In January 2025, the Bank successfully completed the sale of the CBE business. On-balance sheet CBE assets are classified as assets held for sale, including specific disclosures on pages 182–185. Off-balance sheet exposures relating to the CBE business, while not separately identified as held for sale, are disclosed as appropriate in the relevant table footnotes.

Summary of performance in the period

Gross exposure: Gross loans and advances, including debt securities at amortised cost, increased by €2.6bn to €16.1bn (2024: €13.5bn) principally driven by an increase in debt securities from Treasury investments.

Exposure net of risk mitigation: The Bank's net exposure to credit risk decreased by 4% to €102bn (2024: €106bn) driven by a reduction in off-balance sheet financial guarantees and loan commitments (€4.8bn) and assets held for sale due to the disposal of the CBE portfolio (€4.2bn). This was partially offset by an increase in debt securities at amortised cost (€2.6bn), cash collateral and settlement balances (€1.9bn) and cash balances at central bank (€0.7bn). Overall, the extent to which the Bank held mitigation against its total exposure decreased to 38% (2024: 40%).

Credit quality: The Corporate loans portfolio continued to benefit from high-quality exposures and credit protection. 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 increased by €0.2bn, primarily driven by stage migration in Investment Banking (IB). Stage 3 balances increased marginally to €0.3bn, reflecting net transfers from Stage 2 and growth in exposures, partially offset by the disposal of a specific facility in IB. Refer page 149 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 Bank's resilience to climate scenarios on page 38 for further details.

ECL: Impairment allowances on loans and advances at amortised cost, including off-balance sheet exposures decreased to €111m (2024: €135m), largely attributable to model remediation in IB and probability of default (PD) improvement in debt securities, partially offset by an uncertainty adjustment. As a result, on-balance sheet coverage decreased to 0.5% (2024: 0.7%), further impacted by an increase in debt securities which carry a low risk profile.

Credit impairment charges/(releases): Credit impairment charges from continuing operations were €7m (2024: €18m), reflecting limited single names and model remediation in IB, partially offset by an adjustment for elevated global geopolitical uncertainty and continued tariff escalation risks.

Management adjustments: Economic uncertainty adjustments increased to €8m (2024: €nil), reflecting an additional provision for elevated global geopolitical uncertainty and continued tariff escalation risks. Refer to the Management adjustment to models for impairment section on page 158 for further details.

Climate: The Bank assesses climate-related physical and transition risks through scenario analysis and targeted reviews of climate-sensitive portfolios. The DS2 scenario aligns with the climate-aware IST25, and selected portfolios incorporate enhanced customer-level climate-risk modelling.

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 details of governance, policies and procedures.

Risk review

Credit risk performance

Maximum exposure and effects of netting, collateral and risk transfer

Basis of preparation

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

For financial assets recognised on the balance sheet, maximum exposure to credit risk represents the balance sheet carrying value after allowance for impairment. For off-balance sheet guarantees, the maximum exposure is the maximum amount that the Bank would have to pay if the guarantees were to be called upon. For loan commitments and other credit related commitments that are irrevocable over the life of the respective facilities, the maximum exposure is the full amount of the committed facilities.

This and subsequent analyses of credit risk exclude other financial assets not subject to credit risk.

The Bank mitigates the credit risk to which it is exposed through netting and set-off, collateral and risk transfer. Further detail on the Bank's policies to each of these forms of credit enhancement is presented on pages 138 to 139 of the Credit risk management section.

Collateral obtained

Where collateral has been obtained in the event of default, the Bank 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 Bank as at 31 December 2025, as a result of the enforcement of collateral, was €nil (2024: €nil).

Risk review

Credit risk performance

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

As at 31 December 2025	Maximum exposure €m	Netting and set-off €m	Cash collateral €m	Non-cash collateral €m	Risk transfer €m	Exposure net of risk mitigation €m
On-balance sheet:						
Cash and balances at central banks	28,245	—	—	—	—	28,245
Cash collateral and settlement balances	15,529	—	—	—	—	15,529
Loans and advances at amortised cost:						
Retail mortgages	31	—	—	(31)	—	—
Retail other	62	—	(37)	(25)	—	—
Corporate loans	5,960	—	(61)	(1,075)	(969)	3,855
Loans and advances to customers	6,053	—	(98)	(1,131)	(969)	3,855
Loans and advances to banks	1,343	—	—	—	—	1,343
Total loans and advances at amortised cost	7,396	—	(98)	(1,131)	(969)	5,198
<i>Of which credit-impaired (Stage 3):</i>						
Retail mortgages	15	—	—	(15)	—	—
Retail other	3	—	—	(3)	—	—
Corporate loans	287	—	—	(19)	(210)	58
Total credit impaired loans and advances at amortised cost	305	—	—	(37)	(210)	58
Debt securities at amortised cost	8,645	—	—	—	—	8,645
Reverse repurchase agreements and other similar secured lending	3,012	—	—	(3,012)	—	—
Trading portfolio assets:						
Debt securities	15,335	—	—	—	—	15,335
Traded loans	159	—	—	—	—	159
Total trading portfolio assets	15,494	—	—	—	—	15,494
Financial assets at fair value through the income statement:						
Loans and advances	1,396	—	—	(425)	—	971
Debt securities	29	—	—	—	—	29
Reverse repurchase agreements	16,481	—	(385)	(16,096)	—	—
Other financial assets	3	—	—	—	—	3
Total financial assets at fair value through the income statement	17,909	—	(385)	(16,521)	—	1,003
Derivative financial instruments	31,547	(16,819)	(11,591)	(1,852)	(640)	645
Financial assets at fair value through other comprehensive income	1,241	—	—	—	—	1,241
Other assets	110	—	—	—	—	110
Assets held for sale	—	—	—	—	—	—
Total on-balance sheet	129,128	(16,819)	(12,074)	(22,516)	(1,609)	76,110
Off-balance sheet:						
Financial Guarantees and other credit related instruments	5,149	—	(418)	(8)	(361)	4,362
Loan commitments	28,464	—	(45)	(1,105)	(6,121)	21,193
Total off-balance sheet	33,613	—	(463)	(1,113)	(6,482)	25,555
Total	162,741	(16,819)	(12,537)	(23,629)	(8,091)	101,665

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 €33m (2024: €45m), see Note 24 for further details. In addition to the above, the Bank holds forward starting reverse repos amounting to €27.6bn (2024: €33.8bn) which are fully collateralised.

Risk review

Credit risk performance

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
	€m	€m	€m	€m	€m	€m
As at 31 December 2024						
On-balance sheet:						
Cash and balances at central banks	27,537	—	—	—	—	27,537
Cash collateral and settlement balances	13,658	—	—	—	—	13,658
Loans and advances at amortised cost:						
Retail mortgages	39	—	—	(39)	—	—
Retail other	66	—	(37)	(29)	—	—
Corporate loans	6,199	—	(110)	(755)	(1,699)	3,635
Loans and advances to customers	6,304	—	(147)	(823)	(1,699)	3,635
Loans and advances to banks	1,078	—	—	—	—	1,078
Total loans and advances at amortised cost	7,382	—	(147)	(823)	(1,699)	4,713
<i>Of which credit-impaired (Stage 3):</i>						
Retail mortgages	22	—	—	(22)	—	—
Retail other	3	—	—	(3)	—	—
Corporate loans	234	—	—	(6)	(40)	188
Total credit impaired loans and advances at amortised cost	259	—	—	(31)	(40)	188
Debt securities at amortised cost	5,997	—	—	—	—	5,997
Reverse repurchase agreements and other similar secured lending	6,788	—	—	(6,788)	—	—
Trading portfolio assets:						
Debt securities	16,224	—	—	—	—	16,224
Traded loans	701	—	—	—	—	701
Total trading portfolio assets	16,925	—	—	—	—	16,925
Financial assets at fair value through the income statement:						
Loans and advances	1,046	—	—	(527)	—	519
Debt securities	27	—	—	—	—	27
Reverse repurchase agreements	19,482	—	(242)	(19,240)	—	—
Other financial assets	—	—	—	—	—	—
Total financial assets at fair value through the income statement	20,555	—	(242)	(19,767)	—	546
Derivative financial instruments	32,809	(18,870)	(10,648)	(1,681)	(858)	752
Financial assets at fair value through other comprehensive income	994	—	—	—	—	994
Other assets	143	—	—	—	—	143
Assets held for sale	4,242	—	—	—	—	4,242
Total on-balance sheet	137,030	(18,870)	(11,037)	(29,059)	(2,557)	75,507
Off-balance sheet:						
Financial Guarantees and other credit related instruments	5,613	—	(388)	(5)	(527)	4,693
Loan commitments ¹	34,567	—	(136)	(1,231)	(7,557)	25,643
Total off-balance sheet	40,180	—	(524)	(1,236)	(8,084)	30,336
Total	177,210	(18,870)	(11,561)	(30,295)	(10,641)	105,843

Note

1 Included within the 2024 loan commitments are exposures of €7,366m relating to financial assets classified as 'disposal group assets held for sale' which were subsequently disposed of in January 2025

Risk review

Credit risk performance

Expected Credit Losses

Impairment allowance (audited)		
	2025	2024
As at 31 December	€m	€m
On loans and advances at amortised cost	76	80
On loan commitments and financial guarantees	33	45
On debt securities at amortised cost	2	10
Total impairment allowance	111	135
On assets held for sale ¹	—	259
Total impairment allowance including assets held for sale	111	394

Note

1 CBE was sold in January 2025 (see note 40 for further details), therefore balances are €nil in 2025.

Loans and advances at amortised cost by product

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

The table below presents a product breakdown of drawn loans and advances at amortised cost and the impairment allowance by stage.

The 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 gross loans and advances to the extent that the allowance does not exceed the drawn exposure and 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.

Loans and advances at amortised cost by product (audited)

As at 31 December 2025							
	Stage 1	Stage 2			Total	Stage 3	Total
		Not past due	<=30 days past due	>30 days past due			
	€m	€m	€m	€m	€m	€m	€m
Gross exposure							
Retail mortgages	15	1	—	—	1	17	33
Retail other	59	—	—	—	—	6	65
Corporate loans ¹	6,299	754	14	—	768	307	7,374
Total	6,373	755	14	—	769	330	7,472
Impairment allowance							
Retail mortgages	—	—	—	—	—	2	2
Retail other	—	—	—	—	—	3	3
Corporate loans	12	38	1	—	39	20	71
Total	12	38	1	—	39	25	76
Net exposure							
Retail mortgages	15	1	—	—	1	15	31
Retail other	59	—	—	—	—	3	62
Corporate loans ¹	6,287	716	13	—	729	287	7,303
Total	6,361	717	13	—	730	305	7,396
Coverage ratio	%	%	%	%	%	%	%
Retail mortgages	—	—	—	—	—	11.8	6.1
Retail other	—	—	—	—	—	50.0	4.6
Corporate loans ¹	0.2	5.0	7.1	—	5.1	6.5	1.0
Total	0.2	5.0	7.1	—	5.1	7.6	1.0

Risk review

Credit risk performance

	Stage 1			Stage 2			Stage 3			Total ²		
	Gross	ECL	Coverage	Gross	ECL	Coverage	Gross	ECL	Coverage	Gross	ECL	Coverage
	€m	€m	%	€m	€m	%	€m	€m	%	€m	€m	%
Loans and advances at amortised cost												
Loans and advances to customers ²	5,030	12	0.2	769	39	5.1	327	22	6.7	6,126	73	1.2
Loans and advances to banks	1,343	—	—	—	—	—	3	3	100.0	1,346	3	0.2
Total loans and advances at amortised cost	6,373	12	0.2	769	39	5.1	330	25	7.6	7,472	76	1.0
Debt securities at amortised cost	8,646	2	—	1	—	—	—	—	—	8,647	2	—
Total loans and advances at amortised cost including debt securities	15,019	14	0.1	770	39	5.1	330	25	7.6	16,119	78	0.5

Notes

- 1 Increase in Stage 3 exposure relates to transfer of a single name to Stage 3, resulting in reduced coverage upon individual assessment for ECL.
- 2 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 €19.9bn and an impairment allowance of €5m. This comprises €1m impairment allowance on €19.9bn Stage 1 exposure, €nil Stage 2 exposure and €4m on €4m Stage 3 exposure.

Italian home loans and advances at amortised cost reduced to €33m (2024: €48m) following the completion of the disposal of substantially all of its amortised cost Italian retail mortgage portfolio with the sale of the assets to Miltonia Mortgage Finance S.r.l. in 2024. The remaining portfolio is secured on residential property with an average balance weighted mark to market LTV of 49.2% (2024: 59.1%). At 31 December 2025, the book value of the portfolio where payment holidays remain in place was €nil (2024: €0.3m), representing 0% (2024: 0.6%) of the portfolio.

Risk review

Credit risk performance

Loans and advances at amortised cost by product (audited)

As at 31 December 2024	Stage 1	Stage 2			Total	Stage 3	Total
		Not past due	<=30 days past due	>30 days past due			
	€m	€m	€m	€m	€m	€m	€m
Gross exposure							
Retail mortgages	15	3	—	—	3	30	48
Retail other	63	—	—	—	—	6	69
Corporate loans	6,547	545	—	—	545	253	7,345
Total	6,625	548	—	—	548	289	7,462
Impairment allowance							
Retail mortgages	—	1	—	—	1	8	9
Retail other	—	—	—	—	—	3	3
Corporate loans	15	34	—	—	34	19	68
Total	15	35	—	—	35	30	80
Net exposure							
Retail mortgages	15	2	—	—	2	22	39
Retail other	63	—	—	—	—	3	66
Corporate loans	6,532	511	—	—	511	234	7,277
Total	6,610	513	—	—	513	259	7,382
Coverage ratio	%	%	%	%	%	%	%
Retail mortgages	—	33.3	—	—	33.3	26.7	18.8
Retail other	—	—	—	—	—	50.0	4.3
Corporate loans	0.2	6.2	—	—	6.2	7.5	0.9
Total	0.2	6.4	—	—	6.4	10.4	1.1

	Stage 1			Stage 2			Stage 3			Total ¹		
	Gross	ECL	Coverage	Gross	ECL	Coverage	Gross	ECL	Coverage	Gross	ECL	Coverage
	€m	€m	%	€m	€m	%	€m	€m	%	€m	€m	%
Loans and advances at amortised cost												
Loans and advances to customers	5,547	15	0.3	548	35	6.4	287	28	9.8	6,382	78	1.2
Loans and advances to banks	1,078	—	—	—	—	—	2	2	100.0	1,080	2	0.2
Total loans and advances at amortised cost	6,625	15	0.2	548	35	6.4	289	30	10.4	7,462	80	1.1
Debt securities at amortised cost	3,838	—	—	2,169	10	0.5	—	—	—	6,007	10	0.2
Total loans and advances at amortised cost including debt securities	10,463	15	0.1	2,717	45	1.7	289	30	10.4	13,469	90	0.7

Note

1 Other financial assets subject to impairment excluded in the table above include cash collateral and settlement balances, reverse repurchase agreements and other similar secured lending, financial assets at fair value through other comprehensive income and other assets. These have a total gross exposure of €21.6bn and an impairment allowance of €5m. This comprises €1m impairment allowance on €21.6bn Stage 1 exposure, €nil Stage 2 exposure and €4m on €4m Stage 3 exposure.

Risk review

Credit risk performance

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 and other assets.

The movements are measured over a 12-month period.

Loans and advances at amortised cost (audited)	Stage 1		Stage 2		Stage 3		Total	
	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL
	€m	€m	€m	€m	€m	€m	€m	€m
Retail mortgages								
As at 1 January 2025	15	—	3	1	30	8	48	9
Transfers from Stage 1 to Stage 2	—	—	—	—	—	—	—	—
Transfers from Stage 2 to Stage 1	1	—	(1)	—	—	—	—	—
Transfers to Stage 3	—	—	—	—	—	—	—	—
Transfers from Stage 3	—	—	—	—	—	—	—	—
Business activity in the year	—	—	—	—	—	—	—	—
Refinements to models used for calculations	—	—	—	—	—	—	—	—
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	—	—	—	—	(2)	1	(2)	1
Final repayments	(1)	—	—	—	—	—	(1)	—
Disposals ¹	—	—	(1)	(1)	(10)	(6)	(11)	(7)
Write-offs	—	—	—	—	(1)	(1)	(1)	(1)
As at 31 December 2025	15	—	1	—	17	2	33	2
Retail other								
As at 1 January 2025	63	—	—	—	6	3	69	3
Transfers from Stage 1 to Stage 2	—	—	—	—	—	—	—	—
Transfers from Stage 2 to Stage 1	—	—	—	—	—	—	—	—
Transfers to Stage 3	—	—	—	—	—	—	—	—
Transfers from Stage 3	—	—	—	—	—	—	—	—
Business activity in the year	16	—	—	—	—	—	16	—
Refinements to models used for calculations	—	—	—	—	—	—	—	—
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	16	—	—	—	—	—	16	—
Final repayments	(36)	—	—	—	—	—	(36)	—
Disposals	—	—	—	—	—	—	—	—
Write-offs	—	—	—	—	—	—	—	—
As at 31 December 2025	59	—	—	—	6	3	65	3

Notes

1 The €11m of gross disposals reported within Retail mortgages relate to sale of the Italian mortgage loans.

Risk review

Credit risk performance

Loans and advances at amortised cost (audited)	Stage 1		Stage 2		Stage 3		Total	
	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL
	€m	€m	€m	€m	€m	€m	€m	€m
Corporate loans								
As at 1 January 2025	6,547	15	545	34	253	19	7,345	68
Transfers from Stage 1 to Stage 2	(175)	(2)	175	2	—	—	—	—
Transfers from Stage 2 to Stage 1	179	4	(179)	(4)	—	—	—	—
Transfers to Stage 3	(16)	—	(158)	(11)	174	11	—	—
Transfers from Stage 3	—	—	122	—	(122)	—	—	—
Business activity in the year	1,709	3	202	1	—	—	1,911	4
Refinements to models used for calculations ¹	—	(10)	—	(4)	—	—	—	(14)
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	171	4	123	24	51	(9)	345	19
Final repayments	(2,116)	(2)	(62)	(3)	(12)	—	(2,190)	(5)
Disposals ²	—	—	—	—	(36)	—	(36)	—
Write-offs	—	—	—	—	(1)	(1)	(1)	(1)
As at 31 December 2025	6,299	12	768	39	307	20	7,374	71

Reconciliation of ECL movement to credit impairment charge/(release) for the period (audited)	Stage 1		Stage 2		Stage 3		Total	
	€m		€m		€m		€m	
Retail mortgages	—	—	—	—	1	—	1	1
Retail other	—	—	—	—	—	—	—	—
Corporate loans	(3)	—	5	—	2	—	4	4
ECL movement excluding disposals and write-offs³	(3)	—	5	—	3	—	5	5
ECL movement on loan commitments and financial guarantees	—	—	(10)	—	(2)	—	(12)	(12)
ECL movement on other financial assets	—	—	—	—	—	—	—	—
ECL movements on debt securities at amortised cost	2	—	(10)	—	—	—	(8)	(8)
Recoveries and reimbursements ⁴	8	—	(1)	—	12	—	19	19
Total exchange and other adjustments	—	—	—	—	—	—	3	3
Total credit impairment charge for the year	—	—	—	—	—	—	7	7

Notes

- Refinements to models used for calculation reported within Corporate loans include a €14m movement in the calculated ECL for the IB portfolio. These reflect model enhancements made during the year. Barclays Bank Ireland PLC 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.
- The €36m of gross disposals reported within Corporate loans relate to debt sales undertaken during the year.
- In 2025, gross write-offs amounted to €2m and post write-off recoveries amounted to €nil. Net write-offs represent gross write-offs less post write-off recoveries and amounted to €2m.
- Recoveries and reimbursements primarily include net reduction in relation to reimbursements from financial guarantee contracts held with third parties through Barclays Bank PLC.

Risk review

Credit risk performance

Loan commitments and financial guarantees (audited) ¹	Stage 1		Stage 2		Stage 3		Total	
	Gross exposure €m	ECL €m	Gross exposure €m	ECL €m	Gross exposure €m	ECL €m	Gross exposure €m	ECL €m
Retail credit cards								
As at 1 January 2025	6,173	—	258	—	15	—	6,446	—
Net transfers between stages	—	—	—	—	—	—	—	—
Business activity in the year	—	—	—	—	—	—	—	—
Net drawdowns and repayments, net re-measurement and movement due to exposure and risk parameter changes	—	—	—	—	—	—	—	—
Limit management and final repayments	—	—	—	—	—	—	—	—
Disposals ²	(6,173)	—	(258)	—	(15)	—	(6,446)	—
As at 31 December 2025	—	—	—	—	—	—	—	—
Retail other								
As at 1 January 2025	974	—	36	—	1	—	1,011	—
Net transfers between stages	—	—	—	—	—	—	—	—
Business activity in the year	7	—	—	—	—	—	7	—
Net drawdowns and repayments, net re-measurement and movement due to exposure and risk parameter changes	25	—	—	—	—	—	25	—
Limit management and final repayments	(24)	—	—	—	—	—	(24)	—
Disposals ²	(882)	—	(35)	—	(1)	—	(918)	—
As at 31 December 2025	100	—	1	—	—	—	101	—
Corporate loans								
As at 1 January 2025	29,874	15	2,242	27	100	3	32,216	45
Net transfers between stages	(162)	7	119	(7)	43	—	—	—
Business activity in the year	2,479	2	44	—	—	—	2,523	2
Net drawdowns and repayments, net re-measurement and movement due to exposure and risk parameter changes	6,501	(7)	(124)	(1)	(6)	(2)	6,371	(10)
Limit management and final repayments	(8,626)	(2)	(595)	(2)	(78)	—	(9,299)	(4)
As at 31 December 2025	30,066	15	1,686	17	59	1	31,811	33

Notes

1 There were no loan commitments or financial guarantees for Retail mortgages during 2025.

2 The gross disposals reported within Retail credit cards and Retail other relate to sale of the CBE portfolio; sale of which was completed in January 2025.

Risk review

Credit risk performance

Loans and advances at amortised cost (audited) ¹	Stage 1		Stage 2		Stage 3		Total	
	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL
	€m	€m	€m	€m	€m	€m	€m	€m
Retail mortgages								
As at 1 January 2024	3,150	5	385	33	161	32	3,696	70
Transfers from Stage 1 to Stage 2	(85)	—	85	—	—	—	—	—
Transfers from Stage 2 to Stage 1	64	4	(64)	(4)	—	—	—	—
Transfers to Stage 3	(3)	—	(21)	(4)	24	4	—	—
Transfers from Stage 3	—	—	8	—	(8)	—	—	—
Business activity in the year	—	—	—	—	—	—	—	—
Refinements to models used for calculations	—	—	—	—	—	—	—	—
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	(114)	(3)	(11)	11	9	11	(116)	19
Final repayments	(99)	—	(9)	(1)	(3)	—	(111)	(1)
Disposals ²	(2,898)	(6)	(370)	(34)	(151)	(37)	(3,419)	(77)
Write-offs	—	—	—	—	(2)	(2)	(2)	(2)
As at 31 December 2024	15	—	3	1	30	8	48	9
Retail other								
As at 1 January 2024	63	—	—	—	12	9	75	9
Transfers from Stage 1 to Stage 2	—	—	—	—	—	—	—	—
Transfers from Stage 2 to Stage 1	—	—	—	—	—	—	—	—
Transfers to Stage 3	—	—	—	—	—	—	—	—
Transfers from Stage 3	—	—	—	—	—	—	—	—
Business activity in the year	13	—	—	—	—	—	13	—
Refinements to models used for calculations	—	—	—	—	—	—	—	—
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	10	—	—	—	(1)	(1)	9	(1)
Final repayments	(23)	—	—	—	—	—	(23)	—
Disposals	—	—	—	—	—	—	—	—
Write-offs	—	—	—	—	(5)	(5)	(5)	(5)
As at 31 December 2024	63	—	—	—	6	3	69	3
Corporate loans								
As at 1 January 2024	5,976	14	935	39	147	29	7,058	82
Transfers from Stage 1 to Stage 2	(83)	(2)	83	2	—	—	—	—
Transfers from Stage 2 to Stage 1	183	3	(183)	(3)	—	—	—	—
Transfers to Stage 3	—	—	(150)	—	150	—	—	—
Transfers from Stage 3	—	—	—	—	—	—	—	—
Business activity in the year	1,798	5	50	5	—	—	1,848	10
Refinements to models used for calculations ³	—	3	—	7	—	—	—	10
Net drawdowns, repayments, net re-measurement and movements due to exposure and risk parameter changes	252	(4)	—	(10)	29	15	281	1
Final repayments	(1,579)	(4)	(190)	(6)	(48)	—	(1,817)	(10)
Disposals	—	—	—	—	—	—	—	—
Write-offs	—	—	—	—	(25)	(25)	(25)	(25)
As at 31 December 2024	6,547	15	545	34	253	19	7,345	68

Notes

1 No exposure has been reported within Retail credit cards due to the CBE portfolio being classified as assets held for sale in 2024.

2 The €3.4bn of gross disposals reported within Retail mortgages relate to the Italian mortgage portfolio derecognised during the period following disposal.

3 Refinements to models used for calculation reported within Corporate loans include a €10m movement in the calculated ECL for the IB portfolio. These reflect model enhancements made during the period. Barclays Bank Ireland PLC 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 review

Credit risk performance

Reconciliation of ECL movement to credit impairment charge/(release) for the period (audited)	Stage 1	Stage 2	Stage 3	Total
	€m	€m	€m	€m
Retail mortgages	1	2	15	18
Retail credit cards	—	—	—	—
Retail other	—	—	(1)	(1)
Corporate loans	1	(5)	15	11
ECL movement excluding disposals and write-offs¹	2	(3)	29	28
ECL movement on loan commitments and financial guarantees	3	(1)	3	5
ECL movement on other financial assets	—	—	—	—
ECL movement on debt securities at amortised cost	—	4	—	4
Recoveries and reimbursements ²	6	(7)	(1)	(2)
ECL charge on discontinued operations ³				(12)
Total exchange and other adjustments				(5)
Total credit impairment charge for the year				18

Notes

- 1 In 2024, gross write-offs amounted to €32m and post write-off recoveries amounted to €nil. Net write-offs represent gross write-offs less post write-off recoveries and amounted to €32m.
- 2 Recoveries and reimbursements primarily include reimbursements expected to be received under the financial guarantee contracts held with third parties through Barclays Bank PLC which provide credit protection over certain assets.
- 3 ECL charge on discontinued operations relate to the charge for the Italian mortgage portfolio derecognised during the period following disposal.

Risk review

Credit risk performance

Loan commitments and financial guarantees (audited) ¹	Stage 1		Stage 2		Stage 3		Total	
	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL
	€m	€m	€m	€m	€m	€m	€m	€m
Retail credit cards²								
As at 1 January 2024	5,800	—	239	—	14	—	6,053	—
Net transfers between stages	(4)	—	(4)	—	8	—	—	—
Business activity in the year	539	—	8	—	1	—	548	—
Net drawdowns and repayments, net re-measurement and movement due to exposure and risk parameter changes	(154)	—	15	—	(8)	—	(147)	—
Limit management and final repayments	(8)	—	—	—	—	—	(8)	—
As at 31 December 2024	6,173	—	258	—	15	—	6,446	—
Retail other²								
As at 1 January 2024	862	—	34	—	2	—	898	—
Net transfers between stages	(14)	—	12	—	2	—	—	—
Business activity in the year	32	—	1	—	—	—	33	—
Net drawdowns and repayments, net re-measurement and movement due to exposure and risk parameter changes	119	—	(11)	—	(3)	—	105	—
Limit management and final repayments	(25)	—	—	—	—	—	(25)	—
As at 31 December 2024	974	—	36	—	1	—	1,011	—
Corporate loans								
As at 1 January 2024	29,164	12	2,485	28	44	—	31,693	40
Net transfers between stages	(241)	2	237	(2)	4	—	—	—
Business activity in the year	2,900	4	185	5	—	—	3,085	9
Net drawdowns and repayments, net re-measurement and movement due to exposure and risk parameter changes	1,156	1	149	6	78	3	1,383	10
Limit management and final repayments	(3,105)	(4)	(814)	(10)	(26)	—	(3,945)	(14)
As at 31 December 2024	29,874	15	2,242	27	100	3	32,216	45

Notes

1 There were no loan commitments or financial guarantees for Retail mortgages during 2024.

2 Loan commitments reported within Retail credit cards and Retail other also include financial assets classified as held for sale.

Risk review

Credit risk performance

Stage 2 decomposition

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

A small number of other accounts are included in stage 2 that are not otherwise identified by the quantitative or qualitative tests but are more than 30 days past due. These are nil for the current period.

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	€m	€m	€m	€m	€m	€m	€m	€m
Retail mortgages	1	—	—	1	—	—	—	—
Retail other	—	—	—	—	—	—	—	—
Corporate loans	599	169	—	768	29	10	—	39
Total Stage 2	600	169	—	769	29	10	—	39

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 2024	€m	€m	€m	€m	€m	€m	€m	€m
Retail mortgages	2	1	—	3	1	—	—	1
Retail other	—	—	—	—	—	—	—	—
Corporate loans	487	58	—	545	30	4	—	34
Total Stage 2	489	59	—	548	31	4	—	35

Note

1 Where balances satisfy more than one of the above three criteria for determining a significant increase in credit risk, the corresponding exposure and impairment allowance have been assigned in order of categories presented.

Management adjustments to models for impairment (audited)

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

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

Risk review

Credit risk performance

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

	Impairment allowance pre management adjustments ¹	Economic uncertainty adjustments (a)	Other adjustments (b)	Management adjustments (a)+(b)	Total impairment allowance ²	Proportion of Management adjustments to total impairment allowance
As at 31 December 2025	€m	€m	€m	€m	€m	%
Retail mortgages	2	—	—	—	2	—
Retail other	3	—	—	—	3	—
Corporate loans	96	8	—	8	104	7.7
Total	101	8	—	8	109	7.3
Debt securities at amortised cost	2	—	—	—	2	—
Total including debt securities at amortised cost	103	8	—	8	111	7.2
As at 31 December 2024	€m	€m	€m	€m	€m	%
Retail mortgages	9	—	—	—	9	—
Retail other	3	—	—	—	3	—
Corporate loans	113	—	—	—	113	—
Total	125	—	—	—	125	—
Debt securities at amortised cost	10	—	—	—	10	—
Total including debt securities at amortised cost	135	—	—	—	135	—

Economic uncertainty adjustments presented by stage (audited)

	Stage 1	Stage 2	Stage 3	Total
As at 31 December 2025	€m	€m	€m	€m
Retail mortgages	—	—	—	—
Retail other	—	—	—	—
Corporate loans	2	6	—	8
Total	2	6	—	8
Debt securities at amortised cost	—	—	—	—
Total including debt securities at amortised cost	2	6	—	8

Notes

- 1 Includes €78m (2024: €97m) of modelled ECL, €23m (2024: €25m) of individually assessed impairments and €2m (2024: €13m) of ECL from benchmarked exposures and debt securities.
- 2 Total impairment allowance consists of ECL stock on drawn and undrawn exposures.

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 Bank has retained the €8m uncertainty adjustment introduced in Q125 within customer and client uncertainty provisions, reflecting elevated geopolitical uncertainty and continued tariff escalation risks, with any resulting effects on borrower behaviour yet to materialise.

Risk review

Credit risk performance

Climate risk ECL assessment

The Bank 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 on specific portfolios identified as more susceptible to climate risk.

Scenario Approach: The IFRS 9 Downside 2 scenario (DS2) 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 spreads of physical and transition risk due to climate change for certain Wholesale elevated risk sectors. 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, the Bank 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.

Risk review

Credit risk performance

Measurement uncertainty and sensitivity analysis (audited)

The measurement of modelled ECL involves complexity and judgement, including estimation of 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 Bank uses a five-scenario model to calculate ECL. An external consensus forecast is assembled from key sources, including 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 Bank'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 and base rates), 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 ECLs are also used to inform the Bank's internal planning.

Scenarios used to calculate the Bank'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. EA and UK GDP growth in 2026 is expected to be 1.1%. 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. The EU quarterly unemployment rate peaks at 5.9%. Central banks continue to loosen monetary policy.

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 and chemicals, among others) but also spill into services. The ECB eases monetary policy swiftly 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 methodology for estimating scenario weights involves simulating a range of future paths for 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 166.

The Bank has retained the €8m uncertainty adjustment introduced in Q125 within customer and client uncertainty provisions, reflecting elevated geopolitical uncertainty and continued tariff escalation risks, with any resulting effects on borrower behaviour yet to materialise. For further details see page 159.

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).

Risk review

Credit risk performance

Baseline average macroeconomic variables used in the calculation of ECL (audited)

	2025	2026	2027	2028	2029
As at 31 December 2025	%	%	%	%	%
EA GDP ^{1,9}	1.3	1.1	1.4	1.2	1.2
EU unemployment ⁶	5.9	5.9	5.9	5.8	5.8
ECB Refi	2.3	2.0	2.1	2.3	2.4
UK GDP ¹	1.5	1.1	1.4	1.4	1.4
UK unemployment ⁷	4.7	4.9	4.8	4.8	4.7
UK bank rate	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 ⁸	4.2	4.5	4.4	4.4	4.4
US federal funds rate	4.2	3.4	3.3	3.3	3.5

	2024	2025	2026	2027	2028
As at 31 December 2024	%	%	%	%	%
Italy GDP ¹	0.5	0.9	1.0	0.9	0.9
Italy Unemployment ²	6.7	6.8	7.1	7.1	7.1
Italy HPI ³	1.1	(1.3)	(0.6)	0.3	0.6
Germany GDP ¹	(0.1)	0.7	1.2	1.2	1.2
Germany Unemployment ⁴	3.4	3.4	3.2	3.2	3.2
Germany HPI ⁵	(0.9)	0.7	2.0	2.8	2.8
EA GDP ^{1,9}	0.7	1.1	1.5	1.6	1.6
EU unemployment ⁶	6.0	6.0	5.9	5.9	5.8
ECB Refi	3.9	2.1	2.1	2.2	2.2
UK GDP ¹	1.0	1.4	1.5	1.6	1.5
UK unemployment ⁷	4.3	4.4	4.5	4.4	4.4
UK bank rate	5.1	4.3	4.0	4.0	3.8
US GDP ¹	2.7	2.0	2.0	2.0	2.0
US unemployment ⁸	4.1	4.3	4.2	4.2	4.2
US federal funds rate	5.1	4.1	4.0	3.8	3.8

Risk review

Credit risk performance

Downside 2 average macroeconomic variables used in the calculation of ECL (audited)

	2025	2026	2027	2028	2029
As at 31 December 2025	%	%	%	%	%
EA GDP ^{1,9}	1.3	(2.8)	(1.6)	3.1	1.4
EU unemployment ⁶	5.9	7.3	8.9	8.1	7.0
ECB Refi	2.3	1.0	0.2	0.5	1.2
UK GDP ¹	1.5	(2.5)	(1.2)	2.8	1.1
UK unemployment ⁷	4.7	5.8	7.7	6.9	5.7
UK bank rate	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 ⁸	4.2	5.7	8.0	7.9	5.9
US federal funds rate	4.2	3.6	2.4	1.4	1.2

	2024	2025	2026	2027	2028
As at 31 December 2024	%	%	%	%	%
Italy GDP ¹	0.5	(3.1)	(1.4)	2.8	0.6
Italy Unemployment ²	6.7	9.7	12.1	9.8	8.1
Italy HPI ³	1.1	(15.4)	(18.3)	(0.9)	10.7
Germany GDP ¹	(0.1)	(3.6)	(2.6)	3.6	1.3
Germany Unemployment ⁴	3.4	5.8	8.3	6.2	4.3
Germany HPI ⁵	(0.9)	(25.6)	(6.7)	10.7	13.6
EA GDP ^{1,9}	0.7	(3.0)	(1.7)	2.9	2.6
EU unemployment ⁶	6.0	8.4	10.6	8.5	6.7
ECB Refi	3.9	1.9	0.9	0.3	0.9
UK GDP ¹	1.0	(2.3)	(1.3)	2.6	2.3
UK unemployment ⁷	4.3	6.2	8.1	6.6	5.5
UK bank rate	5.1	3.5	1.7	0.6	1.1
US GDP ¹	2.7	(1.3)	(1.3)	3.3	2.9
US unemployment ⁸	4.1	5.8	7.2	6.2	5.5
US federal funds rate	5.1	2.5	0.6	0.8	1.5

Risk review

Credit risk performance

Downside 1 average macroeconomic variables used in the calculation of ECL (audited)

	2025	2026	2027	2028	2029
As at 31 December 2025	%	%	%	%	%
EA GDP ^{1,9}	1.3	(0.8)	(0.1)	2.1	1.3
EU unemployment ⁶	5.9	6.6	7.4	7.0	6.4
ECB Refi	2.3	1.5	1.2	1.4	1.7
UK GDP ¹	1.5	(0.7)	0.1	2.1	1.3
UK unemployment ⁷	4.7	5.3	6.3	5.8	5.2
UK bank rate	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 ⁸	4.2	5.1	6.2	6.1	5.1
US federal funds rate	4.2	3.6	2.8	2.4	2.4

	2024	2025	2026	2027	2028
As at 31 December 2024	%	%	%	%	%
Italy GDP ¹	0.5	(1.1)	(0.2)	1.9	0.7
Italy Unemployment ²	6.7	8.2	9.6	8.4	7.6
Italy HPI ³	1.1	(8.5)	(9.8)	(0.3)	5.6
Germany GDP ¹	(0.1)	(1.5)	(0.7)	2.4	1.3
Germany Unemployment ⁴	3.4	4.6	5.8	4.7	3.8
Germany HPI ⁵	(0.9)	(13.2)	(2.4)	6.7	8.1
EA GDP ^{1,9}	0.7	(1.0)	(0.1)	2.3	2.1
EU unemployment ⁶	6.0	7.2	8.2	7.2	6.3
ECB Refi	3.9	2.0	1.5	1.2	1.5
UK GDP ¹	1.0	(0.5)	0.1	2.1	1.9
UK unemployment ⁷	4.3	5.3	6.3	5.5	5.0
UK bank rate	5.1	3.9	2.9	2.3	2.4
US GDP ¹	2.7	0.3	0.4	2.7	2.4
US unemployment ⁸	4.1	5.1	5.7	5.2	4.9
US federal funds rate	5.1	3.4	2.3	2.3	2.7

Risk review

Credit risk performance

Upside 2 average macroeconomic variables used in the calculation of ECL (audited)

	2025	2026	2027	2028	2029
As at 31 December 2025	%	%	%	%	%
EA GDP ^{1,9}	1.3	2.5	4.1	2.6	2.0
EU unemployment ⁶	5.9	5.8	5.6	5.4	5.4
ECB Refi	2.3	1.8	1.5	1.5	1.7
UK GDP ¹	1.5	2.7	3.7	2.9	2.4
UK unemployment ⁷	4.7	4.3	4.0	3.9	3.8
UK bank rate	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 ⁸	4.2	3.9	3.7	3.7	3.7
US federal funds rate	4.2	3.0	2.5	2.5	2.5

	2024	2025	2026	2027	2028
As at 31 December 2024	%	%	%	%	%
Italy GDP ¹	0.5	2.2	3.5	2.5	2.1
Italy Unemployment ²	6.7	6.3	6.1	6.1	6.1
Italy HPI ³	1.1	3.2	5.3	2.8	2.0
Germany GDP ¹	(0.1)	2.1	3.3	1.6	1.4
Germany Unemployment ⁴	3.4	3.2	3.1	3.1	3.1
Germany HPI ⁵	(0.9)	8.7	6.4	3.8	4.1
EA GDP ^{1,9}	0.7	2.6	4.1	2.6	2.0
EU unemployment ⁶	6.0	5.8	5.6	5.5	5.4
ECB Refi	3.9	2.0	1.5	1.4	1.4
UK GDP ¹	1.0	3.0	3.7	2.9	2.4
UK unemployment ⁷	4.3	3.8	3.4	3.5	3.5
UK bank rate	5.1	3.9	2.9	2.8	2.8
US GDP ¹	2.7	2.8	3.1	2.8	2.8
US unemployment ⁸	4.1	3.8	3.5	3.5	3.5
US federal funds rate	5.1	3.7	3.3	3.1	2.8

Risk review

Credit risk performance

Upside 1 average macroeconomic variables used in the calculation of ECL (audited)

	2025	2026	2027	2028	2029
As at 31 December 2025	%	%	%	%	%
EA GDP ^{1,9}	1.3	1.8	2.7	1.9	1.6
EU unemployment ⁶	5.9	5.8	5.7	5.6	5.6
ECB Refi	2.3	2.0	1.9	2.0	2.2
UK GDP ¹	1.5	1.9	2.6	2.2	1.9
UK unemployment ⁷	4.7	4.6	4.4	4.4	4.3
UK bank rate	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 ⁸	4.2	4.2	4.1	4.1	4.1
US federal funds rate	4.2	3.3	2.8	2.8	3.0

	2024	2025	2026	2027	2028
As at 31 December 2024	%	%	%	%	%
Italy GDP ¹	0.5	1.6	2.2	1.7	1.5
Italy Unemployment ²	6.7	6.6	6.6	6.6	6.6
Italy HPI ³	1.1	0.9	2.3	1.5	1.3
Germany GDP ¹	(0.1)	1.4	2.2	1.4	1.3
Germany Unemployment ⁴	3.4	3.3	3.1	3.1	3.1
Germany HPI ⁵	(0.9)	4.6	4.2	3.3	3.4
EA GDP ^{1,9}	0.7	1.8	2.8	2.1	1.8
EU unemployment ⁶	6.0	5.9	5.8	5.7	5.6
ECB Refi	3.9	2.0	1.8	1.8	1.8
UK GDP ¹	1.0	2.2	2.6	2.2	2.0
UK unemployment ⁷	4.3	4.1	4.0	4.0	4.0
UK bank rate	5.1	4.1	3.5	3.4	3.3
US GDP ¹	2.7	2.4	2.6	2.4	2.4
US unemployment ⁸	4.1	4.0	3.9	3.9	3.9
US federal funds rate	5.1	4.0	3.8	3.6	3.3

Notes

- 1 Average real GDP seasonally adjusted change in year.
- 2 Average Italy unemployment rate.
- 3 Change in year end Italy HPI, relative to prior year end.
- 4 Average Germany unemployment rate.
- 5 Change in year end Germany HPI, relative to prior year end.
- 6 Average EU unemployment rate.
- 7 Average UK unemployment rate 16-year+.
- 8 Average US civilian unemployment rate 16-year+.
- 9 EA GDP refers to Euro Area GDP.

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

Notes

- 1 For further details on changes to scenario weights see page 161.

Specific bases show the most extreme position of each variable in the context of the downside/upside scenarios, for example, the highest unemployment for downside scenarios, average unemployment for baseline scenarios and lowest unemployment for upside scenarios. GDP and HPI downside and upside scenario data represents the lowest and highest cumulative position relative to the start point, in the 20 quarter period.

Risk review

Credit risk performance

Macroeconomic variables used in the calculation of ECL (specific bases)¹ (audited)

As at 31 December 2025	Upside 2	Upside 1	Baseline	Downside 1	Downside 2
	%	%	%	%	%
EA GDP ^{2,8}	13.4	9.8	1.2	(1.0)	(4.5)
EU unemployment ³	5.4	5.6	5.9	7.6	9.4
ECB Refi ³	1.4	1.9	2.2	2.7	2.7
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 bank rate ³	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 federal funds rate ³	2.5	2.8	3.5	4.3	4.3

As at 31 December 2024

Italy GDP ²	12.1	8.3	0.8	(1.5)	(4.8)
Italy Unemployment ³	6.1	6.3	6.9	9.8	12.6
Italy HPI ⁴	15.4	7.8	0.0	(17.1)	(31.5)
Germany GDP ²	9.4	7.2	0.8	(2.6)	(6.6)
Germany Unemployment ³	3.1	3.1	3.3	6.0	8.7
Germany HPI ⁴	23.9	15.5	1.5	(16.6)	(31.3)
EA GDP ^{2,8}	13.3	10.2	1.3	(1.3)	(4.8)
EU unemployment ³	5.4	5.6	5.9	8.5	11.1
ECB Refi ³	1.4	1.8	2.5	4.5	4.5
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 bank rate ³	2.8	3.3	4.2	5.3	5.3
US GDP ²	14.9	12.8	2.2	0.4	(2.1)
US unemployment ³	3.5	3.8	4.2	5.9	7.5
US federal funds rate ³	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.

