BARCLAYS BANK PLC

Legal Entity Identifier: G5GSEF7VJP5I7OUK5573

(*Incorporated with limited liability in England and Wales*)

USD 140,000,000 20-Year USD Steepener Notes due 2039
(the "Securities")

Series NX000238644

Issued pursuant to the Global Structured Securities Programme

What is this document?

This document (the "**Prospectus**") constitutes a prospectus for the purposes of Article 6.1 of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") relating to the Securities. This Prospectus, including the information incorporated by reference into it, is intended to provide investors with information necessary to enable them to make an informed investment decision before purchasing Securities.

Who is the Issuer?

The Securities are issued by Barclays Bank PLC (the "**Issuer**"). The payment of any amounts due under the Securities is subject to the Issuer's financial position and its ability to meet its obligations. This Prospectus including information incorporated by reference into this document, contains information describing the Issuer's business activities as well as certain financial information and material risks faced by the Issuer.

What are the Securities?

The Securities are in the form of Notes and are issued by the Issuer under its Global Structured Securities Programme (the "**Programme**"). The terms and conditions of the Securities (the "**Conditions**") will comprise: (A) the specific terms of the Securities (the "**Specific Terms**"), which amend, supplement and complete the General Conditions, as set out in "*Specific Terms*" below; and (B) the Terms and Conditions of the Securities (the "**General Conditions**"), as incorporated in relevant part by reference from the Base Prospectus (as defined in "*Information Incorporated by Reference*" below).

What underlying assets are the Securities linked to?

The return on the Securities depends on the performance of the 10-Year USD ICE Swap Rate and the 2-Year USD ICE Swap Rate (the "**Underlying Assets**").

What information is incorporated by reference?

The Prospectus incorporates by reference certain information from the Base Prospectus and the Issuer's financial statements and financial results announcement. See the section entitled "*Information Incorporated by Reference*" below. You should read this document together with such information incorporated by reference. Documents will be made available at the registered office of the Issuer and at https://home.barclays/investor-relations/fixed-income-investors/prospectus-and-documents/structured-securities-prospectuses/ and https://home.barclays/investor-relations/reports-and-events/, and this document will also be published on the website of Euronext Dublin (www.ise.ie).

What are the principal risks?

Your investment in the Securities depends on the ability of the Issuer to meet its payment obligations under the Securities. Before purchasing the Securities, you should consider in particular the information described in "*Risk Factors*" below, together with the other information in this Prospectus.

Supplements

This Prospectus is valid for 12 months after its approval and will expire on 5 December 2020. The obligation to supplement a prospectus in the event of any significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus does not apply when a prospectus is no longer valid.

5 December 2019

IMPORTANT INFORMATION

IF THE ISSUER BECOMES INSOLVENT OR BANKRUPT OR OTHERWISE FAILS TO MAKE ITS PAYMENT OBLIGATIONS ON THE SECURITIES, YOU WILL LOSE SOME OR ALL OF YOUR ORIGINAL INVESTMENT.

INVESTING IN THE SECURITIES INVOLVES CERTAIN RISKS, AND YOU SHOULD FULLY UNDERSTAND THESE BEFORE YOU INVEST. SEE "RISK FACTORS" BELOW.

Responsibility

The Issuer accepts responsibility for the information contained in this Prospectus. The Issuer's registered office is at 1 Churchill Place, London, E14 5HP, United Kingdom. To the best of the knowledge of the Issuer, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

Regulatory approval for the purposes of the EU Prospectus Regulation

This Prospectus has been approved by the Central Bank of Ireland (the "**CBI**"), as competent authority under the Prospectus Regulation. The Central Bank of Ireland only approves this Prospectus as meeting the completeness, comprehensibility and consistency requirements imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the Securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Securities.

Listing and Admission to Trading

Application has been made for the listing and admission to trading of the Securities on the regulated market of the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**").

Administrator status under Benchmark Regulation

Amounts payable under the Securities are calculated by reference to the 10-Year USD ICE Swap Rate and the 2-Year USD ICE Swap Rate, each of which is provided by ICE Benchmark Administration Limited (the "**Administrator**"). As at the date of this Prospectus, the Administrator appears in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to article 36 Regulation (EU) 2016/1011 (the "**Benchmark Regulation**"). The registration status of any administrator under the Benchmark Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the Prospectus to reflect any change in the registration status of the Administrator.

No compensation arrangements

Any failure by the Issuer to make payments or deliveries due under the Securities would not of itself give rise to any claim for compensation on the grounds of such a failure. You would not have a claim for compensation against the UK's Financial Services Compensation Scheme.

No investment advice

The Prospectus is not and does not purport to be investment advice. Unless expressly agreed otherwise with a particular investor, neither the Issuer nor the Manager is acting as an investment adviser, providing advice of any other nature, or assuming any fiduciary obligation to any investor in the Securities.

Independent evaluation

Nothing set out or referred to in, or incorporated by reference into, this Prospectus is intended to provide the basis of any credit or other evaluation (except in respect of any purchase of the Securities described herein) or should be considered as a recommendation by the Issuer or the Manager that any recipient of this Prospectus (or any document referred to herein) should purchase the Securities.

An investor should not purchase the Securities unless they understand the extent of their exposure to potential loss. Investors are urged to read the factors described in the section of this Prospectus headed "*Risk Factors*", together with the information in this Prospectus (including any information incorporated by reference) before investing in the Securities.

Investors should note that the risks described in the section headed *"Risk Factors"* in this Prospectus are not the only risks that the Issuer faces or that may arise because of the nature of the Securities. The Issuer has described only those risks relating to its operations and to the Securities that it considers to be material. There may be additional risks that the Issuer currently considers not to be material or of which it is not currently aware.

Given the nature, complexity and risks inherent in the Securities (and investments relating to the Underlying Assets), the Securities may not be suitable for an investor's investment objectives in the light of his or her financial circumstances. Investors should consider seeking independent advice to assist them in determining whether the Securities are a suitable investment for them or to assist them in evaluating the information contained in or incorporated by reference into this Prospectus.

You have sole responsibility for the management of your tax and legal affairs including making any applicable filings and payments and complying with any applicable laws and regulations. Neither the Issuer nor any of its Affiliates will provide you with tax or legal advice and you should obtain your own independent tax and legal advice tailored to your individual circumstances. The tax treatment of structured products, such as the Securities, can be complex; the tax treatment applied to an individual depends on their circumstances. The level and basis of taxation may alter during the term of any product.

Amounts due to be paid to you are described on a gross basis, i.e. without calculating any tax liability. The Issuer shall make no deduction for any tax, duty, or other charge unless required by law. See, in particular, the section of this Prospectus headed "*Risk Factors*" below.

Potential for discretionary determinations by the Determination Agent and the Issuer under the Securities

Under the terms and conditions of the Securities, following the occurrence of certain events relating to the Issuer, the Issuer's hedging arrangements, the Underlying Assets, taxation, the relevant currency or other matters, the Issuer or the Determination Agent may determine to take one of the actions available to it in order to deal with the impact of such event on the Securities or the Issuer or both. These actions may include (i) adjustment to the terms and conditions of the Securities, (ii) substitution of the Underlying Assets or (iii) early redemption of the Securities. Any such discretionary determination by the Issuer or Determination Agent could have a material adverse impact on the value of and return on the Securities. See, in particular, the section of this Prospectus headed "*Risk Factors*" below.

Distribution

The distribution or delivery of this Prospectus in certain jurisdictions may be restricted by law. This document does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction (other than as expressly described in this Prospectus). This Prospectus is prepared for the purpose of facilitating the listing, and admission to trading, of securities that are already in issue. No new offering of securities is described in this Prospectus. No action is being taken to permit an offering of the Securities or the delivery of this Prospectus in any jurisdiction. Persons into whose possession this Prospectus comes are required by the Issuer to inform themselves about and to observe any such restrictions. Details of selling restrictions for various jurisdictions are set out in the section of this Prospectus headed "*Purchase and Sale*" below.

Prospectus Regulation exempt public offer legend

This Prospectus has been prepared on the basis that any offer of Securities in any Member State of the European Economic Area will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Securities. Accordingly, any person making or intending to make an offer in a Member State of Securities which are the subject of a placement contemplated in this Prospectus may only do so in circumstances in which no obligation arises for the Issuer or the Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor the Manager has authorised, nor do they authorise, the making of any offer of Securities in circumstances in which an obligation arises for the Issuer or the Manager to publish or supplement a prospectus for such offer.

Prohibition of Sale to EEA retail investors

The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA Retail Investor**"). For these purposes, an EEA Retail Investor means a person in the European Economic Area who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to EEA Retail Investors has been prepared and therefore offering or selling the Securities or otherwise making them available to any EEA Retail Investor may be unlawful under the PRIIPs Regulation.

United States selling restrictions

The Securities have not been and will not be registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States. Trading in the Securities has not been approved by the US Commodities Futures Trading Commission under the US Commodity Exchange Act of 1936 (as amended, the "**Commodity Exchange Act**"). The Securities may not be offered and sold within the United States, or to or for the benefit of U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) ("**U.S. persons**"), except in certain transactions exempt from the registration requirements of the Securities Act and applicable state securities laws. The Securities are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

Securities in bearer form may be subject to US tax law requirements (as described below). Subject to certain exceptions, the Securities may not be offered, sold or delivered within the United States or its possessions or to, or for the account or benefit of, United States persons (as defined in in the US Internal Revenue Code of 1986, as amended, (the "**Code**") and the regulations thereunder).