Risk review

Credit risk performance

Macroeconomic variables used in the calculation of ECL (5-year averages)¹ (audited)

	Upside 2	Upside 1	Baseline	Downside 1	Downside 2
As at 31 December 2025	%	%	%	%	%
EA GDP ^{5,8}	2.5	1.9	1.2	0.8	0.3
EU unemployment ⁶	5.6	5.7	5.9	6.6	7.4
ECB Refi ⁶	1.8	2.1	2.2	1.6	1.0
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 bank rate ⁶	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 federal funds rate ⁶	2.9	3.2	3.5	3.1	2.5
As at 31 December 2024					
Italy GDP ⁵	2.2	1.5	0.8	0.4	(0.1)
Italy Unemployment ⁶	6.3	6.6	6.9	8.1	9.3
Italy HPI ⁷	2.9	1.4	0.0	(2.6)	(5.2)
Germany GDP ⁵	1.7	1.3	0.8	0.3	(0.3)
Germany Unemployment ⁶	3.2	3.2	3.3	4.4	5.6
Germany HPI ⁷	4.4	2.9	1.5	(0.6)	(2.9)
EA GDP ^{5,7}	2.4	1.8	1.3	0.8	0.3
EU unemployment ⁶	5.7	5.8	5.9	7.0	8.0
ECB Refi ⁶	2.0	2.2	2.5	2.0	1.6
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 bank rate ⁶	3.5	3.9	4.2	3.3	2.4
US GDP ^f	2.9	2.5	2.2	1.7	1.2
US unemployment ⁶	3.7	3.9	4.2	5.0	5.8
US federal funds rate ⁶	3.6	4.0	4.2	3.2	2.1

Notes

- 1 GDP = Real GDP growth seasonally adjusted; UK unemployment = UK unemployment rate 16-year+; UK HPI = Halifax All Houses, All Buyers Index; US unemployment = US civilian unemployment rate 16-year+; US HPI = FHFA HPI. 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 Compound Annual Growth Rate (CAGR) in Baseline; minimum growth relative to Q424 (2024: Q423), based on 20 quarter period in Downside scenarios.
- 3 Lowest quarter in 20 quarter period in Upside scenarios; 5-year average in Baseline; highest quarter in 20 quarter period in Downside scenarios.
- 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).
- 8 EA GDP refers to Euro Area GDP.

Risk review

Credit risk performance

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 EAD values and is not directly comparable to gross exposure used in other disclosures.

ECL sensitivity analysis (audited)

As at 31 December 2025	Scenarios					
	Weighted ¹	Upside 2	Upside 1	Baseline	Downside 1	Downside 2
Stage 1 Model exposure (€m)						
Retail mortgages	15	15	15	15	15	15
Corporate loans	19,053	19,209	19,161	19,061	18,880	18,547
Stage 1 Model ECL (€m)						
Retail mortgages	—	—	—	—	—	—
Corporate loans	25	21	23	23	28	36
Stage 1 Coverage (%)						
Retail mortgages	—	—	—	—	—	—
Corporate loans	0.1	0.1	0.1	0.1	0.1	0.2
Stage 2 Model exposure (€m)						
Retail mortgages	1	1	1	1	1	2
Corporate loans	1,601	1,445	1,494	1,593	1,774	2,107
Stage 2 Model ECL (€m)						
Retail mortgages	—	—	—	—	—	—
Corporate loans	51	38	43	50	68	100
Stage 2 Coverage (%)						
Retail mortgages	—	—	—	—	—	—
Corporate loans	3.2	2.6	2.9	3.1	3.8	4.7
Stage 3 Model exposure (€m)²						
Retail mortgages	17	17	17	17	17	17
Corporate loans	—	—	—	—	—	—
Stage 3 Model ECL (€m)						
Retail mortgages	2	2	2	2	2	2
Corporate loans ³	—	—	—	—	—	—
Stage 3 Coverage (%)						
Retail mortgages	11.8	11.8	11.8	11.8	11.8	11.8
Corporate loans ³	—	—	—	—	—	—
Total Model ECL (€m)						
Retail mortgages	2	2	2	2	2	2
Corporate loans ³	76	59	66	73	96	136
Total Model ECL (€m)	78	61	68	75	98	138

Risk review

Credit risk performance

Reconciliation to total ECL	€m
Total weighted model ECL	78
ECL from individually assessed exposures ³	23
ECL from benchmarked exposures and others	—
ECL from debt securities at amortised cost	2
ECL from post model management adjustments	8
<i>Of which: ECL from economic uncertainty adjustments</i>	<i>8</i>
Total ECL⁴	111

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 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.
- 3 Material corporate loan defaults are individually assessed across different recovery strategies. As a result, ECL of €23m is reported as an individually assessed impairment in the reconciliation table.
- 4 Total impairment allowance consists of ECL stock on drawn and undrawn exposures.

The use of five scenarios with associated weighting results in a total weighted ECL uplift from the Baseline ECL of 4.0%.

Retail mortgages: Total weighted ECL of €2m is aligned to the Baseline ECL (€2m).

Corporate loans: Total weighted ECL of €76m represents a 4.1% increase over the Baseline ECL (€73m). Total ECL increases to €136m under the Downside 2 scenario, primarily driven by a decrease in EA GDP.

ECL sensitivity analysis (audited)

As at 31 December 2024	Scenarios					
	Weighted ¹	Upside 2	Upside 1	Baseline	Downside 1	Downside 2
Stage 1 Model exposure (€m)						
Retail mortgages	11	11	11	11	11	11
Corporate loans	19,888	20,082	20,022	19,957	19,618	19,398
Stage 1 Model ECL (€m)						
Retail mortgages	—	—	—	—	—	—
Corporate loans	28	24	25	27	30	37
Stage 1 Coverage (%)						
Retail mortgages	—	—	—	—	—	—
Corporate loans	0.1	0.1	0.1	0.1	0.2	0.2
Stage 2 Model exposure (€m)						
Retail mortgages	4	4	4	4	4	4
Corporate loans	1,864	1,671	1,731	1,796	2,134	2,355
Stage 2 Model ECL (€m)						
Retail mortgages	—	—	—	—	—	—
Corporate loans	63	47	53	58	85	129
Stage 2 Coverage (%)						
Retail mortgages	—	—	—	—	—	—
Corporate loans	3.4	2.8	3.1	3.2	4.0	5.5
Stage 3 Model exposure (€m)²						
Retail mortgages	30	30	30	30	30	30
Corporate loans	—	—	—	—	—	—
Stage 3 Model ECL (€m)						
Retail mortgages	6	5	6	6	6	7
Corporate loans ³	—	—	—	—	—	—
Stage 3 Coverage (%)						
Retail mortgages	20.0	16.7	20.0	20.0	20.0	23.3
Corporate loans ³	—	—	—	—	—	—
Total Model ECL (€m)						
Retail mortgages	6	5	6	6	6	7
Corporate loans ³	91	71	78	85	115	166
Total Model ECL (€m)	97	76	84	91	121	173

Risk review

Credit risk performance

Reconciliation to total ECL	€m
Total weighted model ECL	97
ECL from individually assessed exposures ³	25
ECL from benchmarked exposures and others	3
ECL from debt securities at amortised cost	10
ECL from post model management adjustments	—
<i>Of which: ECL from economic uncertainty adjustments</i>	—
Total ECL⁴	135

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 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.
- 3 Material corporate loan defaults are individually assessed across different recovery strategies. As a result, ECL of €25m is reported as an individually assessed impairment in the reconciliation table.
- 4 Total impairment allowance consists of ECL stock on drawn and undrawn exposures.

Risk review

Credit risk performance

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 Bank implements limits on concentrations in order to mitigate the risk.

The table below presents an industry credit risk concentration analysis of loans and advances at amortised cost net of impairment allowance including breakdown by geographical location of the counterparty or customers. Further includes debt securities at amortised cost, off-balance sheet loan commitments, financial guarantees and credit related instruments at amortised cost by geography.

Credit risk concentration by industry and geography (audited)

Industry	Geography										
	France	Germany	Ireland	Italy	Netherlands	Spain	Rest of Europe	Europe	United Kingdom	Rest of World	Total
As at 31 December 2025	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
Agriculture, Food and Forest Products	85	—	—	—	—	—	—	85	—	—	85
Mining and Quarrying	—	—	—	252	—	—	—	252	6	—	258
Manufacturing	29	139	3	270	—	12	164	617	13	32	662
Government and central bank	—	—	—	—	—	—	—	—	—	—	—
Banks	38	16	2	14	1	2	284	357	892	94	1,343
Energy and water	11	—	30	4	—	—	47	92	52	115	259
Materials and Building	—	—	212	—	—	7	26	245	—	—	245
Wholesale and retail distribution and leisure	50	—	30	33	—	29	26	168	13	55	236
Transport and storage	—	—	9	50	—	—	96	155	—	—	155
Home Loans	—	—	—	31	—	—	—	31	—	—	31
Business and other services	642	322	176	241	11	81	104	1,577	29	3	1,609
Other Financial Institutions	568	—	217	38	222	250	980	2,275	167	9	2,451
Cards, unsecured loans and other personal lending	—	8	23	4	—	—	17	52	8	2	62
Total loans and advances at amortised cost	1,423	485	702	937	234	381	1,744	5,906	1,180	310	7,396
Debt securities at amortised cost	1,463	1	847	2,873	—	—	—	5,184	453	3,008	8,645
Total loans and advances at amortised cost including debt securities	2,886	486	1,549	3,810	234	381	1,744	11,090	1,633	3,318	16,041
Financial guarantees and credit related instruments	651	511	432	753	47	995	496	3,885	747	517	5,149
Loan commitments ²	7,432	6,329	1,403	1,801	1,140	1,942	5,098	25,145	728	890	26,763
Total off-balance sheet¹	8,083	6,840	1,835	2,554	1,187	2,937	5,594	29,030	1,475	1,407	31,912

Risk review

Credit risk performance

Loans and advances at amortised cost net of impairment allowance

Industry	Geography										
	France	Germany	Ireland	Italy	Netherlands	Spain	Rest of Europe	Europe	United Kingdom	Rest of World	Total
As at 31 December 2024	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
Agriculture, Food and Forest Products	—	—	—	—	—	—	—	—	—	—	—
Mining and Quarrying	—	—	—	47	—	—	117	164	13	—	177
Manufacturing	133	172	21	180	2	12	185	705	100	76	881
Government and central bank	—	—	—	—	—	—	—	—	—	—	—
Banks	11	4	2	17	1	2	172	209	740	129	1,078
Energy and water	—	36	27	10	9	—	—	82	50	29	161
Materials and Building	—	—	312	—	—	—	30	342	—	—	342
Wholesale and retail distribution and leisure	74	—	38	8	—	45	93	258	6	39	303
Transport and storage	—	7	38	50	—	80	112	287	—	—	287
Home Loans	—	—	—	39	—	—	—	39	—	—	39
Business and other services	555	233	182	261	8	271	34	1,544	40	6	1,590
Other Financial Institutions	457	—	287	51	169	26	1,156	2,146	252	60	2,458
Cards, unsecured loans and other personal lending	—	8	16	3	—	—	37	64	—	2	66
Total loans and advances at amortised cost	1,230	460	923	666	189	436	1,936	5,840	1,201	341	7,382
Debt securities at amortised cost	383	—	660	2,158	—	—	—	3,201	417	2,379	5,997
Total loans and advances at amortised cost including debt securities	1,613	460	1,583	2,824	189	436	1,936	9,041	1,618	2,720	13,379
Financial guarantees and credit related instruments	615	804	472	1,087	107	948	261	4,294	634	571	5,499
Loan commitments ²	6,677	13,187	1,300	2,389	1,062	1,722	5,237	31,574	749	1,851	34,174
Total off-balance sheet¹	7,292	13,991	1,772	3,476	1,169	2,670	5,498	35,868	1,383	2,422	39,673

Notes

- 1 The Off-balance sheet loan commitments, financial guarantees and credit related instruments excludes the fair value balance of €1,701m (2024: €507m).
- 2 Included within the 2024 balance are exposures of €7,366m relating to financial assets classified as 'disposal group assets held for sale' which were subsequently disposed of during Q1 2025.

Risk review

Credit risk performance

The Bank's approach to management and representation of credit quality

Asset credit quality

The credit quality distribution is based on the IFRS 9 12 month PD at the reporting date to ensure comparability with other ECL disclosures on pages 149 to 179.

The Bank uses the following internal measures to determine credit quality for loans:

PD Range %	Internal DG Band	Default Probability			Credit Quality description	Moody's	Standard and Poor's
		>Min	Mid	<=Max			
0.00 to < 0.15	1	0.00%	0.01%	0.02%	Strong	Aaa, Aa1, Aa2	AAA, AA+, AA, AA-
	2	0.02%	0.03%	0.03%		Aa3	AA-
	3	0.03%	0.04%	0.05%		A1, A2, A3	A+, A
	4	0.05%	0.08%	0.10%		A1, A2, A3	A-
	5	0.10%	0.13%	0.15%		Baa1	BBB+
0.15 to < 0.25	6	0.15%	0.18%	0.20%	Strong	Baa2	BBB
	7	0.20%	0.23%	0.25%		Baa2	BBB-
0.25 to < 0.50	8	0.25%	0.28%	0.30%	Strong	Baa3	BBB-
	9	0.30%	0.35%	0.40%		Baa3	BB+
	10	0.40%	0.45%	0.50%		Ba1	BB+
0.50 to < 0.75	11	0.50%	0.55%	0.60%	Strong	Ba1	BB
	12	0.60%	0.68%	0.75%	Satisfactory	Ba2	BB
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 PD 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 Bank, the asset may not be collateralised, or may relate to unsecured retail facilities. At the lower end of this grade there are customers that are being more carefully monitored, for example, corporate customers which are indicating some evidence of deterioration, mortgages with a high loan to value (LTV), 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. However, the borrower or counterparty is continuing to make payments when due and is expected to settle all outstanding amounts of principal and interest. Loans that are past due are monitored closely, with impairment allowances raised as appropriate and in line with the Barclays Europe'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 Bank 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 Bank will use its own internal ratings for the securities.

Risk review

Credit risk performance

Balance sheet credit quality

The following tables present the credit quality of the Bank's assets exposed to credit risk.

Overview

As at 31 December 2025, the ratio of the Bank's on-balance sheet assets classified as strong (0.0 to < 0.60%) remained stable at 96% (2024: 94%) of total assets exposed to credit risk.

Balance sheet credit quality (audited)

	PD range			Total	PD range			Total
	0.0 to <0.60%	0.60 to <11.35%	11.35 to 100%		0.0 to <0.60%	0.60 to <11.35%	11.35 to 100%	
As at 31 December 2025	€m	€m	€m	€m	%	%	%	%
Cash and balances at central banks	28,245	—	—	28,245	100	—	—	100
Cash collateral and settlement balances	14,514	1,015	—	15,529	93	7	—	100
Loans and advances at amortised cost								
Retail mortgages	14	2	15	31	46	6	48	100
Retail other	59	—	3	62	95	—	5	100
Corporate loans	4,191	1,270	499	5,960	70	21	9	100
Loans and advances to customers	4,264	1,272	517	6,053	70	21	9	100
Loans and advances to banks	1,340	3	—	1,343	100	—	—	100
Total loans and advances at amortised cost	5,604	1,275	517	7,396	76	17	7	100
Debt securities at amortised cost	8,626	19	—	8,645	100	—	—	100
Reverse repurchase agreements and other similar secured lending	3,012	—	—	3,012	100	—	—	100
Trading portfolio assets:								
Debt securities	14,682	653	—	15,335	96	4	—	100
Traded loans	57	87	15	159	36	55	9	100
Total trading portfolio assets	14,739	740	15	15,494	95	5	—	100
Financial assets at fair value through the income statement:								
Loans and advances	993	379	24	1,396	71	27	2	100
Debt securities	3	3	23	29	11	11	78	100
Reverse repurchase agreements	15,520	961	—	16,481	94	6	—	100
Other financial assets	3	—	—	3	100	—	—	100
Total financial assets at fair value through the income statement	16,519	1,343	47	17,909	92	8	—	100
Derivative financial instruments	31,043	383	121	31,547	99	1	—	100
Financial assets at fair value through other comprehensive income	1,241	—	—	1,241	100	—	—	100
Other assets	110	—	—	110	100	—	—	100
Assets held for sale	—	—	—	—	—	—	—	—
Total on-balance sheet	123,653	4,775	700	129,128	96	3	1	100

Risk review

Credit risk performance

Balance sheet credit quality (audited)								
	PD range			Total	PD range			Total
	0.0 to <0.60%	0.60 to <11.35%	11.35 to 100%		0.0 to <0.60%	0.60 to <11.35%	11.35 to 100%	
As at 31 December 2024	€m	€m	€m	€m	%	%	%	%
Cash and balances at central banks	27,537	—	—	27,537	100	—	—	100
Cash collateral and settlement balances	12,803	855	—	13,658	94	6	—	100
Loans and advances at amortised cost								
Retail mortgages	12	5	22	39	31	13	56	100
Retail other	63	—	3	66	95	—	5	100
Corporate loans	4,952	832	415	6,199	80	13	7	100
Loans and advances to customers	5,027	837	440	6,304	80	13	7	100
Loans and advances to banks	1,067	11	—	1,078	99	1	—	100
Total loans and advances at amortised cost	6,094	848	440	7,382	83	11	6	100
Debt securities at amortised cost	5,993	4	—	5,997	100	—	—	100
Reverse repurchase agreements and other similar secured lending	6,788	—	—	6,788	100	—	—	100
Trading portfolio assets:								
Debt securities	15,592	632	—	16,224	96	4	—	100
Traded loans	42	657	2	701	6	94	—	100
Total trading portfolio assets	15,634	1,289	2	16,925	92	8	—	100
Financial assets at fair value through the income statement:								
Loans and advances	521	493	32	1,046	50	47	3	100
Debt securities	6	—	21	27	21	—	79	100
Reverse repurchase agreements	18,385	1,097	—	19,482	94	6	—	100
Total financial assets at fair value through the income statement	18,912	1,590	53	20,555	92	8	—	100
Derivative financial instruments	31,357	1,443	9	32,809	96	4	—	100
Financial assets at fair value through other comprehensive income	994	—	—	994	100	—	—	100
Other assets	143	—	—	143	100	—	—	100
Assets held for sale	1,419	2,679	144	4,242	33	64	3	100
Total on-balance sheet	127,674	8,708	648	137,030	94	6	—	100

Risk review

Credit risk performance

Credit exposures by internal PD grade

The below tables represents credit risk profile 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 loans and advances to banks at amortised cost (audited)												
As at 31 December 2025												
Grade	PD range	Credit quality description	Gross carrying amount				Allowance for ECL				Net exposure	Coverage ratio
			Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total		
	%		€m	€m	€m	€m	€m	€m	€m	€m	€m	%
1-3	0.0 to < 0.05%	Strong	1,253	—	—	1,253	—	—	—	—	1,253	—
4-5	0.05 to < 0.15%	Strong	26	—	—	26	—	—	—	—	26	—
6-8	0.15 to < 0.30%	Strong	61	—	—	61	—	—	—	—	61	—
9-11	0.30 to < 0.60%	Strong	—	—	—	—	—	—	—	—	—	—
12-14	0.60 to < 2.15%	Satisfactory	3	—	—	3	—	—	—	—	3	—
15-19	2.15 to < 11.35%	Satisfactory	—	—	—	—	—	—	—	—	—	—
20-21	11.35 to < 100%	Higher Risk	—	—	—	—	—	—	—	—	—	—
22	100%	Credit Impaired	—	—	3	3	—	—	3	3	—	100.0
Total			1,343	—	3	1,346	—	—	3	3	1,343	0.2

Credit risk profile by internal PD grade for loans and advances to customers at amortised cost for retail mortgages (audited)												
As at 31 December 2025												
Grade	PD range	Credit quality description	Gross carrying amount				Allowance for ECL				Net exposure	Coverage ratio
			Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total		
	%		€m	€m	€m	€m	€m	€m	€m	€m	€m	%
1-3	0.0 to < 0.05%	Strong	—	—	—	—	—	—	—	—	—	—
4-5	0.05 to < 0.15%	Strong	—	—	—	—	—	—	—	—	—	—
6-8	0.15 to < 0.30%	Strong	8	—	—	8	—	—	—	—	8	—
9-11	0.30 to < 0.60%	Strong	6	—	—	6	—	—	—	—	6	—
12-14	0.60 to < 2.15%	Satisfactory	1	1	—	2	—	—	—	—	2	—
15-19	2.15 to < 11.35%	Satisfactory	—	—	—	—	—	—	—	—	—	—
20-21	11.35 to < 100%	Higher Risk	—	—	—	—	—	—	—	—	—	—
22	100%	Credit Impaired	—	—	17	17	—	—	2	2	15	11.8
Total			15	1	17	33	—	—	2	2	31	6.1

Credit risk profile by internal PD grade for loans and advances to customers at amortised cost for retail other (audited)												
As at 31 December 2025												
Grade	PD range	Credit quality description	Gross carrying amount				Allowance for ECL				Net exposure	Coverage ratio
			Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total		
	%		€m	€m	€m	€m	€m	€m	€m	€m	€m	%
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	59	—	—	59	—	—	—	—	59	—
12-14	0.60 to < 2.15%	Satisfactory	—	—	—	—	—	—	—	—	—	—
15-19	2.15 to < 11.35%	Satisfactory	—	—	—	—	—	—	—	—	—	—
20-21	11.35 to < 100%	Higher Risk	—	—	—	—	—	—	—	—	—	—
22	100%	Credit Impaired	—	—	6	6	—	—	3	3	3	50.0
Total			59	—	6	65	—	—	3	3	62	4.6

Risk review

Credit risk performance

Credit risk profile by internal PD grade for loans and advances to customers at amortised cost for corporate loans (audited)

As at 31 December 2025

Grade	PD range %	Credit quality description	Gross carrying amount				Allowance for ECL				Net exposure €m	Coverage ratio %
			Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m	Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m		
1-3	0.0 to <0.05%	Strong	532	—	—	532	—	—	—	—	532	—
4-5	0.05 to <0.15%	Strong	2,383	44	—	2,427	1	—	—	1	2,426	—
6-8	0.15 to <0.30%	Strong	545	68	—	613	1	—	—	1	612	0.2
9-11	0.30 to <0.60%	Strong	592	30	—	622	1	—	—	1	621	0.2
12-14	0.60 to <2.15%	Satisfactory	801	103	—	904	3	5	—	8	896	0.9
15-19	2.15 to <11.35%	Satisfactory	85	310	—	395	5	16	—	21	374	5.3
20-21	11.35 to <100%	Higher Risk	18	213	—	231	1	18	—	19	212	8.2
22	100%	Credit Impaired	—	—	304	304	—	—	17	17	287	5.6
Total			4,956	768	304	6,028	12	39	17	68	5,960	1.1

Credit risk profile by internal PD grade for loans and advances to customers at amortised cost (audited)

As at 31 December 2025

Grade	PD range %	Credit quality description	Gross carrying amount				Allowance for ECL				Net exposure €m	Coverage ratio %
			Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m	Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m		
1-3	0.0 to <0.05%	Strong	532	—	—	532	—	—	—	—	532	—
4-5	0.05 to <0.15%	Strong	2,383	44	—	2,427	1	—	—	1	2,426	—
6-8	0.15 to <0.30%	Strong	553	68	—	621	1	—	—	1	620	0.2
9-11	0.30 to <0.60%	Strong	657	30	—	687	1	—	—	1	686	0.1
12-14	0.60 to <2.15%	Satisfactory	802	104	—	906	3	5	—	8	898	0.9
15-19	2.15 to <11.35%	Satisfactory	85	310	—	395	5	16	—	21	374	5.3
20-21	11.35 to <100%	Higher Risk	18	213	—	231	1	18	—	19	212	8.2
22	100%	Credit Impaired	—	—	327	327	—	—	22	22	305	6.7
Total			5,030	769	327	6,126	12	39	22	73	6,053	1.2

Credit risk profile by internal PD grade for loans and advances to banks at amortised cost (audited)

As at 31 December 2024

Grade	PD range %	Credit quality description	Gross carrying amount				Allowance for ECL				Net exposure €m	Coverage ratio %
			Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m	Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m		
1-3	0.0 to <0.05%	Strong	1,035	—	—	1,035	—	—	—	—	1,035	—
4-5	0.05 to <0.15%	Strong	20	—	—	20	—	—	—	—	20	—
6-8	0.15 to <0.30%	Strong	12	—	—	12	—	—	—	—	12	—
9-11	0.30 to <0.60%	Strong	—	—	—	—	—	—	—	—	—	—
12-14	0.60 to <2.15%	Satisfactory	5	—	—	5	—	—	—	—	5	—
15-19	2.15 to <11.35%	Satisfactory	6	—	—	6	—	—	—	—	6	—
20-21	11.35 to <100%	Higher Risk	—	—	—	—	—	—	—	—	—	—
22	100%	Credit Impaired	—	—	2	2	—	—	2	2	—	100
Total			1,078	—	2	1,080	—	—	2	2	1,078	—

Risk review

Credit risk performance

Credit risk profile by internal PD grade for loans and advances to customers at amortised cost for retail mortgages (audited)

As at 31 December 2024												
Grade	PD range %	Credit quality description	Gross carrying amount				Allowance for ECL				Net exposure €m	Coverage ratio %
			Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m	Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m		
1-3	0.0 to <0.05%	Strong	—	—	—	—	—	—	—	—	—	—
4-5	0.05 to <0.15%	Strong	5	—	—	5	—	—	—	—	5	—
6-8	0.15 to <0.30%	Strong	1	—	—	1	—	—	—	—	1	—
9-11	0.30 to <0.60%	Strong	6	—	—	6	—	—	—	—	6	—
12-14	0.60 to <2.15%	Satisfactory	3	1	—	4	—	—	—	—	4	—
15-19	2.15 to <11.35%	Satisfactory	—	2	—	2	—	1	—	1	1	50.0
20-21	11.35 to <100%	Higher Risk	—	—	—	—	—	—	—	—	—	—
22	100%	Credit Impaired	—	—	30	30	—	—	8	8	22	26.7
Total			15	3	30	48	—	1	8	9	39	19.5

Credit risk profile by internal PD grade for loans and advances to customers at amortised cost for retail other (audited)

As at 31 December 2024												
Grade	PD range %	Credit quality description	Gross carrying amount				Allowance for ECL				Net exposure €m	Coverage ratio %
			Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m	Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m		
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	63	—	—	63	—	—	—	—	63	—
12-14	0.60 to <2.15%	Satisfactory	—	—	—	—	—	—	—	—	—	—
15-19	2.15 to <11.35%	Satisfactory	—	—	—	—	—	—	—	—	—	—
20-21	11.35 to <100%	Higher Risk	—	—	—	—	—	—	—	—	—	—
22	100%	Credit Impaired	—	—	6	6	—	—	3	3	3	50.0
Total			63	—	6	69	—	—	3	3	66	4.3

Credit risk profile by internal PD grade for loans and advances to customers at amortised cost for corporate loans (audited)

As at 31 December 2024												
Grade	PD range %	Credit quality description	Gross carrying amount				Allowance for ECL				Net exposure €m	Coverage ratio %
			Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m	Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m		
1-3	0.0 to <0.05%	Strong	547	—	—	547	—	—	—	—	547	—
4-5	0.05 to <0.15%	Strong	2,156	—	—	2,156	1	—	—	1	2,155	—
6-8	0.15 to <0.30%	Strong	1,356	27	—	1,383	1	1	—	2	1,381	0.1
9-11	0.30 to <0.60%	Strong	837	33	—	870	1	—	—	1	869	0.1
12-14	0.60 to <2.15%	Satisfactory	421	92	—	513	4	1	—	5	508	1.0
15-19	2.15 to <11.35%	Satisfactory	152	192	—	344	6	14	—	20	324	5.8
20-21	11.35 to <100%	Higher Risk	—	201	—	201	2	18	—	20	181	10.0
22	100%	Credit Impaired	—	—	251	251	—	—	17	17	234	6.8
Total			5,469	545	251	6,265	15	34	17	66	6,199	1.1

Risk review

Credit risk performance

Credit risk profile by internal PD grade for loans and advances to customers at amortised cost (audited)

As at 31 December 2024												
Grade	PD range %	Credit quality description	Gross carrying amount				Allowance for ECL				Net exposure €m	Coverage ratio %
			Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m	Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m		
1-3	0.0 to <0.05%	Strong	547	—	—	547	—	—	—	—	547	—
4-5	0.05 to <0.15%	Strong	2,161	—	—	2,161	1	—	—	1	2,160	—
6-8	0.15 to <0.30%	Strong	1,357	27	—	1,384	1	1	—	2	1,382	0.1
9-11	0.30 to <0.60%	Strong	906	33	—	939	1	—	—	1	938	0.1
12-14	0.60 to <2.15%	Satisfactory	424	93	—	517	4	1	—	5	512	1.0
15-19	2.15 to <11.35%	Satisfactory	152	194	—	346	6	15	—	21	325	6.1
20-21	11.35 to <100%	Higher Risk	—	201	—	201	2	18	—	20	181	10.0
22	100%	Credit Impaired	—	—	287	287	—	—	28	28	259	9.8
Total			5,547	548	287	6,382	15	35	28	78	6,304	1.2

Credit risk profile by internal PD grade for contingent liabilities¹ (audited)

As at 31 December 2025												
Grade	PD range %	Credit quality description	Gross carrying amount				Allowance for ECL				Net exposure €m	Coverage ratio %
			Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m	Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m		
1-3	0.0 to <0.05%	Strong	1,459	—	—	1,459	—	—	—	—	1,459	—
4-5	0.05 to <0.15%	Strong	639	—	—	639	—	—	—	—	639	—
6-8	0.15 to <0.30%	Strong	1,312	—	—	1,312	—	—	—	—	1,312	—
9-11	0.30 to <0.60%	Strong	174	74	—	248	—	—	—	—	248	—
12-14	0.60 to <2.15%	Satisfactory	766	61	—	827	1	1	—	2	825	0.2
15-19	2.15 to <11.35%	Satisfactory	497	54	—	551	2	1	—	3	548	0.5
20-21	11.35 to <100%	Higher Risk	59	19	—	78	—	1	—	1	77	1.3
22	100%	Credit Impaired	—	—	35	35	—	—	—	—	35	—
Total			4,906	208	35	5,149	3	3	—	6	5,143	0.1

Credit risk profile by internal PD grade for contingent liabilities¹ (audited)

As at 31 December 2024												
Grade	PD range %	Credit quality description	Gross carrying amount				Allowance for ECL				Net exposure €m	Coverage ratio %
			Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m	Stage 1 €m	Stage 2 €m	Stage 3 €m	Total €m		
1-3	0.0 to <0.05%	Strong	1,270	—	—	1,270	—	—	—	—	1,270	—
4-5	0.05 to <0.15%	Strong	1,084	—	—	1,084	—	—	—	—	1,084	—
6-8	0.15 to <0.30%	Strong	1,079	455	—	1,534	1	—	—	1	1,533	0.1
9-11	0.30 to <0.60%	Strong	438	9	—	447	1	—	—	1	446	0.2
12-14	0.60 to <2.15%	Satisfactory	355	363	—	718	1	1	—	2	716	0.3
15-19	2.15 to <11.35%	Satisfactory	98	212	—	310	2	8	—	10	300	3.2
20-21	11.35 to <100%	Higher Risk	—	42	—	42	—	6	—	6	36	14.3
22	100%	Credit Impaired	—	—	94	94	—	—	3	3	91	3.0
Total			4,324	1,081	94	5,499	5	15	3	23	5,476	0.4

Risk review

Credit risk performance

Credit risk profile by internal PD grade for loan commitments ¹ (audited)												
As at 31 December 2025												
Grade	PD range	Credit quality description	Gross carrying amount				Allowance for ECL				Net exposure	Coverage ratio
			Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total		
	%		€m	€m	€m	€m	€m	€m	€m	€m	€m	%
1-3	0.0 to < 0.05%	Strong	6,413	—	—	6,413	—	—	—	—	6,413	—
4-5	0.05 to < 0.15%	Strong	10,089	418	—	10,507	1	—	—	1	10,506	—
6-8	0.15 to < 0.30%	Strong	4,142	4	—	4,146	1	—	—	1	4,145	—
9-11	0.30 to < 0.60%	Strong	1,754	2	—	1,756	—	—	—	—	1,756	—
12-14	0.60 to < 2.15%	Satisfactory	1,359	302	—	1,661	5	4	—	9	1,652	0.5
15-19	2.15 to < 11.35%	Satisfactory	1,484	609	—	2,093	5	7	—	12	2,081	0.6
20-21	11.35 to < 100%	Higher Risk	19	144	—	163	—	3	—	3	160	1.8
22	100%	Credit Impaired	—	—	24	24	—	—	1	1	23	4.2
Total			25,260	1,479	24	26,763	12	14	1	27	26,736	0.1

Credit risk profile by internal PD grade for loan commitments ¹ (audited)												
As at 31 December 2024												
Grade	PD range	Credit quality description	Gross carrying amount				Allowance for ECL				Net exposure	Coverage ratio
			Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total		
	%		€m	€m	€m	€m	€m	€m	€m	€m	€m	%
1-3	0.0 to < 0.05%	Strong	9,462	1	—	9,463	—	—	—	—	9,463	—
4-5	0.05 to < 0.15%	Strong	12,400	1	—	12,401	1	—	—	1	12,400	—
6-8	0.15 to < 0.30%	Strong	5,722	3	—	5,725	1	—	—	1	5,724	—
9-11	0.30 to < 0.60%	Strong	2,451	21	—	2,472	1	—	—	1	2,471	—
12-14	0.60 to < 2.15%	Satisfactory	1,751	219	—	1,970	3	1	—	4	1,966	0.2
15-19	2.15 to < 11.35%	Satisfactory	899	1,070	—	1,969	4	7	—	11	1,958	0.6
20-21	11.35 to < 100%	Higher Risk	12	140	—	152	—	4	—	4	148	2.6
22	100%	Credit Impaired	—	—	22	22	—	—	—	—	22	—
Total			32,697	1,455	22	34,174	10	12	—	22	34,152	0.1

Notes

1 Excludes loan commitments and financial guarantees of €1,701m (2024: €507m) carried at fair value.

Risk review

Credit risk performance

Analysis of specific portfolios and asset types

Secured home loans

The Italian home loan portfolio primarily comprises first lien mortgages.

Home loans principal portfolios - distribution of balances by Loan To Value (LTV)¹ (audited)

As at 31 December 2025	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
	€m	€m	€m	€m	€m	€m	€m	€m	%	%	%	%
<=75%	13	1	15	29	—	—	1	1	—%	4.0%	6.8%	3.7%
>75% and <=90%	1	—	1	2	—	—	—	—	0.1%	2.1%	23.1%	10.5%
>90% and <=100%	—	—	—	—	—	—	—	—	0.1%	—%	35.9%	11.8%
>100%	—	—	1	1	—	—	1	1	0.1%	11.3%	52.8%	38.9%
Total	14	1	17	32	—	—	2	2	0.1%	3.8%	10.6%	5.6%

Home loans principal portfolios - distribution of balances by Loan To Value (LTV)¹ (audited)

As at 31 December 2024	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
	€m	€m	€m	€m	€m	€m	€m	€m	%	%	%	%
<=75%	13	3	20	36	—	—	4	4	0.1%	7.8%	17.8%	10.6%
>75% and <=90%	1	—	2	3	—	—	1	1	0.1%	8.1%	35.8%	21.6%
>90% and <=100%	1	—	4	5	—	—	2	2	0.1%	—%	52.0%	41.0%
>100%	—	—	4	4	—	—	2	2	0.2%	11.3%	65.0%	59.8%
Total	15	3	30	48	—	—	9	9	0.1%	8.0%	29.3%	18.5%

Home loans principal portfolios - distribution of balances by LTV¹ (audited)

As at 31 December 2025	Distribution of balances				Distribution of impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	%	%	%	%	%	%	%	%
<=75%	39.5	3.5	45.0	87.9	0.3	2.5	54.7	57.6
>75% and <=90%	3.4	0.4	3.1	6.9	0.1	0.1	12.8	13.0
>90% and <=100%	0.9	—	0.4	1.3	—	—	2.7	2.7
>100%	1.0	—	2.8	3.8	—	—	26.7	26.7

Home loans principal portfolios - distribution of balances by LTV³ (audited)

As at 31 December 2024	Distribution of balances				Distribution of impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	%	%	%	%	%	%	%	%
<=75%	19.3	6.4	46.1	71.8	0.1	3.6	30.1	33.8
>75% and <=90%	2.3	1.1	4.5	7.9	—	0.6	8.3	9.0
>90% and <=100%	2.4	—	8.7	11.1	—	—	25.5	25.5
>100%	0.5	0.3	8.4	9.2	—	0.2	31.5	31.7

Notes

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.

The balance weighted average LTV% on the portfolio as at 31 December 2025 of 49.2% (2024: 59.1%).

Risk review

Credit risk performance

Assets held for sale

The prior period includes gross loans and advances and related impairment allowance for the CBE portfolio classified as assets held for sale in the balance sheet. The sale of this business was completed in January 2025.

For further details on assets held for sale, see Note 40 to the financial statements on page 291.

Loans and advances by product (audited)

Loans and advances to customers classified as assets held for sale (audited)													
	Stage 1			Stage 2			Stage 3			Total			
	Gross €m	ECL €m	Coverage %	Gross €m	ECL €m	Coverage %	Gross €m	ECL €m	Coverage %	Gross €m	ECL €m	Coverage %	
As at 31 December 2024													
Retail credit cards	2,301	21	0.9	369	36	9.8	112	83	74.1	2,782	140	5.0	
Retail other	1,367	19	1.4	265	40	15.1	85	58	68.2	1,717	117	6.8	
Total	3,668	40	1.1	634	76	12.0	197	141	71.6	4,499	257	5.7	

Stage 2 decomposition

Loans and advances at amortised cost									
	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 2024	€m	€m	€m	€m	€m	€m	€m	€m	
Retail credit cards	251	115	3	369	25	10	1	36	
Retail other	250	13	2	265	38	1	1	40	
Total Stage 2	501	128	5	634	63	11	2	76	

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 (a)	Other adjustments (b)	Management adjustments ¹ (a)+(b)	Total impairment allowance	Proportion of Management adjustments to total impairment allowance	
	€m	€m	€m	€m	€m	%	
As at 31 December 2024							
Retail credit cards	122	—	19	19	141	13.5	
Retail other	97	—	21	21	118	17.8	
Total	219	—	40	40	259	15.4	

Note

¹ Management adjustments of €40m in 2024 include an adjustment for definition of default under the Capital Requirements Regulation (CRR) and an adjustment for recalibration of LGD to reflect revised recovery expectations, partially offset by adjustments for model monitoring.

Risk review

Credit risk performance

ECL sensitivity analysis (audited)

ECL sensitivity analysis (audited)						
As at 31 December 2024	Scenarios					
	Weighted	Upside 2	Upside 1	Baseline	Downside 1	Downside 2
Stage 1 Model exposure (€m)						
Retail credit cards	4,719	4,512	4,526	4,537	5,134	5,558
Retail other	2,030	1,971	1,978	1,986	2,159	2,239
Stage 1 Model ECL (€m)						
Retail credit cards	17	16	16	16	19	22
Retail other	16	12	13	14	24	33
Stage 1 Coverage (%)						
Retail credit cards	0.4	0.4	0.4	0.4	0.4	0.4
Retail other	0.8	0.6	0.7	0.7	1.1	1.5
Stage 2 Model exposure (€m)						
Retail credit cards	320	291	300	313	381	523
Retail other	312	325	323	320	280	282
Stage 2 Model ECL (€m)						
Retail credit cards	47	42	43	46	55	70
Retail other	53	49	50	51	60	71
Stage 2 Coverage (%)						
Retail credit cards	14.7	14.4	14.3	14.7	14.4	13.4
Retail other	17.0	15.1	15.5	15.9	21.4	25.2
Stage 3 Model exposure (€m)						
Retail credit cards	77	77	77	77	77	77
Retail other	56	56	56	56	56	56
Stage 3 Model ECL (€m)						
Retail credit cards	56	56	56	56	56	56
Retail other	37	37	37	37	37	37
Stage 3 Coverage (%)						
Retail credit cards	72.7	72.7	72.7	72.7	72.7	72.7
Retail other	66.1	66.1	66.1	66.1	66.1	66.1
Total Model ECL (€m)						
Retail credit cards	120	114	115	118	130	148
Retail other	106	98	100	102	121	141
Total Model ECL (€m)	226	212	215	220	251	289
Reconciliation to total ECL						€m
Total weighted model ECL						226
ECL from benchmarked exposures and others						(7)
ECL from post model management adjustments						40
<i>Of which: ECL from economic uncertainty adjustments</i>						—
Total ECL						259

Risk review

Credit risk performance

Credit exposures by internal PD grade

Loans and advances to customers classified as assets held for sale for retail credit cards (audited)													
As at 31 December 2024			Gross carrying amount				Allowance for ECL				Net exposure	Coverage ratio	
Grade	PD range	Credit quality description	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total			€m
1-3	0.0 to < 0.05%	Strong	74	—	—	74	—	—	—	—	74	—	
4-5	0.05 to < 0.15%	Strong	348	—	—	348	1	—	—	1	347	0.3	
6-8	0.15 to < 0.30%	Strong	183	—	—	183	1	—	—	1	182	0.5	
9-11	0.30 to < 0.60%	Strong	301	—	—	301	1	—	—	1	300	0.3	
12-14	0.60 to < 2.15%	Satisfactory	1,121	6	—	1,127	10	1	—	11	1,116	1.0	
15-19	2.15 to < 11.35%	Satisfactory	274	275	—	549	8	18	—	26	523	4.7	
20-21	11.35 to < 100%	Higher Risk	—	88	—	88	—	17	—	17	71	19.3	
22	100%	Credit Impaired	—	—	112	112	—	—	83	83	29	74.1	
Total			2,301	369	112	2,782	21	36	83	140	2,642	5.0	

Loans and advances to customers classified as assets held for sale for retail other (audited)													
As at 31 December 2024			Gross carrying amount				Allowance for ECL				Net exposure	Coverage ratio	
Grade	PD range	Credit quality description	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total			€m
1-3	0.0 to < 0.05%	Strong	1	—	—	1	—	—	—	—	1	—	
4-5	0.05 to < 0.15%	Strong	30	—	—	30	—	—	—	—	30	—	
6-8	0.15 to < 0.30%	Strong	133	—	—	133	—	—	—	—	133	—	
9-11	0.30 to < 0.60%	Strong	354	—	—	354	2	—	—	2	352	0.6	
12-14	0.60 to < 2.15%	Satisfactory	644	20	—	664	7	4	—	11	653	1.7	
15-19	2.15 to < 11.35%	Satisfactory	205	220	—	425	10	28	—	38	387	8.9	
20-21	11.35 to < 100%	Higher Risk	—	25	—	25	—	8	—	8	17	32.0	
22	100%	Credit Impaired	—	—	85	85	—	—	58	58	27	68.2	
Total			1,367	265	85	1,717	19	40	58	117	1,600	6.8	

Risk review

Market risk performance

All disclosures in this section, (pages 186 to 187), are unaudited unless otherwise stated.

Traded market risk overview:

This section contains key statistics describing the market risk profile of the Bank. The Market risk management section provides a description of Management VaR.

Measures of market risk

Traded market risk measures such as VaR and balance sheet exposure measures have fundamental differences:

- a. Balance sheet measures show accruals-based balances or marked to market values as at the reporting date.
- b. VaR measures also take account of current marked to market values, but in addition hedging effects between positions are considered.
- c. 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.

Review of management measures

The following disclosures provide details on management measures of Market Risk.

The table below shows the total Management VaR on a diversified basis by risk factor. Total management VaR includes all the trading and certain banking books (those where the accounting treatment is fair value through profit or loss (FVTPL)). In addition, it captures risk add-ons in the form of risks not in model engine (RNIME) where a small population of risk factors are not well captured in VaR.

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 review

Market risk performance

The daily average, high and low values of management VaR

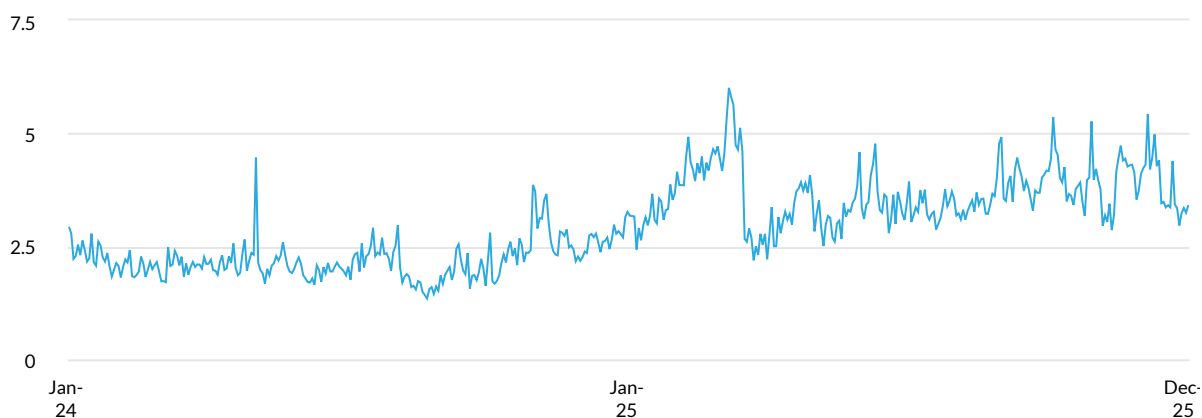
Management VaR (95%, one day) (audited)	2025			2024		
	Average	High	Low	Average	High	Low
	€m	€m	€m	€m	€m	€m
Credit risk	1.93	2.77	1.14	1.49	2.71	0.78
Interest rate risk	1.69	5.07	0.82	1.39	4.28	0.75
Equity risk	1.83	5.33	0.97	0.09	2.29	—
Basis risk	0.99	2.14	0.35	0.61	1.27	0.32
Spread risk	1.80	2.92	0.93	1.26	2.26	0.59
Foreign exchange risk	0.12	0.28	0.04	0.12	0.26	0.06
Commodity risk	—	0.10	—	—	—	—
Inflation risk	0.47	1.59	0.28	0.41	0.57	0.28
Diversification effect ¹	(5.18)	n/a	n/a	(3.16)	n/a	n/a
Total management VaR	3.65	6.01	2.19	2.21	4.46	1.34

Notes

- 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.

Average Management VaR increased to €3.65m (2024: €2.21m). Credit, Rate, Cross Markets and Banking businesses were the main contributors to credit, interest rate, equity and spread risk VaR. The 2025 average is 64% higher than 2024 primarily due to a new equity exposure in banking but also due to risk increase from new credit desk activity in the second half of 2025. Risk taking remained within agreed risk appetite limits at all times in 2025.

Management VaR (€m)



Risk review

Treasury and Capital risk performance

All disclosures in this section, (pages 188 to 194), are unaudited unless otherwise stated.

Treasury and Capital risk

Credit ratings

In addition to monitoring and managing key metrics related to the financial strength of the Bank, as a stand-alone issuer, the entity also solicits independent credit ratings from Standard & Poor's Global (S&P) and Fitch.

Credit ratings		
As at 31 December 2025	Standard & Poor's	Fitch
Long-term	A+ / Stable	A+ / Stable
Short-term	A-1	F1

In 2025, Fitch affirmed all ratings for Barclays PLC and its related entities, including the Bank.

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 Banks's Internal Liquidity Stress Test 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.

Risk review

Treasury and Capital risk performance

Overview

The efficient management of liquidity is essential to BBI in order to retain the confidence of markets and maintain the sustainability of the business. The liquidity risk framework is used to manage all liquidity risk exposures under both BAU and stressed conditions. The framework is designed to maintain liquidity resources that are sufficient in amount, quality and funding tenor profile to support the risk appetite as expressed by the BBI Board. The risk appetite liquidity constraint is monitored against both internal and regulatory liquidity metrics.

Liquidity risk stress testing

The Internal Liquidity Stress Test (ILST) 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 if a stress occurs. The scenarios include a 30 day Barclays-specific stress event, a 90 day market-wide stress event, a 30 day combined scenario consisting of both a Barclays-specific and a market-wide stress event, and a 12 month market-wide stress scenario.

The CRR (as amended by CRR II) 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 HQLA to survive an acute stress scenario lasting for 30 days.

As at 31 December 2025, the Bank held eligible liquid assets in excess of the net stress outflows to its internal and external regulatory requirements. The Bank maintains an appropriate proportion of the liquidity pool between cash and deposits with central banks and other HQLA eligible securities.

	31 December 2025	31 December 2024
	€m	€m
Liquidity pool ^{1,2,3}	34,251	33,563
	%	%
Liquidity coverage ratio	197	210

Notes

- 1 Comprises balances with central banks €27.6bn (2024: €26.9bn), highly liquid securities of €6.6bn (2024: €6.7bn), which met the requirements of the Commission Delegated Regulation (EU) 2015/61 as amended by the Commission Delegated Regulation (EU) 2018/1620 for inclusion as HQLA in the liquidity pool. The decrease in the liquidity pool is primarily driven by investment in Collateralised Loan Obligations (within Treasury), increased funding for Markets activity and business lending partially offset by the sale of a portfolio of Italian mortgages.
- 2 The classification of CBE as held for sale on Balance sheet in FY2024 had no impact on the liquidity metrics of the Bank at the reporting date.
- 3 Residual central bank balances related to minimum reserves.

As at 31 December 2025, the Bank's NSFR stood at 151% (December 2024: 131%), which was above the regulatory minimum requirement under CRR II for the Bank. The NSFR is intended to build on banks' improved funding profiles and establishes a harmonised standard for how much stable, long-term sources of funding a bank needs to weather periods of stress. It is defined as the amount of available stable funding relative to the amount of required stable funding with a minimum ratio of 100% required on an ongoing basis.

	2025	2024
	€bn	€bn
Total Available Stable Funding	32.8	46.1
Total Required Stable Funding	21.7	35.2
Surplus	11.1	10.9
Net Stable Funding Ratio	151%	131%

To define the risk appetite liquidity constraint, BBI establishes minimum LCR, NSFR and ILST limits. BBI plans to maintain its surplus to the internal and regulatory requirements at an efficient level. Risks to market funding conditions and BBI'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.

Risk review

Treasury and Capital risk performance

Contractual maturity of financial assets and liabilities

The table below provides detail on the contractual maturity of all financial instruments and other financial 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	28,245	—	—	—	—	—	—	28,245
Cash collateral and settlement balances	11,195	4,334	—	—	—	—	—	15,529
Debt securities at amortised cost	—	—	1,170	70	1,190	4,257	1,958	8,645
Loans and advances at amortised cost to banks and customers	2,277	316	351	532	1,813	1,569	538	7,396
Reverse repurchase agreements and other similar secured lending at amortised cost	436	—	—	—	—	2,576	—	3,012
Trading portfolio assets	17,928	—	—	—	—	—	—	17,928
Financial assets at fair value through the income statement	12,979	1,439	155	1,241	1,766	27	341	17,948
Derivative financial instruments	31,547	—	—	—	—	—	—	31,547
Financial assets at fair value through other comprehensive income	—	—	—	—	1	286	954	1,241
Assets included in disposal groups classified as held for sale	—	—	—	—	—	—	—	—
Other financial assets	110	—	—	—	—	—	—	110
Total financial assets	104,717	6,089	1,676	1,843	4,770	8,715	3,791	131,601
Other assets								809
Total assets								132,410
Liabilities								
Deposits at amortised cost from banks and customers	22,895	3,823	2,985	1,966	37	277	161	32,144
Cash collateral and settlement balances	17,049	3,253	—	—	—	—	—	20,302
Repurchase agreements and other similar secured borrowing at amortised cost	1,600	527	—	—	—	—	—	2,127
Debt securities in issue	—	285	436	1,055	700	—	—	2,476
Subordinated liabilities	—	—	—	—	1,878	1,548	1,502	4,928
Trading portfolio liabilities	14,534	—	—	—	—	—	—	14,534
Financial liabilities designated at fair value	12,199	1,630	100	1,669	3,342	1,438	1,430	21,808
Derivative financial instruments	25,375	—	49	—	74	51	—	25,549
Liabilities included in disposal groups classified as held for sale	—	—	—	—	—	—	—	—
Other financial liabilities	396	—	2	7	32	37	90	564
Total financial liabilities	94,048	9,518	3,572	4,697	6,063	3,351	3,183	124,432
Other liabilities								460
Total liabilities								124,892

Risk review

Treasury and Capital risk performance

Contractual maturity of financial assets and liabilities (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 2024								
Assets								
Cash and balances at central banks	27,537	—	—	—	—	—	—	27,537
Cash collateral and settlement balances	10,876	2,782	—	—	—	—	—	13,658
Debt securities at amortised cost	—	—	—	—	1,366	2,855	1,776	5,997
Loans and advances at amortised cost to banks and customers	1,901	329	361	1,021	2,091	1,099	580	7,382
Reverse repurchase agreements and other similar secured lending	2,095	—	—	—	1,751	2,942	—	6,788
Trading portfolio assets	17,139	—	—	—	—	—	—	17,139
Financial assets at fair value through the income statement	15,521	843	236	1,016	2,505	38	416	20,575
Derivative financial instruments	32,806	—	—	—	—	3	—	32,809
Financial assets at Fair value through other comprehensive income	—	—	—	—	—	135	859	994
Assets included in disposal groups classified as held for sale ¹	—	4,471	—	—	—	—	—	4,471
Other financial assets	143	—	—	—	—	—	—	143
Total financial assets	108,018	8,425	597	2,037	7,713	7,072	3,631	137,493
Other assets								619
Total assets								138,112
Liabilities								
Deposits at amortised cost from banks and customers	21,022	3,696	2,935	1,694	98	106	314	29,865
Cash collateral and settlement balances	17,076	3,979	—	—	—	—	—	21,055
Repurchase agreements and other similar secured borrowing	361	528	—	—	—	—	—	889
Debt securities in issue	—	—	591	1,081	1,500	—	—	3,172
Subordinated liabilities	—	—	—	—	1,403	1,930	1,497	4,830
Trading portfolio liabilities	18,597	—	—	—	—	—	—	18,597
Financial liabilities designated at fair value	10,813	1,661	573	1,422	3,455	1,718	1,496	21,138
Derivative financial instruments	25,752	—	—	—	22	18	—	25,792
Liabilities included in disposal groups classified as held for sale ¹	—	4,490	—	—	—	—	—	4,490
Other financial liabilities	395	—	3	6	24	17	28	473
Total financial liabilities	94,016	14,354	4,102	4,203	6,502	3,789	3,335	130,301
Other liabilities								417
Total liabilities								130,718

Note

¹ The contractual maturity of 'assets included in disposal groups classified as held for sale' and 'liabilities included in disposal groups classified as held for sale' are disclosed based on the sale date of CBE portfolio.

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 Bank's trading strategies;
- corporate and retail deposits, which are included within deposits at amortised cost, are repayable on demand or at short notice on a contractual basis. In practice, these instruments form a stable base for Bank'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; and
- debt securities in issue, subordinated liabilities, and financial liabilities designated at fair value, may include early redemption features.

Risk review

Treasury and Capital risk performance

Contractual maturity of financial liabilities on an undiscounted basis

The table overleaf presents the cash flows payable by the Bank 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 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 (HFT) 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 €m	Over one month but not more than three months €m	Over three months but not more than six months €m	Over six months but not more than one year €m	Over one year but not more than three years €m	Over three years but not more than five years €m	Over five years €m	Total €m
As at 31 December 2025								
Deposits at amortised cost from banks and customers	22,911	3,831	3,002	1,990	37	333	210	32,314
Cash collateral and settlement balances	17,055	3,270	—	—	—	—	—	20,325
Repurchase agreements and other similar secured borrowing	1,601	528	—	—	—	—	—	2,129
Debt securities in issue	—	286	439	1,069	713	—	—	2,507
Subordinated liabilities	—	—	—	—	2,038	1,756	1,903	5,697
Trading portfolio liabilities	14,534	—	—	—	—	—	—	14,534
Financial liabilities designated at fair value	12,208	1,638	101	1,700	3,749	1,618	2,559	23,573
Derivative financial instruments	25,375	—	49	—	81	58	—	25,563
Liabilities included in disposal groups classified as held for sale	—	—	—	—	—	—	—	—
Other financial liabilities	396	1	4	11	48	41	103	604
Total financial liabilities	94,080	9,554	3,595	4,770	6,666	3,806	4,775	127,246
As at 31 December 2024								
Deposits at amortised cost from banks and customers	21,041	3,706	2,951	1,712	102	117	361	29,990
Cash collateral and settlement balances	17,077	4,006	—	—	—	—	—	21,083
Repurchase agreements and other similar secured borrowing	361	531	—	—	—	—	—	892
Debt securities in issue	—	—	596	1,095	1,561	—	—	3,252
Subordinated liabilities	—	—	—	—	1,520	2,290	1,963	5,773
Trading portfolio liabilities	18,597	—	—	—	—	—	—	18,597
Financial liabilities designated at fair value	10,814	1,672	580	1,452	3,634	2,325	2,492	22,969
Derivative financial instruments	25,753	—	—	—	22	22	—	25,797
Liabilities included in disposal groups classified as held for sale ¹	—	4,490	—	—	—	—	—	4,490
Other financial liabilities	396	2	3	8	29	19	31	488
Total financial liabilities	94,039	14,407	4,130	4,267	6,868	4,773	4,847	133,331

Note

1 The contractual maturity of 'liabilities included in disposal groups classified as held for sale' are disclosed based on the sale date of CBE portfolio.

Risk review

Treasury and Capital risk performance

Maturity analysis of off-balance sheet commitments given (audited)

	Not more than one month €m	Over one month but not more than three months €m	Over three months but not more than six months €m	Over six months but not more than one year €m	Over one year but not more than three years €m	Over three years but not more than five years €m	Over five years €m	Total €m
As at 31 December 2025								
Guarantees and letters of credit	2,320	—	—	—	—	—	—	2,320
Other credit related instruments	2,829	—	—	—	—	—	—	2,829
Documentary credits	70	—	—	—	—	—	—	70
Commitments	28,394	—	—	—	—	—	—	28,394
Total off-balance sheet	33,613	—	—	—	—	—	—	33,613
As at 31 December 2024								
Guarantees and letters of credit	2,939	—	—	—	—	—	—	2,939
Other credit related instruments	2,674	—	—	—	—	—	—	2,674
Documentary credits	101	—	—	—	—	—	—	101
Commitments ¹	34,466	—	—	—	—	—	—	34,466
Total off-balance sheet	40,180	—	—	—	—	—	—	40,180

Note

- 1 Included within the 2024 balance are exposures relating to financial assets classified as 'disposal group assets held for sale' which were subsequently disposed of during Q1 2025.

Risk review

Treasury and Capital risk performance

Capital Risk

Overview

The disclosures below provide key capital metrics for the Bank. Current reporting period metrics have been presented according to CRR3 guidelines, comparative period disclosures have been presented as per CRR2 requirements.

As at 31 December 2025, the Bank's CET1 ratio was 16.7%, which was above its externally imposed minimum regulatory requirement of 10.4%.

The CET1 regulatory capital was net of a €12m deduction taken in respect of ECB asset quality review actions, which is expected to be released upon satisfactory implementation of ECB asset quality review findings.

Capital ratios ^{1,2,3}		
As at 31 December	2025	2024
CET1	16.7%	15.8%
Tier 1 (T1)	19.6%	18.5%
Total regulatory capital	21.4%	21.3%

Capital resources ¹		
As at 31 December	2025	2024
	€m	€m
CET1 capital	6,147	6,146
T1 capital	7,217	7,216
Total regulatory capital	7,885	8,328
Total risk weighted assets (RWAs)^{1,3}	36,887	39,036

Capital Requirements Regulation (CRR) leverage ratio ^{1,2}		
As at 31 December	2025	2024
	€m	€m
CRR leverage ratio	5.8%	5.4%
T1 capital	7,217	7,216
CRR leverage exposure³	124,637	133,258

Notes

- 2024 comparatives for Capital, RWAs and leverage were calculated applying the IFRS 9 transitional arrangements in accordance with EU CRR. Effective from 1 January 2025, the IFRS 9 transitional arrangements no longer applied.
- The classification of CBE as held for sale on Balance sheet for FY2024 has no impact on the capital ratios of the Bank.
- 2024 comparatives have been re-presented following a review of the internal methodology for RWA calculation and leverage exposure.

Foreign exchange risk (audited)

Transactional foreign currency exposures represent exposure on banking assets and liabilities, denominated in currencies other than the functional currency of the transacting entity.

Bank risk management policies prevent the holding of significant open positions in foreign currencies outside the Bank's trading portfolio, which is monitored through VaR. (See Market risk review on page 115).

Other banking book transactional FX risk is monitored on a daily basis by the market risk function and minimised by the businesses.

Risk review

Operational risk performance

All disclosures in this section are unaudited unless otherwise stated.

Overview

Operational risks are inherent in BBI'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 BBI's approved risk appetite.

The Operational Risk principal risk comprises the following Risk 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 several Connected Risks: Resilience, Third Party Service Provider and Model Connected Risk. These Connected Risks represent material threats to BBI, 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 144 to 145 of the Barclays PLC Pillar 3 Report 2025. To provide complete coverage of the potential adverse impacts on BBI 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 BBI's operational risk profile, including events above BBI's reportable threshold, which have had a financial impact in 2025. BBI'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.

Summary of performance in the period

During 2025 total operational risk losses decreased to €1.51m (2024: €2.37m) and the number of recorded events for 2025 decreased to 22 (2024: 31). The total operational risk losses for the year were mainly driven by events falling within the Execution, Delivery and Process Management category, which tend to be high volume but low impact events.

Key metrics

68%

of the Bank's net reportable operational risk events had a loss of €60,200 (£50,000²) or less

91%

of events by number are due to Execution, Delivery and Process Management

97%

of losses are from events aligned to Execution, Delivery and Process Management

Notes

1 The data disclosed includes operational risk losses for reportable events having impact of > €11,423 (£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 have been updated.

2 Losses are recorded in GBP and converted for reporting here in EUR at an FX rate 1.1423.

Operational risk profile

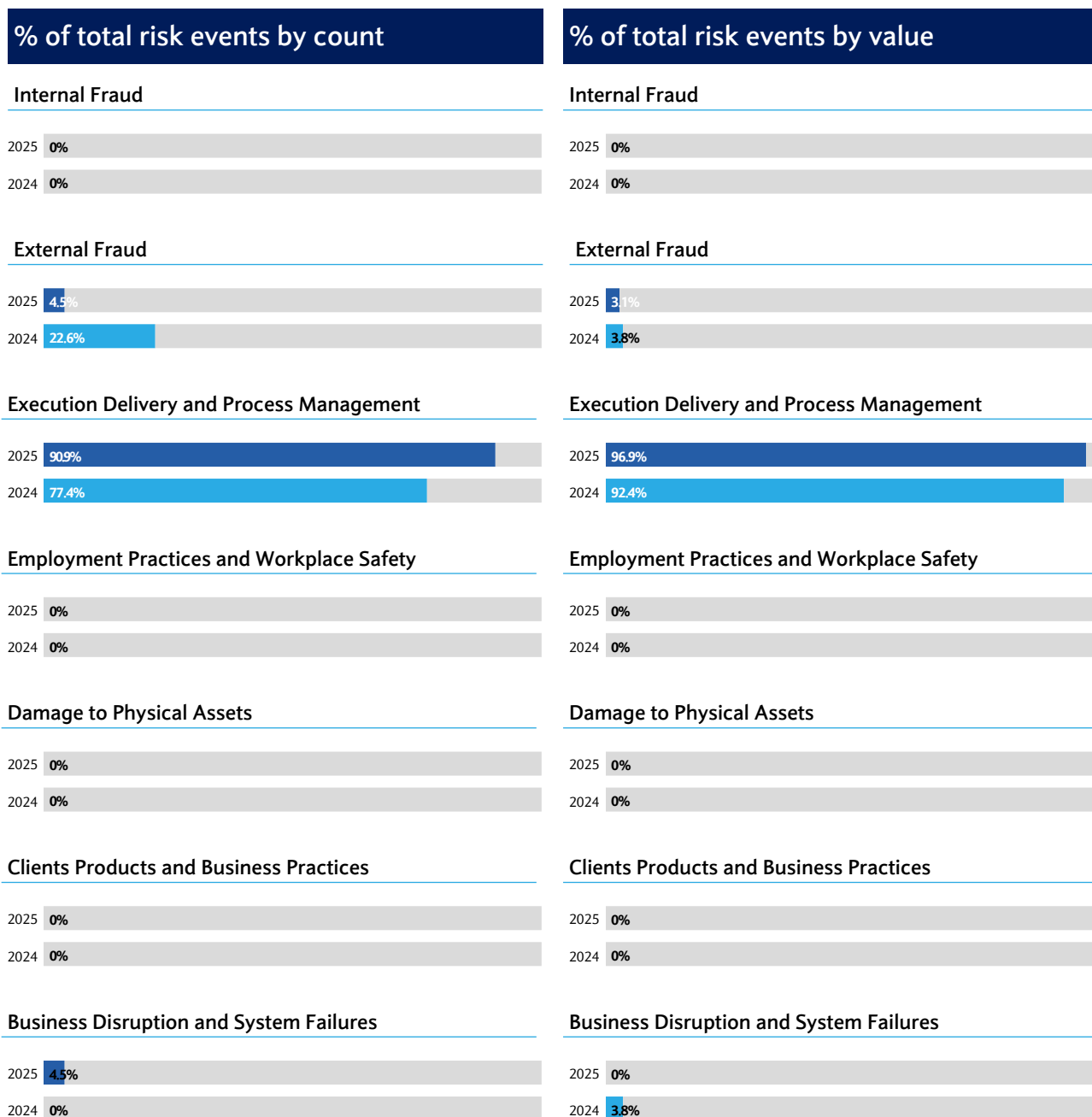
Within operational risk, a high proportion of risk events have a low financial cost whilst a very small proportion of operational risk events will have a higher loss impact on the financial results of the Bank. During 2025, 68% (2024: 61%) of the Bank's reportable operational risk events by volume had a value of less than €57,115 (£50,000b), although this type of event accounted for only 25% (2024: 19%) of the Bank's total net operational risk losses.

Risk review

Operational risk performance

The analysis below presents the Bank's operational risk events by Basel event category:

Operational risk events by Basel event category^{1,2}



Notes

1 The data disclosed includes operational risk losses for reportable events having impact equal to or higher than the minimal reportable threshold of €11,423 (£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 have been updated

2 Losses are recorded in GBP and converted for reporting here in EUR at a foreign exchange rate of 1.1423.

- Execution, Delivery and Process Management impacts for 2025 amounted to €1.47m (2024: €2.19m) and accounted for 97% (2024: 92%) of the overall operational risk losses. The volume of these events decreased to 20 (2024: 24) accounting for 91% of total events (2024: 77%). The events in this category are typical of the banking industry where high volumes of transactions are processed daily.

Fraud remains an industry-wide threat with criminals using varied techniques to target customers and colleagues (i.e., Third Party Fraud), or the Bank directly (i.e., First Party Fraud). In the UK and Europe, Authorised Push Payment (APP) Scams

Risk review

Operational risk performance

particularly continue to be a growing fraud type where customers are deceived to transfer funds from their account to a bad actor. BBI continues to work closely with external partners on various fraud prevention initiatives and 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 BBI businesses (i.e., Internal Fraud or Unauthorised Trading Fraud), and BBI maintains a robust control environment to limit exposure. Following the sale of the Consumer Bank Europe business in January 2025, BBI is expecting to see a decline in its exposure to External Fraud risk events. Historically, a large proportion of External Fraud risk events experienced by BBI were incurred by its retail card business based in Germany which is no longer part of the Bank.

Operational resilience has remained a key area of focus for BBI 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. BBI 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 BBI. 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 Bank worked closely with the affected suppliers to manage potential impacts to BBI and its clients and customers. BBI's cybersecurity events were managed within its risk tolerances, and there were no material loss events associated with cybersecurity recorded within the event categories above.

Barclays Bank businesses are highly dependent on their ability to process and monitor a very large number of transactions daily, many of which are highly complex and occur at high volumes and frequencies, across numerous and diverse markets in many currencies. Given the Bank'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 Bank continues to focus on automation and simplification programs to improve the overall control environment and manage the risk of processing errors as well as ensuring scalability of operations.

BBI Operational Risk organisation and role

BBI Operational Risk function oversees BBI operational risk profile in line with the mandate of the Group Head of Operational Risk and Risk Oversight (ORRO). BBI Operational Risk team is embedded in the BBI Risk function with reporting lines into BBI Head of ORRO and, ultimately, BBI Chief Risk Officer.

Operational Risk representatives participate regularly in senior entity fora such as, but not limited to, BBI Risk Committee (Barclays Europe Risk Committee) and BBI Controls Committee (Barclays Europe Controls Committee) where the operational risk profile is reviewed and escalated, as required, to BBI PLC Board Risk Committee and BBI PLC's Board.

BBI PLC Board reviews and approves the Operational Risk Appetite Statement annually, establishing the level of operational risk that is acceptable in pursuit of the Bank's strategic objectives. Operational risks are assessed and monitored independently by BBI Operational Risk team against the Board-approved appetite statement, with Risk Reduction Plans established for risks above the acceptable level and monitored to their mitigation within appetite.

For further information, refer to the Operational risk management section.

Risk review

Risk performance

Model Risk, Compliance Risk, Reputation Risk and Legal Risk

Model Risk

Barclays and the Bank are committed to continuously improving MRM and have 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 model use, 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

BBI is committed to continuing to instil a culture aligned to our values, driving the appropriate leadership and colleague behaviours throughout all levels of the organisation. The Bank 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.

BBI 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 Bank's Board Risk Committee. The Committee reviewed the risks raised and whether management's proposed actions were appropriate to mitigate the risks effectively.

The control environment and compliance risk profile, informed by the Compliance Risk Dashboards, are presented to the Bank's Board Risk Committee 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 BBI 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. BBI remains focused on the continuous improvements being made to manage risk effectively with an emphasis on enhancing governance and management information to identify risk at earlier stages.

Reputation Risk

BBI is committed to identifying reputation risks and issues as early as possible and managing them appropriately. Throughout 2025, reputation risks and issues were overseen by the BBI Executive Committee. The top live and emerging reputation risks and issues within the Bank are included in a quarterly report which is prepared for the Bank's ExCo and reviewed by the BBI Board.

The Board also received regular updates with regard to key reputation risks and issues, BBI's association with sensitive sectors; access to banking; lending practices and the resilience of key Barclays systems and processes.

Risk review

Risk performance

Legal Risk

The Bank 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 established supporting Legal risk policies, standards and mandatory training, reinforced by ongoing engagement with and education of the Bank's businesses and functions by Legal Function colleagues. Legal risk tolerances and Legal risk appetite have also been reviewed.

Legal risk tolerances and Legal risk appetite have also been reviewed in 2025. 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 Legal risk standards and are subject to ongoing monitoring. The CRMF referred to above (and described in more detail on page 137) also mitigate Legal risk.

Financial Crime Risk

BBI is committed to driving a strong financial crime risk management culture across all levels of the organisation. Effective 1st 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 Executive and Board level Committees.

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 BBI Board and relevant committees received updates on BBI'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.

To further embed financial crime as a principal risk, the Bank 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".

Supervision of the Bank

The Bank is a subsidiary of BB PLC and a part of the Barclays Group. The Barclays 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 financial services business in each of the jurisdictions in which the Barclays 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, conduct of business regulations and many others.

The Bank is headquartered in Dublin, Ireland, and conducts business primarily across the EEA. Although regulatory developments globally impact the Barclays Group, it is EU regulatory developments which impact the Bank directly as it is licensed within the EU.

Supervision in the EU

The Bank is licensed as a credit institution by the CBI and is designated as a 'Significant Institution' falling under direct supervision of the ECB for CRD/CRR purposes, with supervision being carried out by a joint supervisory team (JST) comprising staff from the ECB and the CBI. The Bank's EU branches are supervised by the ECB and are also subject to direct supervision for local conduct purposes by the Host (national) supervisory authorities in the jurisdictions where they are established.

The CBI introduced a Fitness and Probity Regime (F&P Regime) under the Central Bank Reform Act, 2010, to which the Bank is subject. The aim of the F&P Regime is to ensure that individuals engaged in certain designated functions, taking up positions on the Board, or that have significant influence, are persons of integrity who possess the requisite knowledge and competence to perform their roles. The Bank is required to ensure that personnel who are designated as controlled function holders comply with the F&P Regime. The CBI's Senior Executive Accountability Regime (SEAR) came into effect on 1 July 2024 for the Bank and Pre-Approval Controlled functions (PCFs) within the Bank, (save in respect of non-executive directors, who were brought into scope from 1 July 2025). Under SEAR, the Bank and PCFs within the Bank must clearly frame where responsibility and decision-making rests within the Bank.

The Bank is subject to supervision by the CBI for the purposes of EU financial regulation that has a Home State competence, including the Markets in Financial Instruments Directive (MIFID), Market Abuse Regulation (MAR), the European Markets Infrastructure Regulation (EMIR), the Payments Services Directive (PSD2) (as implemented in Ireland) and the EU Funds Transfer Regulation (FTR). In addition, it also faces Host State supervision where appropriate in relation to its activities in EEA Member States.

The Bank has also been designated as an 'Other Systemically Important Institution' (O-SII) since 2 December 2019 as it has been identified by the CBI, in its role as national macro prudential authority, as being systemically important to the domestic Irish economy or the European economy. As a result, the Bank is required by the CBI to hold an O-SII capital buffer.

The ECB's and CBI's continuing supervision of the Bank is conducted using a variety of supervisory and regulatory tools, including the collection of information by way of prudential returns or cross-bank reviews, regular supervisory visits to firms and regular meetings with management and directors to discuss issues such as strategy, governance, financial resilience, operational resilience, risk management and recovery.

The Barclays Group provides the majority of its cross-border banking and investment services to EEA clients via the Bank. Additionally, BB PLC and Barclays Capital Securities Limited (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. BB PLC also has a Paris branch (to facilitate access to Target2 and any replacement systems thereof), which is regulated by the Autorité de contrôle prudentiel et de résolution (ACPR). The CRD VI Directive 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. As a result of CRD VI, BB PLC and BCSL may be limited in their ability to provide certain core banking services into the EU from January 2027.

A particular focus will be the impending requirement for non-EU banks to establish a branch in a Member State if they want to carry on certain key activities in the EU, most notably lending. While that requirement will not apply until January 2027, non-EU banks will continue to consider their structuring options in detail throughout 2026.

On 21 January 2026, the Bank announced that it had commenced the implementation of its planned re-domiciliation from Ireland to France, 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, the Bank (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, AMF and the ECB. The re-

Risk review

Supervision and regulation

domiciliation is subject to certain conditions, including the approval of those regulators. It is expected to be completed in H1 2027.

Financial regulatory framework

a) Prudential regulation

Certain Basel III standards were implemented in EU law through the CRR II and CRD IV as amended by CRR III, CRD V and CRD VI.

O-SIIs, such as the Bank, are subject to a number of additional prudential requirements, including the requirement to hold additional capital buffers above the level required by Basel III standards. The level of the O-SII buffer is set by the CBI according to a bank's systemic importance and can range from 1% to 3.0% of RWAs. The O-SII buffer must be met with CET1 capital. The O-SII buffer rate for the Bank is currently set to 1% and was last revised on 1 January 2022.

The Bank is also subject to a 'combined buffer requirement' consisting of (i) a capital conservation buffer, and (ii) a countercyclical capital buffer (CCyB). The CCyB is based on rates determined by the regulatory authorities in each jurisdiction in which the Bank maintains exposures. These rates may vary in either direction.

Firms are required to hold additional capital to cover risks which the SSM assesses are not fully captured by the Pillar 1 capital requirement. The SSM sets this additional capital requirement (Pillar 2R) at least annually. Pillar 2R for the Bank is 2.94% of RWAs.

The SSM may also determine a Pillar 2 Guidance (Pillar 2G) on firms to cover risks over a forward-looking planning horizon, including with regard to stresses. If the Pillar 2G buffer is determined for a specific firm, it applies separately to the combined buffer requirement, and it is expected that it would be met fully with CET1 capital.

Final Basel Committee on Banking Supervision (BCBS) standards on counterparty credit risk, leverage, large exposures and the Net Stable Funding Ratio (NSFR) have been implemented under EU law via the Risk Reduction Measures package, which was published in the Official Journal in June 2019 and included CRR II, CRD V and the amendments to the Bank Recovery and Resolution Directive (BRRD) 2014/59/EU. Some aspects of CRR II were implemented through the 'CRR quick fix' as part of the EU's response to the Covid-19 pandemic; these included the introduction of an infrastructure support factor and a more extensive adding back of IFRS 9 expected loss provisions to CET1 capital. The remaining changes introduced by CRR II, including SA-CCR (Standardised Approach for Counterparty Credit Risk), were implemented on 28 June 2021.

The BCBS's finalisation of 'Basel III – post-crisis regulatory reforms' in December 2017, among other things, eliminated model-based approaches for certain categories of RWAs, revised the SA-CCR's risk weights for a variety of exposure categories, replaced the four current approaches for operational risk (including the advanced measurement approach) with a single standardised measurement approach and established 72.5% of standardised approach RWAs for exposure categories as a floor for RWAs calculated under advanced approaches (referred to as the 'output floor'). On 27 October 2021, the European Commission published the Banking Package 2021, including a proposal for the CRR III Regulation (CRR III) through which the final Basel III reforms (Basel 3.1) were effected. In December 2023, the final elements of the European Commission banking package were agreed, endorsed by the European Council and European Parliament. The majority of the Basel 3.1 changes applied from 1 January 2025, although the output floor will be applied with a five-year phase-in period. CRR III also introduced a number of amendments to Market Risk to align the calculation of own funds requirements in line with the revised Fundamental Review of Trading Book (FRTB), however the application of these measures has 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.

Stress testing

The Bank is subject to supervisory stress testing exercises, designed to assess the resilience of banks to adverse economic or financial assumptions 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, stress testing capability including model risk management (MRM) and internal management processes and controls.

b) Recovery and Resolution

Stabilisation and resolution framework

The BRRD established a framework for the recovery and resolution of EU credit institutions and investment firms. The European Union (Bank Recovery and Resolution) Regulations 2015 (S.I. No 289 of 2015) came into effect on 15 July 2015 (with the exception of the bail-in tool which came into effect on 1 January 2016) and transposed the BRRD into Irish law. Amendments to the BRRD by Directive (EU) 2019/879 (BRRD II) were made via the finalisation of the EU Risk Reduction

Risk review

Supervision and regulation

Measures. BRRD II was transposed into national law in Ireland by way of the European Union (Bank Recovery and Resolution) (Amendment) Regulations 2020 (S.I. No. 713 of 2020) and came into operation on 28 December 2020.

In accordance with the requirements of Title II, Chapter I of the BRRD, and Commission Delegated Regulation (EU) No 2016/1075, the Bank is required by the CBI and the ECB to submit a standalone BRRD compliant recovery plan on an annual basis.

The BRRD laid the foundation for one of the pillars of Banking Union, namely the Single Resolution Mechanism Regulation (Regulation (EU) No 806/2014) (SRMR). The SRMR established the single resolution mechanism, which is comprised of the Single Resolution Board (SRB) and the National Resolution Authorities of participating countries (for the Bank, this is the CBI). The purpose of the SRMR is to ensure an orderly resolution of failing banks with minimal costs for taxpayers and to the real economy. The Bank's Treasury conducts regular operational tests of the effectiveness of its funding sources and access to available external liquidity facilities (including Monetary Policy Operations).

The Bank, as a Significant Institution under the SRMR, is subject to the powers of the SRB as the Eurozone resolution authority for Significant Institutions. Under the provisions of the BRRD and SRMR, the SRB is required to determine the optimal resolution strategy for the Bank and, also, to prepare a resolution plan for the Bank. The SRB undertakes this work within the context of the Bank of England's (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 the Bank 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. The Bank meets the SRB's requirements for resolution as set out in the SRB's 'Expectations for Banks'.

TLAC and MREL

The Bank is subject to both total loss absorption capacity (TLAC) and minimum requirement for own funds and eligible liabilities (MREL) requirements. In each case, this will include both RWA based and leverage exposure based requirements.

The Bank became subject to TLAC requirements under CRR from 1 January 2021 when the Bank became a material EU subsidiary of a non-EU Global systemically important bank (G-SiB) following the end of the UK's withdrawal from the EU (Brexit) transitional period. As a subsidiary bank, the Bank's TLAC requirements are subject to a scalar and are set at 90% of the G-SiBs' TLAC requirements.

In addition, the Bank became subject to MREL requirements set by the SRB from 1 January 2022. This was initially introduced, in 2022, and is now fully phased in. This MREL requirement is set in line with the SRB's MREL policy. The SRB MREL policy does not apply a scalar to a subsidiary's MREL requirement.

Single Resolution Fund

In accordance with the SRMR, the SRB calculates the ex-ante contributions to the Single Resolution Fund (SRF) on an annual basis. The SRB performs the calculation on the basis of the Council Implementing Regulation (EU) 2015/81 and Commission Delegated Regulation (EU) 2015/63. The Bank is subject to the requirement to contribute to the SRF, as required.

Deposit Guarantee Scheme (DGS)

The EU Directive on Deposit Insurance (Directive 2014/49/EU) was transposed into Irish law through the European Union (Deposit Guarantee Schemes) Regulations 2015 which came into effect on 20 November 2015. The CBI as the 'designated authority' is required to calculate risk-based deposit insurance contributions in accordance with the EBA's guidelines "on methods for calculating contributions to deposit guarantee schemes (DGS)". The DGS is administered by the CBI and is funded by the credit institutions covered by the scheme. The Bank is covered by this scheme and contributes to the funding of this scheme in accordance with the CBI's requirements.

Investor Compensation Scheme (ICS)

The Investor Compensation Directive (97/9/EC) sets out the basis for clients of investment firms (including banks that carry out investment services, such as the Bank) to receive statutory compensation when an authorised investment firm fails. In Ireland, the Investor Compensation Act 1998 (ICA) provides for the establishment of the Investor Compensation Company DAC which administers the ICS. The Bank contributes to the funding of the ICS in accordance with the ICA. The deposit-taking business of the Bank is not covered by the ICS.

c) Market infrastructure regulation

In recent years, regulators, as well as global-standard setting bodies such as the International Organisation 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.

Supervision and regulation

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 MiFID and the Markets in Financial Instruments Regulation (collectively referred to as 'MiFID II'), which will affect how the Barclays 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 Savings and Investment Union (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 European Securities and Markets Authority (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.

Regulation of the derivatives market

The European Market Infrastructure Regulation (EMIR) imposes requirements in the EU which are designed to improve transparency and reduce the risks associated with the derivatives market. EMIR has operational and financial impacts on the Barclays Group, including by imposing collateral requirements and a requirement to centrally clear certain OTC derivatives contracts transacted with a broad range of market participants. Access to the clearing services of certain Central Counterparties (CCPs) used by Barclays 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. In the EU, access to the clearing services of certain non-EU CCPs used by Barclays 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. In addition, under EMIR 3 the obligation for in-scope counterparties to report information on clearing activity in third country CCPs became applicable in December 2025. As the associated RTS and ITS setting out the details of the reporting obligations are not in force, ESMA has clarified that reporting can be delayed until July 2026 (in the case of the active account requirement) and until the relevant Level 2 texts are adopted (in the case of the CCP reporting obligation).

United States of America (US) regulators have imposed similar rules as in the EU with respect to the mandatory on-venue trading and clearing of certain derivatives, and post-trade transparency, as well as in relation to the margining of OTC derivatives. In December 2017, the Commodity Futures Trading Commission (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.

Certain participants in US swap markets are required to register with the CFTC as 'swap dealers' or 'major swap participants' and/or with the Securities and Exchange Commission (SEC) as 'security-based swap dealers' or 'major security-based swap participants'. Such registrants are subject to CFTC and/or SEC regulation and oversight. The Bank is registered with the CFTC as a swap dealer and is subject to CFTC oversight. The Bank is not registered with the SEC as a security-based swap dealer.

Accordingly, the Bank is subject to CFTC rules on business conduct, record-keeping and reporting. However, since the Bank is a non-US swap dealer, it is only subject to certain of the CFTC's requirements in respect of swap transactions. Whether and the extent to which such CFTC requirements apply to any particular swap transaction may depend on whether the counterparty to such swap transaction is a US person or guaranteed by or affiliated with a US person. Additionally, the Bank has elected to comply with certain EU/UK requirements in lieu of CFTC requirements through 'substituted compliance' pursuant to relevant determinations and related relief issued by the CFTC.

The Bank is subject to Federal Reserve Board (FRB) rules with respect to 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.

Supervision and regulation

Regulation on securities financing transactions

To the extent that the Bank transacts applicable securities financing transactions (including but not limited to securities lending and repurchase agreements (repos)), it is subject to the reporting and other obligations of Regulation (EU) 2015/2365, the Securities Financing Transactions Regulation (SFTR).

d) Other regulation

Data protection

Most jurisdictions where the Barclays 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 regulatory 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.

Following the 'Schrems II' judgement by the EU Court of Justice in July 2020, the Bank, like all data controllers, is required to assess all data transfers to third countries outside of the EEA to determine whether personal data in that country will receive an equivalent level of protection to that of the GDPR. If not, the data controller must implement appropriate additional safeguards, based on the guidelines published by the European Data Protection Board, to achieve an equivalent level of protection of personal data as under the GDPR. In 2022, the Bank put in place a new Data Transfer Impact Assessment procedure, implementing relevant additional safeguards, including execution of updated, 2021 EU Standard Contractual Clauses to be used where required in connection with transfers from EEA member states to other jurisdictions.

Entities based in EEA member states are generally permitted to transfer personal data to (i) other EEA Member States, and (ii) jurisdictions outside of the EEA which have been issued with an adequacy decision by the European Commission. The EU's General Data Protection Regulation (GDPR) provides rights and obligations intended to protect personal data. The extraterritorial effect of the GDPR means that entities established outside of the EEA may be subject to the GDPR when offering goods or services to EEA-based customers or monitoring the behaviour of EEA individuals.

It is possible for transfers of personal data from EEA-based Barclays Group entities to third party entities based in the United States (US) to proceed without the need for additional compliance steps where the US entity receiving the data is a certified participant in the EU-US Data Privacy Framework (DPF). Nevertheless, the Barclays Group takes a cautious approach towards the DPF and where possible ensures that an alternative transfer mechanism is also in place (e.g. as detailed above, use of Standard Contractual Clauses and the Bank's Data Transfer Impact Assessment procedure).

The UK continues to apply the GDPR as transcribed into UK law. In 2025, the European Commission renewed its adequacy decision for the UK for a further six years (until 2031) and the UK government maintains an equivalent adequacy decision in place for the EU. Together, such adequacy decisions allow personal data transfers between the UK and EU to continue without further compliance steps.

Data Act

The EU's Data Act (Data Act) entered into force in January 2024, with most provisions applying from 12 September 2025. The Data Act is sector-neutral and aims to incentivise and standardise data sharing across the EU by granting users of connected products (i.e., 'Internet of Things' products) and related services enhanced data access and portability rights. The Data Act also introduces rules intended to facilitate switching between cloud service providers in both B2B and B2C contexts, although the relevance of these provisions will depend on the specific circumstances and use cases of individual organisations, including financial institutions.

Cybersecurity

Regulators in the EU continue to focus on cybersecurity risk management, organisational operational resilience and overall soundness across all financial services firms, with customer and market expectations of continuous access to financial services at an all-time high. This is evidenced by an increased cadence of proposed new and amended laws and regulatory frameworks published by the European Commission, including the EU Cyber Resilience Act and EU Cyber Security Act.

Prominently, the European Union's Digital Operational Resilience Act (DORA) entered into force in January 2023 and has applied from 17 January 2025. This EU regulation introduced comprehensive and sector specific regulation on Information Communication Technologies (ICT) risk management, ICT incident management and reporting, information sharing, digital operational resilience testing and provides for oversight by the European Supervisory Authorities of critical third-party providers servicing the EU financial services sector. In addition, DORA imposed new requirements relating to the management of ICT third party service providers (TPSPs), including the requirement to include certain provisions in the contracts between TPSPs and financial institutions (with more burdensome provisions required in the contracts with TPSPs supporting critical or important functions of the financial institution). Financial institutions must also maintain a register of information that records details of all contractual agreements with ICT TPSPs. The CBI's Cross Industry Guidance on Operational Resilience (updated in 2025) also sets out applicable regulatory requirements relating to operational resilience. However, the common industry view is that compliance with DORA will generally facilitate material compliance with this guidance.

Risk review

Supervision and regulation

Regulatory requirements concerning outsourcing (and relevant to cybersecurity) are set out in the European Bank Authority Guidelines on Outsourcing Arrangements (EBA Guidelines) and the CBI's Cross-Industry Guidance on Outsourcing (CBI Guidelines). The EBA Guidelines and CBI Guidelines are particularly focused on critical or important outsourcings and require financial institutions to implement governance structures to effectively oversee and monitor their outsourced service providers. They also require that certain provisions be included in the contract between a critical outsourced service provider and a financial institution. A register of outsourcing arrangements must also be maintained by the financial institution and there is a requirement to notify the CBI of any proposed new critical or important outsourcing arrangements (or material changes to an existing critical or important outsourcing arrangement).

Additionally, the EU has adopted a new Directive on measures for a high common level of cybersecurity for essential or important sectors (NIS 2 Directive) across the EU. Member States were required to adopt the NIS 2 Directive cybersecurity rules by 18 October 2024. However some Member States have not yet transposed the NIS 2 Directive into local law. By 17 April 2025, EU Member States were required to identify and list the specific entities that fall within the scope of NIS2. Guidelines published by the European Commission in September 2023 have clarified, however, that DORA is to be considered a sector specific Union legal act for financial entities, including Barclays, that are covered by the NIS 2 Directive. Consequently, where there is an overlap between DORA and NIS 2 (for example, incident reporting), the relevant provisions of DORA shall take precedence and will apply instead of those provided for within the NIS 2 Directive.

The existing and anticipated requirements in the EU for increased controls will serve to improve industry standardisation and resilience capabilities, enhancing the Bank's ability to deliver services during periods of potential disruption. Such measures are, however, resulting in increased technology and compliance costs for the Bank.

Artificial Intelligence

The EU's Artificial Intelligence Act (EU AI Act), which entered into force on 1 August 2024, is designed to ensure the safe and ethical deployment of AI. The EU AI Act sets out requirements for businesses on the use of AI systems, including in relating to data quality, risk management, governance, reporting, transparency and accountability. It requires organisations to ensure suitable levels of AI literacy with their workforce and categorises AI systems based on their level of risk. The EU AI Act has a phased approach to compliance, with the first set of requirements prohibiting certain uses of AI applying from 2 February 2025. It also establishes a rigorous compliance regime for high-risk AI systems (for which certain provisions apply from 2 August 2026 and others from 2 August 2027). The extraterritorial effect of the EU AI Act means entities established outside the EU may fall within 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.