For a description of these and certain further restrictions on offers, sales and transfers of the Securities and delivery of this Prospectus, see the section of this Prospectus headed 'Purchase and Sale' below.

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE APPROVED OR DISAPPROVED BY THE US SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER US REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF THE SECURITIES OR THE ACCURACY OR THE ADEQUACY OF THE OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

US foreign account tax compliance withholding

THE FOREIGN ACCOUNT TAX COMPLIANCE ACT ("FATCA**") IS PARTICULARLY COMPLEX AND ITS CURRENT AND FUTURE APPLICATION TO THE ISSUER, THE SECURITIES AND INVESTORS IS UNCERTAIN AT THIS TIME. YOU SHOULD CONSULT YOUR OWN TAX ADVISERS TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO LEARN HOW THIS LEGISLATION MIGHT AFFECT YOU IN YOUR PARTICULAR CIRCUMSTANCE, INCLUDING HOW THE FATCA RULES MAY APPLY TO PAYMENTS RECEIVED UNDER THE SECURITIES BOTH CURRENTLY AND IN THE FUTURE.**

Change of circumstances

Neither the delivery of this Prospectus or any other information incorporated by reference in the Prospectus, nor any sale of Securities, shall create any impression that information in such documents relating to the Issuer is correct at any time subsequent to the date of the Prospectus or that any other information supplied in connection with the Securities or the Programme is correct as of any time subsequent to the date of the relevant document containing the same (the foregoing being without prejudice to the Issuer's obligations under applicable rules and regulations).

Representations

In connection with the listing and admission to trading of the Securities, no person has been authorised to give any information or to make any representation not contained in or consistent with the Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer. The Issuer does not accept responsibility for any information not contained in this Prospectus. This document does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction and no action is being taken to permit an offering of the Securities or the distribution of this Prospectus in any jurisdiction.

Calculations and determinations

Unless otherwise specified, all calculations and determinations in respect of the Securities shall be made by Barclays Bank PLC (acting in such capacity, the "**Determination Agent**").

Definitions relating to Barclays entities

In this Prospectus, the term the "**Group**" means Barclays PLC together with its subsidiaries, the terms "**Barclays**" or the "Bank Group" mean Barclays Bank PLC together with its subsidiaries, and the term "**Barclays Bank UK Group**" means Barclays Bank UK PLC together with its subsidiaries.

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RISK FACTORS

You should only invest in the Securities after assessing these principal risks. The risks described in this section can be cumulative and apply simultaneously which may unpredictably affect the Securities. Specifically, no assurance can be given as to the effect that any combination of risk factors may have on the value of and return on the Securities. The effect of any one factor may be offset or magnified by the effect of another factor. There may be additional risks and uncertainties that are not presently known to the Issuer or that the Issuer currently believes to be immaterial but that could have a material impact on the business, operations, financial condition or prospects of the Issuer or the value of and return on the Securities.

You should consider carefully the following discussion of risks to help you decide whether or not the Securities are suitable for you.

CONTENTS OF RISK FACTORS

RISK WARNING

There are a number of circumstances in which you may lose some or all of your investment in the Securities.

Your investment in the Securities depends on the ability of the Issuer to meet its payment obligations under the Securities.

The Securities are unsecured obligations. They are not deposits and they are not protected under the UK's Financial Services Compensation Scheme or any other deposit protection insurance scheme. Therefore, if the Issuer fails or is otherwise unable to meet its payment obligations under the Securities, you will lose some or all of your investment.

You may also lose some or all of your investment in the following circumstances:

- **The market price of your Securities prior to maturity may be significantly lower than the purchase price you paid for them. Consequently, if you sell your Securities before their scheduled maturity, you may receive far less than your original invested amount.**
- **The terms and conditions of your Securities may be adjusted by the Issuer or Determination Agent in certain circumstances with the effect that the amount payable to you is less than your initial investment.**

RISK FACTORS RELATING TO THE ISSUER AND THE BANK GROUP

The Bank Group is a major, global financial services company and, as such, faces a variety of risks that are substantial and inherent in its businesses. Since the liquidity of the Issuer is derived from the businesses of the Bank Group, any of the material risks or emerging risks facing the Bank Group may affect the Issuer's ability to fulfil its payment, delivery or other obligations under the Securities as they fall due.

Material risks are those to which the Bank Group's senior management pay particular attention and which could cause the delivery of the Bank Group's strategy, results of operations, financial condition and/or prospects to differ materially from current expectations. Emerging risks are those which have largely unknown components, the impact of which could crystallise over a longer time horizon. These could currently be considered immaterial but over time may individually or cumulatively affect the Bank Group's strategy and cause the same outcomes as material risks. In addition, certain factors beyond the Bank Group's control, including escalation of terrorism or global conflicts, natural disasters and similar calamities, although not detailed below, could have a similar impact on the Bank Group.

The risks described below are material existing and emerging risks which the Bank Group's senior management has identified with respect to the Bank Group.

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

1.1 Business conditions, general economy and geopolitical issues

The Bank Group's business mix spreads across multiple geographies and client types. The breadth of these operations means that deterioration in the economic environment, or an increase in political instability in countries where the Bank Group is active, or in any systemically important economy, could adversely affect the Bank Group's operating performance, financial condition and prospects.

Although economic activity continued to strengthen globally in 2018, a change in global economic conditions and the reversal of the improving trend may result in lower client activity in the Bank Group, including lower demand for borrowing from creditworthy customers, and/or a reduction in the value of related collateral and/or an increase of the Bank Group's default rates, delinquencies, write-offs, and impairment charges, which in turn could adversely affect the Bank Group's performance and prospects. Deteriorating economic conditions could also impact the ability of the Bank Group to raise funding from external investors. In addition, a shift in the forward looking consensus view of economic conditions may materially impact the models used to calculate expected credit losses ("**ECL**"), where an increase in ECLs could adversely affect the Bank Group's profitability.

In several countries, reversals of capital inflows, as well as fiscal austerity, have already caused deterioration in political stability. This could be exacerbated by a renewed rise in asset price volatility or sustained pressure on government finances. In addition, geopolitical tensions in some areas of the world are and at risk of further deterioration, thus potentially increasing market uncertainties and causing adverse global economic and market conditions, which in turn could adversely affect the Bank Group's profitability in certain geographical locations.

In the UK, the vote in favour of leaving the EU (see Risk Factor 1.2 (*Process of UK withdrawal from the European Union*) below) has given rise to political uncertainty with potential consequences for investment and market confidence. The initial impact was a depreciation of Sterling resulting in higher costs for companies exposed to imports and a more favourable environment for exporters. Rising domestic costs resulting from higher import prices may impact household incomes and the affordability of consumer loans and mortgages. In turn this may affect businesses dependent on consumers for revenue, exacerbated by current pressures on businesses dependent on discretionary purchases, potentially resulting in increased impairment in the Bank Group's portfolios. There has also been a reduction in activity in both commercial and residential real estate markets which has the potential to impact the value of real estate assets and adversely affect mortgage assets. Furthermore, continued uncertainty in the withdrawal process could have a detrimental effect in the economic environment in continental Europe, which may negatively impact the Bank Group's business in specific Eurozone countries.

In the US, where the economy outperformed other key markets in 2018, there is the possibility of significant continued changes in policy in sectors including trade, healthcare and commodities which may have an impact on associated Bank Group portfolios. A significant proportion of the Bank Group's portfolio is located in the US, including a major credit card portfolio and a range of corporate and investment banking exposures. Stress in the US economy, weakening GDP and the associated exchange rate fluctuations, heightened trade tensions, an unexpected rise in unemployment and/or an increase in interest rates could lead to increased levels of impairment, resulting in a negative impact on the Bank Group's profitability.

As anticipated, most major central banks have started tightening their monetary policies in 2018 and there remains a possibility that this will continue. The risk of large capital flows spawned by divergent or differently timed policies remains, and this will continue to provide financial market turbulence, in particular in emerging market economies. This may negatively impact the Bank Group's business in the affected regions, under both profiles of credit and market risk.

Sentiment towards emerging markets as a whole continues to be driven in large part by developments in China, where there is some concern around the ability of authorities to manage growth while transitioning from manufacturing towards services. Although the Chinese government's efforts to stably increase the weight of domestic demand have had some success, the pace of credit growth remains a concern, given the high level of leverage and despite regulatory action. A stronger than expected slowdown could result if authorities fail to appropriately manage the end of the investment and credit-led boom. Deterioration in emerging markets could affect the Bank Group if it results in higher impairment charges for the Bank Group via sovereign or counterparty defaults.

More broadly, a deterioration of conditions in the key markets where the Bank Group operates could affect performance in a number of ways including, for example: (i) deteriorating business, consumer or investor confidence indirectly having a material adverse impact on GDP growth in significant markets and therefore on the Bank Group's performance; (ii) mark to market losses in trading portfolios resulting from changes in factors such as credit ratings, share prices and solvency of counterparties; (iii) reduced ability to obtain capital from other financial institutions for the Bank Group's operations; and (iv) lower levels of fixed asset investment and productivity growth overall.

1.2 Process of UK withdrawal from the European Union

The uncertainty around Brexit spanned the whole of 2018, and intensified in the second half of the year. The full impact of the withdrawal may only be realised in years to come, as the economy adjusts to the new regime, but the Bank Group continues to monitor the most relevant risks, including those that may have a more immediate impact, for its business:

- Market volatility, including in currencies and interest rates, might increase which could have an impact on the value of the Bank Group's trading book positions.
- Potential UK financial institutions credit spread widening could lead to reduced investor appetite for the Bank Group's debt securities; this could negatively impact the cost of, and/or access to, funding. There is potential for continued market and interest rate volatility. This volatility could affect underlying interest rate risk value

of the assets in the banking book, and securities held by the Bank Group for liquidity purposes.

- A credit rating agency downgrade applied directly to the Bank Group, or indirectly as a result of a credit rating agency downgrade to the UK Government, could significantly increase the Bank Group's borrowing costs, credit spreads and materially adversely affect the Bank Group's interest margins and liquidity position.

- Changes in the long-term outlook for UK interest rates may adversely affect pension liabilities and the market value of investments funding those liabilities.

- Increased risk of a UK recession with lower growth, higher unemployment and falling UK house prices. This would likely negatively impact a number of the Bank Group's portfolios.

- The implementation of trade and customs barriers between the UK and EU could lead to delays and increased costs in the passage of goods for corporate banking customers. This could negatively impact the levels of customer defaults and business volumes which may result in an increase in the Bank Group's impairment charges and a reduction in revenues.

- Changes to current EU 'Passporting' rights may require further adjustment to the current model for the Bank Group's cross-border banking operation which could increase operational complexity and/or costs.

- The ability to attract, or prevent the departure of, qualified and skilled employees may be impacted by the UK's and the EU's future approach to the EU freedom of movement and immigration from the EU countries and this may impact the Bank Group's access to the EU talent pool.

- The legal framework within which the Bank Group operates could change and become more uncertain if the UK takes steps to replace or repeal certain laws currently in force, which are based on EU legislation and regulation (including EU regulation of the banking sector) following its withdrawal from the EU. Certainty around the ability to perform existing contracts, enforceability of certain legal obligations and uncertainty around the jurisdiction of the UK courts may be affected until the impacts of the loss of the current legal and regulatory arrangements between the UK and EU and the enforceability of UK judgements across the EU are fully known.

- Should the UK lose automatic qualification to be part of Single Euro Payments Area there could be a resultant impact on the efficiency of, and access to, European payment systems. In addition, loss of automatic qualification to the European Economic Area ("**EEA**") or access to Financial Markets Infrastructure including exchanges, central counterparties and payments services could impact service provision for clients, likely resulting in reduced market share and revenue and increased operating costs for the Bank Group.

- There are certain execution risks relating to the transfer of the Bank Group's European businesses to Barclays Bank Ireland PLC. Technology change could result in outages or operational errors leading to delays in the transfer of assets and liabilities to Barclays Bank Ireland PLC, and delayed delivery could lead to European clients losing access to products and service and increased reputational risk.

1.3 Interest rate rises adversely impacting credit conditions

To the extent that central banks increase interest rates particularly in the Bank Group's main markets, in the UK and the US, there could be an impact on consumer debt affordability and corporate profitability.

While interest rate rises could positively impact the Bank Group's profitability, as retail and corporate business income may increase due to margin de-compression, future interest rate increases, if larger or more frequent than expectations, could cause stress in the lending portfolio and underwriting activity of the Bank Group. Higher credit losses driving an increased impairment allowance would most notably impact retail unsecured portfolios and wholesale non-investment grade lending.

Changes in interest rates could also have an adverse impact on the value of high quality liquid assets which are part of the Bank Group Treasury function's investment activity. Consequently, this could create more volatility than expected through the Bank Group's fair value through other comprehensive income (FVOCI) reserves.

1.4 Regulatory change agenda and impact on business model

The Bank Group remains subject to ongoing significant levels of regulatory change and scrutiny in many of the countries in which it operates (including, in particular, the UK and the US). As a result, regulatory risk will remain a focus for senior management and consume significant levels of business resources. Furthermore, a more intensive regulatory approach and enhanced requirements together with the uncertainty (particularly in light of the UK's withdrawal from the EU) and potential lack of international regulatory co-ordination as enhanced supervisory standards are developed and implemented may adversely affect the Bank Group's business, capital and risk management strategies and/or may result in the Bank Group deciding to modify its legal entity, capital and funding structures and business mix, or to exit certain business activities altogether or not to expand in areas despite otherwise attractive potential.

The Barclays Bank UK Group was established on 1 April 2018 as the ring-fenced entity under the Group. The transfer of the assets and liabilities of the Barclays UK division from the Bank Group means that the Bank Group is less diversified than the Group as a whole. The Bank Group is not the parent of the Barclays Bank UK Group and thus does not have recourse to the assets of the Barclays Bank UK Group. Relative to the Group, the Bank Group is, amongst other things:

- more focused on businesses outside the UK, particularly in the US, and thus more exposed to the US economy and more affected by movements in the US Dollar (and other non-Sterling currencies) relative to Sterling, with a relatively larger portion of its business exposed to US regulation.
- more focused on wholesale businesses, such as corporate and investment banking and capital markets, which expose the Bank Group to a broader range of market conditions, and to counterparty and operational risks. As such, the financial performance of the Bank Group may be subject to greater fluctuations relative to that of the Group as a whole or that of the Barclays Bank UK Group.
- more dependent on wholesale funding sources, as the UK retail deposit base has been transferred to the Barclays Bank UK Group. The UK retail mortgage assets have also been transferred to the Barclays Bank UK Group, which reduces the Bank Group's access to funding sources reliant on residential mortgage collateral. The Bank Group may therefore experience more difficult financing conditions and/or higher costs of funding including in situations of stress. As a result of the implementation of ring-fencing, different Group entities, such as the Bank Group, may be assessed differently by credit rating agencies, which may result in different, and possibly more negative, assessments of the Bank Group's credit and thus in lower credit ratings than the credit ratings of the Group, which in turn could adversely affect the sources and costs of funding for the Bank Group.
- potentially subject to different regulatory obligations, including different liquidity requirements and capital buffers.

There are several other significant pieces of legislation and areas of focus which will require significant management attention, cost and resource, including:

- Changes in prudential requirements (including the risk reduction measures package recently adopted in the EU to amend the Capital Requirements Directive ("**CRD IV**") and the Bank Recovery and Resolution Directive ("**BRRD**")) may impact minimum requirements for own funds and eligible liabilities ("**MREL**") (including requirements for internal MREL), leverage, liquidity or funding requirements, applicable buffers and/or addons to such minimum requirements and risk weighted assets calculation methodologies all as may be set by international, EU or national authorities. Such or similar changes to prudential requirements or additional supervisory and prudential expectations, either individually or in aggregate, may result in, among other things, a need for further management actions to meet the changed requirements, such as: increasing capital, MREL or liquidity resources, reducing leverage and risk weighted assets; restricting distributions on capital instruments; modifying the terms of outstanding capital instruments; modifying legal entity structure (including with regard to issuance and deployment of capital, MREL and funding); changing the Bank Group's business mix or exiting other businesses; and/or undertaking other actions to strengthen the Bank Group's position. (See "*Treasury and capital risk*" on pages 73 to 86 of the 2018 Form 20-F and pages 13 to 14 of the 2019 Interim Results Announcement and "*Supervision and regulation*" on pages 93 to 102 of the 2018 Form 20-F for more information).

- The derivatives market has been the subject of particular focus for regulators in recent years across the G20 countries and beyond, with regulations introduced which require the reporting and clearing of standardised over the counter ("**OTC**") derivatives and the mandatory margining of non-cleared OTC derivatives. Other regulations applicable to swap dealers, including those promulgated by the US Commodity Futures Trading Commission, have imposed significant costs on the Bank Group's derivatives business. The increased regulation of swaps and security-based swaps may also result in other increases in costs for market participants, as well as reduced liquidity in the markets for such instruments, which could cause further increases in costs and volatility. These and any future requirements, including the US SEC's (as defined below) regulations relating to security-based swaps and the possibility of overlapping and/or contradictory requirements imposed on derivative transactions by regulators in different jurisdictions, are expected to continue to impact such business in the same manner.

- More broadly, compliance with the evolving regulatory framework entails significant costs for market participants and is having a significant impact on certain markets in which the Bank Group operates. The recast Markets in Financial Instruments Directive in Europe ("**MiFID II**"), which came into force in January 2018, has fundamentally changed the European regulatory framework entailing significant operational changes for market participants in a wide range of financial instruments as well as changes in market structures and practices. In addition, the EU Benchmarks Regulation, which also came into force in January 2018, regulates the use of benchmarks in the EU. In particular, after 1 January 2020 certain Bank Group entities will not be permitted to use benchmarks unless the relevant administrator is authorised, registered or qualifies under a third party regime. This may necessitate adapting processes and systems to transition to new alternative benchmarks, which would be a very time consuming and costly process. Separately, the transition to risk-free rates as part of a wider benchmark reform is also expected to be impactful to the Bank Group in respect of the timing of the development of a robust risk free rate market, an unfavourable market reaction and/or inconsistencies in the adoption of products using the new risk free rates, and also in respect of the costs and uncertainties involved in managing and/or changing historical products to reference risk free rates as a result of the proposed discontinuation of certain existing benchmarks.