Regulatory initiatives on sustainability-related disclosures

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

Risk review

Supervision and regulation

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.

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 a new requirement for certain financial institutions, including the Bank, to develop a prudential transition plan and new supervisory powers for competent authorities specifically relating to sustainability risk, 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.

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.

Financial crime

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 anti-money laundering. Although the Sixth Anti-Money Laundering Directive is not specifically targeted at financial institutions (its obligations are imposed at EU Member State-level), its transposition across the EU has been monitored for any potential impacts on the Bank (Note: Ireland opted out of transposing the Sixth Anti-Money Laundering Directive under a separate EU protocol).

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. 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.

Sanctions

The main driver for the implementation of recent sanctions packages is the Russian invasion of Ukraine, which occurred on 24 February 2022. The recent sanctions packages that have been introduced by the EU supplement previous measures (albeit not as extensive) which were imposed on Russia from 2014 onwards as a result of Russia's annexation of Crimea.

The sanctions include targeted restrictive measures (individual sanctions), economic sanctions (including trade-related restrictions as well as activity-based sanctions) and visa measures. In October 2025, the EU imposed its nineteenth (19th) sanctions package against Russia, continuing to tighten restrictive measures and introduce new measures targeting, for example, third-country banks and crypto providers.

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 the Bank. US government authorities have aggressively enforced these laws, and expanded authorities threatening the imposition of sanctions, against financial institutions in recent years.

Financial statements

Contents

Table of Contents

	Page	Note
Financial statements		
▪ Independent Auditor's Report	208	n/a
▪ Consolidated and Company income statement	218	n/a
▪ Consolidated and Company statement of comprehensive income	219	n/a
▪ Consolidated and Company balance sheet	220	n/a
▪ Consolidated and Company statement of changes in equity	221	n/a
▪ Consolidated and Company cash flow statement	222	n/a
Notes to the financial statements		
Accounting policies	223	1
Financial performance and return		
▪ Segmental reporting	227	2
▪ Net interest income	229	3
▪ Net fee and commission income	230	4
▪ Net trading income	232	5
▪ Net investment expense	232	6
▪ Infrastructure, administration and general expenses	233	7
▪ Credit impairment (charges)/release	234	8
▪ Tax	239	9
▪ Dividends on ordinary shares	241	10
Assets and liabilities held at fair value		
▪ Trading portfolio	242	11
▪ Financial assets at fair value through the income statement	242	12
▪ Derivative financial instruments	243	13
▪ Financial assets at fair value through other comprehensive income	249	14
▪ Financial liabilities designated at fair value	249	15
▪ Fair value of financial instruments	250	16
▪ Offsetting financial assets and financial liabilities	261	17
Asset and liabilities held at amortised Cost		
▪ Property, plant and equipment	262	18
▪ Leases	263	19
▪ Intangible assets	264	20
▪ Cash collateral and settlement balances	265	21
Accruals, provisions, contingent liabilities and legal proceedings		
▪ Other liabilities	266	22
▪ Provisions	266	23
▪ Contingent liabilities and commitments	267	24
▪ Legal, competition and regulatory matters	267	25
Capital instruments, equity and reserves		
▪ Subordinated liabilities	269	26
▪ Ordinary shares, share premium and other equity	270	27
▪ Reserves	271	28
Other disclosure matters		
▪ Staff costs	273	29
▪ Share-based payments	275	30
▪ Pensions and post-retirement benefits	277	31
▪ Structured entities	280	32
▪ Analysis of change in financing during the year	284	33
▪ Assets pledged, collateral received and assets transferred	285	34
▪ Principal subsidiaries	286	35
▪ Investment in associate	287	36
▪ Securitisations	287	37
▪ Related party transactions and Directors' remuneration	288	38
▪ Auditors' remuneration	290	39
▪ Assets included in disposal groups classified as held for sale and associated liabilities	291	40
▪ Post balance sheet events	293	41
▪ Approval of financial statements	293	42

Independent Auditor's report to the member of Barclays Bank Ireland PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Barclays Bank Ireland PLC (the Company) and its consolidated undertakings (the Group) for the year ended 31 December 2025 set out on pages 218 to 293, contained within the reporting package bbi-2025-12-31-0-en.xbri, which comprise the Consolidated and Company Income Statement, Consolidated and Company Statement of Comprehensive Income, Consolidated and Company Balance Sheet, Consolidated and Company Statement of Changes in Equity, Consolidated and Company Cash Flow Statement and related notes, including the material accounting policies set out in note 1.4 and as described in each of the underlying disclosure notes. Certain disclosures are incorporated in the financial statements by cross-reference and are identified as audited.

The financial reporting framework that has been applied in their preparation is Irish Law, including the Commission Delegated Regulation 2019/815 regarding the single electronic reporting format (ESEF) and International Financial Reporting Standards (IFRS) as adopted by the European Union and, as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2014.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Group and Company as at 31 December 2025 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union, as applied in accordance with the provisions of the Companies Act 2014; and
- the Group and Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities section of our report. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were appointed as auditor by the Directors on 24 April 2017. The period of total uninterrupted engagement is the nine years ended 31 December 2025. We have fulfilled our ethical responsibilities under, and we remained independent of the Group in accordance with, ethical requirements applicable in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) as applied to public interest entities. No non-audit services prohibited by that standard were provided.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group's and Company's ability to continue to adopt the going concern basis of accounting included:

- We used our knowledge of the Group and 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 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 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.
- We also 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 and Company's financial forecasts.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Independent Auditor's report to the member of Barclays Bank Ireland PLC

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the Directors. In addition, our risk assessment procedures included:

- inquiring of Board Audit Committee and senior management as to the Group and Company's policies and procedures regarding compliance with laws and regulations, identifying, evaluating and accounting for litigation and claims, as well as whether they have knowledge of non-compliance or instances of litigation or claims;
- inquiring of Board Audit Committee, internal audit and senior management and inspecting of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud;
- inquiring of Board Audit Committee, and internal audit regarding their assessment of the risk that the financial statements may be materially misstated due to irregularities, including fraud;
- inspecting the Group's significant regulatory correspondence;
- reading Board, Board Audit Committee and other Board committees meeting minutes; and
- performing planning analytical procedures to identify any unusual or unexpected relationships.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team. This included communication from the Group to component audit teams of relevant laws and regulations and any fraud risks identified at the Group level and a request to component audit teams to report to the Group audit team any instances of fraud that could give rise to a material misstatement at the Group level.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation and taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

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 or litigation or the loss of the Group's licence to operate. We identified the following areas as those most likely to have such an effect: regulatory capital and liquidity, other banking laws and regulations, customer conduct rules, money laundering, sanctions list and financial crime, market abuse regulations and certain aspects of company 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 non-direct laws and regulations to inquiry of the Board Audit Committee and senior management and inspection of regulatory and legal correspondence, if any. These limited procedures, did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition. We identified fraud risks in relation to the Group's valuation of financial instruments held at fair value (specifically unobservable pricing inputs into Level 3 fair value instruments) and existence and accuracy of unconfirmed over the counter (OTC) bi-lateral derivatives.

Further detail in respect of valuation of financial instruments held at fair value (unobservable pricing inputs into Level 3 fair value instruments) is set out in the key audit matter disclosures in this report.

In response to the fraud risks, we also performed procedures including:

- identifying journal entries and other adjustments to test for all components based on risk criteria and comparing the identified entries to supporting documentation;
- evaluating the business purpose of significant unusual transactions;
- assessing significant accounting estimates for bias; and
- assessing the disclosures in the financial statements.

As the Company is regulated, our assessment of risks involved obtaining an understanding of the legal and regulatory framework that the Company operates and gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

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 (irregularities) 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 remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are

Independent Auditor's report to the member of Barclays Bank Ireland PLC

not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Key audit matters: our assessment of risks of material misstatement

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. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows:

Impairment allowances on loans and advances at amortised cost, including off-balance sheet elements €109m (2024: €384m) Refer to note 8 Credit Impairment (charges) / release and Risk review pages 144 to 185 Credit Risk Performance.

The key audit matter	How the matter was addressed in our audit
<p>The estimation of expected credit losses (ECLs) 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 ECLs are:</p> <ul style="list-style-type: none"> • Model estimations; and • Appropriateness of economic scenarios. <p>Model estimations Inherently judgemental modelling and assumptions are used to estimate ECL which involves determining Probabilities of Default (PD), Loss Given Default (LGD), and Exposures at Default (EAD) or an appropriate proxy. ECLs may be inappropriate 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.</p> <p>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.</p> <p>For the reasons outlined above the engagement team determine this matter to be a key audit matter.</p>	<p>Our audit procedures included:</p> <p>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 within the Group's financial statements. As part of these risk assessment procedures, we identified which portfolios are 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.</p> <p>Controls testing: We performed end to end process walkthroughs to identify the key systems, applications and controls used in the ECL processes. We assessed the design and tested the implementation and operating effectiveness of the relevant manual, general IT and application controls over key systems used in the ECL process.</p> <p>Key aspects of our controls testing involved evaluating the design and implementation and testing the operating effectiveness of the key controls over the:</p> <ul style="list-style-type: none"> • completeness and accuracy of the key inputs into the IFRS 9 impairment models; • application of the staging criteria; • model validation, implementation and monitoring; • selection and implementation of economic variables and the controls over the economic scenario selection and probabilities; and • credit reviews that determined customer risk ratings for a population of wholesale customers, including the individually assessed impairments. <p>Our testing of financial risk models: We involved our own financial risk modelling specialists who assisted in the following:</p> <ul style="list-style-type: none"> • evaluating the Group's IFRS 9 impairment methodologies; • assessing the appropriateness of certain assumptions by inspecting management's documented methodology for how the assumption is 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 for a selection of models which were changed or updated during the year as to whether the changes (including the updated model code) were appropriate by assessing the updated model methodology against the applicable accounting standard; • assessing and reperforming for a selection of models, the reasonableness of the model predictions by comparing them against actual results and evaluating the resulting differences; and • evaluating the model output by comparing management's outputs with those of our independent implementation of the models, alongside a review of the code to assess the appropriateness of management's implementation of the model code.

Independent Auditor's report to the member of Barclays Bank Ireland PLC

The key audit matter	How the matter was addressed in our audit
	<p>Economic scenarios: We involved our own economic specialists to assist us in:</p> <ul style="list-style-type: none"> • assessing the reasonableness of the Group's methodology and models for determining the economic scenarios used and the probability weightings applied to them; • reperforming the calculation of the probability weightings applied to economic scenarios and deriving an independent estimate of the scenario weightings using EU GDP variable; • assessing key economic variables which included comparing key economic variables to external sources; and • assessing the overall reasonableness of the economic forecasts by comparing the Group's forecasts to market consensus, where available, or to our own modelled forecasts. <p>Tests of detail: Key other aspects of our substantive testing in addition to those set out above involved:</p> <ul style="list-style-type: none"> • sample testing over key inputs into ECL calculations to supporting documentation and market data, where available; and • selecting a sample of credit reviews in order to assess the reasonableness of customer risk ratings by challenging key judgements and considering disconfirming contradictory evidence. <p>Our results: We found the significant judgements used by management in determining the ECL charge, provision recognised and use of economic scenarios to be reasonable.</p>

Valuation of financial instruments held at fair value – unobservable and complex pricing inputs into Level 3 Fair Value instruments and pricing complexity associated with harder-to-value Level 2 Fair Value instruments.

Level 2 instruments*: €55,660m assets; €50,484m liabilities (2024: €69,450m assets; €62,980m liabilities)

Level 3 instruments: €829m assets; €515m liabilities (2024: €736m assets; €233m liabilities)

* The key audit matter identified relates to one derivative portfolio within this balance, and certain XVA adjustments made to derivative valuations, both of which we considered to be harder to value.

Refer to note 16 Fair value of financial instruments.

Independent Auditor's report to the member of Barclays Bank Ireland PLC

The key audit matter	How the matter was addressed in our audit
<p>Subjective valuation</p> <p>The fair value of the Group's financial instruments is determined through the application of valuation techniques which can involve the exercise of significant judgement by management in relation to the choice of the valuation models, pricing inputs and post-model pricing adjustments, including fair value adjustments (FVAs) and credit and collateral funding adjustments (together referred to as XVAs).</p> <p>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.</p> <p>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.</p> <p>We have identified two areas of such complexity:</p> <ul style="list-style-type: none"> • a specific derivatives portfolio with modelling complexity associated with the product; and • certain XVA adjustments made to uncollateralised and partially collateralised derivative valuations. <p>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 16) disclose the sensitivity in Level 3 portfolio estimated by the Group.</p> <p>For the Level 3 portfolios, the disclosures are key to explaining the valuation techniques, key judgements, assumptions and material inputs.</p> <p>For the reasons outlined above the engagement team determine this matter to be a key audit matter.</p>	<p>Our procedures included:</p> <p>Risk assessment: We performed granular and detailed risk assessment procedures throughout the audit period over the entirety of the balances (i.e. all of the fair value financial instruments held by the Group) within the Group's financial statements. As part of these risk assessment procedures, we identified which portfolios and the associated valuation inputs have 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.</p> <p>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.</p> <p>We performed end to end process walkthroughs to identify the key systems, applications and controls used in the valuations processes. We evaluated the design and implementation and tested the operating effectiveness of key controls used in the valuations processes relating specifically to these portfolios.</p> <p>Key aspects of our controls testing involved evaluating the design and implementation and testing the operating effectiveness of the key controls over:</p> <ul style="list-style-type: none"> • independent price verification (IPV), performed by a control function, of key market pricing inputs, including completeness of positions and valuation inputs subject to IPV, as well as controls over unobservable inputs which are not subject to price verification; • FVAs, including exit adjustments (to mark the portfolio to bid or offer prices), model shortcoming reserves to address model limitations and XVAs; • the validation, completeness, implementation and usage of significant valuation models. This included controls over assessment of model limitations and assumptions; and • the assessment of the observability of a product and their unobservable inputs. <p>Independent re-performance: With the assistance of our own valuation specialists we:</p> <ul style="list-style-type: none"> • independently re-priced a selection of trades; and • challenged the appropriateness of significant models and methodologies used in calculating fair values, risk exposures and in calculating FVAs, including comparison to industry practice. <p>Seeking contradictory evidence: For a selection of collateral disputes identified through management's control we challenged management's valuation where significant fair value differences were observable with the market participant on the other side of the trade.</p> <p>We also utilised collateral dispute data to identify fair value financial instruments with significant fair value differences against market counter parties and selected these to independently reprice.</p> <p>Inspection of movements: We inspected trading revenue arising on Level 3 positions to assess whether material gains or losses generated were in line with the accounting standards.</p> <p>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</p>

Independent Auditor's report to the member of Barclays Bank Ireland PLC

	<p>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.</p> <p>Our results: We found the subjective assumptions made in respect of the fair value of Level 3 financial instruments and the modelling techniques associated with harder-to value Level 2 financial instruments to be reasonable.</p>
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User access management has a potential impact throughout the financial statements

The key audit matter	How the matter was addressed in our audit
<p>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.</p> <p>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 management controls.</p> <p>For the reasons outlined above the engagement team determined this matter to be a key audit matter.</p>	<p>Our procedures included:</p> <p>Control testing: We evaluated the design and implementation and tested the operating effectiveness of automated controls that support significant account balances in the financial statements. We also evaluated the design and implementation and tested the operating effectiveness of the relevant preventative and detective general IT controls over user access management including:</p> <ul style="list-style-type: none"> • 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. <p>We re-evaluated the risk associated with these controls based on previously identified control deficiencies and increased sampling where relevant.</p> <p>We 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.</p> <p>Our audit procedures identified deficiencies in certain IT access controls for systems relevant to financial reporting, similar to those identified in the prior years.</p> <p>Management continues to remediate the identified 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.</p> <p>We 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.</p> <p>Our results: Our testing did not identify unauthorised user access activities relevant to financial reporting which would have required us to significantly expand the extent of our planned detailed testing.</p>

Independent Auditor's report to the member of Barclays Bank Ireland PLC

Our application of materiality and an overview of the scope of our audit

Materiality

Materiality for the Group financial statements and Company financial statements as a whole was set at €40m (2024: €35m), determined with reference to benchmark of net assets for the Group (of which it represents 0.5% (2024: 0.5%).

Materiality for the current year was determined in the aforementioned manner consistently with the prior year due to the continued volatility of the profit before tax of the Group whilst the balance sheet of the Group has been growing. We consider net assets to be the most appropriate benchmark as it provides a more stable measure year on year than profit before tax and is the metric we consider to most influence the decisions of users of the financial statements.

In applying our judgement in determining the percentages to be applied to the benchmarks, the following qualitative factors, which had the most significant impact to our assessment of materiality were the ownership structure of the Group and Company, debt arrangements and our understanding of the Group and Company and its environment.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. In applying our judgement in determining performance materiality, we considered a number of factors including the number and value of misstatements detected and the number and severity of deficiencies in control activities identified in the prior year financial statements audit.

Performance materiality for the Group financial statements as a whole was set at €26m (2024: €22.75m), determined with reference to materiality (of which it represents 65% (2024: 65%)).

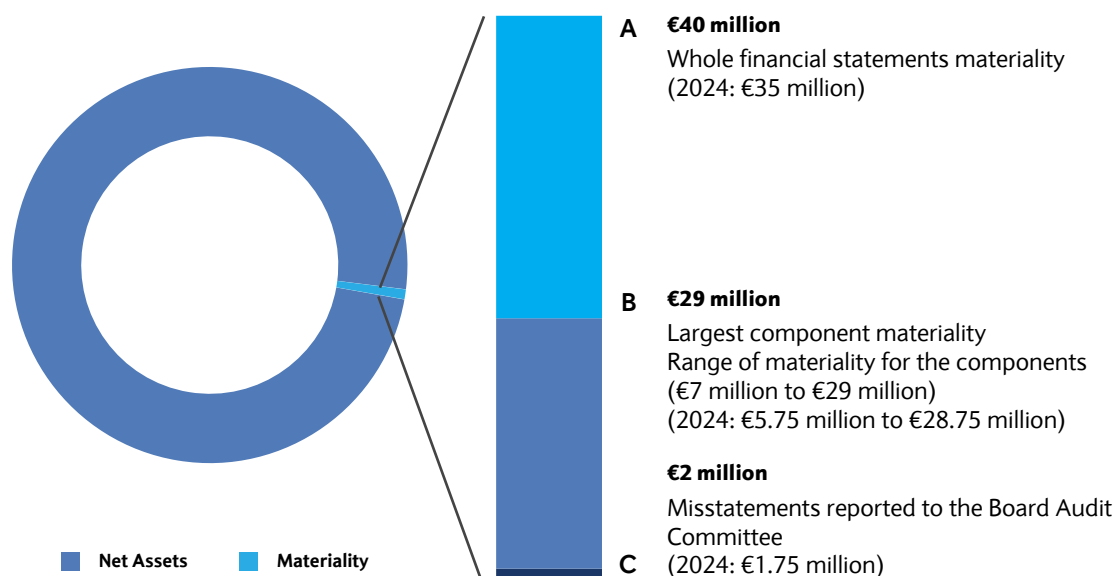
We reported to the Board Audit Committee any corrected or uncorrected identified misstatements exceeding €2m (2024: €1.75m), in addition to other identified misstatements that warranted reporting on qualitative grounds.

The same level of materiality, performance materiality and reporting threshold were applied to the Company financial statements.

Independent Auditor's report to the member of Barclays Bank Ireland PLC

Net assets

€7,518m (2024: €7,394m)



Scope - general

The Group operates in various locations across Europe. In planning the audit we used materiality to determine the scope of work of the components. Three (2024: three) quantitatively significant components and five (2024: six) components requiring special audit considerations were subject to audit procedures performed by component auditors. We audited all significant accounts within each of these components.

For two (2024: two) of the five components components requiring special audit considerations, we have identified specific account balances across these components and performed further audit procedures. For each of these components, we performed audit procedures over targeted accounts, determined with reference to the size and nature of the balance as well as the extent of remaining financial information not tested.

Our audit procedures covered 93% of Group Revenue (2024: 99%). We performed audit procedures in relation to components that accounted for 99% of Group total assets (2024: 91%).

Team structure

We applied materiality to assist us determine what risks were significant risks and the group audit team instructed component auditors as to the significant areas to be covered by them, including the relevant risks detailed above and the information to be reported back. The Group audit team approved component materiality, ranging from €7m to €29m (2024: €5.75m to €28.75m) having regard to the mix of size and risk profiles of the components.

During the year, a virtual communication and oversight strategy was implemented between the group audit team and component auditors. This included a virtual planning meeting led by the group audit team to discuss key audit risks and obtain input from component auditors and other participating locations. Regular video-conference meetings were held with all component auditors throughout the duration of the audit, including attending closing meetings with management of the components and inspection of risk assessment documentation and key working papers. We used Group materiality to assist us in determining the extent of the review to understand and challenge the audit approach and findings of each component auditor. In addition, the findings reported to us were discussed in detail, and further work required by the Group audit team was then performed by the component auditors as necessary.

The Group has centralised certain Barclays Group-wide processes primarily in the UK and India. The outputs of which are included in the financial information of the reporting components they service and therefore are not considered separate reporting components. These Group-wide processes are subject to specified audit procedures, predominantly the testing of general IT and IT automated controls, IFRS 9 expected credit loss modelling (UK), IFRS 13 fair value measurement (UK) and transaction processing, reconciliations and review controls (India). We held regular virtual meetings and calls with the centralised service auditors in the UK and India. We executed the same level of interaction and oversight with KPMG teams where these group-wide processes reside and performed consistent procedures as described above for components.

Independent Auditor's report to the member of Barclays Bank Ireland PLC

Other information

The Directors are responsible for the preparation of the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the Directors' report, Strategic report, Sustainability statement, Risk review (other than those sections identified as 'audited', which form part of the Group and Company financial statements) and Country by Country Reporting.

The financial statements and our auditor's report thereon do not comprise part of the other information. 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.

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. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that, in those parts of the Directors' report specified for our consideration, which does not include the information required by the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017:

- we have not identified material misstatements in the Directors' report;
- in our opinion, the information given in the Directors' report is consistent with the financial statements; and
- in our opinion, those parts of the Directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

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 as part of our engagement to audit the consolidated financial statements. We have performed an assurance engagement on the Sustainability Statement that forms part of the other information and provided a separate assurance practitioner's conclusion thereon that is included within the other information.

Corporate governance statement

As required by the Companies Act 2014, we report, in relation to information given in the Corporate Governance Statement on page 15 that :

- based on the work undertaken for our audit, in our opinion, the description of the main features of internal control and risk management systems in relation to the financial reporting process is consistent with the financial statements and has been prepared in accordance with the Act; and
- based on our knowledge and understanding of the Company and its environment obtained in the course of our audit, we have not identified any material misstatements in that information.

We also report that, based on work undertaken for our audit, the information required by the Act is contained in the Corporate Governance Statement.

The Company is not subject to the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006 and therefore not required to include information relating to voting rights and other matters required by those Regulations and specified by the Companies Act for our consideration in the Corporate Governance Statement.

Our opinions on other matters prescribed the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider necessary for the purposes of our audit. In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

We have nothing to report on other matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion:

- the disclosures of Directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made; and
- the Company has not provided the information required by section 5(2) to (7) of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 for the year ended 31 December 2024 as required by the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) (amendment) Regulations 2018.

We have nothing to report in this regard.

Independent Auditor's report to the member of Barclays Bank Ireland PLC

Respective responsibilities and restrictions on use

Responsibilities of Directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on pages 20 to 21, 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's or 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on IAASA's website at <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/>.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's member, as a body, in accordance with Section 391 of the Companies Act 2014. 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.



James Black
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
IFSC
Dublin
D01 F6F5
5 March 2026

Consolidated financial statements

Consolidated and Company income statement

For the year ended 31 December	Notes	2025 €m	2024 €m
Continuing operations			
Interest income	3	1,753	2,612
Interest expense	3	(1,421)	(2,337)
Net interest income		332	275
Fee and commission income	4	1,174	1,128
Fee and commission expense	4	(80)	(57)
Net fee and commission income		1,094	1,071
Net trading income	5	131	126
Net investment expense	6	(64)	(26)
Other income		—	1
Total income		1,493	1,447
Staff costs	29	(421)	(425)
Infrastructure costs	7	(52)	(39)
Administration and general expenses	7	(550)	(550)
Operating expenses		(1,023)	(1,014)
Share of post-tax results of associates		50	38
Profit before impairment		520	471
Credit impairment charges	8	(7)	(18)
Profit before tax		513	453
Taxation	9	(112)	(85)
Profit after tax from continuing operations		401	368
Profit/(loss) after tax from discontinued operations¹	40	12	(226)
Profit after tax		413	142
Attributable to:			
Ordinary shareholders in respect of continuing operations		332	289
Ordinary shareholders in respect of discontinued operations		12	(226)
Other equity instrument holders		69	79
Profit after tax		413	142

Note

¹ The results of discontinued operations, comprising the post-tax profit, is shown as a single amount on the face of the income statement. An analysis of this amount is presented in Note 40 to the consolidated financial statements.

Consolidated financial statements

Consolidated and Company statement of comprehensive income

	2025	2024
	€m	€m
For the year ended 31 December		
Profit after tax	413	142
Profit after tax from continuing operations	401	368
Profit/(loss) after tax from discontinued operations	12	(226)
Other comprehensive Income/(loss) that may be recycled to profit or loss from continuing operations		
Currency translation reserve		
Currency translation differences	(43)	13
Fair value through other comprehensive income reserve movements relating to debt securities		
Net gains from changes in fair value	11	9
Net (gains) transferred to net profit on disposal	(1)	(1)
Net gains/(losses) due to fair value hedging	6	(17)
Taxation	(2)	1
Cash flow hedging reserve		
Net (losses)/gains from changes in fair value	(57)	70
Net losses transferred to net profit	11	35
Tax	6	(13)
Other comprehensive (loss)/income that may be recycled to profit or loss from continuing operations	(69)	97
Other comprehensive income/(loss) not recycled to profit or loss from continuing operations		
Retirement benefit measures		
Retirement benefit remeasurements	7	4
Own credit reserve		
Own credit	(7)	(54)
Tax	—	6
Other comprehensive loss not recycled to profit or loss	—	(44)
Total comprehensive income for the year, net of tax from continuing operations	332	421
Total comprehensive income/(loss) for the year, net of tax from discontinued operations	12	(226)
Total comprehensive income for the year	344	195
Attributable to:		
Ordinary shareholders	275	116
Other equity instrument holders	69	79
Total comprehensive income for the year	344	195

Consolidated financial statements

Consolidated and Company balance sheet

As at 31 December	Notes	2025 €m	2024 €m
Assets			
Cash and balances at central banks		28,245	27,537
Cash collateral and settlement balances	21	15,529	13,658
Debt securities at amortised cost		8,645	5,997
Loans and advances at amortised cost to banks		1,343	1,078
Loans and advances at amortised cost to customers		6,053	6,304
Reverse repurchase agreements and other similar secured lending at amortised cost		3,012	6,788
Trading portfolio assets	11	17,928	17,139
Financial assets at fair value through the income statement	12	17,948	20,575
Derivative financial instruments	13	31,547	32,809
Financial assets at fair value through other comprehensive income	14	1,241	994
Investments in associates	36	329	178
Property, plant and equipment	18	202	107
Current tax assets		37	33
Deferred tax assets	9	104	148
Retirement benefit assets	31	12	7
Assets included in disposal groups classified as held for sale	40	—	4,471
Other assets		235	289
Total assets		132,410	138,112
Liabilities			
Deposits at amortised cost from banks		2,536	1,930
Deposits at amortised cost from customers		29,608	27,935
Cash collateral and settlement balances	21	20,302	21,055
Repurchase agreements and other similar secured borrowing at amortised cost		2,127	889
Debt securities in issue		2,476	3,172
Subordinated liabilities	26	4,928	4,830
Trading portfolio liabilities	11	14,534	18,597
Financial liabilities designated at fair value	15	21,808	21,138
Derivative financial instruments	13	25,549	25,792
Current tax liabilities		83	66
Retirement benefit obligations	31	4	5
Provisions	23	211	186
Liabilities included in disposal groups classified as held for sale	40	—	4,490
Other liabilities	22	726	633
Total liabilities		124,892	130,718
Equity			
Called up share capital and share premium	27	4,072	4,072
Other equity instruments	27	1,070	1,070
Other reserves	28	(294)	(277)
Retained earnings		2,670	2,529
Total equity		7,518	7,394
Total liabilities and equity		132,410	138,112

The Board of Directors approved the financial statements on pages 218 to 293 on 5 March 2026.



Tim Breedon CBE
Chair



Francesco Ceccato
Chief Executive Officer



Gian Marco Martino
Chief Financial Officer



Fiona Burden
Company Secretary

Consolidated financial statements

Consolidated and Company statement of changes in equity

	Called up share capital and share premium ¹	Other equity instruments ¹	Other reserves ²	Retained earnings ³	Total equity
	€m	€m	€m	€m	€m
Balance as at 1 January 2025	4,072	1,070	(277)	2,529	7,394
Profit after tax from continuing operations	—	69	—	332	401
Currency translation movements	—	—	(43)	—	(43)
Fair value through other comprehensive income reserve	—	—	14	—	14
Cash flow hedges	—	—	(40)	—	(40)
Retirement benefit remeasurement	—	—	—	7	7
Own credit reserve	—	—	(7)	—	(7)
Total comprehensive income/(loss) net of tax from continuing operations	—	69	(76)	339	332
Total comprehensive income net of tax from discontinued operations	—	—	—	12	12
Total comprehensive income for the year	—	69	(76)	351	344
Issue of new ordinary shares	—	—	—	—	—
Issue of other equity instruments	—	265	—	—	265
Redemption of other equity instruments	—	(265)	—	—	(265)
Dividends on ordinary shares	—	—	—	(150)	(150)
Other equity instruments coupons paid	—	(69)	—	—	(69)
Transfer of other reserves ³	—	—	58	(58)	—
Own credit realisation	—	—	1	(1)	—
Other reserve movements	—	—	—	(1)	(1)
Balance as at 31 December 2025	4,072	1,070	(294)	2,670	7,518
Balance as at 1 January 2024	4,022	805	(138)	2,275	6,964
Profit after tax from continuing operations	—	79	—	289	368
Currency translation movements	—	—	13	—	13
Fair value through other comprehensive income reserve	—	—	(8)	—	(8)
Cash flow hedges	—	—	92	—	92
Retirement benefit remeasurement	—	—	—	4	4
Own credit reserve	—	—	(48)	—	(48)
Total comprehensive income net of tax from continuing operations	—	79	49	293	421
Total comprehensive (loss) net of tax from discontinued operations	—	—	—	(226)	(226)
Total comprehensive income for the year	—	79	49	67	195
Issue of new ordinary shares	50	—	—	—	50
Issue of other equity instruments	—	565	—	—	565
Redemption of other equity instruments	—	(300)	—	—	(300)
Other equity instruments coupons paid	—	(79)	—	—	(79)
Transfer of other reserves ⁴	—	—	(190)	190	—
Other reserve movements	—	—	2	(3)	(1)
Balance as at 31 December 2024	4,072	1,070	(277)	2,529	7,394

Notes

1 For further details refer to Note 27.

2 For further details refer to Note 28.

3 €58m other reserve transfer to retained earnings as part of the sale of CBE (see Note 28).

4 €190m other reserve transfer to retained earnings as part of the sale of the Italian mortgage portfolio (see Note 28).

Consolidated financial statements

Consolidated and Company cash flow statement

For the year ended 31 December	Notes	2025 €m	2024 ¹ €m
Continuing operations			
Reconciliation of profit before tax to net cash flows from operating activities:			
Profit before tax from continuing operations		513	453
Adjustment for non-cash items:			
Credit impairment charges	8	7	18
Depreciation, amortisation and impairment of property, plant, equipment and intangibles		20	20
Other provisions, including pensions		67	77
Share of post-tax results of associates	36	(50)	(38)
Other adjustment including non-cash and exchange rate movements		109	(108)
Changes in operating assets and liabilities			
Net (increase)/decrease in cash collateral and settlement balances		(2,624)	2,186
Net decrease/(increase) in loans and advances at amortised cost		96	(183)
Net decrease/(increase) in reverse repurchase agreements and other similar secured lending		3,776	(4,724)
Net increase/(decrease) in deposits at amortised cost		2,279	(2,153)
Net (decrease)/increase in debt securities in issue		(696)	715
Net increase/(decrease) in repurchase agreements and other similar secured borrowing		1,238	(672)
Net decrease/(increase) in derivative financial instruments	13	1,019	(1,100)
Net (increase)/decrease in trading portfolio assets	11	(789)	6
Net (decrease)/increase in trading portfolio liabilities	11	(4,063)	2,365
Net increase/(decrease) in financial assets and liabilities at fair value through the income statement		3,297	(2,881)
Net decrease/(increase) in other assets		53	(32)
Net increase in other liabilities		(38)	17
Corporate income tax paid		(47)	(71)
Net cash from operating activities		4,167	(6,105)
Purchase of debt securities at amortised cost		(2,986)	(3,396)
Proceeds from redemption or sale of debt securities at amortised cost		122	38
Purchase of financial assets at fair value through other comprehensive income		(821)	(1,327)
Proceeds from sale or redemption of financial assets at fair value through other comprehensive income		542	342
Purchase of property, plant and equipment and investment in intangibles		(12)	(17)
Purchase of shares in associates		(192)	(229)
Dividends from associate	36	48	101
Net cash from investing activities		(3,299)	(4,488)
Dividends paid and other coupon payments on equity instruments		(219)	(79)
Issuance of subordinated liabilities	26	1,375	—
Redemption of subordinated liabilities	26	(1,276)	—
Issue of shares	27	—	50
Issuance of other equity instruments	27	265	565
Redemption of other equity instruments	27	(265)	(300)
Lease liability payments		(13)	(17)
Net cash from financing activities		(133)	219
Net cash from discontinued operations	40	90	4,134
Net increase/(decrease) in cash and cash equivalents		825	(6,240)
Cash and cash equivalents at beginning of year		27,840	34,080
Cash and cash equivalents at end of year		28,665	27,840
Cash and cash equivalents comprise:			
Cash and balances at central banks		28,245	27,537
Loans and advances to banks with original maturity less than three months		420	303
Cash and cash equivalents at end of year		28,665	27,840

Note

1 In the current year, the share of post-tax results of associates has been presented as a separate line item within the adjustment for non-cash items. Previously, the prior year amount of €(38)m was included within "Other adjustments including non-cash and exchange rate movements". Prior year comparatives have been re-presented accordingly.

Interest received by the Bank was €1,861m (2024: €3,083m) of which €37m relates to discontinued operations (2024: €530m) and interest paid by the Bank was €1,462m (2024: €2,486m) of which €8m relates to discontinued operations (2024: €131m). The Bank is required to maintain balances with central banks and other regulatory authorities. These amounted to €529m (2024: €568m) and are included within cash and cash equivalents.

Notes to the financial statements

Accounting policies

This section describes the Bank'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

The Bank is a public limited company, registered in Ireland under the company number 396330.

These financial statements are prepared for the Bank under the Companies Act 2014. The principal activities of the Bank are the provision of corporate and investment banking services to EU corporate entities and private banking services to EU clients.

2. Compliance with International Financial Reporting Standards

The consolidated and company financial statements of the Bank have been prepared in accordance with IFRS and interpretations (IFRICs) issued by the Interpretations Committee, as published by the International Accounting Standards Board (IASB) and endorsed by the EU. The principal accounting policies applied in the preparation of the 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 company financial statements have been prepared under the historical cost convention modified to include the fair valuation of particular financial instruments, to the extent required or permitted under IFRS as adopted by the EU, as set out in the relevant accounting policies. They are stated in millions of Euro (€m), the functional currency of the Bank. The Bank has not prepared separate parent company financial statements as the results and financial position of the Barclays Bank Ireland PLC consolidated group and the parent company, Barclays Bank Ireland PLC, are materially the same. There are no significant differences between the two to report, as the assets of the consolidated subsidiary entities were acquired from, and have not been derecognised by the parent, and the consolidated subsidiary entities' liabilities are to the parent in relation to the same assets.

The financial statements have been prepared on a going concern basis, in accordance with the Companies Act 2014 as applicable to companies using IFRS as adopted by the EU. The financial statements are prepared on a going concern basis, as the Board is satisfied that the Bank has the resources to continue in business for the foreseeable future.

In making this assessment, the Board has considered a wide range of information relating to present and future conditions. This involves an assessment of the future performance of the business to provide assurance that it has the resources in place that are required to meet its ongoing regulatory requirements. The assessment is based upon business plans which contain future forecasts of profitability taken from management's three year medium term plan as well as projections of future regulatory capital requirements and business funding needs. This also includes details of the impact of internally generated stress testing scenarios on the liquidity and capital requirement forecasts. The stress tests used were based upon management's assessment of reasonably possible economic scenarios that the Bank could experience.

This assessment showed that the Bank had sufficient capital in place to support its future business requirements and remained above its regulatory minimum requirements in the stress test scenarios. It also showed that the Bank has an expectation that it can continue to meet its funding requirements during the scenarios. The Board concluded that there was a reasonable expectation that the Bank has adequate resources to continue as a going concern for the foreseeable future. The Board have evaluated these risks in the preparation of the financial statements and consider it appropriate to prepare the financial statements on a going concern basis.

4. Accounting policies

The Bank prepares financial statements in accordance with IFRS as adopted by the EU. The Bank'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 them, 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 the Bank and its subsidiaries. Subsidiaries are entities over which the Bank has control. The Bank has control over another entity when the Bank 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.

Details of the principal subsidiaries are given in Note 35.

Notes to the financial statements

Accounting policies

(ii) Foreign currency translation

Transactions in foreign currencies are translated into Euro at the rate ruling on the date of the transaction. Foreign currency monetary balances are translated into Euro at the period end exchange rates. Exchange gains and losses on such balances are taken to the income statement.

The Bank's foreign operations (including subsidiaries, joint ventures, associates and branches) based mainly outside Ireland may have different functional currencies. The functional currency of an operation is the currency of the main economy to which it is exposed.

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 Bank 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 Bank 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 Bank 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 Bank's policies for determining the fair values of the assets and liabilities are set out in Note 16.

Derecognition

The Bank derecognises a financial asset, or a portion of a financial asset, from its balance sheet where (i) the contractual rights to cash flows from the asset have expired, or (ii) the contractual rights to the cash flows from the asset have been transferred (usually by sale) and with them either (a) substantially all the risks and rewards of the asset have been transferred, or (b) where neither substantially all the risks and rewards have been transferred nor 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 Bank'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 de-recognised when the liability has been settled, has expired or has been extinguished. An exchange of an existing financial liability for a new liability with the same lender on substantially different terms – generally a difference of 10% 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

Accounting policies

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 Bank 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 Bank obtains such loans or cash collateral, in exchange for the transfer of collateral.

The Bank 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 Bank 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 Bank 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 Bank 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 or mandatorily at fair value through profit and loss.

Accounting for cash collateral

Cash collateral provided is accounted for as a loan asset at amortised cost, unless it is designated at FVTPL.

Cash collateral received is accounted for as a financial liability at amortised cost, unless it is designated at FVTPL.

(iv) Issued debt and equity instruments

Issued financial instruments or their components are classified as liabilities if the contractual arrangement results in the Bank 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 are included in equity, net of transaction costs. Ordinary dividends to equity holders are recognised when paid or declared by the members at the annual general meeting (AGM) 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 and treasury and other eligible bills with original maturities of three months or less.

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

Accounting policies

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 an 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 Bank has commenced its IFRS 18 impact assessment. The Bank expects to have an IFRS 18 specified main business activity, allowing significant items from the Bank operations to be reported within the operating category.

The Bank is also assessing the impact on MPMs and the enhanced disaggregation requirements introduced by IFRS 18. In 2026, the Bank 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 Bank's 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 234
- Tax on page 239
- Fair value of financial instruments on page 250
- Provisions including conduct and legal, competition and regulatory matters on page 266

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 144 to 185
- Market risk on pages 186 to 187
- Treasury and capital risk on pages 188 to 194

These disclosures are covered by the Audit opinion (included on pages 208 to 217) where referenced as audited.

Notes to the financial statements

Financial performance and return

The notes included in this section focus on the results and performance of the Bank. Information on the income generated, expenditure incurred, segmental performance, tax and dividends are included here. For further detail on performance, see Strategic Report on pages 2 to 12.

2 Segmental reporting

Presentation of segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Bank's 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.

The Bank presents its segmental reporting through two business segments:

- Investment Bank (IB) which is comprised of the International Corporate Banking, Investment Banking and Global Markets businesses, providing products and services to corporates, financial institutions, governments, supranational organisations and money managers to manage their funding, financing, strategic and risk management needs; and
- Private Bank & Wealth Management (PBWM) includes the Private Banking business in Barclays Europe and offers investment solutions, banking and credit capabilities to meet the needs of our clients across the EEA.

The below table also includes the Head Office segment, which comprises central support functions, the Italian retail mortgage run off book (largely disposed of in May 2024), as well as the discontinued CBE business (sale completed in January 2025).

	Investment Bank	Private Bank & Wealth Management	Head Office	Of which: Assets included in disposal groups classified as held for sale, liabilities associated and discontinued operations ¹	Total
	€m	€m	€m	€m	€m
For the year ended 31 December 2025					
Net interest income/(expense)	356	35	(30)	29	361
Other net income/(expense)	1,178	20	(34)	3	1,164
Total net income	1,534	55	(64)	32	1,525
<i>Of which inter-segmental income/(expense)</i>	<i>455</i>	<i>116</i>	<i>(571)</i>		—
Operating costs	(921)	(37)	(84)	(19)	(1,042)
Share of post-tax results of associates	—	—	50	—	50
Profit/(loss) before impairment	613	18	(98)	13	533
Credit impairment releases/(charges)	(13)	—	—	(6)	(13)
Profit/(loss) from operating activities	600	18	(98)	7	520
Impairment release/(charge) on disposal groups	—	—	4	4	4
Loss on sale of discontinued operations	—	—	—	—	—
Profit/(loss) before tax	600	18	(94)	11	524
Taxation	—	—	—	—	(111)
Profit after tax					413
Total assets (€bn)	90	—	42	—	132
Total liabilities (€bn)	103	5	17	—	125
Number of employees (full time equivalent)					1,254

Notes to the financial statements

Financial performance and return

Analysis of results by business

	Investment Bank	Private Bank & Wealth Management	Head Office	Of which: Assets included in disposal groups classified as held for sale, liabilities associated and discontinued operations ¹	Total
	€m	€m	€m	€m	€m
For the year ended 31 December 2024					
Net interest income/(expense)	375	34	255	389	664
Other net income/(expense)	1,134	16	61	39	1,211
Total net income	1,509	50	316	428	1,875
<i>Of which inter-segmental income/(expense)</i>	<i>552</i>	<i>146</i>	<i>(698)</i>		—
Operating costs	(941)	(35)	(299)	(261)	(1,275)
Share of post-tax results of associates	—	—	38	—	38
Profit/(loss) before impairment	568	15	55	167	638
Credit impairment releases/(charges)	(12)	—	(106)	(100)	(118)
Profit/(loss) from operating activities	556	15	(51)	67	520
Impairment release/(charge) on disposal groups	—	—	(8)	(8)	(8)
Loss on sale of discontinued operations	—	—	(254)	(254)	(254)
Profit/(loss) before tax	556	15	(313)	(195)	258
Taxation					(116)
Profit after tax					142
Total assets (€bn)	93	—	45	5	138
Total liabilities (€bn)	102	5	24	5	131
Number of employees (full time equivalent)					1,814

¹ €11m (FY 2024: €(195)m) represents the profit/(loss) before tax from discontinued operations relating to the CBE portfolio which is included in the Head Office segment.

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 Bank. The HO segment primarily consists of the Treasury function whose income / costs are being allocated to other segment activities of the Bank.

Income by geographic region¹

Continuing operations	2025	2024
For the year ended 31 December	€m	€m
Ireland	617	576
France	317	365
Germany	303	304
Italy	88	12
Spain	77	93
Luxembourg	32	34
Netherlands	28	27
Sweden	18	18
Rest of Europe ²	13	18
Total income	1,493	1,447

Notes

- The geographical analysis is based on the location of the office where the transactions are recorded.
- Countries with total revenue over 1% are listed in the table above.

Notes to the financial statements

Financial performance and return

3 Net interest income

Accounting for interest income and expense

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 Bank 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 Bank incurred certain costs to originate credit card balances and personal loans. To the extent these costs are attributed to customers that continuously carry an outstanding balance (revolver) and incremental to the origination of credit card balances, they are capitalised and subsequently included within the calculation of the effective interest rate (EIR). They are amortised to interest income over the period of the expected repayment of the originated balance. There are no other individual estimates involved in the calculation of EIR that are material to the results or financial position.