- The Bank Group and certain of its members are subject to supervisory stress testing exercises in a number of jurisdictions. These exercises currently include the programmes of the Bank of England ("**BoE**"), the European Banking Authority, the Federal Deposit Insurance Corporation and the Federal Reserve Board. These exercises are designed to assess the resilience of banks to adverse economic or financial developments and enforce robust, forward looking capital and liquidity management 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 the Bank Group's or certain of its members' business model, data provision, stress testing capability and internal management processes and controls. The stress testing requirements to which the Bank Group and its members are subject are becoming increasingly stringent. Failure to meet requirements of regulatory stress tests, or the failure by regulators to approve the stress test results and capital plans of the Bank Group, could result in the Bank Group being required to enhance its capital position, limit capital distributions or position additional capital in specific subsidiaries. For more information on stress testing, please see "Supervision and regulation" on pages 93 to 102 of the 2018 Form 20-F.

- The introduction and implementation of Payments Service Directive 2 ("**PSD2**") with delivery across 2019 provides third parties and banks with opportunities to change and enhance the relationship between a customer and their bank. It does this by providing customers with the ability to share their transactional data with authorised third party service providers either for aggregation or payment services. It is anticipated that payment services will be offered by third parties to the Bank Group's customers. PSD2 will also introduce new requirements to the authentication process for a number of actions customers take, including ecommerce transactions. A failure to comply with PSD2 could expose the Bank Group to regulatory sanction. Further, the regime could mean that actions or omissions by third party service providers could expose the Bank Group to potential financial loss from third party fraud, misuse of customer data, litigation and reputational detriment, amongst other things. The changes to authentication may change the fraud environment across the industry as providers implement different approaches to comply.

2. Material existing and emerging risks impacting individual principal risks

A. Credit risk

2.1 Impairment

The introduction of the impairment requirements of International Financial Reporting Standard ("**IFRS**") No. 9 (*Financial Instruments*), implemented on 1 January 2018, results in impairment loss allowances that are recognised earlier, on a more forward looking basis and on a broader scope of financial instruments than has been the case under International Accounting Standard ("**IAS**") No. 39 and has had, and may continue to have, a material impact on the Bank Group's financial condition. Measurement involves increased complex judgement and impairment charges will tend to be more volatile, particularly under stressed conditions. Unsecured products with longer expected lives, such as revolving credit cards, are the most impacted. Taking into account the transitional regime, the capital treatment on the increased reserves has the potential to adversely impact regulatory capital ratios. In addition, the move from incurred to expected credit losses has the potential to impact the Bank Group's performance under stressed economic conditions or regulatory stress tests. For more information please refer to Note 1 (*Significant accounting policies*) to the consolidated financial statements of the Issuer on pages 113 to 117 of the 2018 Form 20-F and Note 1 (*Basis of preparation*) to the condensed consolidated interim financial statements of the Issuer on pages 21 to 22 of the 2019 Interim Results Announcement.

2.2 Specific sectors and concentrations

The Bank Group is subject to risks arising from changes in credit quality and recovery rate of loans and advances due from borrowers and counterparties in a specific portfolio. Any deterioration in credit quality could lead to lower recoverability and higher impairment in a specific sector. The following are areas of uncertainties to the Bank Group's portfolio which could have a material impact on performance.

(a) UK retailers

Softening demand, rising costs and a structural shift to online is fuelling pressure on the UK High Street. Whilst we have not seen any material impact, as the UK retailer market repositions itself the trend represents a potential risk in our UK corporate portfolio.

(b) **Consumer affordability**

Consumer affordability has remained a key area of focus for regulators, particularly in unsecured lending, driven by the growth in levels of borrowing. Macroeconomic factors, such as rising unemployment, that impact a customer's ability to service unsecured debt payments could lead to increased arrears in unsecured products.

(c) **UK real estate market**

UK property represents a significant portion of the overall the Bank Group corporate credit exposure. In 2018, property price growth across the UK continued, however, this growth has slowed in London and the South East where the Bank Group exposure has high concentration. The Bank Group is at risk of increased impairment from a material fall in property prices due to the depreciation in value of the underlying loan security.

(d) **Leverage finance underwriting**

The Bank Group takes on sub-investment grade underwriting exposure, including single name risk, particularly in the US and Europe. The Bank Group is exposed to credit events and market volatility during the underwriting period. Any adverse events during this period may potentially result in loss for the Bank Group or an increased capital requirement should there be a need to hold the exposure for an extended period.

(e) **Italian portfolio**

The Bank Group is exposed to a decline in the Italian economic environment through a mortgage portfolio in run-off and positions to wholesale customers. The Italian economy tipped into an official recession at the end of 2018 and should the economy deteriorate further, there could be a material adverse effect on the Bank Group's results including, but not limited to, increased credit losses and higher impairment charges.

The Bank Group also has large individual exposures to single name counterparties, both in its lending activities and in its financial services and trading activities, including transactions in derivatives and transactions with brokers, central clearing houses, dealers, other banks, mutual and hedge funds and other institutional clients. The default of such counterparties could have a significant impact on the carrying value of these assets. In addition, where such counterparty risk has been mitigated by taking collateral, credit risk may remain high if the collateral held cannot be realised, 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 Group's results due to, for example, increased credit losses and higher impairment charges.

2.3 **Environmental risk**

The Bank Group is exposed to credit risks arising from energy and climate change. Indirect risks may be incurred as a result of environmental issues impacting the credit worthiness of the borrower resulting in higher impairment.

B. **Market risk**

2.4 **Market volatility**

An uncertain outlook for the direction of monetary policy, the US-China trade conflict, slowing global growth and political concerns in the US and Europe (including Brexit) are some of the factors that could heighten market risks for the Bank Group's portfolios.

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

C. **Treasury and capital risk**

The Bank Group may not be able to achieve its business plans due to: a) inability to maintain appropriate capital ratios; b) inability to meet its obligations as they fall due; c) rating agency downgrades; d) adverse changes in foreign exchange rates on capital ratios; e) adverse movements in the pension fund; f) non-traded market risk/interest rate risk in the banking book.

2.5 **Inability to maintain prudential ratios and other regulatory requirements**

This could lead to the Bank Group's inability to support business activity; a failure to meet regulatory capital requirements including any additional capital add-ons or the requirements set for regulatory stress tests; increased cost of funding due to deterioration in investor appetite or credit ratings; restrictions on distributions including the ability to meet dividend targets; and/or the need to take additional measures to strengthen the Bank Group's capital or leverage position.

2.6 **Inability to manage liquidity and funding risk effectively**

This may result in the Bank Group either not having sufficient financial resources to meet its payment obligations as they fall due or, although solvent, only being able to meet these obligations at excessive cost. This could cause the Bank Group to fail to meet regulatory liquidity standards or be unable to support day-to-day banking activities.

The stability of the Bank Group's current funding profile, in particular that part which is based on accounts and deposits payable on demand or at short notice, could be affected by the Bank Group failing to preserve the current level of customer and investor confidence. The Bank Group also regularly accesses the capital markets to provide short-term and long-term funding to support its operations. Several factors, including adverse macroeconomic conditions, adverse outcomes in legal, regulatory or conduct matters and loss of confidence by investors, counterparties and/or customers in the Bank Group, can affect the ability of the Bank Group to access the capital markets and/or the cost and other terms upon which the Bank Group is able to obtain market funding.

2.7 **Credit rating changes and the impact on funding costs**

Any potential or actual credit rating agency downgrades could significantly increase the Bank Group's borrowing costs, credit spreads and materially adversely affect the Bank Group's interest margins and liquidity position. Consequently, this may result in reduced profitability for the Bank Group.

2.8 **Adverse changes in foreign exchange rates impacting capital ratios**

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

2.9 **Adverse movements in the pension fund**

Adverse movements in pension assets and liabilities for defined benefit pension schemes could result in deficits on a funding and/or accounting basis. This could lead to the Bank Group making substantial additional contributions to its pension plans and/or a deterioration in its capital position. Under IAS 19 the liabilities discount rate is derived from the yields of high quality corporate bonds.

Therefore, the valuation of the Bank Group's defined benefits schemes would be adversely affected by a prolonged fall in the discount rate due to a persistent low rate and/or credit spread environment. Inflation is another significant risk driver to the pension fund as the liabilities are adversely impacted by an increase in long-term inflation expectations.

2.10 **Non-traded market risk/interest rate risk in the banking book**

A shortfall in the liquidity pool investment return could increase the Bank Group's cost of funds and impact the capital ratios. The Bank Group's structural hedge programmes for interest rate risk in the banking book rely on behavioural assumptions, as a result, the success of the hedging strategy is not guaranteed. A potential mismatch in the balance or duration of the hedge assumptions could lead to earnings deterioration.

D. **Operational risk**

2.11 **Cyber threat**

The frequency of cyber-attacks continues to grow and is a global threat which is inherent across all industries, including the financial sector and is a key area of focus for the Bank Group. The financial sector remains a primary target for cyber criminals. There is an increasing level of sophistication in both criminal and nation state hacking for the purpose of stealing money, stealing, destroying or manipulating data, including customer data, and/or disrupting operations, where multiple threats exist including threats arising from malicious emails, distributed denial of service (DDoS) attacks, payment system compromises, supply chain and vulnerability exploitation. Other events have a compounding impact on services and customers, e.g. data breaches in social networking sites, retail companies and payments networks.

Failure to adequately manage this threat could result in increased fraud losses, inability to perform critical economic functions, customer detriment, potential regulatory censure or penalties, legal liability, reduction in shareholder value and reputational damage.

2.12 **Fraud**

The level and nature of fraud threats continues to evolve, particularly with the increasing use of digital products and the greater functionality available online. Criminals continue to adapt their techniques and are increasingly focused on targeting customers and clients through ever more sophisticated methods of social engineering. External data breaches also provide criminals with the opportunity to exploit the growing levels of compromised data. These threats could lead to customer detriment, loss of business, regulatory censure, missed business opportunity and reputational damage.

2.13 **Operational resilience**

The loss of or disruption to the Bank Group's business processing is a material inherent risk theme within the Bank Group and across the financial services industry, whether arising through impacts on technology systems, real estate services, personnel availability or the support of major suppliers.

Failure to build resilience into business processes or into the services of technology, real estate or suppliers on which the Bank Group business processes depend may result in significant customer detriment, costs to reimburse losses incurred by our customers, potential regulatory censure or penalties, and reputational damage.

2.14 **Supplier exposure**

The Bank Group depends on suppliers, including Barclays Services Limited, for the provision of many of its services and the development of technology. Even though the Bank Group depends on suppliers, it continues to be accountable for risk arising from the actions of such suppliers.

Failure to monitor and control the Bank Group's suppliers could potentially lead to client information, or critical infrastructures and services, not being adequately protected or available when required. The dependency on suppliers and sub-contracting of outsourced services introduces concentration risk where the failure of specific suppliers could have an impact on our ability to continue to provide services that are material to the Bank Group.

Failure to adequately manage outsourcing risk could result in increased losses, inability to perform critical economic functions, customer detriment, potential regulatory censure, legal liability and reputational damage.

2.15 **Processing error**

As a large, complex bank, the Bank Group faces the risk of material errors in operational processes, including payments and client transactions.

Material operational or payment errors could disadvantage the Bank Group's customers, clients or counterparties and could result in regulatory censure, legal liability, reputational damage and financial loss for the Bank Group.

2.16 **New and emergent technology**

Technological advancements present opportunities to develop new and innovative ways of doing business across the Bank Group, with new solutions being developed both in-house and in association with third party companies. Introducing new forms of technology, however, also has the potential to increase inherent risk.

Failure to evaluate, actively manage and closely monitor risk exposure during all phases of business development could lead to customer detriment, loss of business, regulatory censure, missed business opportunity and reputational damage.

2.17 **Ability to hire and retain appropriately qualified employees**

As a regulated financial institution, the Bank Group requires diversified and specialist skilled colleagues. The Bank Group's ability to attract, develop and retain a diverse mix of talent is key to the delivery of its core business activity and strategy. This is impacted by a range of external and internal factors, such as the UK's decision to leave the EU and the enhanced individual accountability applicable to the banking industry.

Failure to attract or prevent the departure of appropriately qualified and skilled employees could negatively impact our financial performance, control environment and level of employee engagement. Additionally, this may result in disruption to service which could in turn lead to disenfranchising certain customer groups, customer detriment and reputational damage.

2.18 **Tax risk**

The Bank Group is required to comply with the domestic and international tax laws and practice of all countries in which it has business operations. The Tax Cuts and Jobs Act has introduced substantial changes to the US tax system, including the introduction of a new tax, the Base Erosion Anti-Abuse Tax. These changes have increased the Bank Group's tax compliance obligations and require a number of system and process changes which introduce additional operational risk. In addition, increasing customer tax reporting requirements around the world and the digitisation of the administration of tax has potential to increase the Bank Group's tax compliance obligations further. In light of the above, there is a risk that the Bank Group could suffer losses due to additional tax charges, other financial costs or reputational damage as a result of failing to comply with such laws and practice, or by failing to manage its tax affairs in an appropriate manner, with much of this risk attributable to the international structure of the Bank Group.

2.19 **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 relevant accounting policies. The key areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the consolidated and individual financial statements include credit impairment charges for amortised cost assets, taxes, fair value of financial instruments, pensions and post-retirement benefits, and provisions including conduct and legal, competition and regulatory matters. There is a risk that if the judgement exercised, or the estimates or assumptions used, subsequently turn out to be incorrect, this could result in significant loss to the Bank Group, beyond what was anticipated or provided for.

The further development of standards and interpretations under IFRS could also significantly impact the financial results, condition and prospects of the Bank Group.

2.20 **Data management and information protection**

The Bank Group holds and processes large volumes of data, including personally identifiable information, intellectual property, and financial data. Failure to accurately collect and maintain this data, protect it from breaches of confidentiality and interference with its availability exposes the Bank Group to the risk of loss or unavailability of data (including customer data covered under Risk Factor 2.26 (*Data protection and privacy*) below) or data integrity issues. This could result in regulatory censure, legal liability and reputational damage, including the risk of substantial fines under the General Data Protection Regulation ("**GDPR**"), which strengthens the data protection rights for customers and increases the accountability of the Bank Group in its management of that data.

2.21 **Unauthorised or rogue trading**

Unauthorised trading, such as a large unhedged position, which arises through a failure of preventative controls or deliberate actions of the trader, may result in large financial losses for the Bank Group, loss of business, damage to investor confidence and reputational damage.

2.22 **Algorithmic trading**

In some areas of the investment banking business, trading algorithms are used to price and risk manage client and principal transactions. An algorithmic error could result in increased market exposure and subsequent financial losses for the Bank Group and potential loss of business, damage to investor confidence and reputational damage.

E. **Model risk**

2.23 **Enhanced model risk management requirements**

The Bank Group relies on models to support a broad range of business and risk management activities, including informing business decisions and strategies, measuring and limiting risk, valuing exposures (including the calculation of impairment), conducting stress testing, assessing capital adequacy, supporting new business acceptance and risk and reward evaluation, managing client assets, and meeting reporting requirements.

Models are, by their nature, imperfect and incomplete representations of reality because they rely on assumptions and inputs, and so they may be subject to errors affecting the accuracy of their outputs. For instance, the quality of the data used in models across the Bank Group has a material impact on the accuracy and completeness of our risk and financial metrics.

Models may also be misused. Model errors or misuse may result in the Bank Group making inappropriate business decisions and being subject to financial loss, regulatory risk, reputational risk and/or inadequate capital reporting.

F. **Conduct risk**

There is the risk of detriment to customers, clients, market integrity, effective competition or the Bank Group from the inappropriate supply of financial services, including instances of wilful or negligent misconduct. This risk could manifest itself in a variety of ways.

2.24 **Product governance and life cycle**

Ineffective product governance, including design, approval and review of products, inappropriate controls over internal and third party sales channels and post sales services, such as complaints handling, collections and recoveries, could lead to poor customer outcomes, as well as regulatory sanctions, financial loss and reputational damage.

2.25 **Financial crime**

The Bank Group may be adversely affected if it fails to effectively mitigate the risk that third parties or its employees facilitate, or that its products and services are used to facilitate financial crime (money laundering, terrorist financing and proliferation financing, breaches of economic and financial sanctions, bribery and corruption, and the facilitation of tax evasion). UK and US regulations concerning financial institutions continue to focus on combating financial crime. Failure to comply may lead to enforcement action by the Bank Group's regulators together with severe penalties, affecting the Bank Group's reputation and financial results.

2.26 **Data protection and privacy**

Proper handling of personal data is critical to sustaining long-term relationships with our customers and clients and to meeting privacy laws and obligations. Failure to protect personal data can lead to potential detriment to our customers and clients, reputational damage, regulatory sanctions and financial loss, which under the GDPR may be substantial (see Risk Factor 2.20 (*Data management and information protection*) above).

2.27 **Regulatory focus on culture and accountability**

Regulators around the world continue to emphasise the importance of culture and personal accountability and the adoption and enforcement of adequate internal reporting and whistleblowing procedures in helping to promote appropriate conduct and drive positive outcomes for customers, colleagues, clients and markets. Failure to meet the requirements and expectations of the UK Senior Managers Regime, Certification Regime and Conduct Rules may lead to regulatory sanctions, both for the individuals and the Bank Group.

G. **Reputation risk**

2.28 **The Bank Group's association with sensitive sectors and its impact on reputation**

A risk arising in one business area can have an adverse effect upon the Bank Group's overall reputation; any one transaction, investment or event that, in the perception of key stakeholders reduces their trust in the Bank Group's integrity and competence.