Continuing operations	2025	2024
	€m	€m
Cash and balances at central banks	587	1,160
Debt securities at amortised cost	308	205
Loans and advances at amortised cost	264	252
Fair value through other comprehensive income	48	29
Cash collateral	362	720
Other ¹	184	246
Interest and similar income	1,753	2,612
Deposits at amortised cost	(722)	(1,177)
Debt securities in issue	(97)	(121)
Subordinated liabilities	(189)	(273)
Cash collateral	(390)	(729)
Other ²	(23)	(37)
Interest and similar expense	(1,421)	(2,337)
Net interest income	332	275

Notes

1 Includes interest income from reverse repurchase agreements and other similar secured lending at amortised cost.

2 Includes interest expense from repurchase agreements and other similar secured borrowing at amortised cost and lease expenses.

Notes to the financial statements

Financial performance and return

4 Net fee and commission income

Accounting for net fee and commission income under IFRS 15

The Bank recognises fee and commission income charged for services provided by the Bank 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 Bank 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 Bank 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	Investment Bank	Private Bank & Wealth Management	Head Office	Total
Continuing operations	€m	€m	€m	€m
Fee type				
Transactional	65	—	—	65
Advisory	55	10	—	65
Brokerage and execution	69	3	—	72
Underwriting and syndication	294	—	—	294
Service fees from affiliates	270	—	13	283
Other	23	1	11	35
Total revenue from contracts with customers	776	14	24	814
Other non-contract fee income	360	—	—	360
Fee and commission income	1,136	14	24	1,174
Fee and commission expense-non affiliates	(68)	(1)	(1)	(70)
Fee and commission expense-affiliates	(9)	(1)	—	(10)
Fee and commission expense	(77)	(2)	(1)	(80)
Net fee and commission income	1,059	12	23	1,094
2024	Investment Bank	Private Bank & Wealth Management	Head Office	Total
Continuing operations	€m	€m	€m	€m
Fee type				
Transactional	62	—	—	62
Advisory	92	10	—	102
Brokerage and execution	51	2	—	53
Underwriting and syndication	287	—	—	287
Service fees from affiliates	317	—	—	317
Other	18	1	14	33
Total revenue from contracts with customers	827	13	14	854
Other non-contract fee income	274	—	—	274
Fee and commission income	1,101	13	14	1,128
Fee and commission expense-non affiliates	(49)	(1)	—	(50)
Fee and commission expense-affiliates	(6)	(1)	—	(7)
Fee and commission expense	(55)	(2)	—	(57)
Net fee and commission income	1,046	11	14	1,071

Notes to the financial statements

Financial performance and return

Fee types

Transactional

Transactional fees are service charges on deposit accounts, cash management services fees and transactional processing fees. Transaction and processing fees are recognised at the point in time the transaction occurs or service is performed.

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 OTC markets and assisting clients in clearing transactions and facilitating FX 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.

Service fees from affiliates

Service fee from affiliates are compensation for services provided by the Bank to an affiliate entity. This includes sales credits and cost recharge revenues. Sales credits from affiliates are compensation for sales services provided to that affiliate. Cost recharge revenues relate to the recharge of infrastructure or business support costs incurred by the Bank in support of the activities of an affiliate. Service fees are in scope of IFRS 15 and are recognised as the performance obligation is satisfied which is generally aligned with when the Bank is entitled to the compensation, which may be on completion of an individual performance obligation or over time as the performance obligation is performed. Service fees include a fee arrangement governing the way in which the Bank is remunerated for enabling its Parent to benefit from the Bank's access to EEA counterparties.

The prices applied to the Bank's intra-group transactions are representative of the prices that would be paid in respect of transactions between independent parties (also known as "arm's-length pricing"). The arm's-length prices that the Bank applies are derived from established and widely accepted international standards such as the OECD Transfer Pricing Guidelines, which are applied on a globally consistent basis across all countries in which the Bank operates. The Bank seeks to comply with the BEPS Action 13 report (Transfer Pricing Documentation and Country by Country reporting) documentation requirements to support the arm's-length prices applied to the Bank's intra-group transactions including, for instance, the preparation of a master file and local files and undertaking external economic benchmarking studies of comparable transactions between third parties.

Other non-contract fee income

This category primarily includes income for services provided to customers by the Bank in collaboration with affiliated entities. Collaborative arrangements are outside the scope of IFRS 15 however are recognised following the revenue recognition pattern of the underlying activity in accordance with IFRS 15 principles.

Fee and commission expenses - affiliates

Fee and commission expense paid to affiliates include sales credits paid to affiliates for sales services provided to the Bank. These sales services are directly incremental to the Bank generating income.

Fee and commission expenses - non affiliates

Fee and commission expense paid to non affiliates include incremental costs that are directly attributable to generating fee and commission income.

Notes to the financial statements

Financial performance and return

Contract assets and contract liabilities

The Bank had no material contract assets or contract liabilities as at 31 December 2025 (2024: €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). 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 Bank 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 Bank 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 Bank had no material capitalised contract costs as at 31 December 2025 (2024: €nil).

5 Net trading income

Accounting for net trading income

Trading positions are held at fair value, and the resulting gains and losses are included in net trading income, together with interest and dividends arising from long and short positions and funding costs relating to trading activities. Incremental costs are reported within net trading income if they are directly attributable to generating identifiable trading income.

Income arises from both the sale and purchase of trading positions, margins which are achieved through market making and customer business and from changes in fair value caused by movements in interest and exchange rates, equity prices and other market variables.

Gains or losses on non-trading financial instruments designated or mandatorily at fair value, with changes in fair value recognised in the income statement, are included in net trading income 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.

Continuing operations	2025	2024
	€m	€m
Net gains from assets and liabilities held for trading	113	107
Net gains on financial instruments mandatorily at fair value	17	15
Net gains on financial instruments designated at fair value	1	4
Net trading income	131	126

6 Net investment expense

Accounting for net investment expense

Dividends are recognised when the right to receive the dividend has been established. Incremental costs are reported within net investment income if they are directly attributable to generating identifiable investment income. Other accounting policies relating to net investment income are set out in Note 12 and Note 14.

Continuing operations	2025	2024
	€m	€m
Net gains from disposal of financial assets at fair value through other comprehensive income	1	1
Net losses on other investments ¹	(41)	(44)
Net (losses)/gains from financial assets mandatorily at fair value	(24)	17
Net investment expense	(64)	(26)

Note

1 Primarily comprises of the premium paid on non-integral financial guarantees held.

Notes to the financial statements

Financial performance and return

7 Infrastructure, administration and general expenses

Continuing operations	2025	2024
	€m	€m
Infrastructure costs		
Property and equipment	32	19
Depreciation and amortisation	20	20
Total infrastructure costs	52	39
Administration and general expenses		
Consultancy, legal and professional fees	20	24
Bank levies	5	31
Service charges from affiliates ¹	445	407
Other administration and general expenses	80	88
Total administration and general expenses	550	550
Total infrastructure, administration and general expenses	602	589

Note

1 Primarily reflects the cost of services provided by Barclays Execution Services Limited, the Barclays Group-wide service company.

Notes to the financial statements

Financial performance and return

8 Credit Impairment (charges) / release

Accounting for the impairment of financial assets

Impairment

The Bank is required to recognise ECLs based on unbiased forward-looking information for all financial assets at amortised cost, lease receivables, 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) PD (ii) LGD and (iii) the EAD.

The 12 month ECL 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.

ECL measurement is based on the ability of borrowers to make payments as they fall due. The Bank 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.

To determine if there has been a significant increase in credit risk since initial recognition, the Bank 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 the Bank's policy 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, including industry and Group-wide customer level data wherever possible or relevant.

Whilst the high risk populations applied for IFRS 9 impairment purposes are aligned with risk management processes, they are also regularly reviewed and validated to ensure that they capture any incremental segments where there is evidence of credit deterioration.

Notes to the financial statements

Financial performance and return

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.

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 minimum: all payments must be up-to-date, the PD deterioration test is no longer met, the account is no longer classified as high risk, and the customer has evidenced an ability to maintain future payments.

Exposures are only removed from stage 3 and re-assigned to stage 2 once the original default trigger event no longer applies. Exposures being removed from stage 3 must no longer qualify as credit impaired, and:

- a) the obligor will also have demonstrated consistently good payment behaviour over a 12-month period, by making all consecutive contractual payments due and, for forbore exposures, the relevant EBA defined probationary period has also been successfully completed; or
- b) (for non-forborne exposures) the performance conditions are defined and approved within an appropriately sanctioned restructure plan, including 12 months' payment history have been met.

Management overlays and other exceptions to model outputs are applied only if consistent with the objective of identifying significant increases in credit risk.

Forward-looking information

The measurement of ECL involves complexity and judgement, including estimation of PD, LGD, a range of unbiased future economic scenarios, estimation of expected lives (where contractual life is not appropriate), and estimation of EAD and assessing significant increases in credit risk.

Credit losses are the expected cash shortfalls from what is contractually due over the expected life of the financial instrument, discounted at the original 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 161 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 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 as such interest income is calculated on the carrying value net of the impairment allowance.

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

Uncollectible loans are written off against the related allowance for loan impairment on completion of the Bank's internal processes and when all reasonably expected recoverable amounts have been collected. Subsequent recoveries of amounts previously written off are credited to the income statement. The timing and extent of write-offs may involve some element of subjective judgement. Nevertheless, a write-off will often be prompted by a specific event, such as the inception of insolvency proceedings or other formal recovery action, which makes it possible to establish that some or the entire advance is beyond realistic prospect of recovery.

Accounting for purchased financial guarantee contracts

The Bank may enter into a financial guarantee contract which requires the issuer of such contract to reimburse the Bank 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 Bank 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

Financial performance and return

Loan modifications and renegotiations that are not credit-impaired

When modification of a loan agreement occurs as a result of commercial restructuring activity rather than due to the credit risk of the borrower, an assessment must be performed to determine whether the terms of the new agreement are substantially different from the terms of the existing agreement. This assessment considers both the change in cash flows arising from the modified terms as well as the change in overall instrument risk profile. In respect of payment holidays granted to borrowers which are not due to forbearance, if the revised cash flows on a present value basis (based on the original EIR) are not substantially different from the original cash flows, the loan is not considered to be substantially modified.

Where terms are substantially different, the existing loan will be derecognised and new loan 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. For variable/floating rate financial assets, the spot rate at the reporting date is used and projections of changes in the variable rate over the expected life are not made to estimate future interest cash flows or for discounting.

Modelling techniques

Currently, internal ratings-based models are leveraged to calculate the point-in-time PD and LGD, which serve as key inputs to the IFRS 9 models. Thereafter, these inputs are extrapolated by the IFRS 9 models to create macroeconomic sensitive forecast of PDs, LGDs and in turn ECL.

Forbearance

A financial asset is subject to forbearance when it is modified due to the credit distress of the borrower. A modification made to the terms of an asset due to forbearance will typically be assessed as a non-substantial modification that does not result in derecognition of the original loan, except in circumstances where debt is exchanged for equity.

Both performing and non-performing forbearance assets are classified as Stage 3 except where it is established that the concession granted has not resulted in diminished financial obligation and that no other regulatory definitions of default criteria have been triggered, in which case the asset is classified as Stage 2. The minimum probationary period for non-performing forbearance is 12 months and for performing forbearance, 24 months. Hence, a minimum of 36 months is required for non-performing forbearance to move out of a forborne state.

No financial instrument in forbearance can transfer back to Stage 1 until all of the Stage 2 thresholds are no longer met and can only move out of Stage 3 when no longer credit impaired.

Critical accounting estimates and judgements

Key areas involving a higher degree of judgement or estimation include:

<i>Judgements</i>	<i>Estimates</i>
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.

Notes to the financial statements

Financial performance and return

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.

The calculation of impairment involves the use of judgement, based on the Bank's experience of managing credit risk. Within the retail portfolios, which comprise large numbers of small homogenous assets with similar risk characteristics, the impairment allowance is calculated using forward looking modelled parameters which are typically run at account and portfolio level. There are many models in use, each tailored to a product, line of business or customer category. Judgement and knowledge is needed in selecting the statistical methods to use when the models are developed or revised. Management adjustments to impairment models, which contain an element of subjectivity, are applied in order to factor in certain conditions or changes in policy that are not fully incorporated into the impairment models, or to reflect additional facts and circumstances at the period end. Management adjustments are reviewed and incorporated into future model development where appropriate.

For individually significant assets in Stage 3, impairment allowances are calculated on an individual basis and all relevant considerations that have a bearing on the expected future cash flows across a range of economic scenarios are taken into account. These considerations can be particularly subjective and can include the business prospects for the customer, the realisable value of collateral, the Bank'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 EIR), and its carrying amount. Furthermore, judgements change with time as new information becomes available or as work-out strategies evolve, resulting in frequent revisions to the impairment allowance as individual decisions are taken. Changes in these estimates would result in a change in the allowances and have a direct impact on the impairment charge.

Temporary adjustments to calculated IFRS 9 impairment allowances may be applied in limited circumstances to account for situations where known or expected risk factors or information have not been considered in the ECL assessment or modelling process. For further information please refer to page XX in credit risk performance.

Information about the potential impact of the physical and transition risks of climate change on borrowers is considered, taking into account reasonable and supportable information to make accounting judgements and estimates. Climate change is inherently of a long-term nature, with significant levels of uncertainty, and consequently requires judgement in determining the possible impact in the next financial year, if any.

Credit impairment charges /(releases)

	2025			2024		
	Impairment charges/(releases)	Recoveries and reimbursements ¹	Total	Impairment charges/(releases)	Recoveries and reimbursements ¹	Total
	€m	€m	€m	€m	€m	€m
Loans and advances at amortised cost ²	(3)	19	16	15	(2)	13
Off-balance sheet loan commitments and financial guarantee contracts	(12)	—	(12)	5	—	5
Total	(15)	19	4	20	(2)	18
Other financial assets measured at amortised cost	3	—	3	—	—	—
Credit impairment charges /(releases)	(12)	19	7	20	(2)	18

Notes

- 1 Recoveries and reimbursements primarily include net reduction in relation to reimbursements from financial guarantee contracts held with third parties through Barclays Bank PLC.
- 2 Includes Debt securities measured at amortised cost.

Write-offs that may still be pursued for collection

The contractual amount outstanding on financial assets that were written off during the year and that may still be pursued for collection is €1m (2024: €54m). This is lower than the write-off presented in the movement in gross exposures and impairment allowance table on pages 152 to 159 due to assets sold during the year post write-offs and post write-off recoveries.

Notes to the financial statements

Financial performance and return

Modification of financial assets

Financial assets with a loss allowance measured at an amount equal to lifetime ECL of €151m (2024: €14m) were subject to non-substantial modification during the period, with a resulting loss of €nil (2024: €2m). 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 €nil (2024: €nil).

Notes to the financial statements

Financial performance and return

9 Tax

Accounting for income taxes

The Bank 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, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss, and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences. Deferred tax is determined using tax rates and legislation enacted or substantively enacted at the balance sheet date which are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets and liabilities are only offset when there is both a legal right to set-off and an intention to settle on a net basis.

The Bank has adopted the International Tax Reform - Pillar Two Model Rules amendments to IAS 12, which were issued on 23 May 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 Bank 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 Bank's tax returns.

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 Bank ultimately expects to pay the tax authority to resolve the position.

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 Bank does not consider there to be a significant risk of a material adjustment to the carrying amount of current and deferred tax balances, including the provisions for uncertain tax positions in the next financial year. The provisions for uncertain tax positions cover a 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.

Continuing operations	2025 €m	2024 €m
Current tax charge/(credit)		
Current year	57	74
Adjustment in respect of prior years	7	(2)
	64	72
Deferred tax charge/(credit)		
Current year	54	1
Adjustment in respect of prior years	(6)	12
	48	13
Tax charge	112	85

Notes to the financial statements

Financial performance and return

The table below shows the reconciliation between the actual tax charge and the tax charge that would result from applying the standard Irish corporation tax rate to the Bank's profit before tax.

Continuing operations	2025	2025	2024	2024
	€m	%	€m	%
Profit before tax	513		453	
Tax charge based on the standard Ireland corporation tax rate of 12.5% (2024: 12.5%)	64	12.5%	57	12.5%
Impact of profits/losses earned in territories with different statutory rates to Ireland (weighted average statutory tax rate including in respect of Ireland is 18.0% (2024: 22.4%))	28	5.5%	45	9.9%
Changes in recognition of deferred tax and effect of unrecognised tax losses	24	4.7%	13	2.9%
Non-deductible expenses and other tax adjustments	19	3.7%	(6)	(1.2%)
Adjustments in respect of prior years	1	0.2%	10	2.2%
Non taxable income and gains	(6)	(1.2%)	(5)	(1.1%)
Tax relief on utilisation of current year losses	(9)	(1.8%)	(19)	(4.2%)
Tax relief on payments made under AT1 instruments	(9)	(1.8%)	(10)	(2.2%)
Total tax charge	112	21.8%	85	18.8%

Factors influencing the effective tax rate

The effective tax rate of 21.8% is higher than the statutory tax rate of 12.5% in Ireland due to a number of factors including profits earned outside of Ireland being taxed at local statutory tax rates that are higher than the Irish tax rate and the effect of tax losses where no deferred tax is recognised. These factors which have increased the effective tax rate are partially offset by tax relief on payments made under AT1 instruments. The tax charge for the period also includes €7m (2024: €nil) in respect of global minimum tax arising under the Pillar Two rules.

The Bank'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 Bank operates in.

Tax in the statement of comprehensive income

The tax relating to each component of other comprehensive income can be found in the statement of comprehensive income.

Tax in respect of discontinued operations

The tax charge relating to the discontinued operations can be found in the Income Statement - discontinued operations (see Note 40).

Deferred tax assets

The deferred tax amounts on the balance sheet were as follows:

	2025	2024
	€m	€m
Spain	68	72
France	14	15
Ireland	11	6
Germany	11	55
Deferred tax asset	104	148

Of the deferred tax asset of €104m (2024: €148m), €65m (2024: €68m) relates to tax losses in Spain, €3m (2024: €nil) relates to tax losses in Germany and €36m (2024: €80m) relates to temporary differences. The tax losses in both Spain and Germany do not expire. The recognition of these deferred tax assets is based on profit forecasts or local country laws which indicate that it is probable they will be fully recovered. The tax losses in Spain may under local law be offset against other taxes or converted into government securities, to the extent they are not fully utilised against taxable profits before 2032.

Of the deferred tax asset of €104m (2024: €148m), an amount of €14m (2024: €nil) relates to jurisdictions which have incurred a loss in either the current or prior year and for which the utilisation of the deferred tax asset 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.

Notes to the financial statements

Financial performance and return

Deferred tax assets and liabilities

	Loan impairment allowance	Retirement benefit obligations	Cash Flow Hedges	Other temporary differences ¹	Tax losses carried forward	Total
	€m	€m	€m	€m	€m	€m
As at 1 January 2025	62	8	(2)	9	71	148
Income statement	(62)	(1)	—	18	(3)	(48)
Other comprehensive income and reserves	—	(1)	6	(1)	—	4
	—	6	4	26	68	104
Assets	—	6	4	26	68	104
Liabilities	—	—	—	—	—	—
As at 31 December 2025	—	6	4	26	68	104

As at 1 January 2024	67	9	—	34	75	185
Income statement	(5)	(1)	—	(21)	(4)	(31)
Other comprehensive income and reserves	—	—	(2)	(4)	—	(6)
	62	8	(2)	9	71	148
Assets	62	8	(2)	9	71	148
Liabilities	—	—	—	—	—	—
As at 31 December 2024	62	8	(2)	9	71	148

Note

1 Other temporary differences includes deferred tax assets relating to own credit.

The amount of deferred tax assets expected to be recovered after more than 12 months is €89m (2024: €133m). The amount of deferred tax liabilities expected to be settled after more than 12 months is €nil (2024: €nil).

Unrecognised deferred tax

Tax losses and temporary differences

Deferred tax assets have not been recognised in respect of gross deductible temporary differences of €189m (2024: €339m), unused tax credits of €180m (2024: €210m), and gross tax losses of €2,246m (2024: €2,103m) which 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.

10 Dividends on ordinary shares

The 2025 financial statements include an interim dividend paid on ordinary shares of €150m (2024: €nil) which was paid during the year ended 31 December 2025.

On 5 March 2026, the Directors recommended a final year dividend in respect of 2025 of €175m to the shareholder for approval. The financial statements for the year ended 31 December 2025 do not reflect this dividend, which, subject to shareholder approval, will be accounted for in shareholders' equity as an appropriation of retained profits in the year ending 31 December 2026.

Notes to the financial statements

Assets and liabilities held at fair value

The notes included in this section focus on assets and liabilities the Bank holds and recognises at fair value. Fair value refers to the price that would be received to sell an asset or the price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date, which may be an observable market price or, where there is no quoted price for the instrument, may be an estimate based on available market data. Detail regarding the Bank's approach to managing market risk can be found on page 132.

11 Trading portfolio

Accounting for trading portfolio assets and liabilities

All assets and liabilities held for trading purposes are held at fair value with gains and losses in the changes in fair value taken to the income statement in net trading income (Note 5).

	2025	2024
	€m	€m
Debt securities and other eligible bills	15,335	16,224
Equity securities	2,434	214
Traded loans	159	701
Trading portfolio assets	17,928	17,139
Debt securities and other eligible bills	(14,533)	(18,597)
Equity securities	(1)	—
Trading portfolio liabilities	(14,534)	(18,597)

12 Financial assets at fair value through the income statement

Accounting for financial assets mandatorily at fair value

Financial assets are held at FVTPL 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 expense, except if reporting it in trading income reduces an accounting mismatch.

The details on how the fair value amounts are derived for financial assets at fair value are described in Note 16.

	2025	2024
	€m	€m
Loans and advances	1,396	1,046
Debt securities	29	27
Equity securities	39	20
Reverse repurchase agreements and other similar secured lending	16,481	19,482
Other Financial Assets mandatorily at FVTPL	3	—
Financial assets mandatorily at fair value	17,948	20,575

Notes to the financial statements

Assets and liabilities held at fair value

13 Derivative financial instruments

Accounting for derivatives

Derivative instruments are contracts whose value is derived from one or more underlying financial instruments or indices defined in the contract. They include swaps, forward-rate agreements, futures, options and combinations of these instruments and primarily affect the Bank'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 risk, credit risk, inflation risk, exchange rate, commodity and equity exposures.

All derivative instruments are held at FVTPL, except for derivatives that are in a designated cash flow 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 Bank applies the requirements of IAS 39 Financial Instruments: Recognition and Measurement for hedge accounting purposes. The Bank applies hedge accounting to represent, the economic effects of its interest rate risk 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 Bank applies fair value hedge accounting or cash flow hedge accounting 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 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.

Total derivatives

	2025			2024		
	Notional contract amount €m	Fair value		Notional contract amount €m	Fair value	
		Assets €m	Liabilities €m		Assets €m	Liabilities €m
Total derivative assets/(liabilities) held for trading	12,595,023	31,547	(25,375)	9,739,508	32,806	(25,752)
Total derivative assets/(liabilities) held for risk management	18,991	—	(174)	13,878	3	(40)
Derivative assets/(liabilities)	12,614,014	31,547	(25,549)	9,753,386	32,809	(25,792)

Information on netting arrangements of derivative financial instruments can be found within Note 17.

Trading derivatives are managed within the Bank's market risk management policies, which are outlined on page 132.

The Bank's exposure to credit risk arising from derivative contracts are outlined in the Credit Risk section on pages 144 to 185.

The fair values and notional amounts of derivatives HfT and held for risk management are set out in the following table in next page:

Notes to the financial statements

Assets and liabilities held at fair value

Derivatives held for trading	2025			2024		
	Notional contract amount €m	Fair value		Notional contract amount €m	Fair value	
		Assets €m	Liabilities €m		Assets €m	Liabilities €m
Foreign exchange derivatives						
OTC derivatives	847,071	3,754	(3,400)	1,020,681	7,256	(5,240)
Exchange traded futures and options – bought and sold	2,598	—	—	1,263	1	(1)
Foreign exchange derivatives	849,669	3,754	(3,400)	1,021,944	7,257	(5,241)
Interest rate derivatives						
OTC derivatives	7,738,695	24,422	(17,886)	5,047,367	22,305	(17,271)
Interest rate derivatives cleared by central counterparty	3,726,788	31	(15)	3,451,189	74	(42)
Exchange traded futures and options – bought and sold	87,735	—	—	48,935	1	(1)
Interest rate derivatives	11,553,218	24,453	(17,901)	8,547,491	22,380	(17,314)
Credit derivatives						
OTC derivatives	68,255	172	(235)	61,992	172	(263)
Credit derivatives cleared by central counterparty	5,168	86	(88)	6,098	88	(88)
Credit derivatives	73,423	258	(323)	68,090	260	(351)
Equity and stock index derivatives						
OTC derivatives	82,411	2,399	(3,067)	78,585	2,496	(2,435)
Exchange traded futures and options – bought and sold	34,608	664	(664)	20,386	387	(387)
Equity and stock index derivatives	117,019	3,063	(3,731)	98,971	2,883	(2,822)
Commodity derivatives						
OTC derivatives	608	4	(5)	1,177	3	(1)
Exchange traded futures and options – bought and sold	1,086	15	(15)	1,835	23	(23)
Commodity derivatives	1,694	19	(20)	3,012	26	(24)
Derivative assets/(liabilities) held for trading	12,595,023	31,547	(25,375)	9,739,508	32,806	(25,752)
Total OTC derivatives held for trading	8,737,040	30,751	(24,593)	6,209,802	32,232	(25,210)
Total derivatives cleared by central counterparty held for trading	3,731,956	117	(103)	3,457,287	162	(130)
Total exchange traded derivatives held for trading	126,027	679	(679)	72,419	412	(412)
Derivative assets/(liabilities) held for trading	12,595,023	31,547	(25,375)	9,739,508	32,806	(25,752)

Derivatives held for risk management	2025			2024		
	Notional contract amount €m	Fair value		Notional contract amount €m	Fair value	
		Assets €m	Liabilities €m		Assets €m	Liabilities €m
Derivatives designated as cash flow hedges						
Interest rate swaps	358	—	—	438	—	—
Interest rate derivatives cleared by central counterparty	11,019	—	—	7,826	—	—
Derivatives designated as cash flow hedges	11,377	—	—	8,264	—	—
Derivatives designated as fair value hedges						
Interest rate swaps	2,728	—	(174)	2,865	3	(40)
Interest rate derivatives cleared by central counterparty	4,886	—	—	2,749	—	—
Derivatives designated as fair value hedges	7,614	—	(174)	5,614	3	(40)
Derivative assets/(liabilities) held for risk management	18,991	—	(174)	13,878	3	(40)
Total OTC derivatives held for risk management	3,086	—	(174)	3,303	3	(40)
Total derivatives cleared by central counterparty held for risk management	15,905	—	—	10,575	—	—
Derivative assets/(liabilities) held for risk management	18,991	—	(174)	13,878	3	(40)

Hedge accounting

Hedge accounting is applied predominantly for the following risk:

- Interest rate risk – arises due to a mismatch between fixed interest rates and floating interest rates; and

Notes to the financial statements

Assets and liabilities held at fair value

- contractually linked inflation risk – arises from financial instruments within contractually specified inflation risk. The Bank does not hedge inflation risk that arises from other activities.

In order to hedge this risk, the Bank uses the following hedging instruments:

- Interest rate derivatives to swap interest rate exposures into either fixed or variable rates; and
- inflation derivatives to swap inflation exposure into either fixed or variable interest rates.

In some cases, certain items which are economically hedged may be ineligible hedged items for the purposes of IAS 39, such as core deposits and equity. In these instances, a proxy hedging solution can be utilised whereby portfolios of floating rate assets are designated as eligible hedged items in cash flow hedges.

In some hedging relationships, the Bank 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
- 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. Following market-wide interest rate benchmark reform, sensitivity to risk-free rates is considered to be the predominant interest rate risk and therefore the hedged items (which often reference risk-free or similar 'overnight' rates) change in fair value on a proportionate basis with reference to this risk.

In respect of many of the Bank'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 Bank 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.

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; and
- Cash flow hedges using external swaps with non-zero fair values.

Notes to the financial statements

Assets and liabilities held at fair value

Hedged items in fair value hedge accounting relationships

Hedged item statement of financial position classification and risk category	Carrying amount	Accumulated fair value adjustment included in carrying amount		Change in fair value used as a basis to determine ineffectiveness	Hedge ineffectiveness recognised in the income statement ¹
		Total	Of which: Accumulated fair value adjustment on items no longer in a hedge relationship		
	€m	€m	€m	€m	€m
2025					
Asset					
Debt securities classified at amortised cost					
- Interest rate risk	3,782	19	—	1	4
- Inflation risk	2,209	(1)	(3)	38	1
Financial assets at fair value through other comprehensive income ²					
- Interest rate risk	1,207	11	1	(3)	—
Total Assets	7,198	29	(2)	36	5
Liabilities					
Deposits at amortised cost from banks and customers					
- Interest rate risk	(469)	(2)	(45)	9	—
Total Liabilities	(469)	(2)	(45)	9	—
Total Hedged Items	6,729	27	(47)	45	5
2024					
Asset					
Debt securities classified at amortised cost					
- Interest rate risk	1,540	21	—	18	4
- Inflation risk	2,299	(44)	(6)	(22)	1
Financial assets at fair value through other comprehensive income ²					
- Interest rate risk	968	17	—	16	—
Total Assets	4,807	(6)	(6)	12	5
Liabilities					
Deposits at amortised cost from banks and customers					
- Interest rate risk	(797)	(10)	(56)	(1)	—
Total Liabilities	(797)	(10)	(56)	(1)	—
Total Hedged Items	4,010	(16)	(62)	11	5

Notes

- Hedge ineffectiveness is recognised in net interest income.
- 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

Assets and liabilities held at fair value

The following table shows the fair value hedging instruments which are carried on the Bank's balance sheet:

Hedge Type	Risk Category	Carrying value			Change in fair value used as a basis to determine ineffectiveness €m
		Derivative assets €m	Derivative liabilities €m	Notional amount €m	
As at 31 December 2025					
Fair Value	Interest rate risk	—	—	5,409	(3)
	Inflation risk	—	(174)	2,205	(37)
Total		—	(174)	7,614	(40)
As at 31 December 2024					
Fair Value	Interest rate risk	—	—	3,277	(29)
	Inflation risk	3	(40)	2,337	23
Total		3	(40)	5,614	(6)

The following table profiles the expected notional values of current hedging instruments in future years:

	2025 €m	2026 €m	2027 €m	2028 €m	2029 €m	2030 €m	2031 and later €m
2025							
Fair value hedges of:							
interest rate risk (outstanding notional amount)	5,409	5,116	4,974	4,972	3,763	1,024	744
inflation risk (outstanding notional amount)	2,205	1,405	1,405	596	43	—	—
	2024 €m	2025 €m	2026 €m	2027 €m	2028 €m	2029 €m	2030 and later €m
2024							
Fair value hedges of:							
interest rate risk (outstanding notional amount)	3,277	2,989	2,676	2,534	2,534	1,298	834
Inflation risk (outstanding notional amount)	2,337	2,337	1,537	1,537	625	—	—

The Bank has 119 (2024: 88) fair value hedges of Interest rate risk with an average fixed rate of 3.10% (2024: 3.26%) across the relationships and 24 (2024: 23) inflation risk fair value hedges with an average rate of 0.63% (2024: 0.65%) across the relationships.

Notes to the financial statements

Assets and liabilities held at fair value

Description of hedge relationship and hedged risk	Change in value of hedged item used as the basis for recognising ineffectiveness	Balance in cash flow hedging reserve for continuing hedges	Balances remaining in cash flow hedging reserve for which hedge accounting is no longer applied	Hedging gains or losses recognised in other comprehensive income	Hedge ineffectiveness recognised in the income statement ¹
2025					
Cash flow hedge of interest rate risk					
Loans and advances at amortised cost	3	(1)	4	3	—
Cash and balances at Central Banks	54	10	9	54	(9)
Total Cash flow hedge	57	9	13	57	(9)
2024					
Cash flow hedge of interest rate risk					
Loans and advances at amortised cost	(1)	(4)	6	(1)	—
Cash and balances at Central Banks	(69)	(53)	27	(69)	8
Total Cash flow hedge	(70)	(57)	33	(70)	8

Note

1 Hedge ineffectiveness is recognised in net interest income.

The following table shows the cash flow hedging instruments which are carried on the Bank's balance sheet:

Hedge Type	Risk Category	Carrying value			Change in fair value used as a basis to determine ineffectiveness
		Derivative assets €m	Derivative liabilities €m	Notional amount €m	
As at 31 December 2025					
Cash Flow	Interest rate risk	—	—	11,377	(66)
Total		—	—	11,377	(66)
As at 31 December 2024					
Cash Flow	Interest rate risk	—	—	8,264	78
Total		—	—	8,264	78

The effect on the income statement and other comprehensive income of recycling amounts in respect of cash flow hedges is set out in the following table:

Description of hedge relationship and hedged risk	2025		2024	
	Amount recycled from other comprehensive income due to sale of 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 sale of 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	(11)	—	(35)	—

A detailed reconciliation of the movements of the cash flow hedging reserve is as follows:

Notes to the financial statements

Assets and liabilities held at fair value

Description of hedge relationship and hedged risk	2025	2024
	Cash flow hedging reserve €m	Cash flow hedging reserve €m
Balance on 1 January	21	(71)
Hedging gains/(losses) for the year	(57)	70
Amounts reclassified in relation to cash flows affecting profit or loss	11	35
Tax	6	(13)
Balance on 31 December	(19)	21

14 Financial assets at fair value through other comprehensive income

Accounting for financial assets at fair value through other comprehensive income (FVOCI)

Financial assets that are debt instruments held in a business model that is achieved by both collecting contractual cash flows and selling and that contain contractual terms that give rise on specified dates to cash flows that are SPPI are measured at FVOCI. They are subsequently re-measured at fair value and changes therein (except for those relating to impairment, interest income and foreign currency exchange gains and losses) are recognised in other comprehensive income until the assets are sold. Interest (calculated using the effective interest method) is recognised in the income statement in net interest income (Note 3). Upon disposal, the cumulative gain or loss in other comprehensive income is recognised in net investment expense (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 Bank will consider past sales and expectations about future sales to establish if the business model is achieved.

	2025	2024
	€m	€m
Debt securities and other eligible bills	1,241	994
Financial assets at fair value through other comprehensive income	1,241	994

15 Financial liabilities designated at fair value

Accounting for liabilities designated at FVTPL

The Bank 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 Bank on the basis of its fair value, or includes terms that have substantive derivative characteristics (Note 13). 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 expense (Note 6). Movements in own credit are reported through other comprehensive income, unless the effects of changes in the liability's credit risk would create or enlarge an accounting mismatch in profit or loss. In these scenarios, all gains and losses on that liability (including the effects of changes in the credit risk of the liability) are presented in profit or loss. On derecognition of the financial liability no amount relating to own credit risk are recycled to the income statement.

The details on how the fair value amounts are arrived for financial liabilities designated at fair value are described in Note 16.

	2025		2024	
	Fair value	Contractual amount due on maturity	Fair value	Contractual amount due on maturity
	€m	€m	€m	€m
Debt securities	3,031	3,289	2,487	2,739
Deposits	2,461	3,872	2,750	4,179
Repurchase agreements and other similar secured borrowing	16,316	16,413	15,901	16,050
Financial liabilities designated at fair value	21,808	23,574	21,138	22,968

The cumulative own credit net loss recognised (gross of tax) is €84m (2024: €77m loss).

Notes to the financial statements

Assets and liabilities held at fair value

16 Fair value of financial instruments

Accounting for financial assets and liabilities – fair value

Financial instruments that are held for trading are recognised at fair value through profit or loss. In addition, financial assets are held at fair value through profit or loss if they do not contain contractual terms that give rise on specified dates to cash flows that are SPPI, or if the financial asset is not held in a business model that is either (i) a business model to collect the contractual cash flows or (ii) a business model that is achieved by both collecting contractual cash flows and selling. Subsequent changes in fair value for these instruments are recognised in the income statement in net investment income, except if reporting it in trading income reduces an accounting mismatch.

Wherever possible, fair value is determined by reference to a quoted market price for that instrument. For many of the Bank'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 Bank 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 Bank 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 [257](#).

Valuation Control Framework

The Bank has an established valuation control framework that oversees valuation methodologies, standards and procedures through Valuation Committee.

Critical accounting estimates and judgements

Key areas involving a higher degree of judgement or estimation include:

Judgements

Classification of financial instruments with significant unobservable inputs as Level 3.

Estimates

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

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.

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 Bank's assets and liabilities that are held at fair value disaggregated by the fair value hierarchy and balance sheet classification:

Notes to the financial statements

Assets and liabilities held at fair value

Assets and liabilities held at fair value

	2025				2024			
	Valuation techniques used				Valuation techniques used			
	Quoted market price	Observable inputs	Significant unobservable inputs	Total	Quoted market price	Observable inputs	Significant unobservable inputs	Total
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
€m	€m	€m	€m	€m	€m	€m	€m	
As at 31 December								
Trading portfolio assets	11,204	6,453	271	17,928	1,316	15,583	240	17,139
Financial assets at fair value through the income statement	266	17,454	228	17,948	15	20,245	315	20,575
Derivative financial assets	—	31,217	330	31,547	—	32,628	181	32,809
Financial assets at fair value through other comprehensive income	705	536	—	1,241	—	994	—	994
Total assets	12,175	55,660	829	68,664	1,331	69,450	736	71,517
Trading portfolio liabilities	(10,507)	(4,015)	(12)	(14,534)	(2,314)	(16,283)	—	(18,597)
Financial liabilities designated at fair value	(385)	(21,199)	(224)	(21,808)	—	(21,115)	(23)	(21,138)
Derivative financial liabilities	—	(25,270)	(279)	(25,549)	—	(25,582)	(210)	(25,792)
Total liabilities	(10,892)	(50,484)	(515)	(61,891)	(2,314)	(62,980)	(233)	(65,527)

The following table shows the Bank's Level 3 assets and liabilities that are held at fair value disaggregated by product type:

	Government and Government sponsored debt									Total
	Loans	Corporate debt	Asset backed securities	Government sponsored debt	Issued debt	Interest rate derivatives	Equity derivatives	Other products ¹	€m	
As at 31 December 2025	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
Trading portfolio assets	4	249	—	13	—	—	—	5	271	
Financial assets at fair value through the income statement	190	—	29	—	—	—	—	9	228	
Derivative financial assets	—	—	—	—	—	102	224	4	330	
Total assets	194	249	29	13	—	102	224	18	829	
Trading portfolio liabilities	—	(1)	—	(11)	—	—	—	—	(12)	
Financial liabilities designated at fair value	—	—	—	—	(224)	—	—	—	(224)	
Derivative financial liabilities	—	—	—	—	—	(58)	(212)	(9)	(279)	
Total liabilities	—	(1)	—	(11)	(224)	(58)	(212)	(9)	(515)	

	Government and Government sponsored debt									Total
	Loans	Corporate debt	Asset backed securities	Government sponsored debt	Issued debt	Interest rate derivatives	Equity derivatives	Other products ¹	€m	
As at 31 December 2024	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
Trading portfolio assets	18	222	—	—	—	—	—	—	240	
Financial assets at fair value through the income statement	283	—	27	—	—	—	—	5	315	
Derivative financial assets	—	—	—	—	—	119	37	25	181	
Total assets	301	222	27	—	—	119	37	30	736	
Trading portfolio liabilities	—	—	—	—	—	—	—	—	—	
Financial liabilities designated at fair value	—	—	—	—	(23)	—	—	—	(23)	
Derivative financial liabilities	—	—	—	—	—	(157)	(37)	(16)	(210)	
Total liabilities	—	—	—	—	(23)	(157)	(37)	(16)	(233)	

Note

1 Other products include equity cash products, foreign exchange derivatives and credit derivatives.

Notes to the financial statements

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.

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/discard margin.

Observability: Within this loan population, the price or loan spread or discount margin may be generally unobservable. 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.

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.

Notes to the financial statements

Assets and liabilities held at fair value

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.

Assets and liabilities transferred between levels

During the year ended 31 December 2025, there were €8,635m assets and €(8,392)m liabilities transferred from Level 2 to Level 1 (year ended 31 December 2024: there were no material transfers). Additionally, there were €11m assets and €(221)m liabilities transferred from Level 2 to Level 3 (year ended 31 December 2024: there were no material transfers). These transfers reflect enhancements to the Bank'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.

Notes to the financial statements

Assets and liabilities held at fair value

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	
Trading portfolio assets	240	216	(164)	—	(17)	—	—	—	6	(10)	271
Financial assets at fair value through the income statement	315	11	(18)	—	(39)	—	(41)	—	—	—	228
Trading portfolio liabilities	—	(9)	—	—	—	—	—	—	(3)	—	(12)
Financial liabilities designated at fair value	(23)	—	—	(12)	—	—	—	—	(211)	22	(224)
Net derivative financial instruments ¹	(29)	(3)	100	—	—	(45)	1	—	22	5	51
Total	503	215	(82)	(12)	(56)	(45)	(40)	—	(186)	17	314

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	
Trading portfolio assets	—	240	—	—	—	—	—	—	—	—	240
Financial assets at fair value through the income statement	439	73	(116)	—	(123)	—	19	—	23	—	315
Trading portfolio liabilities	—	—	—	—	—	—	—	—	—	—	—
Financial liabilities designated at fair value	(74)	—	—	(23)	—	—	—	—	—	74	(23)
Net derivative financial instruments ¹	145	1	2	—	5	(24)	—	—	(97)	(61)	(29)
Total	510	314	(114)	(23)	(118)	(24)	19	—	(74)	13	503

Notes

- The derivative financial instruments are represented on a net basis. On a gross basis, derivative financial assets are €330m (2024: €181m) and derivative financial liabilities are €(279)m (2024: €(210)m).
- 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

Assets and liabilities held at fair value

Unrealised gains and losses on Level 3 assets and liabilities

The following tables 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 comprehensive income	Total	Income statement		Other comprehensive income	Total		
	Trading income ¹	Other income			Trading income ¹	Other income				
€m	€m	€m	€m	€m	€m	€m	€m	€m		
Financial assets at fair value through the income statement	—	(41)	—	(41)	—	19	—	19		
Net derivative financial instruments	(45)	1	—	(44)	(24)	—	—	(24)		
Total	(45)	(40)	—	(85)	(24)	19	—	(5)		

Note

1 Trading income represents gains and losses on level 3 financial instruments which in the majority are offset by losses and gains on financial instruments disclosed in level 2.

Significant unobservable inputs

The following table discloses the valuation techniques and significant unobservable inputs for 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)	Significant unobservable inputs	2025 Range		2024 Range		Units ¹	
			Min	Max	Min	Max		
Non-derivative financial instruments								
Loans	Discounted cash flows	Discount margin	780	1,170	230	345	bps	
		Yield	n/m ²	n/m ²	4	4	%	
Asset backed securities	Comparable Pricing	Comparable price	n/m ²	n/m ²	89	96	points	
		Comparable price	46	530	43	100	points	
Corporate debt	Comparable Pricing	Comparable price	15	239	65	114	points	
Issued debt	Discounted cash flows	Credit Spread	80	80	n/m ²	n/m ²	bps	
		Discount margin	n/m ²	n/m ²	(100)	(22)	bps	
		Option model	Equity volatility	n/m ²	n/m ²	18	30	%
		Equity-equity correlation	n/m ²	n/m ²	40	89	%	
Derivative financial instruments								
Interest rate derivatives	Discounted cash flows	Inflation forwards	2	4	2	4	%	
		Yield	0	4	1	3	%	
		Option Model	Interest rate volatility	47	77	54	89	bps vol
Equity derivatives	Discounted cash flows	Discount margin	(116)	350	(160)	35	bps	
		Option model	Equity volatility	7	49	10	70	%
			Equity-equity correlation	31	97	40	91	%

Notes

- The units used to disclose ranges for significant unobservable inputs are percentages, points and basis points (bps). 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%.
- 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.

Notes to the financial statements

Assets and liabilities held at fair value

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), but the sensitivity is dependent 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.

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.

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.

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.

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.

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.

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.

Notes to the financial statements

Assets and liabilities held at fair value

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	53	—	(58)	—	39	—	(55)	—
Corporate debt	7	—	(6)	—	4	—	(4)	—
Asset backed securities	4	—	(5)	—	—	—	(3)	—
Interest rate derivatives	2	—	(21)	—	2	—	(54)	—
Other products ¹	5	10	(5)	(2)	3	—	(3)	—
Total	71	10	(95)	(2)	48	—	(119)	—

Note

1 Other products include issued debt, government and government sponsored debt, equity cash products, equity derivatives and credit 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 €81m (2024: €48m) or to decrease fair values by up to €97m (2024: €119m) 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. Note there are Level 3 Equity derivatives where the impact of stressing unobservable inputs would be minimal due to these positions being typically back to back.

Fair value adjustments

Key balance sheet valuation adjustments are quantified below:

	2025	2024
	€m	€m
Exit price adjustments derived from market bid-offer spreads	(39)	(33)
Uncollateralised derivative funding	24	14
Derivative credit valuation adjustments	(10)	(18)
Derivative debit valuation adjustments	17	14

Exit price adjustments derived from market bid-offer spreads

The Bank 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 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 €6m.