The Bank Group's association with sensitive topics and sectors is an area of concern for stakeholders, including:

- Disclosure of climate risks and opportunities, including the activities of certain sections of the client base, which has become the subject of increased scrutiny from regulators, NGOs and other stakeholders.

- The risks of association with human rights violations through the perceived indirect involvement in human rights abuses committed by clients and customers.

- The manufacture and export of military and riot control goods and services by clients and customers.

These associations have the potential to give rise to reputation risk for the Bank Group and may result in loss of business, regulatory censure and missed business opportunity.

In addition to the above, reputation risk has the potential to arise from operational issues or conduct matters which cause detriment to customers, clients, market integrity, effective competition or the Bank Group (see Risk Factor 2.11 (*Cyber threat*); Risk Factor 2.20 (*Data management and information protection*) and Section F (*Conduct risk*) above).

H. **Legal risk and legal, competition and regulatory matters**

Legal disputes, regulatory investigations, fines and other sanctions relating to conduct of business and breaches of legislation and/or regulations may negatively affect the Bank Group's results, reputation and ability to conduct its business.

The Bank Group conducts diverse activities in a highly regulated global market and therefore is exposed to the risk of fines and other sanctions. Authorities have continued to investigate past practices, pursued alleged breaches and imposed heavy penalties on financial services firms. A breach of applicable legislation and/or regulations could result in the Bank Group or its staff being subject to criminal prosecution, regulatory censure, fines and other sanctions in the jurisdictions in which it operates. Where clients, customers or other third parties are harmed by the Bank Group's conduct, this may also give rise to legal proceedings, including class actions. Other legal disputes may also arise between the Bank Group and third parties relating to matters such as breaches, enforcement of legal rights or obligations arising under contracts, statutes or common law. Adverse findings in any such matters may result in the Bank Group being liable to third parties or may result in the Bank Group's rights not being enforced as intended.

Details of legal, competition and regulatory matters to which the Bank Group is currently exposed are set out in Note 15 (*Legal, competition and regulatory matters*) to the condensed consolidated interim financial statements of the Issuer on pages 37 to 44 of the 2019 Interim Results Announcement. In addition to matters specifically described in Note 15, the Bank Group is engaged in various other legal proceedings which arise in the ordinary course of business. The Bank Group is also subject to requests for information, investigations and other reviews by regulators, governmental and other public bodies in connection with business activities in which the Bank Group is, or has been, engaged.

The outcome of legal, competition and regulatory matters, both those to which the Bank Group is currently exposed and any others which may arise in the future, is difficult to predict. In connection with such matters, the Bank Group may incur significant expense, regardless of the ultimate outcome, and any such matters could expose the Bank Group to any of the following outcomes: substantial monetary damages, settlements and/or fines; remediation of affected customers and clients; other penalties and injunctive relief; additional litigation; criminal prosecution; the loss of any existing agreed protection from prosecution; regulatory restrictions on the Bank Group's business operations including the withdrawal of authorisations; increased regulatory compliance requirements; suspension of operations; public reprimands; loss of significant assets or business; a negative effect on the Bank Group's reputation; loss of confidence by investors, counterparties, clients and/or customers; risk of credit rating agency downgrades; potential negative impact on the availability and/or cost of funding and liquidity; and/or dismissal or resignation of key individuals. In light of the uncertainties involved in legal, competition and regulatory matters, there can be no assurance that the outcome of a particular matter or matters will not be material to the Bank Group's results of operations or cash flow for a particular period.

In January 2017, the Group was sentenced to serve three years of probation from the date of the sentencing order in accordance with the terms of its May 2015 plea agreement with the Department of Justice (DOJ). During the term of probation the Group must, among other things, (i) commit no crime whatsoever in violation of the federal laws of the US, (ii) implement and continue to implement a compliance program designed to prevent and detect the conduct that gave rise to the plea agreement, and (iii) strengthen its compliance and internal controls as required by relevant regulatory or enforcement agencies. Potential consequences of the Group, including the Bank Group, breaching the plea agreement include the imposition of additional terms and conditions on the Group, an extension of the agreement, or the criminal prosecution of the Group, which could, in turn, entail further financial penalties and collateral consequences and have a material adverse effect on the Group's business, operating results or financial position.

There is also a risk that the outcome of any legal, competition or regulatory matters in which the Bank Group is involved may give rise to changes in law or regulation as part of a wider response by relevant law makers and regulators. A decision in any matter, either against the Bank Group or another financial institution facing similar claims, could lead to further claims against the Bank Group.

3. **Regulatory action in the event a bank or investment firm in the Bank Group is failing or likely to fail could materially adversely affect the value of the Securities**

3.1 **The Issuer and the Bank Group are subject to substantial resolution powers**

Under the Banking Act 2009, as amended (the "**Banking Act**") (which implemented in the UK the majority of the requirements of Directive 2014/59/EU of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms of 15 May 2014, as amended (the "**BRRD**")), substantial powers are granted to the Bank of England (or, in certain circumstances, HM Treasury), in consultation with the PRA, the FCA and HM Treasury, as appropriate as part of a special resolution regime (the "**SRR**"). These powers enable the relevant UK resolution authority to implement various resolution measures and stabilisation options (including, but not limited to, the bail-in tool, described below) with respect to a UK bank or investment firm (currently including the Issuer) and certain of its affiliates (each a "**relevant entity**") in circumstances in which the relevant UK resolution authority is satisfied that the resolution conditions are met. Such conditions include that a relevant entity is failing or is likely to fail to satisfy the FSMA threshold conditions for authorisation to carry on certain regulated activities (within the meaning of section 55B of the FSMA) or, in the case of a UK banking group company that is an EEA or third country institution or investment firm, that the relevant EEA or third country relevant authority is satisfied that the resolution conditions are met in respect of such entity.

The SRR consists of five stabilisation options:

(a) private sector transfer of all or part of the business or shares of the relevant entity;

(b) transfer of all or part of the business of the relevant entity to a "bridge institution" established by the Bank of England;

(c) transfer to an asset management vehicle wholly or partly owned by HM Treasury or the Bank of England;

(d) the bail-in tool (as described below); and

(e) temporary public ownership (nationalisation).

The Banking Act also provides for additional insolvency and administration procedures for relevant entities and for certain ancillary powers, such as the power to modify contractual arrangements in certain circumstances (which could include a variation of the terms of the Securities), powers to impose temporary suspension of payments, powers to suspend enforcement or termination rights that might be invoked as a result of the exercise of the resolution powers and powers for the relevant UK resolution authority to disapply or modify laws in the UK (with possible retrospective effect) to enable the powers under the Banking Act to be used effectively.

You should assume that, in a resolution situation, financial public support will only be available to a relevant entity as a last resort after the relevant UK resolution authorities have assessed and used, to the maximum extent practicable, the resolution tools, including the bail-in tool (as described below).

The exercise of any resolution power or any suggestion of any such exercise could materially adversely affect the value of any Securities and could lead to you losing some or all of the value of your investment in the Securities.

3.2 **Resolution powers triggered prior to insolvency may not be anticipated and you may have only limited rights to challenge them**

The resolution powers conferred by the SRR are intended to be used prior to the point at which any insolvency proceedings with respect to the relevant entity could have been initiated. The purpose of the resolution powers is to address the situation where all or part of a business of a relevant entity has encountered, or is likely to encounter, financial difficulties, giving rise to wider public interest concerns.

Although the Banking Act provides specific conditions to the exercise of any resolution powers and, furthermore, the European Banking Authority's guidelines published in May 2015 set out the objective elements for the resolution authorities to apply in determining whether an institution is failing or likely to fail, it is uncertain how the relevant UK resolution authority would assess such conditions in any particular pre-insolvency scenario affecting the Issuer and/or other members of the Bank Group and in deciding whether to exercise a resolution power.

The relevant UK resolution authority is also not required to provide any advance notice to you of its decision to exercise any resolution power. Therefore, you may not be able to anticipate a potential exercise of any such powers nor the potential effect of any exercise of such powers on the Issuer, the Bank Group and the Securities.

Furthermore, holders of the Securities may have only very limited rights to challenge and/or seek a suspension of any decision of the relevant UK resolution authority to exercise its resolution powers (including the bail-in tool) or to have that decision reviewed by a judicial or administrative process or otherwise.

3.3 **The relevant UK resolution authority may exercise the bail-in tool in respect of the Issuer and the Securities, which may result in you losing some or all of your investment**

Where the relevant statutory conditions for use of the bail-in tool have been met, the relevant UK resolution authority would be expected to exercise these powers without your consent. Subject to certain exemptions set out in the Banking Act (including secured liabilities, bank deposits guaranteed under an EU member state's deposit guarantee scheme, liabilities arising by virtue of the holding of client money, liabilities to other non-group banks or investment firms that have an original maturity of fewer than seven days and certain other exceptions), it is intended that all liabilities of institutions and/or their EEA parent holding companies should be within scope of the bail-in tool.