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 €24m 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

Notes to the financial statements

Assets and liabilities held at fair value

of the agreement do not allow the rehypothecation of collateral received. The derivative funding adjustment has moved by €10m.

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 the Bank's own credit quality respectively. These adjustments are calculated for uncollateralised and partially collateralised derivatives across all asset classes. Derivative credit valuation adjustments and derivative debit valuation adjustments are calculated using estimates of exposure at default, probability of default and recovery rates, at a counterparty level. Counterparties include (but are not limited to) corporates, Sovereigns and Sovereign agencies and Supranationals.

Exposure at default is generally estimated through the simulation of underlying risk factors through approximating with a more vanilla structure, or by using current or scenario-based mark to market as an estimate of future exposure.

Probability of default and recovery rate information is generally sourced from the credit default swap (CDS) markets. Where this information is not available, or considered unreliable, alternative approaches are taken based on mapping internal counterparty ratings onto historical or market-based default and recovery information.

Derivative credit valuation adjustments decreased by €(8)m. Derivative debit valuation adjustments increased by €3m.

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.

The Bank 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 that relates to the difference between the transaction price (the fair value at initial recognition) and the amount that would have arisen had valuation models using unobservable inputs been used on initial recognition, less amounts subsequently recognised, is €10m (2024: €9m) for financial instruments measured at fair value. There are additions and FX revaluation of €1m (2024: €4m) and amortisation and releases of €nil (2024: €1m) for financial instruments measured 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 on the Bank's balance sheet 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
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
Financial assets										
Debt securities at amortised cost	8,645	8,656	5,840	2,816	—	5,997	5,949	100	5,849	—
Loans and advances to banks	1,343	1,343	385	958	—	1,078	1,078	265	813	—
Loans and advances to customers	6,053	6,052	—	2,862	3,190	6,304	6,282	71	3,737	2,474
Reverse repurchase agreements and other similar secured lending	3,012	3,078	—	3,078	—	6,788	6,898	—	6,898	—
Assets included in disposal groups classified as held for sale	—	—	—	—	—	4,242	4,242	—	4,242	—
Financial liabilities										
Deposits from banks	(2,536)	(2,536)	(1,386)	(1,150)	—	(1,930)	(1,930)	(1,143)	(787)	—
Deposits from customers	(29,608)	(29,661)	(15,477)	(14,060)	(124)	(27,935)	(28,020)	(14,581)	(13,118)	(321)
Repurchase agreements and other similar secured borrowing	(2,127)	(2,127)	—	(2,127)	—	(889)	(889)	—	(889)	—
Debt securities in issue	(2,476)	(2,480)	—	(2,480)	—	(3,172)	(3,172)	—	(3,172)	—
Subordinated liabilities	(4,928)	(4,928)	—	(4,928)	—	(4,830)	(4,830)	—	(4,830)	—
Liabilities included in disposal groups classified as held for sale	—	—	—	—	—	(4,395)	(4,395)	—	(4,395)	—

Notes to the financial statements

Assets and liabilities held at fair value

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 to banks and customers

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 amount as these balances are generally short dated and fully collateralised.

Deposits from banks and customers

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

Assets and liabilities held at fair value

17 Offsetting financial assets and financial liabilities

The Bank 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; and
- 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							Amounts not subject to enforceable netting arrangements ³	Balance sheet total ⁴
	Effects of offsetting on-balance sheet			Related amounts not offset					
	Gross amounts €m	Amounts offset ¹ €m	Net amounts reported on the balance sheet €m	Financial instruments €m	Financial collateral ² €m	Net amount €m	€m		
As at 31 December 2025									
Derivative financial assets	49,961	(18,627)	31,334	(16,819)	(13,443)	1,072	213	31,547	
Reverse repurchase agreements and other similar secured lending ⁵	96,206	(76,713)	19,493	—	(19,493)	—	—	19,493	
Total assets	146,167	(95,340)	50,827	(16,819)	(32,936)	1,072	213	51,040	
Derivative financial liabilities	(44,636)	19,306	(25,330)	16,819	6,031	(2,480)	(219)	(25,549)	
Repurchase agreements and other similar secured borrowing ⁵	(95,156)	76,713	(18,443)	—	18,443	—	—	(18,443)	
Total liabilities	(139,792)	96,019	(43,773)	16,819	24,474	(2,480)	(219)	(43,992)	
As at 31 December 2024									
Derivative financial assets	54,369	(21,843)	32,526	(18,870)	(12,329)	1,327	283	32,809	
Reverse repurchase agreements and other similar secured lending ⁵	73,598	(47,328)	26,270	—	(26,270)	—	—	26,270	
Total assets	127,967	(69,171)	58,796	(18,870)	(38,599)	1,327	283	59,079	
Derivative financial liabilities	(46,925)	21,295	(25,630)	18,870	5,153	(1,607)	(162)	(25,792)	
Repurchase agreements and other similar secured borrowing ^{5,6}	(64,118)	47,328	(16,790)	—	16,790	—	—	(16,790)	
Total liabilities	(111,043)	68,623	(42,420)	18,870	21,943	(1,607)	(162)	(42,582)	

Notes

- 1 Amounts offset for Derivative financial assets additionally includes cash collateral netted of €2,584m (2024: €1,736m). Amounts offset for Derivative financial liabilities additionally includes cash collateral netted of €1,905m (2024: €2,284m). Settlements assets and liabilities have been offset amounting to €2,145m (2024: €2,768m).
- 2 Financial collateral of €13,443m (2024: €12,329m) was received in respect of derivative assets, including €11,591m (2024: €10,649m) of cash collateral and €1,852m (2024: €1,680m) of non-cash collateral. Financial collateral of €6,031m (2024: €5,153m) was placed in respect of derivative liabilities, including €5,949m (2024: €5,004m) of cash collateral and €82m (2024: €149m) of non-cash collateral. The collateral amounts are limited to net balance sheet exposure so as to not include over-collateralisation.
- 3 This column includes contractual rights of set-off that are subject to uncertainty under the laws of the relevant jurisdiction.
- 4 The balance sheet total is the sum of 'Net amounts reported on the balance sheet' that are subject to enforceable netting arrangements and 'Amounts not subject to enforceable netting arrangements'.
- 5 Reverse Repurchase agreements and other similar secured lending of €19,493m (2024: €26,270m) is split by fair value €16,481m (2024: €19,482m) and amortised cost €3,012m (2024: €6,788m). Repurchase agreements and other similar secured borrowing of €18,443m (2024: €16,790m) is split by fair value €16,316m (2024: €15,901m) and amortised cost €2,127m (2024: €889m).
- 6 "Financial collateral" and "Net amount" of repurchase agreements and other similar secured borrowings have been re-presented to be consistent with current year's presentation. There is no impact on the overall Balance Sheet total.

These offsetting and collateral arrangements and other credit risk mitigation strategies used by the Bank are further explained in the Credit risk management section.

Notes to the financial statements

Assets and liabilities held at amortised cost

18 Property, plant and equipment

Accounting for property, plant and equipment

Property, plant and equipment is stated at cost, which includes direct and incremental acquisition costs less accumulated depreciation and provisions for impairment, if required. Subsequent costs are capitalised if these result in enhancement of the asset.

Depreciation is provided on the depreciable amount of items of property, plant and equipment on a straight-line basis over their estimated useful economic lives. Depreciation rates, methods and the residual values underlying the calculation of depreciation of items of property, plant and equipment are kept under review to take account of any change in circumstances including consideration of future Climate and Sustainability investments.

The Bank 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 leasehold property	6-10%
Equipment installed in 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

	Property €m	Equipment €m	Right of use assets ¹ €m	Total €m
Cost				
As at 1 January 2025	59	28	144	231
Additions	7	5	101	113
Disposals	—	—	—	—
Held for Sale	—	—	—	—
Other movements	—	—	2	2
As at 31 December 2025	66	33	247	346
Accumulated depreciation and impairment				
As at 1 January 2025	(29)	(25)	(70)	(124)
Disposals	—	—	—	—
Depreciation charge	(3)	(3)	(14)	(20)
Held for Sale	—	—	—	—
Other movements	—	—	—	—
As at 31 December 2025	(32)	(28)	(84)	(144)
Net book value	34	5	163	202
Cost				
As at 1 January 2024	47	32	145	224
Additions	12	5	—	17
Disposals	—	(5)	(1)	(6)
Held for Sale	—	—	—	—
Other movements	—	(4)	—	(4)
As at 31 December 2024	59	28	144	231
Accumulated depreciation and impairment				
As at 1 January 2024	(26)	(25)	(63)	(114)
Disposals	—	5	1	6
Depreciation charge	(3)	(4)	(13)	(20)
Held for Sale	—	—	—	—
Other movements	—	(1)	5	4
As at 31 December 2024	(29)	(25)	(70)	(124)
Net book value	30	3	74	107

Notes

¹ Right of use (ROU) asset balances relate to property leases under IFRS 16. Refer to Note 19 for further details

Notes to the financial statements

Assets and liabilities held at amortised cost

19 Leases

Accounting for leases

When the Bank 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 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 ROU asset will amortise to the income statement over the life of the lease.

On the balance sheet, the ROU assets are included within property, plant and equipment and the lease liabilities are included within other liabilities.

The Bank 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.

As a Lessee

The Bank leases various offices, branches and other premises under non-cancellable lease arrangements to meet its operational business requirements. In some instances, Bank will sublease property to third parties when it is no longer needed to meet business requirements. Currently, the Bank does not have any material subleasing arrangements.

ROU asset balances relate to property leases only. Refer to Note 18 for the carrying amount of ROU assets.

The Bank did not have material short term leases during the year.

Lease liabilities

	2025	2024
	€m	€m
As at 1 January	80	87
Interest	4	4
New leases	100	—
Cash payments	(17)	(17)
Modifications and other movements	3	6
As at 31 December (see Note 22)	170	80

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	19	16
One to two years	26	16
Two to three years	22	13
Three to four years	21	10
Four to five years	20	9
Five to ten years	76	24
Greater than ten years	27	7
Total undiscounted lease liabilities as at 31 December	211	95

In addition to the cash flows identified above, the Bank is exposed to:

- Variable lease payments: This variability will typically arise from either inflation index instruments or market based pricing adjustments. Currently, the Bank has 9 (2024: 12) leases out of the total 16 (2024: 19) leases with variable payment terms. Of the gross cash flows identified above, €210m (2024: €95m) is attributable to leases with some degree of payment variability.
- Extension and termination options: The table above represents the Bank's best estimate of future cash out flows for leases, including assumptions regarding the exercising of contractual extension and termination options. There is no significant impact where the Bank is expected to exercise an early termination option or an extension option.

The Bank does not have any restrictions or covenants imposed by the lessor on its property leases which restrict its businesses.

Notes to the financial statements

Assets and liabilities held at amortised cost

20 Intangible assets

Accounting for intangible assets

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. Expenditures in the research phase are expensed when it is incurred.

Intangible assets are stated at cost less accumulated amortisation and provisions for impairment, if any, and are amortised over their useful lives in a manner that reflects the pattern to which they contribute to future cash flows, generally using the amortisation periods set out below:

Annual rates in calculating amortisation	Amortisation period
Other software	12 months to 6 years
Internally generated software	12 months to 6 years

Intangible assets are assessed for impairment when there are indications that impairment may have occurred. Intangible assets not yet available for use are reviewed annually for impairment.

	Internally generated software €m	Other software €m	Total €m
Cost			
As at 1 January 2025	76	6	82
Additions	—	—	—
Disposals	—	—	—
Other adjustment	(76)	—	(76)
As at 31 December 2025	—	6	6
Accumulated amortisation and impairment			
As at 1 January 2025	(76)	(6)	(82)
Disposals	—	—	—
Amortisation charge	—	—	—
Other adjustment	76	—	76
As at 31 December 2025	—	(6)	(6)
Net book value	—	—	—
Cost			
As at 1 January 2024	76	6	82
Additions	—	—	—
Disposals	—	—	—
As at 31 December 2024	76	6	82
Accumulated amortisation and impairment			
As at 1 January 2024	(76)	(6)	(82)
Disposals	—	—	—
Amortisation charge	—	—	—
As at 31 December 2024	(76)	(6)	(82)
Net book value	—	—	—

Determining the estimated useful lives of intangible assets (such as those arising from contractual relationships) requires an analysis of circumstances. The assessment of whether an asset is exhibiting indicators of impairment as well as the calculation of impairment, which requires the estimate of future cash flows and fair values less costs to sell, also requires the preparation of cash flow forecasts and fair values for assets that may not be regularly bought and sold.

Notes to the financial statements

Assets and liabilities held at amortised cost

21 Cash collateral and settlement balances

	2025	2024
	€m	€m
Assets		
Cash collateral	11,116	8,836
Settlement balances	4,413	4,822
Cash collateral and settlement balances	15,529	13,658
Liabilities		
Cash collateral	16,159	16,436
Settlement balances	4,143	4,619
Cash collateral and settlement balances	20,302	21,055

Notes to the financial statements

Accruals, provisions, contingent liabilities and legal proceedings

The notes included in this section focus on the Bank's other liabilities, provisions, contingent liabilities and commitments and legal competition and regulatory matters and can be found on pages 266 to 268.

22 Other liabilities

	2025	2024
	€m	€m
Accruals and deferred income	163	160
Payable to Barclays Group companies	118	114
Other creditors	275	279
Lease liabilities (See Note 19)	170	80
Other liabilities	726	633

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.

	Redundancy and restructuring	Legal, competition and regulatory matters	Onerous contracts	Sundry provisions ¹	Total
	€m	€m	€m	€m	€m
As at 1 January 2025	31	5	—	105	141
Additions	18	2	19	58	97
Amounts utilised	(16)	(2)	—	(23)	(41)
Unused amounts reversed	(18)	(1)	—	(3)	(22)
Exchange and other movements	2	—	—	1	3
As at 31 December 2025	17	4	19	138	178
Undrawn contractually committed facilities and guarantees					
As at 1 January 2025					45
Net change in ECL provision and other movements					(12)
As at 31 December 2025					33
Total provisions					
As at 1 January 2025					186
As at 31 December 2025					211

Note

1 Sundry provisions as at 31 December 2025 predominately consist of provisions for indirect and other taxes of €112m (2024: €78m), regulatory levies of €nil (2024: €14m) and dilapidation provisions of €3m (2024: €5m).

Notes to the financial statements

Accruals, provisions, contingent liabilities and legal proceedings

Provisions expected to be recovered or settled within no more than 12 months after 31 December 2025 are €181m (2024: €169m).

Redundancy and restructuring

These provisions comprise the estimated cost of restructuring, including redundancy costs where an obligation exists. For example, when the Bank 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.

Legal, competition and regulatory matters

The Bank is engaged in various legal proceedings. For further information in relation to legal proceedings and discussion of the associated uncertainties, please refer to Note 25.

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 provisions for taxes/levies and dilapidation provisions.

Undrawn contractually committed facilities and guarantees

Impairment allowance under IFRS 9 considers both the drawn and the undrawn counterparty exposure. For retail portfolios, the total impairment allowance is allocated to the drawn exposure to the extent that the allowance does not exceed the exposure as ECL is not reported separately. Any excess is reported on the liability side of the balance sheet as a provision. For wholesale portfolios, the impairment allowance on the undrawn exposure is reported on the liability side of the balance sheet as a provision. 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 152.

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	2024
	€m	€m
Guarantees and letters of credit pledged as collateral security	2,320	2,939
Performance guarantees, acceptances and endorsements	2,829	2,674
Total financial guarantees and other credit related instruments	5,149	5,613
<i>Of which: Financial guarantees and letters of credit carried at fair value¹</i>	—	114
Documentary credits and other short-term trade related transactions	70	101
Standby facilities, credit lines and other commitments	28,394	34,466
Total commitments²	28,464	34,567
<i>Of which: Loan commitments carried at fair value¹</i>	1,701	393

Notes

1 Primarily pertains to undrawn exposures measured at fair value.

2 Included within the 2024 balance are exposures of €7,366m relating to financial assets classified as 'disposal group assets held for sale' which were subsequently disposed of during Q1 2025.

Provisions for ECL held against commitments at 31 December 2025 amounted to €33m (2024: €45m) and are reported in Note 23. ECL are accounted for in accordance with the impairment of financial assets requirements outlined in Note 8.

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 Bank faces legal, competition and regulatory challenges, many of which are beyond the Bank's control, in the jurisdictions in which it operates, including (but not limited to) proceedings brought by and against the Bank. Matters

Notes to the financial statements

Accruals, provisions, contingent liabilities and legal proceedings

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 Bank of contingent liabilities where it is not currently practicable to do so. Matters detailed in this note may seek damages of an unspecified amount. While certain matters may specify the damages claimed, such claimed amounts do not necessarily reflect the Bank's potential financial exposure in respect of those matters.

In connection with the implementation of Barclays' response to the UK's withdrawal from the EU, parts of the businesses carried on by BB PLC and BCSL were transferred to the Bank. Under the terms of those transfers, (1) BB PLC and BCSL remain liable for, and have agreed to indemnify the Bank in respect of, any conduct and litigation liabilities arising in relation to acts or omissions (or alleged acts or omissions) of BB PLC or BCSL (as the case may be) which occurred prior to the transfer of the relevant business; and (2) the Bank remains liable for, and agreed to indemnify BB PLC or BCSL (as the case may be) in respect of, any conduct and litigation liabilities arising in relation to acts or omissions (or alleged acts or omissions) of the Bank which occur after the transfer of the relevant business.

Potential indemnity claim relating to the sale of Barclays Consumer Bank Europe

In January 2025, the Bank 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, the Bank 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.

Notes to the financial statements

Capital instruments, equity and reserves

The notes included in this section focus on the Bank's loan capital and shareholders' equity including issued share capital, retained earnings and other equity balances. For more information on capital management and how the Bank maintains sufficient capital to meet the Bank's regulatory requirements refer to page 133.

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	4,830	4,833
Issuances	1,375	—
Redemptions	(1,276)	—
Other	(1)	(3)
As at 31 December	4,928	4,830

Issuances comprise of €1,375m Euribor Tier 3 intra-group loans from Barclays Bank PLC.

Redemption of €1,276m comprise €750m Euribor Tier 3 and €526m Euribor Tier 2 intra-group loan from Barclays Bank PLC.

Other movements comprise accrued interest and interest settlements.

Subordinated liabilities include accrued interest. None of the Bank's subordinated liabilities are secured.

				2025	2024
	Rate	Initial Call date	Maturity date	€m	€m
Tier 2 Floating Rate Subordinated Loan (€375m)	1m Euribor plus 4.04%	2024	2029	—	377
Tier 2 Floating Rate Subordinated Loan (€56m)	1m Euribor plus 3.851%	2024	2029	—	56
Tier 2 Floating Rate Subordinated Loan (€95m)	1m Euribor plus 3.855%	2024	2029	—	95
Tier 3 Floating Rate Subordinated Loan (€600m)	€STR plus 2.27%	2025	2026	—	601
Tier 3 Floating Rate Subordinated Loan (€150m)	1m Euribor plus 1.55%	2025	2026	—	150
Tier 3 Floating Rate Subordinated Loan (€350m)	1m Euribor plus 0.84%	2026	2027	350	351
Tier 3 Floating Rate Subordinated Loan (€200m)	1m Euribor plus 0.86%	2026	2027	200	200
Tier 2 Floating Rate Subordinated Loan (€170m)	1m Euribor plus 1.81%	2025	2030	170	170
Tier 2 Floating Rate Subordinated Loan (€160m)	1m Euribor plus 1.625%	2026	2031	160	160
Tier 3 Floating Rate Subordinated Loan (€100m)	1m Euribor plus 0.77%	2026	2027	100	100
Tier 2 Floating Rate Subordinated Loan (€39m)	1m Euribor plus 3.32%	2026	2031	39	39
Tier 3 Floating Rate Subordinated Loan (€325m)	1m Euribor plus 0.78%	2027	2028	325	—
Tier 3 Floating Rate Subordinated Loan (€300m)	1m Euribor plus 2.40%	2027	2028	301	301
Tier 3 Floating Rate Subordinated Loan (€300m)	1m Euribor plus 2.24%	2027	2028	301	301
Tier 3 Floating Rate Subordinated Loan (€300m)	€STR plus 0.85%	2027	2028	301	—
Tier 2 Floating Rate Subordinated Loan (€300m)	1m Euribor plus 4.35%	2027	2032	301	301
Tier 3 Floating Rate Subordinated Loan (€800m)	1m Euribor plus 0.94%	2028	2029	802	802
Tier 3 Floating Rate Subordinated Loan (€300m)	1m ESTR plus 0.94%	2028	2029	301	—
Tier 3 Floating Rate Subordinated Loan (€150m)	1m Euribor plus 1.18%	2029	2030	150	—
Tier 3 Floating Rate Subordinated Loan (€125m)	€STR plus 2.03%	2029	2030	125	125
Tier 3 Floating Rate Subordinated Loan (€300m)	€STR plus 1.16%	2030	2031	301	—
Tier 3 Floating Rate Subordinated Loan (€370m)	1m Euribor plus 1.07%	2031	2032	371	371
Tier 3 Floating Rate Subordinated Loan (€200m)	1m Euribor plus 1.01%	2031	2032	200	200
Tier 3 Floating Rate Subordinated Loan (€130m)	1m Euribor plus 1.10%	2031	2032	130	130
Total subordinated liabilities¹				4,928	4,830

Note

1 Instrument values are disclosed to the nearest million.

Notes to the financial statements

Capital instruments, equity and reserves

Subordinated liabilities

Subordinated liabilities are issued for the development and expansion of the business and to strengthen the Bank's capital base. The principal terms of these liabilities are described below:

Subordination

Tier 3 floating rate subordinated loans rank behind the claims of depositors and other unsecured unsubordinated creditors but above the claims of the holders of the Tier 2 Subordinated Loans, Additional Tier 1 Capital and ordinary shares.

Tier 2 floating rate subordinated loans rank behind the claims of depositors, other unsecured unsubordinated creditors and the holders of the Tier 3 Loans but above the claims of the holders of Additional Tier 1 Capital and ordinary shares.

Interest

Interest on the floating rate loans is fixed periodically, based on the related market or local central bank rates.

Repayment

The subordinated loans have a call date prior to their maturity. Those loans are repayable at the option of Barclays Bank Ireland PLC on such call date in accordance with the conditions governing the respective liabilities, some in whole or in part, and some only in whole, or otherwise on maturity. The loans also contain provisions allowing an early redemption in the event of certain changes in tax law or to certain changes in legislation or regulations.

Any prepayment prior to maturity requires the prior written consent of the regulator.

27 Ordinary shares, share premium, and other equity

Authorised ordinary share capital

	2025		2024	
	Number of shares m	Ordinary share capital €m	Number of shares m	Ordinary share capital €m
At 31 December	5,000	5,000	5,000	5,000

Called up share capital, allotted and fully paid and other equity instruments

	Number of shares m	Ordinary share capital €m	Ordinary share premium €m	Total share capital and share premium €m	Other equity instruments €m
As at 1 January 2025	899	899	3,173	4,072	1,070
Issue of ordinary shares	—	—	—	—	—
AT1 securities issuance	—	—	—	—	265
AT1 securities redemption	—	—	—	—	(265)
As at 31 December 2025	899	899	3,173	4,072	1,070
As at 1 January 2024	899	899	3,123	4,022	805
Issue of ordinary shares	—	—	50	50	—
AT1 securities issuance	—	—	—	—	565
AT1 securities redemption	—	—	—	—	(300)
As at 31 December 2024	899	899	3,173	4,072	1,070

Ordinary shares

The issued ordinary share capital of the Bank, as at 31 December 2025, comprised 898,669,234 (2024: 898,669,234) ordinary shares of €1 each. In 2025, the Bank did not issue any new ordinary shares. During the year 2024, the Bank issued 100 ordinary shares of €1 each at a premium of €50m to raise additional capital.

Other equity instruments

Other equity instruments of €1,070m (2024: €1,070m) is comprised of AT1 securities issued by the Bank and purchased by BB 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. The coupon payments on the AT1 instrument are fully discretionary and non-cumulative and are recognised directly in equity upon payment. In 2025, there was one issuance for €265m (2024: two issuances for €565m) and four redemptions for €265m (2024: one redemption for €300m) of AT1 instruments.

Notes to the financial statements

Capital instruments, equity and reserves

AT1 equity instruments	Rate	2025 €m	2024 €m
AT1 Floating Rate Perpetual Contingent Write-down Securities (€69m)	1m Euribor plus 6.682%	—	69
AT1 Floating Rate Perpetual Contingent Write-down Securities (€36m)	1m Euribor plus 5.950%	—	36
AT1 Floating Rate Perpetual Contingent Write-down Securities (€85m)	1m Euribor plus 6.240%	—	85
AT1 Floating Rate Perpetual Contingent Write-down Securities (€75m)	1m Euribor plus 6.240%	—	75
AT1 Floating Rate Perpetual Contingent Write-down Securities (€100m)	1m Euribor plus 4.343%	100	100
AT1 Floating Rate Perpetual Contingent Write-down Securities (€140m)	1m Euribor plus 3.720%	140	140
AT1 Floating Rate Perpetual Contingent Write-down Securities (€300m)	€STR plus 4.170%	300	300
AT1 Floating Rate Perpetual Contingent Write-down Securities (€265m)	€STR plus 4.200%	265	265
AT1 Floating Rate Perpetual Contingent Write-down Securities (€265m)	€STR plus 3.940%	265	—
Total AT1 securities		1,070	1,070

The principal terms of the AT1 securities are described below:

- The AT1 securities rank behind the claims against the Bank of: i) unsubordinated creditors; ii) claims which are expressed to be subordinated to the claims of unsubordinated creditors of the Bank, but no further or otherwise; iii) claims which are, or are expressed to be, junior to the claims of other creditors of the Bank, whether subordinated or unsubordinated, other than those whose claims rank, or are expressed to rank, pari passu with, or junior to, the claims of the holders of the AT1 securities.
- The AT1 securities bear a floating rate of interest. Interest on the AT1 securities is due and payable only at the sole discretion of the Bank, and the Bank shall have 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.
- AT1 securities are undated and are redeemable, at the option of the Bank, in whole but not in part on their fifth anniversary from the date of issue and every interest payment date thereafter. In addition, the AT1 securities are redeemable, at the option of the Bank, in whole in the event of certain changes in the tax or regulatory treatment of the AT1 securities. Any redemptions require the prior consent of the regulator.
- Should the CET1 ratio of the Bank fall below 7%, the AT1 securities are irrevocably written down by an amount equal to the lower of i) the amount necessary to generate sufficient CET1 capital to restore the Bank's CET1 ratio to at least 7%; or ii) the amount that would reduce the principal amount of the AT1 securities to zero.

28 Reserves

Currency translation reserve

The currency translation reserve represents the cumulative gains and losses on the retranslation of the Bank's net investment in foreign operations.

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 (net of tax) on effective cash flow hedging instruments that will be recycled to the income statement when the hedged transactions affect profit or loss.

Own credit reserve

The own credit reserve reflects the cumulative own credit gains and losses (net of tax) 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 other shareholders' equity

Other reserves and other shareholders' equity relate to the merger reserve, in respect of the transfer of European branches from BB PLC in 2018 and 2019, and represents the excess of the book value at transfer over the fair value. During 2025, €58m (debit) of the merger reserve was released and reclassified to retained earnings following the completion of the sale

Notes to the financial statements

Other disclosure matters

of the CBE business. In 2024, €190m (credit) of the merger reserve was released following the disposal of substantially all of the Bank's amortised cost Italian retail mortgage portfolio with the sale of the assets to Miltonia Mortgage Finance S.r.l.

	2025	2024
	€m	€m
Currency translation reserve	(30)	13
Fair value through other comprehensive income reserve	6	(8)
Cash flow hedging reserve	(19)	21
Own credit reserve	(74)	(68)
Other reserves and other shareholders' equity	(177)	(235)
Total	(294)	(277)

Notes to the financial statements

Other disclosure matters

The notes included in this section focus on the Bank's staff costs, share-based payments and pensions and post-retirement benefits, structured entities, financing activities, assets pledged, collateral received and assets transferred, repurchase agreements and other similar borrowing, consolidated entities, investment in associates, related party transactions and directors' remuneration, auditor's remuneration, assets included in disposal groups classified as held for sale, liabilities associated and discontinued operations and post balance sheet events can be found on pages 273 to 293.

29 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 Bank 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 30 and Note 31 respectively.

Continuing operations	2025	2024
	€m	€m
Salaries	192	183
Social security costs	80	75
Retirement benefits ¹	10	11
Performance costs	97	87
Other compensation costs ²	23	19
Total compensation costs	402	375
Other resourcing costs		
Outsourcing	11	13
Redundancy and restructuring	3	32
Temporary staff costs	—	—
Other resourcing costs	5	5
Total other resourcing costs	19	50
Total staff costs	421	425

Notes

1 Retirement benefits charge includes €9m (2024: €9m) with respect to defined contribution schemes and €1m (2024: €2m) with respect to defined benefit schemes.

2 Other compensation expenses include allowances and incentives, benefits in kind and other non-performance cost recharges.

In accordance with Section 317(2) of the Companies Act 2014, the table below details staff costs on an incurred basis, incorporating costs of both continuing and discontinued operations.

Continuing and Discontinued operations	2025	2024
	€m	€m
Salaries	196	230
Social security costs	80	84
Retirement benefits ¹	10	13
Performance costs	97	96
Other compensation costs ²	24	21
Total compensation costs	407	444
Other resourcing costs		
Outsourcing	12	37
Redundancy and restructuring	3	31
Temporary staff costs	—	1
Other resourcing costs	5	6
Total other resourcing costs	20	75
Total staff costs	427	519

Notes

1 Retirement benefits charge includes €9m (2024: €11m) in respect of defined contribution schemes and €1m (2024: €2m) in respect of defined benefit schemes.

Notes to the financial statements

Other disclosure matters

2 Other compensation expenses include allowances and incentives, benefits in kind and other non-performance cost recharges.

At 31 December 2025, the number of staff full time equivalents (FTE) was 1,254 (31 December 2024: 1,814). The average FTE for the year was 1,248 (31 December 2024: 1,816) of which 331 (31 December 2024: 322) were based in Head Office and 917 (31 December 2024: 1,494) in the Bank's branches.

The average headcount for the year 2025 was 1,253 (2024: 1,860) of which 332 (2024: 325) were based in Head Office and 921 (2024: 1,535) in the Bank's branches.

The reduction in FTE and average headcount is primarily attributable to the sale of the CBE business.

Notes to the financial statements

Other disclosure matters

30 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.

Barclays enters into share-based payment awards with Bank staff.

The cost to the Bank of all share-based payments as recharged by Barclays Group for the financial year ended 31 December 2025 was €27m (2024: €20m).

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 Group operates a number of other schemes settled in Barclays PLC Shares including Sharesave (both UK and Ireland), Sharepurchase (both UK and Overseas), and Barclays 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.

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 in years	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 in years	Number of options/awards outstanding
SVP and DSVP ^{1,2}	2.86	3.07	1	16,389,188	1.56	1.72	1	18,423,481
Others ^{1,3}	1.97-3.59	3.03-4.32	0-3	667,828	1.72-2.02	1.73-2.23	0-2	669,590

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.

Notes to the financial statements

Other disclosure matters

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		Number		Weighted average exercise price (€)	
	2025	2024	2025	2024	2025	2024
Outstanding at beginning of year/acquisition date	18,423,481	18,797,369	669,590	1,103,115	0.87	0.88
Transfers within the year ⁴	588,987	679,583	26,525	52,154		
Granted in the year	5,602,158	7,352,409	2,879,186	3,578,744	3.29	—
Exercised/released in the year	(7,687,656)	(7,644,800)	(2,879,815)	(3,973,088)	0.83	0.89
Less: forfeited in the year	(537,782)	(761,080)	(21,365)	(80,721)	0.88	1.08
Less: expired in the year	—	—	(6,293)	(10,614)	1.43	0.97
Outstanding at end of year	16,389,188	18,423,481	667,828	669,590	2.14	0.87
Of which exercisable:	—	—	143,558	76,019	0.83	0.94

Notes

- Options/award granted over Barclays PLC shares.
- Weighted average exercise price is not applicable for SVP and DSVP awards as these are not share option schemes.
- 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 92,900 (2024: 15,374)). The weighted average exercise price relates to Sharesave.
- Awards of employees transferred between the Bank and the rest of the Barclays Group.

Awards and options granted to employees and former employees of the Bank under the Barclays Group share plans may be satisfied using new issue shares, treasury shares and market purchase shares of Barclays PLC. Awards granted to employees and former employees of the Bank under DSVP may only be satisfied using market purchase shares of Barclays PLC.

There were no significant modifications to the share-based payments arrangements in 2025 and 2024.

As at 31 December 2025, the total liability arising from cash-settled employee share-based payments transactions was €0.05m (2024: €0.05m).

Notes to the financial statements

Other disclosure matters

31 Retirement benefits

Accounting for retirement benefits

The Bank operates a number of pension schemes and post-employment benefit schemes.

Defined contribution – the Bank 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 Bank 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 (re-measurements) 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. Re-measurements 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 risks that the Bank runs in relation to the pension and post-retirement schemes are typical, principally that investment returns fall short of expectations, that inflation exceeds expectations, and that retirees live longer than expected.

The Barclays Bank Irish Retirement and Life Assurance Plan is the bank's major funded defined benefit pension scheme. This scheme was closed to new entrants on 31 May 2013.

The most recent triennial funding valuation was carried out at 31 December 2023. The fair value of assets represented 102% of the value of accrued benefits. The Bank ceased contributions with effect from April 2024. The next triennial funding valuation will be completed in 2027 as at 31 December 2026. The Actuary has confirmed that the Plan satisfied the Irish Pensions Authority Minimum Funding Standard (MFS) at 31 December 2023.

In addition to the above, the Bank has defined benefit pension liabilities relating to immaterial schemes operating in France, Germany and Portugal.

The benefits provided, the approach to funding and the legal basis of the Bank's plans reflect local environments.

The following tables include amounts recognised in the income statement and an analysis of benefit obligations and scheme assets for all the Bank's 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 29 Staff costs.

Income statement charge¹

	2025	2024
	€m	€m
Current service cost	—	—
Net finance cost/(income) on net defined benefit liability	—	—
Other movements ²	1	2
Total	1	2

Notes

1 The numbers in the table are immaterial and rounded off to the nearest million.

2 Other movements of €1m in 2025 pertains to past service cost in Portugal Pension schemes.

The amounts recognised in other comprehensive income are as follows:

Statement of other comprehensive income

	2025	2024
	€m	€m
Actuarial loss - experience	1	—
Actuarial loss - demographic	—	2
Actuarial gain - financial	(7)	(3)
Actuarial gain arising during period	(6)	(1)
Return on plan assets greater than discount rate	(1)	(1)
Remeasurement effects recognised in OCI	(7)	(2)
Other movements	—	(2)
Total OCI gain	(7)	(4)

Notes to the financial statements

Other disclosure matters

The following table outlines the balance sheet position:

Balance sheet		
	2025	2024
	€m	€m
Present value of funded liabilities	(42)	(46)
Present value of the unfunded liabilities	(4)	(5)
Present value of total liabilities	(46)	(51)
Fair value of scheme assets	54	53
Net surplus	8	2
Retirement benefit assets	12	7
Retirement benefit liabilities	(4)	(5)
Net surplus	8	2

Reconciliation of defined benefit asset/liability

	2025	2024
	€m	€m
Net defined benefit asset/(liability) at period beginning	2	(7)
Current service cost	—	—
Interest cost on DBO	(2)	(2)
Interest income on assets	2	2
Remeasurement gain recognised in OCI	7	2
Employer contributions	1	1
Settlement	—	—
Other movements	(2)	6
Net defined benefit asset at period end	8	2

Movement in Scheme Assets

	2025	2024
	€m	€m
Scheme assets at period beginning	53	52
Interest income on plan assets	2	2
Return on plan assets greater than discount rate	1	1
Benefits paid – from plan assets	(3)	(3)
Employer contributions paid	1	1
Scheme assets at period end	54	53

Notes to the financial statements

Other disclosure matters

Movement in Scheme Liabilities		
	2025	2024
	€m	€m
Scheme liabilities at period beginning	(51)	(59)
Current service cost	—	—
Interest cost on DBO	(2)	(2)
Actuarial loss- experience	(1)	—
Actuarial loss- demographic	—	(2)
Actuarial gain - financial	7	3
Benefits paid – from plan assets	3	3
Benefits paid – directly by the Bank	—	—
Other movements	(2)	6
Scheme liabilities at period end	(46)	(51)

Breakdown of the Ireland Pension Scheme benefit obligation		
	2025	2024
	Total	Total
	€m	€m
Deferred members	20	25
Pensioners and Dependents	20	20
Total benefit obligation at end of the year	40	45

The weighted average duration of the benefit payments reflected in the defined benefit obligation (DBO) for Ireland is 18 years (2024: 19 years).

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 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 Barclays Bank Irish Retirement and Life Assurance Plan the asset ceiling is not applied as, in certain specified circumstances, such as wind-up, the Bank expects to be able to recover any surplus. Similarly, a liability in respect of future minimum funding requirements is not recognised. The Trustee does not have a substantive right to augment benefits, nor do they have the right to wind up the plan except in the dissolution of 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.

Analysis of scheme assets

A long-term investment strategy has been set for the Irish plan with its asset allocation comprising a mix of equities, bonds, property, mixed investment funds and other assets. This recognises that different asset classes are likely to produce different returns and some asset classes may be more volatile than others. The long-term investment strategy aims to ensure, among other objectives, that investments are adequately diversified and the overall level of investment risk is acceptable.

ESG related factors are considered in determining investment policy for the Irish plan. In particular, the equity fund is designed to deliver equity market returns with enhanced exposure to more sustainable companies and a better alignment to the low carbon transition economy.

The value of the asset classes and their percentages in relation to the total assets are set out below:

Analysis of scheme assets				
	2025		2024	
	Value ¹	% of total fair value of scheme assets	Value ¹	% of total fair value of scheme assets
	€m	%	€m	%
Bonds	25	46.3	25	47.0
Equities	15	27.8	17	32.0
Property	2	3.7	2	4.0
Mixed Investment Funds	—	—	9	17.0
Other	12	22.2	—	—
Fair value of scheme assets	54	100.0	53	100.0

Note

1 All assets in the above table are quoted assets.

Notes to the financial statements

Other disclosure matters

Critical accounting estimates and judgement

Valuation of the defined benefit obligations are dependent on a number of assumptions, the most critical being discount rates, price inflation and life expectancy. Below is a summary of the main financial and demographic assumptions adopted for the Irish plan.

Ireland

Key financial assumptions	2025 % p.a.	2024 % p.a.
Discount rate	4.30	3.50
Inflation rate (CPI)	2.25	2.25

Assumptions regarding future mortality are set based on advice from published statistics and experience. The mortality assumptions are based on standard mortality tables and life expectancies are set out below:

Assumed life expectancy	2025	2024
Life expectancy at 60 for current pensioners (years)		
– Males	27.3	27.2
– Females	29.6	29.5
Life expectancy at 60 for future pensioners currently aged 40 (years)		
– Males	29.5	29.4
– Females	31.7	31.6

Sensitivity analysis on actuarial assumptions

To illustrate the sensitivity of the results to changes in the key financial assumptions, the following table highlights the impact of a change in each of the main financial assumptions to the Irish plan. The sensitivity analysis has been calculated by valuing the 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 DBO to key assumptions should not be interpreted as the Bank expressing any specific view of the probability of such movements happening.

Change in key assumptions (Irish Pension Plan)	2025 (Decrease)/ Increase in defined benefit obligation €m	2024 (Decrease)/ Increase in defined benefit obligation €m
Discount rate		
0.50% p.a. increase	(3)	(4)
Assumed Inflation		
0.50% p.a. increase	3	4
Life expectancy at 60		
One year increase	1	1
One year decrease	(1)	(1)

Expected employer contributions

The Bank's expected contributions to the Barclays Bank Irish Retirement and Life Assurance Plan in respect of defined benefits in 2026 is nil. The next triennial funding valuation is due to be carried out as at 31 December 2026 which will assess the long-term funding position and may lead to a requirement for additional contributions beyond 2026.

32 Structured entities

A structured entity is an entity in which voting or similar rights are not the dominant factor in deciding who controls the entity. An example is when voting rights relate to administrative tasks only and the relevant activities are 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.

Notes to the financial statements

Other disclosure matters

Depending on the Bank'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.

Unconsolidated structured entities

The term 'unconsolidated structured entities' refers to structured entities not consolidated by the Bank, and are established by 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 Bank. Such interests include holdings of debt or equity securities, derivatives that transfer financial risks from the entity to the Bank, lending, loan commitments, financial guarantees and investment management agreements.

The Bank enters into transactions with unconsolidated structured entities in the normal course of business to facilitate customer transactions, risk management services and for specific investment opportunities. This is predominately within the IB business. Structured entities may take the form of funds, trusts, securitisation vehicles, and private investment companies. The largest transactions for the Bank include loans and derivatives with hedge fund structures and special purpose entities and holding notes issued by securitisation vehicles.

The nature and extent of the Bank's interests in structured entities is summarised below:

Summary of interests in unconsolidated structured entities

	Secured financing €m	Short-term traded interests €m	Traded derivatives €m	Other interests €m	Total €m
As at 31 December 2025					
Assets					
Trading portfolio assets	—	337	—	—	337
Financial assets at fair value through the income statement	424	—	—	—	424
Derivative financial instruments	—	—	304	—	304
Loans and advances at amortised cost	—	—	—	1,756	1,756
Debt securities at amortised cost	—	—	—	1,957	1,957
Assets included in disposal groups classified as held for sale	—	—	—	—	—
Total assets	424	337	304	3,713	4,778
Liabilities					
Derivative financial instruments	—	—	463	—	463
As at 31 December 2024					
Assets					
Trading portfolio assets	—	128	—	—	128
Financial assets at fair value through the income statement	480	—	—	—	480
Derivative financial instruments	—	—	984	—	984
Loans and advances at amortised cost	—	—	—	707	707
Debt securities at amortised cost	—	—	—	1,627	1,627
Assets included in disposal groups classified as held for sale	—	—	—	152	152
Total assets	480	128	984	2,486	4,078
Liabilities					
Derivative financial instruments	—	—	1,106	—	1,106

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 lending where the interest is driven by normal customer demand. As at 31 December 2025, Barclays entered into transactions with approximately 1,182 (2024: 1,032) structured entities.

Notes to the financial statements

Other disclosure matters

Secured financing

The Bank routinely enters into reverse repurchase contracts, 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 Bank is able to manage its variable exposure to the performance of the structured entity counterparty. The counterparties included in secured financing include hedge fund limited structures, investment companies, funds and special purpose entities.

Short-term traded interests

As part of its market making activities, the Bank 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 Bank 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 Bank enters into a variety of derivative contracts with structured entities which reference market risk variables such as interest rates, FX rates and credit indices among other things. The main derivative types which are considered interests in structured entities include index-based and entity specific Credit Default Swaps (CDS), balance guaranteed swaps, total return swaps, commodities swaps, and equity swaps. Interest rate swaps, FX derivatives that are not complex and which expose the Bank to insignificant credit risk by being senior in the payment waterfall of a securitisation and derivatives that are determined to introduce risk or variability to a structured entity are not considered to be an interest in an entity and have been excluded from the disclosures.

A description of the types of derivatives and the risk management practices are detailed in Note 13. The risk of loss may be mitigated through ongoing margining requirements as well as a right to cash flows from the structured entity which are senior in the payment waterfall. Such margining requirements are consistent with market practice for many derivative arrangements and in line with the Bank's normal credit policies.

Derivative transactions require the counterparty to provide cash or other collateral under margining agreements to mitigate counterparty credit risk. The Bank is mainly exposed to settlement risk on these derivatives which is mitigated through daily margining. Total notional contract amounts were €7,955m (2024: €7,230m).

Except for CDS 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 Bank'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 Bank'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.

Notes to the financial statements

Other disclosure matters

Nature of interest

	Lending €m	Others €m	Total ¹ €m
As at 31 December 2025			
Assets			
Loans and advances at amortised cost	1,756	—	1,756
Debt securities at amortised cost	—	1,957	1,957
Assets included in disposal groups classified as held for sale	—	—	—
Total on-balance sheet exposures	1,756	1,957	3,713
Total off-balance sheet notional amounts	890	—	890
Maximum exposure to loss	2,646	1,957	4,603
Total assets of the entity	11,567	5,759	17,326

As at 31 December 2024

	Lending €m	Others €m	Total ¹ €m
Assets			
Loans and advances at amortised cost	707	—	707
Debt securities at amortised cost	—	1,627	1,627
Assets included in disposal groups classified as held for sale	152	—	152
Total on-balance sheet exposures	859	1,627	2,486
Total off-balance sheet notional amounts	1,171	—	1,171
Maximum exposure to loss	2,030	1,627	3,657
Total assets of the entity	10,963	5,579	16,542

Note

¹ None of the structured entities are Barclays Bank Ireland PLC owned and they are not consolidated per IFRS 10 Consolidated Financial Statements.

Maximum exposure to loss

Unless specified otherwise below, the Bank'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.

Lending

The portfolio includes lending provided by the Bank 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 Bank'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 Bank incurred immaterial impairment against such facilities.

Other

This includes interests in debt securities issued by securitisation vehicles.

Assets transferred to sponsored unconsolidated structured entities

BBI 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, no assets were transferred to sponsored unconsolidated structured entities.

Notes to the financial statements

Other disclosure matters

33 Analysis of change in financing during the year

The below table represents a reconciliation of movements of liabilities to cash flow arising from financing activities.

	Liabilities			Equity				Total
	Subordinated debt	Lease liabilities ¹	Called up share capital	Share premium	Other equity	Other reserve	Retained earnings	
	€m	€m	€m	€m	€m	€m	€m	€m
Balance as at 1 January 2025	4,830	80	899	3,173	1,070	(277)	2,529	12,304
Proceeds from the issuance of subordinated debt	1,375	—	—	—	—	—	—	1,375
Lease liability paid	—	(17)	—	—	—	—	—	(17)
Other equity instruments coupons paid	—	—	—	—	(69)	—	—	(69)
Redemption of subordinated debt	(1,276)	—	—	—	—	—	—	(1,276)
Issue of ordinary shares	—	—	—	—	—	—	—	—
AT1 issuance and redemption ²	—	—	—	—	—	—	—	—
Total changes from financing cash flows	99	(17)	—	—	(69)	—	—	13
Other changes								
Interest expense	189	4	—	—	—	—	—	193
Interest paid	(190)	—	—	—	—	—	—	(190)
Modifications and other movements	—	103	—	—	—	—	—	103
Total liability related other changes	(1)	107	—	—	—	—	—	106
Total equity related other changes	—	—	—	—	69	(17)	141	193
Balance as at 31 December 2025	4,928	170	899	3,173	1,070	(294)	2,670	12,616
Balance as at 1 January 2024	4,833	87	899	3,123	805	(138)	2,275	11,884
Proceeds from the issuance of subordinated debt	—	—	—	—	—	—	—	—
Lease liability paid	—	(17)	—	—	—	—	—	(17)
Other equity instruments coupons paid	—	—	—	—	(79)	—	—	(79)
Redemption of subordinated debt	—	—	—	—	—	—	—	—
Issue of ordinary shares	—	—	—	50	—	—	—	50
AT1 issuance	—	—	—	—	265	—	—	265
Total changes from financing cash flows	—	(17)	—	50	186	—	—	219
Other changes								
Interest expense	272	4	—	—	—	—	—	276
Interest paid	(275)	—	—	—	—	—	—	(275)
Modifications and other movements	—	6	—	—	—	—	—	6
Total liability related other changes	(3)	10	—	—	—	—	—	7
Total equity related other changes	—	—	—	—	79	(139)	254	194
Balance as at 31 December 2024	4,830	80	899	3,173	1,070	(277)	2,529	12,304

Notes

1 See Note 19 (Leases) for further details.

2 In 2025, there was one issuance for €265m (2024: two issuances for €565m) and four redemptions for €265m (2024: one redemption for €300m) of AT1 instruments.

Notes to the financial statements

Other disclosure matters

34 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 Bank's balance sheet, for example because the Bank retains substantially all the exposure to those assets under an agreement to repurchase them in the future for a fixed price.

Where non-cash assets are pledged or transferred as collateral for cash received, the asset continues to be recognised in full, and a related liability is also recognised on the balance sheet. Where non-cash assets are pledged or transferred as collateral in an exchange for non-cash assets, the transferred asset continues to be recognised in full, and there is no associated liability as the non-cash collateral received is not recognised on the balance sheet. The Bank 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	2024
	€m	€m
Cash collateral	11,116	8,836
Trading portfolio assets	11,139	13,660
Loans and advances at amortised cost	2,280	894
Financial assets at fair value through other comprehensive income	299	—
Financial assets at fair value through the income statement	740	352
Assets pledged	25,574	23,742

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	Associated liabilities	Transferred assets	Associated liabilities
	2025	2025	2024	2024
	€m	€m	€m	€m
Derivative financial instruments	12,492	(12,492)	9,870	(9,870)
Repurchase agreements	10,132	(3,831)	10,490	(3,359)
Other	2,950	(79)	3,382	(108)
	25,574	(16,402)	23,742	(13,337)

For repurchase agreements the difference between transferred assets and associated liabilities is predominantly due to IFRS netting. There are no agreements where a counterparty's recourse is limited to only the transferred assets.

Collateral held as security for assets

Under certain transactions, including reverse repurchase agreements and stock borrowing transactions, the Bank is allowed to resell or re-pledge the collateral held. Collateralised transactions, such as securities lending and borrowing, repurchase and derivative transactions are conducted in accordance with standard terms which are customary in the market.

The fair value at the balance sheet date of collateral accepted and re-pledged to others was as follows:

	2025	2024
	€m	€m
Fair value of securities accepted as collateral	153,022	131,212
Of which fair value of securities re-pledged/transferred to others	132,387	102,159

Notes to the financial statements

Other disclosure matters

This section presents information on the Bank's investments in subsidiaries and associates. Detail is also given on securitisation transactions the Bank has entered into and arrangements that are held off-balance sheet.

35 Principal subsidiaries

Accounting for investment in subsidiaries

In 2025, the Bank disposed of its 100% interest in the issued share capital of Barclays Administration Germany Limited as part of the disposal of CBE.

The Bank's subsidiaries are set out below.

Company Name	Principal place of business or incorporation	Registered Office	Nature of business	Percentage of voting rights held %	Non-controlling interests - proportion of ownership interests %	Non-controlling interests - proportion of voting interests %
Barclays Europe Nominees DAC	Ireland	One Molesworth Street, Dublin 2, D02 RF29. Ireland	Nominee Company	100	—	—
Barclays Europe Firm Nominees DAC	Ireland	One Molesworth Street, Dublin 2, D02 RF29. Ireland	Nominee Company	100	—	—
Barclays Europe Client Nominee DAC	Ireland	One Molesworth Street, Dublin 2, D02 RF29. Ireland	Nominee Company	100	—	—

In each case, the Bank holds 100% of the ordinary shares in the subsidiary undertakings.

Significant restrictions

The Bank does not have significant restrictions on its ability to access or use the assets and settle the liabilities of its subsidiaries.

Notes to the financial statements

Other disclosure matters

36 Investment in associates

Accounting for associates

The Bank holds an investment in Cantal Investments Sarl (Cantal), a USD denominated wholly owned indirect subsidiary of BB PLC. In February 2025, the Bank increased its investment in Cantal with an additional \$200m cash investment in exchange for Cantal shares increasing the total investment to \$450m. As a result of its 17.2% (December 2024: 9.15%) shareholding and Board representation, the Bank has significant influence over Cantal and accounts for it as an investment in an associate using the equity method. As of 31 December 2025, the investment in associates balance amounted to €329m (December 2024: €178m).

	2025	2024
	Associates	Associates
	€m	€m
Equity accounted	329	178

Summarised financial information for Cantal for the year ended 31 December 2025 is set out below. This financial information is based on unaudited management information.

	2025	2024
	Associates	Associates
	€m	€m
Total assets	82,982	91,349
Total liabilities	(81,073)	(89,410)
Net assets	1,909	1,939
Total income	389	660
Profit after tax	304	527

The amounts shown below are the Bank's share of the profit after tax of the investment in associate for the year ended 31 December 2025.

	2025	2024
	Associates	Associates
	€m	€m
Profit from continuing operations	50	38
Other comprehensive income	—	—
Total comprehensive income from continuing operations	50	38

During the year, the Bank recognised a share in the profit of the associate amounting to €50m (2024: €38m), received dividends of €48m (2024: €101m) and recognised a currency translation reserve loss of €43m (2024: gain of €13m) at the reporting date.

37 Securitisations

Accounting for securitisations

The Bank 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 Bank'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 Bank 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 Bank transfers financial assets, either where legal rights to the cash flows from the asset are passed to the counterparty; or beneficially, where the Bank 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.

Notes to the financial statements

Other disclosure matters

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

The Bank, to facilitate the sale of CBE, was party to a securitisation transaction involving its personal loan balances. In this transaction, the assets, interests in the assets, or beneficial interests in the cash flows arising from the assets, were transferred to a special purpose entity, which then issued interest bearing debt securities to the Bank and third party investors.

The following table shows the carrying amount of securitised assets that have not resulted in full derecognition as of the balance sheet date.

	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
Assets included in disposal groups classified as held for sale								
Personal Loans	—	—	—	—	1,019	998	—	—

Balances included above represent securitisation where the risks and rewards are neither substantially transferred nor retained. If the Bank 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 continue to be recognised to the extent of the Bank's continuing involvement. Total financial assets of nil (2024: €1,195m) were originally transferred in this manner and the carrying value of the assets representing continued involvement is included in the table above.

On 31 January 2025, the Bank successfully completed the sale of CBE, its German consumer finance business, to BAWAG resulting in the derecognition of the personal loan balances previously transferred into the securitisation structure.

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 another party controls both.

Parent company

The parent company is BB PLC, which holds 100% (31 December 2024: 100%) of the issued ordinary shares of the Bank and 100% (31 December 2024: 100%) of the AT1 securities issued by the Bank. The ultimate controlling parent of the Bank is B PLC.

Fellow subsidiaries

Transactions between the Bank and other subsidiaries of the parent company also meet the definition of related party transactions.

Amounts included in the Bank's financial statements, in aggregate, by category of related party entity are as follows:

	2025		2024	
	Parent	Fellow subsidiaries	Parent	Fellow subsidiaries
	€m	€m	€m	€m
Total income	174	163	(61)	129
Operating expenses	(7)	(442)	(23)	(468)

	2025		2024	
	Parent	Fellow subsidiaries	Parent	Fellow subsidiaries
	€m	€m	€m	€m
Total assets	12,722	4,440	17,459	4,242
Total liabilities	18,870	2,807	18,611	3,135

Total income from parent and fellow subsidiaries above of €337m (2024: €68m) includes net fee and commission income of €618m (2024: €581m) offset with net interest expense of €53m (2024: €141m) and net trading expense of €228m (2024: €372m). Further information on net fee and commission income can be found within Note 4.

Operating expenses payable to fellow subsidiaries above of €442m (2024: €468m) primarily reflects the cost of services provided by Barclays Execution Services Limited, the Barclays Group-wide service company. Out of €442m, €437m related

Notes to the financial statements

Other disclosure matters

to continuing operations and €5m related to discontinued operations. Further information on discontinued operations can be found within Note 40.

During the year the Bank received dividends of €48m (2024: €101m) from its investment in Cantal Investments Sarl. Further information on this investment can be found in Note 36 Investment in associates.

During the year ended 31 December 2025, the Bank did not issue any new ordinary shares. During the year 2024, the Bank issued 100 ordinary shares of €1 each at a premium of €50m to raise additional capital.

The Bank made coupon payments of €69m (2024: €79m) to its parent during the year on AT1 securities.

As at 31 December 2025, the Bank has collateralised financial guarantees from its parent totalling €8,140m (2024: €10,111m).

Total assets and liabilities with parent and fellow subsidiaries comprise:

As at 31 December	2025	2024
	€m	€m
Cash collateral and settlement balances	1,982	1,876
Loans and advances at amortised cost	926	767
Reverse repurchase agreements and other similar secured lending	3,011	6,788
Financial assets at fair value through the income statement	9,852	11,341
Derivative financial instruments	862	556
Other assets	529	372
Total assets with parents and fellow subsidiaries	17,162	21,700
Deposits at amortised cost	1,033	716
Cash collateral and settlements balances	1,352	2,334
Repurchase agreements and other similar secured borrowing	2,127	886
Debt securities in issue	700	1,500
Subordinated liabilities	4,928	4,830
Financial liabilities designated at fair value	10,751	10,985
Derivative financial instruments	670	383
Other liabilities	116	112
Total liabilities with parents and fellow subsidiaries	21,677	21,746

Derivatives with the parent and fellow subsidiaries are collateralised with cash and other financial instruments. Reverse repurchase agreements, repurchase agreements and financial assets/liabilities at fair value through the income statement are secured on underlying financial instruments.

Key Management Personnel

Key Management Personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Bank (directly or indirectly) and comprise the Board of Directors and the Executive Committee of the Bank.

As at 31 December	2025	2024
	€m	€m
Loans	—	0.3
Undrawn amount or credit cards and/or overdraft facilities	0.6	0.6
Deposits	1.0	0.4

All loans to Key Management Personnel (and persons connected to them) were made in the ordinary course of business in accordance with the Banks Related Party Lending policy; 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 the awards made to individuals that have been approved by the Bank's Board as part of the latest remuneration decisions. Costs recognised in the income statement reflect the accounting charge for the year included within operating expenses. The difference between the values awarded

Notes to the financial statements

Other disclosure matters

and the recognised income statement charge principally relates to the recognition of deferred costs for prior year awards. Figures are provided for the period that individuals met the definition of Key Management Personnel.

	2025	2024
	€m	€m
Short-term employee benefits	14.7	15.3
Post-employment benefits	0.3	0.4
Share-based payments	4.3	4.0
Termination benefits	—	0.1
Other long term benefits	2.6	2.4
Total Key Management Personnel remuneration	21.9	22.2

Directors' remuneration

	2025	2024
	€m	€m
Emoluments in respect of qualifying services	4.0	3.6
Benefits under long term incentive schemes	1.7	1.3
Total Directors' remuneration	5.7	4.9

During the year ended 31 December 2025, Directors accrued benefits under a defined benefit scheme or defined contribution scheme of €0.1m (2024: €0.1m).

39 Auditor's remuneration

Auditor's remuneration is included within administration and general expenses and comprises:

	2025	2024
	€m	€m
Audit of the Bank's financial statements	2.9	3.5
Other services:		
Other assurance services	1.7	1.2
Tax advisory services	—	—
Other non-audit services	—	—
Total Auditor's remuneration¹	4.6	4.7

Note

1 Of the 2025 audit fees, €0.4m of the statutory audit fees (2024: €1.2m) and €0.3m (2024: €0.2m) of the non-audit services fees relates to fees paid to other KPMG network firms.

Notes to the financial statements

Other disclosure matters

40 Assets included in disposal groups classified as held for sale, liabilities associated and discontinued operations

Accounting for non-current assets held for sale, associated liabilities 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 balance sheet.

A component of an entity that is clearly distinguished both operationally and for financial reporting purposes from the rest of an entity is presented as a discontinued operation when it

- has been disposed of or classified as held for sale; and
- represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resell.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the income statement.

Critical accounting estimates and judgements

Significant 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.

Similarly, there is significant management judgement in applying the measurement requirements of IFRS 5 as it involves estimates which are based on expectation of future events linked with the sales process.

Significant management judgement is applied in assessing whether the business model for managing assets that fall within the scope of IFRS 9 has changed. In particular it requires consideration of whether any changes have occurred in how the assets are being managed, whether a change is demonstrable to external parties and whether the Bank has begun or ceased to perform an activity that is significant to its operations.

On 31 January 2025, the Bank successfully completed the sale of CBE, its German consumer finance business, to BAWAG.

Balance sheet impact

The following table details the held for sale balance sheet, consisting of the CBE held for sale assets and related liabilities.

As at 31 December	2025	2024
	€m	€m
Assets included in disposal groups classified as held for sale		
Loans and advances to customers	—	4,242
Intangible assets	—	17
Property, plant and equipment	—	29
Other assets	—	183
Total assets classified as held for sale	—	4,471
Liabilities included in disposal groups classified as held for sale		
Deposits from customers	—	4,395
Other liabilities	—	92
Provisions	—	3
Total liabilities classified as held for sale	—	4,490
Net assets classified as held for sale	—	(19)

Notes to the financial statements

Other disclosure matters

Income statement impact

In 2025, the CBE disposal groups continued to meet the requirements for presentation as discontinued operations in the income statement until its disposal in January 2025. In 2024, both the CBE and Italian mortgage disposal groups met the requirements for presentation as discontinued operations in the income statement. Therefore, 2025 discontinued operations results only include one month of operating activities and the impairment adjustments compared to 2024 results which includes both CBE and Italian mortgage operating activities, loss on sale of Italian mortgage operations and an impairment on the CBE disposal groups.

In making this determination it is noted that there is significant management judgement in applying the IFRS 5 definition of discontinued operations as it requires consideration of both quantitative and qualitative factors in assessing the relevant criteria. In particular for the Italian mortgages disposal group the assessment as to whether this qualifies as a major line of business involves significant judgement, given the remaining Swiss-Franc linked Italian retail mortgage portfolio, which is held at fair value.

The results of the discontinued operations, which have been presented as the profit/(loss) after tax in respect of discontinued operations on the face of the Bank's income statement, are analysed in the income statement below and separately within Note 2 Segmental reporting.

Income Statement - discontinued operations		
	2025	2024
For the year ended 31 December	€m	€m
Interest income	37	520
Interest expense	(8)	(131)
Net interest income	29	389
Fee and commission income	5	68
Fee and commission expense	(2)	(29)
Net fee and commission income	3	39
Total income	32	428
Staff costs	(6)	(94)
Infrastructure costs	(2)	(23)
Administration and general expenses ¹	(11)	(144)
Operating expenses	(19)	(261)
Profit before impairment	13	167
Credit impairment charges	(6)	(100)
Profit from operating activities	7	67
Tax credit/(charge)	1	(34)
Profit from operating activities, net of tax	8	33
Loss on sale of discontinued operation	—	(254)
Impairment release/(charge) on disposal groups	4	(8)
Tax credit on impairment charge on disposal groups	—	3
Profit/(loss) after tax from discontinued operations²	12	(226)

Note

1 Administration and general expenses of €11m (2024: €144m) includes expenses payable to fellow subsidiaries of €5m (2024: €83m) which primarily reflects the cost of services provided by Barclays Execution Services Limited, the Barclays Group-wide service company.

Notes to the financial statements

Other disclosure matters

The cash flows attributed to the discontinued operations are as follows:

	2025	2024
For the year ended 31 December	€m	€m
Net cash from operating activities ¹	(65)	776
Net cash from investing activities ²	155	3,358
Net cash from financing activities	—	—
Net increase in cash and cash equivalents	90	4,134

Notes

- 1 Net cash from operating activities for the year ending 31 December 2025 represents the business activities for the CBE business in January 2025 before the completion of sale.
- 2 Net cash from investing activities for the year ending 31 December 2025 represents the proceeds from the disposal of the CBE business after the completion of sale.

41 Post balance sheet events

There have been no significant events affecting the Bank since year end.

42 Approval of financial statements

The Board of Directors approved the financial statements on 5 March 2026.

Notes

Notes

The terms 'Bank', 'BBI', 'Barclays Europe' or 'Company' refer to Barclays Bank Ireland PLC. 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 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.

Statutory financial statements for the year ended 31 December 2025, which contain an unmodified statutory auditor report under Section 391 of the Companies Act 2014, will be delivered to the Registrar of Companies in accordance with Part 6 of the Companies Act 2014 and the European Communities (Credit Institutions: Financial Statements) Regulations, 2015 (S.I. 266 of 2015).

The Bank is an issuer in the debt capital markets and it may from time to time over the coming half year meet with investors to discuss these results and other matters relating to the Bank.

Forward-looking statements

This document contains certain forward-looking statements with respect to the Bank. The Bank 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 Bank (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 Bank'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 Bank'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 Bank'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; 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 the credit rating of the Bank 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 cyberattacks, information or security breaches, technology failures or operational disruptions and any subsequent impact on the Bank's reputation, business or operations; the use of new technology, including artificial intelligence; the Bank'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 Bank's control. As a result, the Bank'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 Bank's forward-looking statements. Additional risks and factors which may impact the Bank's future financial condition and performance are identified in the description of material existing and emerging risks beginning on page 108 of this Annual Report.

Subject to the Bank's obligations under the applicable laws and regulations of any relevant jurisdiction (including, without limitation, Ireland) 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.

Country by Country Reporting Information

Basis of preparation

The Country-by-Country Reporting (CBCR) information has been prepared on a single entity basis, pursuant to the CBCR requirements for specified institutions under the Capital Requirements Directive IV (CRD IV), which have been transposed into Irish legislation as Regulation 77 of Statutory Instrument 158 of 2014.

Regulation 77 requires each institution to disclose annually, specifying, by Member State and by third country in which it has an establishment, the following information on a consolidated basis for the financial year:

1. Name(s), nature of activities and geographical location;
2. Turnover;
3. Number of employees on a full time equivalent basis;
4. Profit or loss before tax;
5. Tax on profit or loss; and
6. Public subsidies received.

An overview of the Bank may be found in the Performance Review on page 2 of the Bank's 2025 Annual Report.

The table on the next page sets out the turnover, profit or loss before tax, tax on profit or loss, average number of employees and public subsidies received based on the geographic locations in which the Bank operates.

The CBCR information has been prepared in conjunction with and based on the 2025 Annual Report of the Bank which has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. Set out below are the definitions which have been applied in preparing the information within the table.

Turnover

Turnover represents total income, which comprises net interest income, net fee and commission income, net trading income and net investment expense.

Average number of employees

This represents the average number of employees, on a monthly full-time equivalent basis, who are permanently employed by the Bank during the year. Contractors, agency staff, and staff on extended leave, such as maternity leave, are excluded.

Profit/(Loss) before tax

Profit/(Loss) before tax is reported in a manner consistent with the Bank's 2025 Annual Report.

Tax on profit

Tax on profit or loss represents the actual amount of corporation tax paid, net of refunds received, in each country in 2025. Corporation tax payable in any given year is not directly comparable to profits for the same 12 month period. This is because tax on profits is paid across multiple years. In addition, taxable profits are calculated as prescribed by tax law which usually results in differences between accounting and taxable profits. This means it is possible that relatively high corporate income tax can be paid when accounting profits are low and vice versa.

Public subsidies received

Public subsidies received only include direct support from governments such as government grants. They do not include any central bank operations that are designed for financial stability purposes or operations that aim to facilitate the functioning of the monetary policy transmission mechanism; or general tax incentives such as Research & Development tax credits.

Country by Country Reporting Information

Country-by-Country Reporting Information: Year ended 31 December 2025

Country	Turnover €m	Profit/ (Loss) before tax €m	Corporation tax paid €m	Average number of employees
Ireland	617	371	(1)	331
Germany ¹	335	173	11	223
France	317	(20)	11	354
Italy	88	(49)	—	178
Spain	77	8	—	103
Luxembourg	32	24	8	10
Netherlands	28	11	2	24
Sweden	18	2	1	19
Belgium	8	4	1	3
Portugal	5	—	—	3
Other ²	—	—	14	—
Total	1,525	524	47	1,248

Notes

- Information for Germany includes both continuing operations and discontinued operations. Further detail on the Bank's discontinued operations is set out in Note 40 to the Bank's 2025 Annual Report.
- Other relates to corporation tax paid outside Europe and withholding taxes .

Public subsidies

The Bank did not receive any public subsidies during the financial year ended 31 December 2025.

Country by Country Reporting Information

Independent Auditor's report to the Directors of Barclays Bank Ireland PLC

Opinion

We have audited the accompanying Country-by-Country Reporting ("CBCR") information of Barclays Bank Ireland PLC ("the Company") for the year ended 31 December 2025 pursuant to European Union (Capital Requirements) Regulations 2014 ("the Regulations") which is required to be audited by Regulation 77 of those Regulations. The CBCR information set out on page 296 of this Annual Report, has been prepared on a single entity basis more fully explained in basis of preparation on page 295.

In our opinion, the CBCR information as at 31 December 2025:

- is properly prepared, in all material respects, in accordance with the special purpose basis of preparation set out on page 295 to the CBCR information; and
- discloses the items of CBCR information required to be published by Regulation 77 of the European Union (Capital Requirements) Regulations, 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)), including ISA (Ireland) 800 and ISA (Ireland) 805, and the terms of our engagement letter dated 1 December 2025. Our responsibilities are described in the Auditor's responsibilities for the audit of the CBCR information section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of the CBCR information in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) as applicable to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Emphasis of matter – special purpose basis of preparation

In forming our opinion on the CBCR information, which is unmodified, we draw your attention to the disclosure made on page 295 concerning the basis of preparation. The CBCR information is prepared by the Company for the purpose of meeting the requirements of Regulation 77 of the European Union (Capital Requirements) Regulations, 2014. The CBCR information has therefore been prepared in accordance with a special purpose framework and, as a result, the CBCR information may not be suitable for another purpose.

Conclusions relating to going concern

In auditing the CBCR information, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the CBCR information is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the CBCR information is authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the CBCR information and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included:

- Inquiring with the directors as to the Company's policies and procedures regarding compliance with laws and regulations, identifying, evaluating and accounting for litigation and claims, as well as whether they have knowledge of non-compliance or instances of litigation or claims.
- Inquiring of directors, the audit committee, internal audit and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud including the internal audit function, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.

Country by Country Reporting Information

- Inquiring of directors', the audit committee, internal audit regarding their assessment of the risk that the CBCR information may be materially misstated due to irregularities, including fraud.
- Inspecting the Company's regulatory and legal correspondence.
- Reading Board and Board Audit Committee meeting minutes.
- Performing planning analytical procedures to identify any unusual or unexpected relationships.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team. This included communication from the Group auditor to component auditors of relevant laws and regulations and any fraud risks identified at the Group level and a request for component auditors to report to the Group audit team any instances of fraud that could give rise to a material misstatement at Group level.

Firstly, the Company is subject to laws and regulations that directly affect the CBCR information including the European Union (Capital Requirements) Regulations, 2014, companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related CBCR information items, including assessing the CBCR information disclosures and agreeing them to supporting documentation when necessary.

Secondly, the Company 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 CBCR information, for instance through the imposition of fines or litigation or the loss of the Company's licence to operate. We identified the following areas as those most likely to have such an effect: specific aspects of regulatory capital and liquidity, other banking laws and regulations, customer conduct rules, money laundering, sanctions list and financial crime, market abuse regulations and certain aspects of company legislation recognising the financial and regulated nature of the Company's activities.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition. We did not identify any additional fraud risks related to the CBCR information.

In response to the fraud risks, we also performed procedures including:

- Identifying journal entries and other adjustments to test for certain components based on risk criteria and comparing the identified entries to supporting documentation.
- Evaluating the business purpose of significant unusual transactions
- Assessing significant accounting estimates for bias
- Assessing the disclosures in the CBCR information

As the Company is regulated, our assessment of risks involved obtaining an understanding of the legal and regulatory framework that the Company operates and gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the CBCR information, 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 (irregularities) is from the events and transactions reflected in the CBCR information, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Country by Country Reporting Information

Respective responsibilities and restrictions on use

Responsibilities of directors for the CBCR information

The directors are responsible for: the preparation of the CBCR information in accordance with the requirements of the European Union (Capital Requirements) Regulations, 2014 relevant to preparing such CBCR information; such internal control as they determine is necessary to enable the preparation of the CBCR information that is free from material misstatement, whether due to fraud or error; assessing the 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the CBCR information

Our objectives are to obtain reasonable assurance about whether the CBCR information 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 (Ireland) 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 CBCR information.

A fuller description of our responsibilities is provided on IAASA's website at <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/>.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's Directors, as a body, in accordance with our engagement letter to provide a report pursuant to Regulation 77 of the European Union (Capital Requirements) Regulation, 2014. Our audit work has been undertaken so that we might state to the Company's Directors those matters we are required to state to them in an auditor's report on CBCR information 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 Directors as a body, for our audit work, for this report, or for the opinions we have formed.



James Black
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
IFSC,
Dublin 1,
D01 F6F5
5 March 2026

Schedule to the Sustainability Statement

Schedule A: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

These disclosures are incorporated by reference into the Sustainability Statement.

List of datapoints in cross-cutting and topical standards that derive from other EU legislation:

Disclosure Requirement and related datapoint..	SFDR Reference	Pillar 3 Reference..	Benchmark Regulation Reference.....	EU Climate Law Reference.....	Comments and location
<ul style="list-style-type: none"> ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d) 	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		See page 16
<ul style="list-style-type: none"> ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e) 			Delegated Regulation (EU) 2020/1816, Annex II		See page 16
<ul style="list-style-type: none"> ESRS 2 GOV-4 Statement on due diligence paragraph 30 	Indicator number 10 Table #3 of Annex 1				See page 26
<ul style="list-style-type: none"> ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i 	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453. Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not Material- Data point not applicable
<ul style="list-style-type: none"> ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii 	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not Material- Data point not applicable

Schedule to the Sustainability Statement

Schedule A: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint ..	SFDR Reference	Pillar 3 Reference..	Benchmark Regulation Reference.....	EU Climate Law Reference.....	Comments and location
<ul style="list-style-type: none"> ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii 	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/181829, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not Material- Data point not applicable
<ul style="list-style-type: none"> ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv 			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not Material- Data point not applicable
<ul style="list-style-type: none"> ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14 				Regulation (EU) 2021/1119, Article 2(1)	See page 37
<ul style="list-style-type: none"> ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g) 		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		No adopted Transition Plan, please refer to page 37 for further detail

Schedule to the Sustainability Statement

Schedule A: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint..	SFDR Reference	Pillar 3 Reference..	Benchmark Regulation Reference.....	EU Climate Law Reference.....	Comments and location
<ul style="list-style-type: none"> ESRS E1-4 GHG emission reduction targets paragraph 34 	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		No targets set, please refer to page 46 for further detail
<ul style="list-style-type: none"> ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38 	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Not Material
<ul style="list-style-type: none"> ESRS E1-5 Energy consumption and mix paragraph 37 	Indicator number 5 Table #1 of Annex 1				Not Material
<ul style="list-style-type: none"> ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43 	Indicator number 6 Table #1 of Annex 1				Not Material

Schedule to the Sustainability Statement

Schedule A: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint..	SFDR Reference	Pillar 3 Reference..	Benchmark Regulation Reference.....	EU Climate Law Reference.....	Comments and location
<ul style="list-style-type: none"> ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44 	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1:Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 8(1)		See page 47
<ul style="list-style-type: none"> ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55 	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		See page 47
<ul style="list-style-type: none"> ESRS E1-7 GHG removals and carbon credits paragraph 56 				Regulation (EU) 2021/1119, Article 2(1)	Not Material
<ul style="list-style-type: none"> ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66 			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Phase In

Schedule to the Sustainability Statement

Schedule A: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint ..	SFDR Reference	Pillar 3 Reference..	Benchmark Regulation Reference.....	EU Climate Law Reference.....	Comments and location
<ul style="list-style-type: none"> • ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c). 		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Phase In
<ul style="list-style-type: none"> • ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c). 		Article 449a Regulation (EU) No 575/2013;Commis sion Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Phase In
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Phase In

Schedule to the Sustainability Statement

Schedule A: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint..	SFDR Reference	Pillar 3 Reference..	Benchmark Regulation Reference.....	EU Climate Law Reference.....	Comments and location
<ul style="list-style-type: none"> ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28 	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1				Not Material
<ul style="list-style-type: none"> ESRS E3-1 Water and marine resources paragraph 9 	Indicator number 7 Table #2 of Annex 1				Not Material
<ul style="list-style-type: none"> ESRS E3-1 Dedicated policy paragraph 13 	Indicator number 8 Table 2 of Annex 1				Not Material
<ul style="list-style-type: none"> ESRS E3-1 Sustainable oceans and seas paragraph 14 	Indicator number 12 Table #2 of Annex 1				Not Material
<ul style="list-style-type: none"> ESRS E3-4 Total water recycled and reused paragraph 28 (c) 	Indicator number 6.2 Table #2 of Annex 1				Not Material
<ul style="list-style-type: none"> ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29 	Indicator number 6.1 Table #2 of Annex 1				Not Material
<ul style="list-style-type: none"> ESRS 2- SBM 3 - E4 paragraph 16 (a) i 	Indicator number 7 Table #1 of Annex 1				Phase In
<ul style="list-style-type: none"> ESRS 2- SBM 3 - E4 paragraph 16 (b) 	Indicator number 10 Table #2 of Annex 1				Phase In

Schedule to the Sustainability Statement

Schedule A: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint ..	SFDR Reference	Pillar 3 Reference..	Benchmark Regulation Reference.....	EU Climate Law Reference.....	Comments and location
• ESRS 2- SBM 3 - E4 paragraph 16(c)	Indicator number 14 Table #2 of Annex 1				Phase In
• ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Phase In
• ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Phase In
• ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Phase In
• ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Not Material
• ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Not Material
• ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Not Material
• ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Not Material

Schedule to the Sustainability Statement

Schedule A: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint ..	SFDR Reference	Pillar 3 Reference..	Benchmark Regulation Reference.....	EU Climate Law Reference.....	Comments and location
<ul style="list-style-type: none"> ESRS S1-1 Human rights policy commitments paragraph 20 	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				See page 54
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		See page 54
<ul style="list-style-type: none"> ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22 	Indicator number 11 Table #3 of Annex I				Not Material
<ul style="list-style-type: none"> ESRS S1-1 workplace accident prevention policy or management system paragraph 23 	Indicator number 1 Table #3 of Annex I				Not Material
<ul style="list-style-type: none"> ESRS S1-3 grievance/ complaints handling mechanisms paragraph 32(c) 	Indicator number 5 Table #3 of Annex I				See page 54
<ul style="list-style-type: none"> ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c) 	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not Material

Schedule to the Sustainability Statement

Schedule A: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint ..	SFDR Reference	Pillar 3 Reference..	Benchmark Regulation Reference.....	EU Climate Law Reference.....	Comments and location
• ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Not Material
• ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		See page 65
• ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Not Material
• ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Not Material
• ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Not Material
• ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Phase In
• ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Phase In

Schedule to the Sustainability Statement

Schedule A: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint..	SFDR Reference	Pillar 3 Reference..	Benchmark Regulation Reference.....	EU Climate Law Reference.....	Comments and location
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Phase In
• ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12(1)		Phase In
• ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Phase In
• ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				Phase In
• ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Phase In

Schedule to the Sustainability Statement

Schedule A: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint ..	SFDR Reference	Pillar 3 Reference..	Benchmark Regulation Reference.....	EU Climate Law Reference.....	Comments and location
• ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Phase In
• ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Phase In
• ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Phase In
• ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Phase In
• ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex				Phase In
• ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Not Material
• ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Not Material

Schedule to the Sustainability Statement

Schedule A: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint..	SFDR Reference	Pillar 3 Reference..	Benchmark Regulation Reference.....	EU Climate Law Reference.....	Comments and location
<ul style="list-style-type: none"> • ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a) 	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		Not Material
<ul style="list-style-type: none"> • ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b) 	Indicator number 16 Table #3 of Annex 1				Not Material

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

These disclosures are incorporated by reference into the 'Environment section' of our Sustainability Statement and form part of our disclosures under the EU Taxonomy Regulation.

Further to Regulation 5 of the Transparency (Directive 2004/109/EC) Regulations 2007 (Ireland), the disclosures for the financial year ended 31 December 2025 on pages 312 to 341 below have been subject to limited assurance.

1. Assets for the calculation of GAR stock- Turnover based (2025)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p																	
																	Stock (Million EUR) ^{1,2,8}	Total [gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy Aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non- assessed exposures ⁶	Of which financing non material activities of counter- parties	Of which exposures financing counter- parties reporting in accordance with Article 7(9)	Of which not assessed considered non- material by the credit institution
																					Climate Change Mitigation (CCM) ³	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
1	GAR - Covered assets in both numerator and denominator	11,562	3,239	230	222	2	—	5	1	—	—	15	90	—	—	—	—																
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	11,562	3,239	230	222	2	—	5	1	—	—	15	90	—	—	—	—																
3	Financial undertakings	9,903	2,697	136	134	2	—	—	—	—	—	9	57	—	—	—	—																
4	Loans and advances	9,224	2,555	131	129	2	—	—	—	—	—	9	53	—	—	—	—																
5	Debt securities, including UoP	350	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—																
6	Equity instruments	329	142	5	5	—	—	—	—	—	—	—	4	—	—	—	—																
7	Non-financial undertakings	1,444	327	94	88	—	—	5	1	—	—	6	33	—	—	—	—																
8	Loans and advances	1,415	321	94	88	—	—	5	1	—	—	6	33	—	—	—	—																
9	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—																
10	Equity instruments	29	6	—	—	—	—	—	—	—	—	—	—	—	—	—	—																
11	Households	215	215	—	—	—	—	—	—	—	—	—	—	—	—	—	—																
12	of which loans collateralised by residential immovable property ⁴	215	215	—	—	—	—	—	—	—	—	—	—	—	—	—	—																
13	of which building renovation loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—																
14	of which motor vehicle loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—																
15	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—																
16	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—																
17	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—																
18	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—																
19	Exposures included on a voluntary basis	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—																
20	Total GAR assets	11,562																															

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

1. Assets for the calculation of GAR stock - Turnover based (2025) (Continued)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
21	Assets not covered for GAR calculation	120,927															
22	Central governments and Supranational issuers	8,421															
23	Central banks exposure	28,276															
24	Trading book ⁹	71,536															
25	Undertakings and entities not subject to CSRD	10,961															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	6,242															
27	Loans and advances	5,393															
28	of which loans collateralised by commercial immovable property	—															
29	of which building renovation loans	—															
30	Debt securities	846															
31	Equity instruments	3															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	4,719															
33	Loans and advances	3,237															
34	Debt securities	1,476															
35	Equity instruments	6															
36	Derivatives	—															
37	On demand interbank loans	572															
38	Cash and cash-related assets	1															
39	Other categories of assets (e.g. Goodwill, commodities etc.)	1,160															
40	Total assets	132,489															
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	1,300	474	118	117	—	1	—	—	—	—	3	49	—	—	—	—
42	Assets under management ⁵	723	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
43	of which debt securities	558	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
44	of which equity instruments	165	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

1. Assets for the calculation of GAR stock - Turnover based (2024)

	Stock (Million EUR) ^{1,2,8}	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Total [gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy Aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non- assessed exposures ⁶	Of which financing non- material activities of counter- parties	Of which exposures financing counter- parties reporting in accordance with Article 7(9)	Of which not assessed considered non- material by the credit institution
					Climate Change Mitigation (CCM) ³	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
1	GAR - Covered assets in both numerator and denominator	15,353	1,539	187	186	1	—	—	—	—	—	7	84	—	—	—	—
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	15,353	1,539	187	186	1	—	—	—	—	—	7	84	—	—	—	—
3	Financial undertakings	13,273	772	57	57	—	—	—	—	—	—	2	8	—	—	—	—
4	Loans and advances	13,065	771	57	57	—	—	—	—	—	—	2	8	—	—	—	—
5	Debt securities, including UoP	30	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6	Equity instruments	178	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—
7	Non-financial undertakings	1,765	452	130	129	1	—	—	—	—	—	5	76	—	—	—	—
8	Loans and advances	1,750	451	130	129	1	—	—	—	—	—	5	76	—	—	—	—
9	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10	Equity instruments	15	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	Households	315	315	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12	of which loans collateralised by residential immovable property ⁴	315	315	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	of which building renovation loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14	of which motor vehicle loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
19	Exposures included on a voluntary basis	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
20	Total GAR assets⁷	29,735												—	—	—	—
21	Assets not covered for GAR calculation	122,850															
22	Central governments and Supranational issuers	5,911															
23	Central banks exposure	27,699															

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

1. Assets for the calculation of GAR stock - Turnover based (2024) (Continued)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
24	Trading book ⁹	74,858															
25	Undertakings and entities not subject to CSRD	7,900															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	4,904															
27	Loans and advances	4,110															
28	of which loans collateralised by commercial immovable property	—															
29	of which building renovation loans	—															
30	Debt securities	789															
31	Equity instruments	5															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	2,996															
33	Loans and advances	1,870															
34	Debt securities	1,126															
35	Equity instruments	—															
36	Derivatives	12															
37	On demand interbank loans	578															
38	Cash and cash-related assets	1															
39	Other categories of assets (e.g. Goodwill, commodities etc.)	5,891															
40	Total assets⁷	138,203															
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	1,092	208	168	165	—	1	—	1	—	—	—	89	—	—	—	—
42	Assets under management ⁵	530	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
43	of which debt securities	436	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
44	of which equity instruments	94	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

1. Assets for the calculation of GAR stock- CapEx based (2025)

	Stock (Million EUR) ^{1,2,8}	a	b	c	Breakdown per environmental objective						d	e	f	g	h	i	j	k	l	m	n	o	p	
		Total [gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM) ³	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling	Non- assessed exposures ⁶	Of which financing non material activities of counter- parties	Of which exposures financing counter- parties reporting in accordance with Article 7(9)	Of which not assessed non- material by the credit institution							
																		d	e	f	g	h	i	j
1	GAR - Covered assets in both numerator and denominator	11,562	3,578	362	334	7	—	20	1	—	—	17	171	—	—	—	—	—	—	—	—	—	—	—
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	11,562	3,578	362	334	7	—	20	1	—	—	17	171	—	—	—	—	—	—	—	—	—	—	—
3	Financial undertakings	9,903	2,939	203	200	3	—	—	—	—	—	10	109	—	—	—	—	—	—	—	—	—	—	—
4	Loans and advances	9,224	2,791	194	191	3	—	—	—	—	—	10	102	—	—	—	—	—	—	—	—	—	—	—
5	Debt securities, including UoP	350	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6	Equity instruments	329	148	9	9	—	—	—	—	—	—	7	—	—	—	—	—	—	—	—	—	—	—	—
7	Non-financial undertakings	1,444	424	159	134	4	—	20	1	—	—	7	62	—	—	—	—	—	—	—	—	—	—	—
8	Loans and advances	1,415	412	159	134	4	—	20	1	—	—	7	62	—	—	—	—	—	—	—	—	—	—	—
9	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10	Equity instruments	29	12	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	Households	215	215	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12	of which loans collateralised by residential immovable property ⁴	215	215	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	of which building renovation loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14	of which motor vehicle loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
19	Exposures included on a voluntary basis	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
20	Total GAR assets	11,562																						
21	Assets not covered for GAR calculation	120,927																						
22	Central governments and Supranational issuers	8,421																						
23	Central banks exposure	28,276																						

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

1. Assets for the calculation of GAR stock - CapEx based (2025) (Continued)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
24	Trading book ⁹	71,536														
25	Undertakings and entities not subject to CSRD	10,961														
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	6,242														
27	Loans and advances	5,393														
28	of which loans collateralised by commercial immovable property	—														
29	of which building renovation loans	—														
30	Debt securities	846														
31	Equity instruments	3														
32	Non-EU country counterparties not subject to CSRD disclosure obligations	4,719														
33	Loans and advances	3,237														
34	Debt securities	1,476														
35	Equity instruments	6														
36	Derivatives	—														
37	On demand interbank loans	572														
38	Cash and cash-related assets	1														
39	Other categories of assets (e.g. Goodwill, commodities etc.)	1,160														
40	Total assets	132,489														
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																
41	Financial guarantees	1,300	624	233	229	—	4	—	—	—	—	4	124	—	—	—
42	Assets under management ⁵	723	2	—	—	—	—	—	—	—	—	—	—	—	—	—
43	of which debt securities	558	—	—	—	—	—	—	—	—	—	—	—	—	—	—
44	of which equity instruments	165	2	—	—	—	—	—	—	—	—	—	—	—	—	—

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

1. Assets for the calculation of GAR stock- CapEx based (2024)

	Stock (Million EUR) ^{1,2,8}	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Total [gross] carrying amount	Of which Taxo- nomy eligible	Of which Taxo- nomy Aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non- assessed exposures ⁶	Of which financing non material activities of counter- parties	Of which exposures financing counter- parties reporting in accordance with Article 7(9)	Of which not assessed considered non- material by the credit institution
					Climate Change Mitigation (CCM) ³	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
1	GAR - Covered assets in both numerator and denominator	15,353	1,844	281	274	7	—	—	—	—	—	12	142	—	—	—	—
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	15,353	1,844	281	274	7	—	—	—	—	—	12	142	—	—	—	—
3	Financial undertakings	13,273	905	95	95	—	—	—	—	—	—	3	17	—	—	—	—
4	Loans and advances	13,065	904	95	95	—	—	—	—	—	—	3	17	—	—	—	—
5	Debt securities, including UoP	30	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6	Equity instruments	178	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—
7	Non-financial undertakings	1,765	624	186	179	7	—	—	—	—	—	9	125	—	—	—	—
8	Loans and advances	1,750	616	186	179	7	—	—	—	—	—	9	125	—	—	—	—
9	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10	Equity instruments	15	8	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	Households	315	315	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12	of which loans collateralised by residential immovable property ⁴	315	315	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	of which building renovation loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14	of which motor vehicle loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
19	Exposures included on a voluntary basis	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
20	Total GAR assets⁷	29,735												—	—	—	—
21	Assets not covered for GAR calculation	122,850															
22	Central governments and Supranational issuers	5,911															
23	Central banks exposure	27,699															

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

1. Assets for the calculation of GAR stock - CapEx based (2024) (Continued)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
24 Trading book ⁹	74,858															
25 Undertakings and entities not subject to CSRD	7,900															
26 SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	4,904															
27 Loans and advances	4,110															
28 of which loans collateralised by commercial immovable property	—															
29 of which building renovation loans	—															
30 Debt securities	789															
31 Equity instruments	5															
32 Non-EU country counterparties not subject to CSRD disclosure obligations	2,996															
33 Loans and advances	1,870															
34 Debt securities	1,126															
35 Equity instruments	—															
36 Derivatives	12															
37 On demand interbank loans	578															
38 Cash and cash-related assets	1															
39 Other categories of assets (e.g. Goodwill, commodities etc.)	5,891															
40 Total assets ⁷	138,203															
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																
41 Financial guarantees	1,092	415	321	318	—	3	—	—	—	—	9	181	—	—	—	—
42 Assets under management ⁵	530	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
43 of which debt securities	436	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
44 of which equity instruments	94	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Notes:

- Gross carrying amount excludes impairment allowances for all banking book exposures. As a result, total assets reported in this template differs to that reported on the Bank's balance sheet by the extent of impairment allowances.
- Cash collateral and settlement balances have been included under loans and advances.
- In cases where a breakdown of taxonomy eligibility and alignment is not available for the six EU Taxonomy environment objectives, taxonomy eligibility and alignment are reported under the objective of CCM in the above template.
- Household loans collateralised by residential immovable properties €215m (2024: €315m) were considered 100% taxonomy eligible but not taxonomy aligned.
- For AUMs of financial institutions that are subject to CSRD disclosure obligations, no eligibility or alignment assessment was performed to avoid double counting, in line with the Third Commission Notice published on 8 November 2024. Taxonomy eligibility and alignment is reported for non-financial corporates.
- Non-assessed exposures refer to counterparty exposures subject to CSRD and included within total GAR assets, for which Taxonomy eligibility and alignment were not assessed. As all such exposures have been assessed, these are reported as Nil under both the Turnover-based and CapEx-based KPIs.
- In line with FAQ 4 of the draft commission notice dated 17 December 2025, we are reporting prior year comparatives for 31 December 2024 using the numbers as reported last year, but using the new simplified templates. We have therefore reported total GAR assets above of €29,735m at 31 December 2024 in row 20. This includes €7,900m for exposures to undertakings and entities not subject to CSRD disclosure obligations, €12m for derivatives, €578m for On demand interbank loans, €1m for Cash and cash-related assets, and €5,891m for Other categories of assets (e.g. Goodwill, commodities etc.). These numbers are shown in rows 25 and 36 to 39 in the table above, below the Total GAR assets, in accordance with the format of the new simplified template. As a result, row 40 (Total Assets) is equal to the sum of row 20 (Total GAR assets) and row 21 (Assets not covered for GAR calculation) less the sum of rows 25 and 36 to 39 for the financial year ended 31 December 2024.
- On a turnover basis, gross CSRD assets, eligible assets and aligned assets include €4,551m, €1,964m and €71m respectively in relation to balances with BB PLC (2024: €7,730m, €32m and €5m). On a CapEx basis, gross assets, eligible assets and aligned assets include €4,551m, €2,046m and €120m respectively in relation to balances with BB PLC (2024: €7,730m, €35m and €7m).
- Trading book balance includes financial assets held for trading. These comprise trading portfolio assets of €17,928m (2024: €17,139m), financial assets at fair value through profit or loss of €17,672m (2024: €20,240m), cash collateral and settlement balances of €4,389m (2024: €4,682m), and derivative financial instruments of €31,547m (2024: €32,797m).