The Banking Act specifies the order in which the bail-in tool should be applied, reflecting the hierarchy of capital instruments under the CRD IV and otherwise respecting the hierarchy of claims in an ordinary insolvency. On 19 December 2018, Her Majesty's Treasury published the Banks and Building Societies (*Priorities on Insolvency*) Order 2018 (the "**2018 Order**"), which implements Directive (EU) 2017/2399 of the European Parliament and of the Council of 12 December 2017 (the "**Amendment Directive**") amending the BRRD as regards the ranking of unsecured debt instruments in the insolvency hierarchy. The Amendment Directive introduced a new layer in insolvency for ordinary, long-term, unsecured debt- instruments issued by credit institutions and financial institutions within their consolidation perimeter that are established within the EU. The 2018 Order splits a financial institution's non-preferential debts into classes and provides that ordinary non-preferential debts will rank ahead of secondary non-preferential debts and tertiary non-preferential debts (all as defined in the 2018 Order).

The bail-in tool also contains an express safeguard (known as "no creditor worse off") with the aim that shareholders and creditors do not receive a less favourable treatment than they would have received in ordinary insolvency proceedings. However, even in circumstances where a claim for compensation is established under the "no creditor worse off" safeguard in accordance with a valuation performed after the resolution action has been taken, it is unlikely that such compensation would be equivalent to the full losses incurred by you in the resolution and there can be no assurance that you would recover such compensation promptly.

The bail-in tool may be exercised in respect of the Securities irrespective of whether the Securities count towards the Bank Group's MREL, which is being implemented in the EU and the UK, will apply to EU and UK financial institutions and cover capital and debt instruments that are capable of being written-down or converted to equity in order to prevent a financial institution from failing in a crisis.

The exercise of the bail-in tool in respect of the Issuer and the Securities may result in the cancellation of all, or a portion, of the principal amount of, interest on, or any other amounts payable on, the Securities and/or the conversion of the Securities into shares or other Securities or other obligations of the Issuer or another person, or any other modification or variation to the terms of the Securities. Any such exercise or any suggestion of any such exercise could materially adversely affect your rights, the price or value of your investment in the Securities and/or the ability of the Issuer to satisfy its obligations under the Securities and could lead to you losing some or all of the value of your investment in such Securities.

3.4 **As insured deposits are excluded from the scope of the bail-in tool and other preferred deposits (and insured deposits) rank ahead of any Securities issued by the Issuer, such Securities would be more likely to be bailed-in than certain other unsubordinated liabilities of the Issuer (such as other preferred deposits)**

As part of the reforms required by the BRRD, amendments have been made to relevant legislation in the UK (including the UK Insolvency Act 1986) to establish in the insolvency hierarchy a statutory preference (i) firstly, for deposits that are insured under the UK Financial Services Compensation Scheme ("**insured deposits**") to rank with existing preferred claims as 'ordinary' preferred claims and (ii) secondly, for all other deposits of individuals and micro, small and medium sized enterprises held in EEA or non-EEA branches of an EEA bank ("**other preferred deposits**"), to rank as 'secondary' preferred claims only after the 'ordinary' preferred claims. In addition, the UK implementation of the EU Deposit Guarantee Scheme Directive increased, from July 2015, the nature and quantum of insured deposits to cover a wide range of deposits, including corporate deposits (unless the depositor is a public sector body or financial institution) and some temporary high value deposits. The effect of these changes is to increase the size of the class of preferred creditors. All such preferred deposits will rank in the insolvency hierarchy ahead of all other unsecured senior creditors of the Issuer, including you as a holder of the Securities. Furthermore, insured deposits are excluded from the scope of the bail-in tool. As a result, if the bail-in tool were exercised by the relevant UK resolution authority, the Securities would be more likely to be bailed-in than certain other unsubordinated liabilities of the Issuer such as other preferred deposits.

4. **A downgrade of the credit rating assigned by any credit rating agency to the Issuer could adversely affect the liquidity or market value of the Securities. Credit ratings downgrades could occur as a result of, among other causes, changes in the ratings methodologies used by credit rating agencies.**

The Securities are unsecured obligations, are not deposits and are not protected under the UK's Financial Services Compensation Scheme or any other deposit protection insurance scheme. You are therefore exposed to the creditworthiness of the Issuer and any deterioration in the Issuer's creditworthiness or perceived creditworthiness (whether measured by actual or anticipated changes in the credit ratings of the Issuer) may adversely affect the value of the Securities.

Any rating assigned to the Issuer may be withdrawn entirely by a credit rating agency, may be suspended or may be lowered, if, in that credit rating agency's judgment, circumstances relating to the basis of the rating so warrant. Ratings may be impacted by a number of factors which can change over time, including the credit rating agency's assessment of: the Issuer's strategy and management's capability; the Issuer's financial condition including in respect of capital, funding and liquidity; competitive and economic conditions in the Issuer's key markets; the level of political support for the industries in which the Issuer operates; and legal and regulatory frameworks affecting the Issuer's legal structure, business activities and the rights of its creditors. The credit rating agencies may also revise the ratings methodologies applicable to issuers within a particular industry, or political or economic region. If credit rating agencies perceive there to be adverse changes in the factors affecting an issuer's credit rating, including by virtue of change to applicable ratings methodologies, the credit rating agencies may downgrade, suspend or withdraw the ratings assigned to an issuer and/or its securities. Revisions to ratings methodologies and actions on the Issuer's ratings by the credit rating agencies may occur in the future.

If the Issuer determines to no longer maintain one or more ratings, or if any credit rating agency withdraws, suspends or downgrades the credit ratings of the Issuer or the Securities, or if such a withdrawal, suspension or downgrade is anticipated (or any credit rating agency places the credit ratings of the Issuer on "credit watch" status in contemplation of a downgrade, suspension or withdrawal), whether as a result of the factors described above or otherwise, such event could adversely affect the liquidity or market value of the Securities (whether or not the Securities had an assigned rating prior to such event).

RISK FACTORS RELATING TO THE SECURITIES

5. Risks associated with the valuation and liquidity of the Securities

5.1 The initial market value of the Securities is likely to be lower, and may be significantly lower, than the issue or initial purchase price of the Securities

The market value of the Securities is likely to be lower, and may be significantly lower, than the issue price of the Securities. In particular, the difference between the issue price and the initial market value may be a result of:

(a) where permitted by applicable law, amounts with respect to commissions relating to the issue and sale of the Securities;

(b) the estimated profit that Barclays expects to earn in connection with structuring the Securities;

(c) internal funding rates (which are internally published borrowing rates based on variables such as market benchmarks, the Bank Group's appetite for borrowing and Barclays' existing obligations coming to maturity), which may vary from the levels at which Barclays' benchmark debt Securities trade in the secondary market;

(d) the estimated cost which Barclays may incur in hedging its obligations under the Securities; and

(e) estimated development and other costs which Barclays may incur in connection with the Securities.

In relation to (a) above, if not already disclosed, information with respect to the amount of any such inducements, commissions and fees may be obtained from the Issuer or distributor upon request.

5.2 The secondary market value of the Securities will likely be lower than the original issue price of the Securities

Any secondary market prices of the Securities will likely be lower than the original issue price of the Securities because, among other things, secondary market prices take into account the secondary market credit spreads of the Issuer and, also, because (as described in Risk Factor 5.1 (*The initial market value of the Securities is likely to be lower, and may be significantly lower, than the issue or initial purchase price of the Securities*) above) will likely be reduced by selling commissions, profits and hedging and other costs that are accounted for in the original issue price of the Securities. As a result, the price, if any, at which the Manager or any other person would be willing to buy Securities from you in secondary market transactions, if at all, is likely to be lower than the original issue price. Any sale by you prior to the scheduled redemption date could result in a substantial loss to you. See Risk Factor 5.3 (*The Securities* *are designed to be buy-to-hold instruments and the value and quoted price of your Securities (if any) at any time prior to redemption will reflect many factors and cannot be predicted*) for information about additional factors that may impact any secondary market prices of the Securities.

5.3 **The Securities are designed to be buy-to-hold instruments and the value and quoted price of your Securities (if any) at any time prior to redemption will reflect many factors and cannot be predicted**

Generally, the market value of your Securities will be affected by the level of the Underlying Asset(s) at the time, changes in interest rates, the financial condition of the Issuer (whether such changes are actual or perceived) and credit ratings, the supply of and demand for the Securities, the time remaining until the maturity of the Securities and a number of other factors. Some of these factors are interrelated in complex ways and as a result, the effect of any one factor may be offset or magnified by the effect of another factor.

The Securities are designed to be buy-to-hold investments. The price, if any, at which you will be able to sell your Securities prior to maturity, may be substantially less than the amount you originally invested. The following paragraphs describe the manner in which the market value of the Securities may be affected in the event of a change in a specific factor, assuming all other conditions remain constant.

- Performance of the Underlying Asset(s). The market value of the Securities prior to maturity will likely depend substantially on the current level of the Underlying Asset(s) relative to its initial level. If you decide to sell your Securities prior to maturity, when the current level of the Underlying Asset(s) at the time of sale is favourable relative to its initial level, you may nonetheless receive substantially less than the amount that would be payable at maturity based on that level because of expectations that the level will continue to fluctuate until the final level is determined.

  The value of and return on your Securities will depend on the performance of the Underlying Asset(s). The performance of the Underlying Asset(s) may be subject to unpredictable change over time, which may depend on many factors, including financial, political, military or economic events, government actions and the actions of market participants. Any of these events could have a negative effect on the value of the Underlying Asset(s) which in turn could adversely affect the value of and return on your Securities.