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

1. Assets for the calculation of GAR flow - Turnover based (2025)

	Flow (Million EUR) ^{1,2,3,7}	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Total [gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy Aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non- assessed exposures ⁵	Of which financing non material activities of counter- parties	Of which exposures financing counter- parties reporting in accordance with Article 7(9)	Of which not assessed considered non- material by the credit institution
					Climate Change Mitigation (CCM) ⁴	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
1	GAR - Covered assets in both numerator and denominator	2,310	770	30	29	1	—	—	—	—	—	2	20	—	—	—	—
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	2,310	770	30	29	1	—	—	—	—	—	2	20	—	—	—	—
3	Financial undertakings	1,986	753	27	26	1	—	—	—	—	—	1	19	—	—	—	—
4	Loans and advances	1,594	688	25	24	1	—	—	—	—	—	1	17	—	—	—	—
5	Debt securities, including UoP	241	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6	Equity instruments	151	65	2	2	—	—	—	—	—	—	—	2	—	—	—	—
7	Non-financial undertakings	324	17	3	3	—	—	—	—	—	—	1	1	—	—	—	—
8	Loans and advances	309	14	3	3	—	—	—	—	—	—	1	1	—	—	—	—
9	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10	Equity instruments	15	3	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	Households	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12	of which loans collateralised by residential immovable property	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	of which building renovation loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14	of which motor vehicle loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
19	Exposures included on a voluntary basis	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
20	Total GAR assets	2,310												—	—	—	—
21	Assets not covered for GAR calculation	4,717															
22	Central governments and Supranational issuers	2,689															
23	Central banks exposure	—															

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

1. Assets for the calculation of GAR flow - Turnover based (2025) (Continued)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
24	Trading book	—															
25	Undertakings and entities not subject to CSRD	1,544															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	886															
27	Loans and advances	547															
28	of which loans collateralised by commercial immovable property	—															
29	of which building renovation loans	—															
30	Debt securities	339															
31	Equity instruments	—															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	658															
33	Loans and advances	215															
34	Debt securities	443															
35	Equity instruments	—															
36	Derivatives	—															
37	On demand interbank loans	363															
38	Cash and cash-related assets	—															
39	Other categories of assets (e.g. Goodwill, commodities etc.)	121															
40	Total assets	7,027															
Off-balance sheet exposures (flow) to Undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	107	17	10	9	—	1	—	—	—	—	—	2	—	—	—	—
42	Assets under management ¹	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
43	of which debt securities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
44	of which equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

1. Assets for the calculation of GAR flow - Turnover based (2024)

	Flow (Million EUR) ^{1,2,3,7}	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Total [gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy Aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non- assessed exposures ⁵	Of which financing non material activities of counter- parties	Of which exposures financing counter- parties reporting in accordance with Article 7(9)	Of which not assessed considered non- material by the credit institution
					Climate Change Mitigation (CCM) ⁴	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
1	GAR - Covered assets in both numerator and denominator	6,116	176	45	45	—	—	—	—	—	—	1	11	—	—	—	—
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	6,116	176	45	45	—	—	—	—	—	—	1	11	—	—	—	—
3	Financial undertakings	5,824	45	6	6	—	—	—	—	—	—	—	5	—	—	—	—
4	Loans and advances	5,616	44	6	6	—	—	—	—	—	—	—	5	—	—	—	—
5	Debt securities, including UoP	30	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6	Equity instruments	178	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—
7	Non-financial undertakings	292	131	39	39	—	—	—	—	—	—	1	6	—	—	—	—
8	Loans and advances	277	130	39	39	—	—	—	—	—	—	1	6	—	—	—	—
9	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10	Equity instruments	15	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	Households	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12	of which loans collateralised by residential immovable property	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	of which building renovation loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14	of which motor vehicle loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
19	Exposures included on a voluntary basis	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
20	Total GAR assets ⁶	9,159	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
21	Assets not covered for GAR calculation	5,705	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
22	Central governments and Supranational issuers	2,485	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
23	Central banks exposure	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

1. Assets for the calculation of GAR flow - Turnover based (2024) (Continued)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
24	Trading book	177															
25	Undertakings and entities not subject to CSRD	2,648															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	1,278															
27	Loans and advances	506															
28	of which loans collateralised by commercial immovable property	—															
29	of which building renovation loans	—															
30	Debt securities	772															
31	Equity instruments	—															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	1,370															
33	Loans and advances	240															
34	Debt securities	1,130															
35	Equity instruments	—															
36	Derivatives	—															
37	On demand interbank loans	318															
38	Cash and cash-related assets	—															
39	Other categories of assets (e.g. Goodwill, commodities etc.)	77															
40	Total assets⁶	11,821															
Off-balance sheet exposures (flow) to Undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	89	13	11	11	—	—	—	—	—	—	—	6	—	—	—	—
42	Assets under management ¹	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
43	of which debt securities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
44	of which equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

1. Assets for the calculation of GAR flow - CapEx based (2025)

	Flow (Million EUR) ^{1,2,3,7}	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Total [gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy Aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non- assessed exposures ⁵	Of which financing non- material activities of counter- parties	Of which exposures financing counter- parties reporting in accordance with Article 7(9)	Of which not assessed considered non- material by the credit institution
					Climate Change Mitigation (CCM) ⁴	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
1	GAR - Covered assets in both numerator and denominator	2,310	820	64	61	—	—	3	—	—	—	1	36	—	—	—	—
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	2,310	820	64	61	—	—	3	—	—	—	1	36	—	—	—	—
3	Financial undertakings	1,986	784	46	46	—	—	—	—	—	—	1	35	—	—	—	—
4	Loans and advances	1,594	716	42	42	—	—	—	—	—	—	1	32	—	—	—	—
5	Debt securities, including UoP	241	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6	Equity instruments	151	68	4	4	—	—	—	—	—	—	—	3	—	—	—	—
7	Non-financial undertakings	324	36	18	15	—	—	3	—	—	—	—	1	—	—	—	—
8	Loans and advances	309	30	18	15	—	—	3	—	—	—	—	1	—	—	—	—
9	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10	Equity instruments	15	6	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	Households	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12	of which loans collateralised by residential immovable property	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	of which building renovation loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14	of which motor vehicle loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
19	Exposures included on a voluntary basis	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
20	Total GAR assets	2,310												—	—	—	—
21	Assets not covered for GAR calculation	4,717															
22	Central governments and Supranational issuers	2,689															
23	Central banks exposure	—															
24	Trading book	—															

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

1. Assets for the calculation of GAR flow - CapEx based (2025) (Continued)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
25	Undertakings and entities not subject to CSRD	1,544															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	886															
27	Loans and advances	547															
28	of which loans collateralised by commercial immovable property	—															
29	of which building renovation loans	—															
30	Debt securities	339															
31	Equity instruments	—															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	658															
33	Loans and advances	215															
34	Debt securities	443															
35	Equity instruments	—															
36	Derivatives	—															
37	On demand interbank loans	363															
38	Cash and cash-related assets	—															
39	Other categories of assets (e.g. Goodwill, commodities etc.)	121															
40	Total assets	7,027															
Off-balance sheet exposures (flow) to Undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	107	36	30	27	—	3	—	—	—	—	—	6	—	—	—	—
42	Assets under management ¹	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
43	of which debt securities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
44	of which equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

1. Assets for the calculation of GAR flow - CapEx based (2024)

	Flow (Million EUR) ^{1,2,3,7}	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Total [gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy Aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non- assessed exposures ⁵	Of which financing non material activities of counter- parties	Of which exposures financing counter- parties reporting in accordance with Article 7(9)	Of which not assessed considered non- material by the credit institution
					Climate Change Mitigation (CCM) ⁴	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
1	GAR - Covered assets in both numerator and denominator	6,116	315	77	75	2	—	—	—	—	—	3	45	—	—	—	—
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	6,116	315	77	75	2	—	—	—	—	—	3	45	—	—	—	—
3	Financial undertakings	5,824	155	25	25	—	—	—	—	—	—	—	10	—	—	—	—
4	Loans and advances	5,616	154	25	25	—	—	—	—	—	—	—	10	—	—	—	—
5	Debt securities, including UoP	30	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6	Equity instruments	178	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—
7	Non-financial undertakings	292	160	52	50	2	—	—	—	—	—	3	35	—	—	—	—
8	Loans and advances	277	152	52	50	2	—	—	—	—	—	3	35	—	—	—	—
9	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10	Equity instruments	15	8	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	Households	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12	of which loans collateralised by residential immovable property	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	of which building renovation loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14	of which motor vehicle loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
19	Exposures included on a voluntary basis	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
20	Total GAR assets⁶	9,159												—	—	—	—
21	Assets not covered for GAR calculation	5,705															
22	Central governments and Supranational issuers	2,485															
23	Central banks exposure	—															

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

1. Assets for the calculation of GAR flow - CapEx based (2024) (Continued)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
24	Trading book	177														
25	Undertakings and entities not subject to CSRD	2,648														
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	1,278														
27	Loans and advances	506														
28	of which loans collateralised by commercial immovable property	—														
29	of which building renovation loans	—														
30	Debt securities	772														
31	Equity instruments	—														
32	Non-EU country counterparties not subject to CSRD disclosure obligations	1,370														
33	Loans and advances	240														
34	Debt securities	1,130														
35	Equity instruments	—														
36	Derivatives	—														
37	On demand interbank loans	318														
38	Cash and cash-related assets	—														
39	Other categories of assets (e.g. Goodwill, commodities etc.)	77														
40	Total assets ⁶	11,821														
Off-balance sheet exposures (flow) to Undertakings subject to CSRD disclosure obligations and local governments																
41	Financial guarantees	89	47	42	40	—	2	—	—	—	3	22	—	—	—	—
42	Assets under management ¹	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
43	of which debt securities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
44	of which equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Notes:

- Flow for on-balance sheet exposures represents new assets originated/acquired during the year that remained on the balance sheet as of the reporting date. For AUMs, flow represents funds received during the year from clients from whom we had no AUM at the prior year end, and excludes new funds received from clients from whom we had AUM at the prior year end. The flow for Trading Book is calculated using Trading Book balances at 31 December 2025 minus Trading Book balances at 31 December 2024.
- Cash collateral and settlement balances have been excluded from loans and advances for flow calculation.
- The flow eligibility and alignment amount are determined using the latest published GAR stock KPIs of the counterparties.
- In cases where a breakdown of taxonomy alignment is not available for the six EU Taxonomy environment objectives, taxonomy alignment is reported under the objective of CCM in the above template.
- Non-assessed exposures refer to counterparty exposures subject to CSRD and included within Total GAR Assets, for which Taxonomy eligibility and alignment were not assessed. As all such exposures have been assessed, these are reported Nil under both the Turnover-based and CapEx-based KPIs.
- In line with FAQ 4 of the draft commission notice dated 17 December 2025, we are reporting prior year comparatives for 31 December 2024 using the numbers used to calculate the flow percentages for template 4 reported last year, but using the new simplified templates. We have therefore reported total flow for GAR assets above of €9,159m at 31 December 2024 in row 20. This includes €2,648m for exposures to undertakings and entities not subject to CSRD disclosure obligations, €318m for On demand interbank loans, and €77m for Other categories of assets (e.g. Goodwill, commodities etc.). These numbers are shown in rows 25, 36 to 39 in the table above, below the total flow for GAR assets, in accordance with the format of the new simplified template. As a result, row 40 (Total Assets) is equal to the sum of row 20 (Total GAR assets) and row 21 (Assets not covered for GAR calculation) less the sum of rows 25 and 36 to 39 for the financial year ended 31 December 2024.
- On a turnover basis, gross CSRD assets, eligible assets and aligned assets include €1,724m, €744m and €27m respectively in relation to balances with BB PLC (Dec 24: €5,410m, €22m and €4m). On a CapEx basis, gross assets, eligible assets and aligned assets include €1,724m, €775m and €45m respectively in relation to balances with BB PLC (Dec 24: €5,410m, €24m and €5m).

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

2. GAR sector information - Turnover based (2025)

	a	b	c	d	e	f	g	h	i	j
	Breakdown by sector - NACE 4 digits level (code and label) (Million EUR) ^{1,2,3,8}	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM) ⁴	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)
1	J 61.20 Wireless telecommunications activities	186	1	—	—	—	—	—	—	—
2	C 20.59 Manufacture of other chemical products n.e.c.	158	—	—	—	—	—	—	—	—
3	J 62.02 Computer consultancy activities	156	32	—	—	—	—	—	—	—
4	J 61.90 Other telecommunications activities	106	7	3	2	—	—	1	—	—
5	N 82.99 Other business support service activities n.e.c.	58	—	—	—	—	—	—	—	—
6	N 77.11 Rental and leasing of cars and light motor vehicles	58	58	—	—	—	—	—	—	—
7	H 49.10 Passenger rail transport, interurban	50	36	30	30	—	—	—	—	—
8	L 68.20 Renting and operating of own or leased real estate	47	5	—	—	—	—	—	—	—
9	C 10.39 Other processing and preserving of fruit and vegetables	47	—	—	—	—	—	—	—	—
10	D 35.11 Production of electricity	38	20	11	11	—	—	—	—	—
11	Nuclear activities ^{5,7}	12	10	3						
12	Fossil gas activities ^{6,7}	375	6	—						
13	of which non-assessed exposures	—								

2. GAR sector information - Turnover based (2024)

	a	b	c	d	e	f	g	h	i	j
	Breakdown by sector - NACE 4 digits level (code and label) (Million EUR) ^{1,2,3,8}	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM) ⁴	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)
1	J 61.20 Wireless telecommunications activities	81	2	—	—	—	—	—	—	—
2	C 20.59 Manufacture of other chemical products n.e.c.	48	10	—	—	—	—	—	—	—
3	J 62.02 Computer consultancy activities	173	12	—	—	—	—	—	—	—
4	J 61.90 Other telecommunications activities	316	18	5	5	—	—	—	—	—
5	N 82.99 Other business support service activities n.e.c.	7	—	—	—	—	—	—	—	—
6	N 77.11 Rental and leasing of cars and light motor vehicles	61	56	—	—	—	—	—	—	—
7	H 49.10 Passenger rail transport, interurban	50	36	30	30	—	—	—	—	—
8	L 68.20 Renting and operating of own or leased real estate	72	8	—	—	—	—	—	—	—
9	C 10.39 Other processing and preserving of fruit and vegetables	—	—	—	—	—	—	—	—	—
10	D 35.11 Production of electricity	30	16	15	15	—	—	—	—	—
11	Nuclear activities ^{5,7}	12	3	3						
12	Fossil gas activities ^{6,7}	57	2	—						
13	of which non-assessed exposures	—								

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

2. GAR sector information - CapEx based (2025)

	a	b	c	d	e	f	g	h	i	j
	Breakdown by sector - NACE 4 digits level (code and label) (Million EUR) ^{1,2,3,8}	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM) ⁴	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)
1	J 61.20 Wireless telecommunications activities	186	2	—	—	—	—	—	—	—
2	C 20.59 Manufacture of other chemical products n.e.c.	158	—	—	—	—	—	—	—	—
3	J 62.02 Computer consultancy activities	156	64	1	1	—	—	—	—	—
4	J 61.90 Other telecommunications activities	106	10	7	—	—	—	7	—	—
5	N 82.99 Other business support service activities n.e.c.	58	13	—	—	—	—	—	—	—
6	N 77.11 Rental and leasing of cars and light motor vehicles	58	58	—	—	—	—	—	—	—
7	H 49.10 Passenger rail transport, interurban	50	48	44	41	3	—	—	—	—
8	L 68.20 Renting and operating of own or leased real estate	47	5	—	—	—	—	—	—	—
9	C 10.39 Other processing and preserving of fruit and vegetables	47	5	—	—	—	—	—	—	—
10	D 35.11 Production of electricity	38	35	35	35	—	—	—	—	—
11	Nuclear activities ^{5,7}	12	3	3						
12	Fossil gas activities ^{6,7}	375	2	—						
13	of which non-assessed exposures	—								

2. GAR sector information - CapEx based (2024)

	a	b	c	d	e	f	g	h	i	j
	Breakdown by sector - NACE 4 digits level (code and label) (Million EUR) ^{1,2,3,8}	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM) ⁴	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)
1	J 61.20 Wireless telecommunications activities	81	8	5	—	5	—	—	—	—
2	C 20.59 Manufacture of other chemical products n.e.c.	48	9	—	—	—	—	—	—	—
3	J 62.02 Computer consultancy activities	173	90	1	1	—	—	—	—	—
4	J 61.90 Other telecommunications activities	316	30	2	2	—	—	—	—	—
5	N 82.99 Other business support service activities n.e.c.	7	6	—	—	—	—	—	—	—
6	N 77.11 Rental and leasing of cars and light motor vehicles	61	59	—	—	—	—	—	—	—
7	H 49.10 Passenger rail transport, interurban	50	47	42	41	1	—	—	—	—
8	L 68.20 Renting and operating of own or leased real estate	72	8	—	—	—	—	—	—	—
9	C 10.39 Other processing and preserving of fruit and vegetables	—	—	—	—	—	—	—	—	—
10	D 35.11 Production of electricity	30	28	27	27	—	—	—	—	—
11	Nuclear activities ^{5,7}	12	3	3						
12	Fossil gas activities ^{6,7}	57	1	—						
13	of which non-assessed exposures	—								

Notes:

1. This template includes banking book exposures to non-financial counterparties that are in scope of CSRD. Exposure to financial corporates, non-CSRD counterparties, sovereign and households are excluded, as they do not directly engage in Taxonomy-covered economic activities.
2. Counterparty exposures are aggregated by NACE 4 level sectors and these sectors are then ranked by total gross carrying amount, with the top 10 sectors reported, as required by Commission Delegated Regulation (EU) 2026/73.
3. This template does not include exposure to Mining & Quarrying as the sector is not considered as eligible under the EU Taxonomy Regulation.
4. In cases where a breakdown of Taxonomy alignment is not available for the six environmental objectives, taxonomy alignment is reported under the objective of CCM in the above template.

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

5. The taxonomy eligibility and alignment of the counterparties in nuclear activities are based on their reported taxonomy eligibility and alignment of the nuclear activities as referred to in Sections 4.26, 4.27 and 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139.
6. The taxonomy eligibility and alignment of the counterparties in fossil gas activities are based on their reported taxonomy eligibility and alignment of the fossil gas activities as referred to in Sections 4.29, 4.30 and 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139.
7. Exposures to counterparties engaged in both nuclear and fossil fuel activities are allocated to the most relevant activity of the two, as disclosed by counterparties in their annual report, ensuring no double counting.
8. Manufacture of electricity distribution and control apparatus, Data processing, hosting and related activities and Activities of head offices were in the top 10 sectors at Dec 24 but not at Dec 25, and our exposure to those sectors at Dec'24 were €122m, €55m, €54m respectively.

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

3. GAR KPI stock - Turnover based (2025)

%	(compared to corresponding total covered assets in the denominator)	a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy eligible ¹	Taxonomy aligned ²	Breakdown per environmental objective ²						Of which Use of Proceeds ²	Of which transitional ²	Of which enabling ²	Proportion of Taxonomy aligned in Taxonomy eligible ³	Non-assessed exposures
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	GAR - Covered assets in both numerator and denominator	28.0 %	2.0 %	1.9 %	— %	— %	— %	— %	— %	— %	0.1 %	0.8 %	7.1 %	— %
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	28.0 %	2.0 %	1.9 %	— %	— %	— %	— %	— %	— %	0.1 %	0.8 %	7.1 %	— %
3	Financial undertakings	27.2 %	1.4 %	1.4 %	— %	— %	— %	— %	— %	— %	0.1 %	0.6 %	5.0 %	— %
4	Loans and advances	27.7 %	1.4 %	1.4 %	— %	— %	— %	— %	— %	— %	0.1 %	0.6 %	5.1 %	— %
5	Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
6	Equity instruments	43.2 %	1.5 %	1.5 %	— %	— %	— %	— %	— %	— %	— %	1.2 %	3.5 %	— %
7	Non-financial undertakings	22.6 %	6.5 %	6.1 %	— %	— %	0.3 %	0.1 %	— %	— %	0.4 %	2.3 %	28.7 %	— %
8	Loans and advances	22.7 %	6.6 %	6.2 %	— %	— %	0.4 %	0.1 %	— %	— %	0.4 %	2.3 %	29.3 %	— %
9	Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
10	Equity instruments	20.7 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
11	Households	100.0 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
12	of which loans collateralised by residential immovable property	100.0 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
13	of which building renovation loans	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
14	of which motor vehicle loans	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
15	Local governments financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
16	Housing financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
17	Other local government financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
18	Collateral obtained by taking possession: residential and commercial immovable properties	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
19	Exposures included on a voluntary basis	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
20	GAR-Total GAR assets	28.0 %	2.0 %	1.9 %	— %	— %	— %	— %	— %	— %	0.1 %	0.8 %	7.1 %	— %

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

3. GAR KPI stock - Turnover based (2024)

%	(compared to corresponding total covered assets in the denominator)	a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy eligible ¹	Taxonomy aligned ²	Breakdown per environmental objective ²						Of which Use of Proceeds ²	Of which transitional ²	Of which enabling ²	Proportion of Taxonomy aligned in Taxonomy eligible ³	Non-assessed exposures
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	GAR - Covered assets in both numerator and denominator	10.0 %	1.2 %	1.2 %	— %	— %	— %	— %	— %	— %	— %	0.5 %	12.2 %	— %
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	10.0 %	1.2 %	1.2 %	— %	— %	— %	— %	— %	— %	— %	0.5 %	12.2 %	— %
3	Financial undertakings	5.8 %	0.4 %	0.4 %	— %	— %	— %	— %	— %	— %	— %	0.1 %	7.4 %	— %
4	Loans and advances	5.9 %	0.4 %	0.4 %	— %	— %	— %	— %	— %	— %	— %	0.1 %	7.4 %	— %
5	Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
6	Equity instruments	0.6 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
7	Non-financial undertakings	25.6 %	7.4 %	7.3 %	0.1 %	— %	— %	— %	— %	— %	0.3 %	4.3 %	28.8 %	— %
8	Loans and advances	25.8 %	7.4 %	7.4 %	0.1 %	— %	— %	— %	— %	— %	0.3 %	4.3 %	28.8 %	— %
9	Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
10	Equity instruments	6.7 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
11	Households	100.0 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
12	of which loans collateralised by residential immovable property	100.0 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
13	of which building renovation loans	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
14	of which motor vehicle loans	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
15	Local governments financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
16	Housing financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
17	Other local government financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
18	Collateral obtained by taking possession: residential and commercial immovable properties	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
19	Exposures included on a voluntary basis	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
20	GAR-Total GAR assets	5.2 %	0.6 %	0.6 %	— %	— %	— %	— %	— %	— %	— %	0.3 %	12.2 %	— %

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

3. GAR KPI stock - CapEx based (2025)

	a	b	c	d	e	f	g	h	i	j	k	l	m													
														Taxonomy eligible ¹	Taxonomy aligned ²	Breakdown per environmental objective ²						Of which Use of Proceeds ²	Of which transitional ²	Of which enabling ²	Proportion of Taxonomy aligned in Taxonomy eligible ³	Non-assessed exposures
																Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	GAR - Covered assets in both numerator and denominator	30.9 %	3.1 %	2.9 %	0.1 %	— %	0.2 %	— %	— %	— %	0.1 %	1.5 %	10.1 %	— %												
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	30.9 %	3.1 %	2.9 %	0.1 %	— %	0.2 %	— %	— %	— %	0.1 %	1.5 %	10.1 %	— %												
3	Financial undertakings	29.7 %	2.0 %	2.0 %	— %	— %	— %	— %	— %	— %	0.1 %	1.1 %	6.9 %	— %												
4	Loans and advances	30.3 %	2.1 %	2.1 %	— %	— %	— %	— %	— %	— %	0.1 %	1.1 %	7.0 %	— %												
5	Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %												
6	Equity instruments	45.0 %	2.7 %	2.7 %	— %	— %	— %	— %	— %	— %	— %	2.1 %	6.1 %	— %												
7	Non-financial undertakings	29.4 %	11.0 %	9.3 %	0.3 %	— %	1.4 %	0.1 %	— %	— %	0.5 %	4.3 %	37.5 %	— %												
8	Loans and advances	29.1 %	11.2 %	9.5 %	0.3 %	— %	1.4 %	0.1 %	— %	— %	0.5 %	4.4 %	38.6 %	— %												
9	Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %												
10	Equity instruments	41.4 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %												
11	Households	100.0 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %												
12	of which loans collateralised by residential immovable property	100.0 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %												
13	of which building renovation loans	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %												
14	of which motor vehicle loans	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %												
15	Local governments financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %												
16	Housing financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %												
17	Other local government financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %												
18	Collateral obtained by taking possession: residential and commercial immovable properties	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %												
19	Exposures included on a voluntary basis	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %												
20	GAR-Total GAR assets	30.9 %	3.1 %	2.9 %	0.1 %	— %	0.2 %	— %	— %	— %	0.1 %	1.5 %	10.1 %	— %												

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

3. GAR KPI stock - CapEx based (2024)

%	(compared to corresponding total covered assets in the denominator)	a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy eligible ¹	Taxonomy aligned ²	Breakdown per environmental objective ²						Of which Use of Proceeds ²	Of which transitional ²	Of which enabling ²	Proportion of Taxonomy aligned in Taxonomy eligible ³	Non-assessed exposures
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	GAR - Covered assets in both numerator and denominator	12.0 %	1.8 %	1.8 %	0.1 %	— %	— %	— %	— %	— %	0.1 %	0.9 %	15.2 %	— %
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	12.0 %	1.8 %	1.8 %	0.1 %	— %	— %	— %	— %	— %	0.1 %	0.9 %	15.2 %	— %
3	Financial undertakings	6.8 %	0.7 %	0.7 %	— %	— %	— %	— %	— %	— %	— %	0.1 %	10.5 %	— %
4	Loans and advances	6.9 %	0.7 %	0.7 %	— %	— %	— %	— %	— %	— %	— %	0.1 %	10.5 %	— %
5	Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
6	Equity instruments	0.6 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
7	Non-financial undertakings	35.4 %	10.5 %	10.1 %	0.4 %	— %	— %	— %	— %	— %	0.5 %	7.1 %	29.8 %	— %
8	Loans and advances	35.2 %	10.6 %	10.2 %	0.4 %	— %	— %	— %	— %	— %	0.5 %	7.1 %	30.2 %	— %
9	Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
10	Equity instruments	53.3 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
11	Households	100.0 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
12	of which loans collateralised by residential immovable property	100.0 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
13	of which building renovation loans	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
14	of which motor vehicle loans	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
15	Local governments financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
16	Housing financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
17	Other local government financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
18	Collateral obtained by taking possession: residential and commercial immovable properties	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
19	Exposures included on a voluntary basis	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
20	GAR-Total GAR assets	6.2 %	0.9 %	0.9 %	— %	— %	— %	— %	— %	— %	— %	0.5 %	15.2 %	— %

Notes:

1. Taxonomy eligible is calculated as total gross carrying amount eligible for the respective EU Taxonomy environmental objective over the total gross carrying amount reported in Template 1 for the respective row.
2. Taxonomy aligned is calculated as total gross carrying amount aligned for the respective EU Taxonomy environmental objective over the total gross carrying amount reported in Template 1 for the respective row.
3. Proportion of Taxonomy aligned in Taxonomy eligible is calculated as taxonomy aligned exposures over taxonomy eligible exposures reported in Template 1 for the respective row.

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

4. GAR KPI Flow - Turnover based (2025)

% (compared to corresponding total covered assets in the denominator) ^{1,2,3}		a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy eligible ⁴	Taxonomy aligned ⁵	Breakdown per environmental objective ⁵						Of which Use of Proceeds ⁵	Of which transitional ⁵	Of which enabling ⁵	Proportion of Taxonomy aligned in Taxonomy eligible ⁵	Non-assessed exposures ⁷
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	GAR - Covered assets in both numerator and denominator	33.3 %	1.3 %	1.3 %	— %	— %	— %	— %	— %	— %	0.1 %	0.9 %	3.9 %	— %
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	33.3 %	1.3 %	1.3 %	— %	— %	— %	— %	— %	— %	0.1 %	0.9 %	3.9 %	— %
3	Financial undertakings	37.9 %	1.4 %	1.3 %	0.1 %	— %	— %	— %	— %	— %	0.1 %	1.0 %	3.6 %	— %
4	Loans and advances	43.2 %	1.6 %	1.5 %	0.1 %	— %	— %	— %	— %	— %	0.1 %	1.1 %	3.6 %	— %
5	Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
6	Equity instruments	43.0 %	1.3 %	1.3 %	— %	— %	— %	— %	— %	— %	— %	1.3 %	3.1 %	— %
7	Non-financial undertakings	5.2 %	0.9 %	0.9 %	— %	— %	— %	— %	— %	— %	0.3 %	0.3 %	17.6 %	— %
8	Loans and advances	4.5 %	1.0 %	1.0 %	— %	— %	— %	— %	— %	— %	0.3 %	0.3 %	21.4 %	— %
9	Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
10	Equity instruments	20.0 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
11	Households	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
12	of which loans collateralised by residential immovable property	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
13	of which building renovation loans	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
14	of which motor vehicle loans	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
15	Local governments financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
16	Housing financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
17	Other local government financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
18	Collateral obtained by taking possession: residential and commercial immovable properties	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
19	Exposures included on a voluntary basis	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
20	GAR-Total GAR assets	33.3 %	1.3 %	1.3 %	— %	— %	— %	— %	— %	— %	0.1 %	0.9 %	3.9 %	— %

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

4. GAR KPI Flow - Turnover based (2024)

% (compared to corresponding total covered assets in the denominator) ^{1,2,3}		a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy eligible ⁴	Taxonomy aligned ⁵	Breakdown per environmental objective ⁵						Of which Use of Proceeds ⁵	Of which transitional ⁵	Of which enabling ⁵	Proportion of Taxonomy aligned in Taxonomy eligible ⁵	Non-assessed exposures ⁷
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	GAR - Covered assets in both numerator and denominator	2.9 %	0.7 %	0.7 %	— %	— %	— %	— %	— %	— %	— %	0.2 %	25.6 %	— %
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	2.9 %	0.7 %	0.7 %	— %	— %	— %	— %	— %	— %	— %	0.2 %	25.6 %	— %
3	Financial undertakings	0.8 %	0.1 %	0.1 %	— %	— %	— %	— %	— %	— %	— %	0.1 %	13.3 %	— %
4	Loans and advances	0.8 %	0.1 %	0.1 %	— %	— %	— %	— %	— %	— %	— %	0.1 %	13.6 %	— %
5	Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
6	Equity instruments	0.6 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
7	Non-financial undertakings	44.9 %	13.4 %	13.4 %	— %	— %	— %	— %	— %	— %	0.3 %	2.1 %	29.8 %	— %
8	Loans and advances	46.9 %	14.1 %	14.1 %	— %	— %	— %	— %	— %	— %	0.4 %	2.2 %	30.0 %	— %
9	Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
10	Equity instruments	6.7 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
11	Households	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
12	of which loans collateralised by residential immovable property	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
13	of which building renovation loans	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
14	of which motor vehicle loans	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
15	Local governments financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
16	Housing financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
17	Other local government financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
18	Collateral obtained by taking possession: residential and commercial immovable properties	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
19	Exposures included on a voluntary basis	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
20	GAR-Total GAR assets	1.9 %	0.5 %	0.5 %	— %	— %	— %	— %	— %	— %	— %	0.1 %	25.6 %	— %

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

4. GAR KPI flow - CapEx based (2025)

% (compared to corresponding total covered assets in the denominator) ^{1,2,3}		a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy eligible ⁴	Taxonomy aligned ⁵	Breakdown per environmental objective ⁵						Of which Use of Proceeds ⁵	Of which transitional ⁵	Of which enabling ⁵	Proportion of Taxonomy aligned in Taxonomy eligible ⁶	Non-assessed exposures ⁷
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE) ¹	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	GAR - Covered assets in both numerator and denominator	35.5 %	2.8 %	2.6 %	— %	— %	0.1 %	— %	— %	— %	— %	1.6 %	7.8 %	— %
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	35.5 %	2.8 %	2.6 %	— %	— %	0.1 %	— %	— %	— %	— %	1.6 %	7.8 %	— %
3	Financial undertakings	39.5 %	2.3 %	2.3 %	— %	— %	— %	— %	— %	— %	0.1 %	1.8 %	5.9 %	— %
4	Loans and advances	44.9 %	2.6 %	2.6 %	— %	— %	— %	— %	— %	— %	0.1 %	2.0 %	5.9 %	— %
5	Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
6	Equity instruments	45.0 %	2.6 %	2.6 %	— %	— %	— %	— %	— %	— %	— %	2.0 %	5.9 %	— %
7	Non-financial undertakings	11.1 %	5.6 %	4.6 %	— %	— %	0.9 %	— %	— %	— %	— %	0.3 %	50.0 %	— %
8	Loans and advances	9.7 %	5.8 %	4.9 %	— %	— %	1.0 %	— %	— %	— %	— %	0.3 %	60.0 %	— %
9	Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
10	Equity instruments	40.0 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
11	Households	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
12	of which loans collateralised by residential immovable property	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
13	of which building renovation loans	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
14	of which motor vehicle loans	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
15	Local governments financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
16	Housing financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
17	Other local government financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
18	Collateral obtained by taking possession: residential and commercial immovable properties	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
19	Exposures included on a voluntary basis	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
20	GAR-Total GAR assets	35.5 %	2.8 %	2.6 %	— %	— %	0.1 %	— %	— %	— %	— %	1.6 %	7.8 %	— %

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

4. GAR KPI flow - CapEx based (2024)

	% (compared to corresponding total covered assets in the denominator) ^{1,2,3}	a	b	c	d	e	f	g	h	i	j	k	l	m													
															Taxonomy eligible ⁴	Taxonomy aligned ⁵	Breakdown per environmental objective ⁵						Of which Use of Proceeds ⁵	Of which transitional ⁵	Of which enabling ⁵	Proportion of Taxonomy aligned in Taxonomy eligible ⁵	Non-assessed exposures ⁷
																	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	GAR - Covered assets in both numerator and denominator	5.2 %	1.3 %	1.2 %	— %	— %	— %	— %	— %	— %	— %	0.7 %	24.4 %	— %													
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	5.2 %	1.3 %	1.2 %	— %	— %	— %	— %	— %	— %	— %	0.7 %	24.4 %	— %													
3	Financial undertakings	2.7 %	0.4 %	0.4 %	— %	— %	— %	— %	— %	— %	— %	0.2 %	16.1 %	— %													
4	Loans and advances	2.7 %	0.4 %	0.4 %	— %	— %	— %	— %	— %	— %	— %	0.2 %	16.2 %	— %													
5	Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %													
6	Equity instruments	0.6 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %													
7	Non-financial undertakings	54.8 %	17.8 %	17.1 %	0.7 %	— %	— %	— %	— %	— %	1.0 %	12.0 %	32.5 %	— %													
8	Loans and advances	54.9 %	18.8 %	18.1 %	0.7 %	— %	— %	— %	— %	— %	1.1 %	12.6 %	34.2 %	— %													
9	Debt securities, including UoP	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %													
10	Equity instruments	53.3 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %													
11	Households	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %													
12	of which loans collateralised by residential immovable property	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %													
13	of which building renovation loans	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %													
14	of which motor vehicle loans	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %													
15	Local governments financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %													
16	Housing financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %													
17	Other local government financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %													
18	Collateral obtained by taking possession: residential and commercial immovable properties	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %													
19	Exposures included on a voluntary basis	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %													
20	GAR-Total GAR assets	3.4 %	0.8 %	0.8 %	— %	— %	— %	— %	— %	— %	— %	0.5 %	24.4 %	— %													

Notes:

- Flow for on-balance sheet exposures represents new assets originated/acquired during the year that remained on the balance sheet as of the reporting date.
- Cash collateral and settlement balances have been excluded from Loans and advances for flow calculation.
- In cases where a breakdown of taxonomy alignment is not available for the six EU Taxonomy environment objectives, taxonomy alignment is reported under the objective of CCM in the above template.
- Taxonomy eligible is calculated as total gross carrying amount of flow eligible for the respective EU Taxonomy environmental objective over the total gross carrying amount of flow in Template 1 for the respective row.
- Taxonomy aligned is calculated as total gross carrying amount of flow aligned for the respective EU Taxonomy environmental objective over the total gross carrying amount of flow in Template 1 for the respective row.
- Proportion of Taxonomy aligned in Taxonomy eligible is calculated as taxonomy aligned exposures over taxonomy eligible exposures reported in Template 1 for the respective row.
- Non-assessed exposures refer to counterparty exposures subject to CSRD and included within Total GAR Assets, for which Taxonomy eligibility and alignment were not assessed. As all such exposures have been assessed, these are reported Nil under both the Turnover-based and CapEx-based KPIs.

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

5. KPI off-balance sheet stock exposures - Turnover based (2025)

% (compared to corresponding total off-balance sheet assets)		a	b	c	d	e	f	g	h	i	j	k	l
		Taxonomy eligible ¹	Taxonomy aligned ²	Breakdown per environmental objective ²						Of which Use of Proceeds ²	Of which transitional ²	Of which enabling ²	Non-assessed exposures
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	36.5%	9.1%	9.0%	—%	0.1%	—%	—%	—%	—%	0.2%	3.8%	—%
2	Assets under management (AuM KPI)	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%

5. KPI off-balance sheet stock exposures - Turnover based (2024)

% (compared to corresponding total off-balance sheet assets)		a	b	c	d	e	f	g	h	i	j	k	l
		Taxonomy eligible ¹	Taxonomy aligned ²	Breakdown per environmental objective ²						Of which Use of Proceeds ²	Of which transitional ²	Of which enabling ²	Non-assessed exposures
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	19.0 %	15.4 %	15.1 %	— %	0.1 %	— %	0.1 %	— %	— %	— %	8.2 %	— %
2	Assets under management (AuM KPI)	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %

5. KPI off-balance sheet stock exposures- CapEx based (2025)

% (compared to corresponding total off-balance sheet assets)		a	b	c	d	e	f	g	h	i	j	k	l
		Taxonomy eligible ¹	Taxonomy aligned ²	Breakdown per environmental objective ²						Of which Use of Proceeds ²	Of which transitional ²	Of which enabling ²	Non-assessed exposures
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	48.0%	17.9%	17.6%	—%	0.3%	—%	—%	—%	—%	0.3%	9.5%	—%
2	Assets under management (AuM KPI)	0.3%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

5. KPI off-balance sheet stock exposures- CapEx based (2024)

	% (compared to corresponding total off-balance sheet assets)	a	b	c	d	e	f	g	h	i	j	k	l
		Taxonomy eligible ¹	Taxonomy aligned ²	Breakdown per environmental objective ²						Of which Use of Proceeds ²	Of which transitional ²	Of which enabling ²	Non-assessed exposures
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	38.0 %	29.4 %	29.1 %	— %	0.3 %	— %	— %	— %	— %	0.8 %	16.6 %	— %
2	Assets under management (AuM KPI)	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %

Notes:

1. Taxonomy eligible is calculated as total gross carrying amount eligible for the respective EU Taxonomy environmental objective over the total gross carrying amount appearing in Template 1 for the respective row.
2. Taxonomy aligned is calculated as total gross carrying amount aligned for the respective EU Taxonomy environmental objective over the total gross carrying amount appearing in Template 1 for the respective row.

5. KPI off-balance sheet flow exposures - Turnover based (2025)

	% (compared to corresponding total off-balance sheet assets)	a	b	c	d	e	f	g	h	i	j	k	l
		Taxonomy eligible ¹	Taxonomy aligned ²	Breakdown per environmental objective ²						Of which Use of Proceeds ²	Of which transitional ²	Of which enabling ²	Non-assessed exposures
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	15.9%	9.3%	8.4%	—%	0.9%	—%	—%	—%	—%	—%	1.9%	—%
2	Assets under management (AuM KPI)	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%

5. KPI off-balance sheet flow exposures - Turnover based (2024)

	% (compared to corresponding total off-balance sheet assets)	a	b	c	d	e	f	g	h	i	j	k	l
		Taxonomy eligible ¹	Taxonomy aligned ²	Breakdown per environmental objective ²						Of which Use of Proceeds ²	Of which transitional ²	Of which enabling ²	Non-assessed exposures
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	14.8 %	13.3 %	12.7 %	— %	0.5 %	— %	0.1 %	— %	— %	0.1 %	7.2 %	— %
2	Assets under management (AuM KPI)	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %

Schedule to the Sustainability Statement

Schedule B: EU Taxonomy

5. KPI off-balance sheet flow exposures - CapEx based (2025)

% (compared to corresponding total off-balance sheet assets)		a	b	c	d	e	f	g	h	i	j	k	l
		Taxonomy eligible ¹	Taxonomy aligned ²	Breakdown per environmental objective ²						Of which Use of Proceeds ²	Of which transitional ²	Of which enabling ²	Non-assessed exposures
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	33.6 %	28.0 %	25.2 %	— %	2.8 %	— %	— %	— %	— %	— %	5.6 %	— %
2	Assets under management (AuM KPI)	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %

5. KPI off-balance sheet flow exposures - CapEx based (2024)

% (compared to corresponding total off-balance sheet assets)		a	b	c	d	e	f	g	h	i	j	k	l
		Taxonomy eligible ¹	Taxonomy aligned ²	Breakdown per environmental objective ²						Of which Use of Proceeds ²	Of which transitional ²	Of which enabling ²	Non-assessed exposures
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	53.2 %	47.1 %	44.7 %	— %	2.3 %	0.1 %	— %	— %	— %	3.4 %	25.1 %	— %
2	Assets under management (AuM KPI)	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %

- Notes:
1. Taxonomy eligible is calculated as total gross carrying amount of flow eligible for the respective EU Taxonomy environmental objective over the total gross carrying amount of flow appearing in Template 1 for the respective row.
 2. Taxonomy aligned is calculated as total gross carrying amount of flow aligned for the respective EU Taxonomy environmental objective over the total gross carrying amount of flow appearing in Template 1 for the respective row.