  See also Risk Factor 7 (*Risks associated with the Securities being linked to one or more Underlying Assets*).

- Interest rates. The market value of the Securities will likely be affected by changes in interest rates. Interest rates also may affect the economy and, in turn, the value of the Underlying Asset(s) which would affect the market value of the Securities.

- Supply and demand for the Securities. In general, if the supply of the Securities increases and/or the demand for the Securities decreases, the market value of the Securities may be adversely affected. The supply of the Securities, and therefore the market value of the Securities, may be affected by inventory positions held by Barclays.

- The Issuer's or the Bank Group's financial condition, credit ratings and results of operations. Actual or anticipated changes in the financial condition of the Issuer or the Bank Group, current credit ratings or results of operations may significantly affect the market value of the Securities. The significant difficulties experienced in the global financial system in recent periods and resulting lack of credit, lack of confidence in the financial sector, increased volatility in the financial markets and reduced business activity could materially and adversely affect Barclays' business, financial condition, credit ratings and results of operations. However, because the return on the Securities is dependent upon factors in addition to the Issuer's ability to pay or settle its obligations under the Securities (such as the final level of the Underlying Asset(s)), an improvement in the Issuer's financial condition, credit ratings or results of operations is not expected to have a positive effect on the proceeds paid under the Securities. These credit ratings relate only to the Issuer's creditworthiness, do not affect or enhance amounts payable under the terms of the Securities and are not indicative of the risks associated with the Securities or an investment in the Underlying Asset(s). A rating is not a recommendation to buy, sell or hold Securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

- Time remaining to maturity. A 'time premium' results from uncertainty concerning the future level, value or price of the Underlying Asset(s) during the period prior to the maturity of the Securities. As the time remaining to the maturity of the Securities decreases, this time premium will likely decrease, potentially adversely affecting the market value of the Securities. As the time remaining to maturity decreases, the market value of the Securities may be less sensitive to the expected volatility in the Underlying Asset(s) - see Risk Factor 5.5 (*Conditions of a secondary market and pricing implications associated with terminating a buy-to-hold investment early*).

- Events affecting or involving the Underlying Asset. Economic, financial, regulatory, geographic, judicial, political and other developments that affect the level of the Underlying Asset(s), and real or anticipated changes in those factors, also may affect the market value of the Securities.

The effect of any one or more of the factors specified above may offset the effect of the change in the market value of the Securities attributable to another factor.

These factors may affect the market price of the Securities, including any market price which you receive in any secondary market transaction, and may be: (i) different from the value of the Securities as determined by reference to Barclays' pricing models; and (ii) less than the issue price. As a result, if you sell your Securities prior to scheduled maturity, you may receive back less than your initial investment or even zero.

5.4 Your Securities may not have an active trading market and the Issuer may not be under any obligation to make a market or repurchase the Securities prior to redemption

You must be prepared to hold the Securities until their scheduled maturity.

The Securities may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid and you may not be able to find a buyer. Therefore, you may not be able to sell your Securities or, if you can, you may only be able to sell them at a price which is substantially less than the original purchase price.

The Issuer has applied to list and admit to trading the Securities on Euronext Dublin but the fact that such Securities are listed will not necessarily lead to greater liquidity. If Securities are not listed or traded on any exchange, pricing information for such Securities may be more difficult to obtain and they may be more difficult to sell.

The Issuer is under no obligation to make a market or to repurchase the Securities (subject to the next paragraph). The Issuer and the Manager may, but are not obliged to, at any time purchase Securities at any price in the open market or by tender or private agreement. Any Securities so purchased may be held or resold or surrendered for cancellation. If any Securities are redeemed in part, then the number of Securities outstanding will decrease. Any of these activities may have an adverse effect on the liquidity and price of the outstanding Securities in the secondary market.

Any of the Issuer or the Manager or other party may, as part of its activities as a broker and dealer in fixed income and equity securities and related products or pursuant to stock exchange listing requirements, make a secondary market in relation to any Securities and may provide an indicative bid price on a daily basis. Any indicative prices so provided shall be determined by the relevant party in its sole discretion taking into account prevailing market conditions and shall not be a representation by such party that any Securities can be purchased or sold at such prices (or at all).

However, any of these parties may suspend or terminate making a market and providing indicative prices without notice, at any time and for any reason. Consequently, there may be no market for the Securities and you should not assume that such a market will exist.

5.5 Conditions of a secondary market and pricing implications associated with terminating a buy-to-hold investment early

Where the Issuer does quote an indicative bid price for the Securities, the Issuer may determine the price in a significantly different manner than other market participants. Any price will depend on an assortment of factors including, but not limited to, (i) the creditworthiness of the Issuer, (ii) the time to maturity of the Securities, (iii) the then current funding levels of the Issuer taking into account market conditions, including the cost to replace a funding amount represented by the Securities being repurchased for a term equivalent to the time to maturity, and (iv) the value of the Underlying Asset(s) – see Risk Factor 5.2 (*The secondary market value of the Securities will likely be lower than the original issue price of the Securities*). For example, without taking into account the value of the Underlying Asset, if the Securities are due to mature in five years' time and a Holder wanted the Issuer to repurchase its holdings in those Securities, the Issuer may, among other matters, calculate what it would cost to replace the funding amount represented by the Holder's repurchase request for the remaining term of the Securities (in this example, five years). The then current market conditions affecting the Issuer's ability to borrow funds for a five-year term would influence the level of the secondary market price. The higher the current funding levels for the Issuer as compared to funding levels for a comparable term on the Issue Date, the more likely the secondary market price of the Securities would be negatively affected (without taking into consideration changes to other factors that impact the price). The lower the current funding levels for the Issuer as compared to funding levels for a similar term on the Issue Date, the more likely the secondary market price of the Securities would be positively affected (without taking into consideration changes to other factors that impact the price).

If the Issuer or Manager elects to make a secondary market, it may suspend or terminate such market at any time and impose other conditions and quote prices that may vary substantially from other market participants. For these reasons, you should not assume that a secondary market will exist, and you should be prepared to hold your Securities until their scheduled maturity. Where the Issuer or Manager elects to offer such secondary market, conditions imposed may include, but are not limited to:

(a) providing a bid/offer spread determined by the Issuer in its commercially reasonable discretion;

(b) providing the timing that any secondary market quotation will remain open, or in any event, not longer than what the Issuer considers a reasonable time;

(c) requiring that normal market and funding conditions prevail at such date; and

(d) limiting the number of Securities in respect of which it is prepared to offer such secondary market.

Any of these conditions may severely limit the availability of any such secondary market and may result in you receiving significantly less than you would otherwise receive by holding the Securities to their scheduled maturity.

6. Risks associated with the determination of the amount of interest payable under the Securities

6.1 Interest is contingent on the performance of the Underlying Assets

Save for the first interest calculation period, the Securities bear interest at a rate that is contingent upon the performance of the Underlying Asset(s) and may vary from one interest calculation period to the next.

The interest rate reflected by any given interest amount may be less than the rate that the Issuer (or any other bank or deposit-taking institution) may pay in respect of deposits for an equivalent period.

More significantly, the terms and conditions of the Securities do not specify a minimum interest rate in respect of any individual interest calculation period. In other words, the interest rate in respect of an individual interest calculation period may be less than zero. The terms and conditions of the Securities provide that an aggregate interest amount will be paid in a single lump sum at the maturity of the Securities instead of individual interest amounts at the end of each of the interest calculation periods. If the interest amount in respect of any interest calculation period is negative, such negative interest amount will be set off against any positive interest amounts in respect of other interest calculation periods. As such, the aggregate interest amount you will receive could be lower than the amount you would otherwise receive if the interest rate in respect of each individual interest calculation period were floored at zero. Nonetheless, the terms and conditions of the Securities specify a "global floor" of 18 per cent. in respect of the aggregate interest amount. That means you will receive at maturity a minimum aggregate interest amount equal to 18 per cent. of the principal amount you invest in the Securities in addition to the redemption amount.

Since interest amounts are contingent upon the performance of one or more Underlying Asset(s) (save for the first interest calculation period), you should be aware of the risk that you may not receive any interest amounts if the Underlying Asset(s) do not perform as anticipated. See also Risk Factor 7 (*Risks associated with the Securities being linked to one or more Underlying Assets*).

The performance of constant maturity swap rates is dependent upon a number of factors, including supply and demand on the international money markets, which are influenced by measures taken by governments and central banks, as well as speculations and other macroeconomic factors. This means that the interest amount accrued over the term of the Securities may vary. If the relevant floating interest rate were to decline, the interest amount accrued on the Securities would be correspondingly reduced. It is possible that the relevant floating interest rate could decline to less than zero; in that case, under the terms and conditions of your Securities the interest amount in respect of the relevant interest calculation period would be less than zero.

6.2 **No interest is payable until the maturity of the Securities**

All interest amounts accrued and calculated in respect of each interest calculation period during the term of the Securities shall be aggregated and shall not be paid until the Scheduled Redemption Date. No additional interest shall accrue in respect of interest amounts accrued and calculated in respect of prior interest accrual periods. Accordingly, you will not shall receive any interest or any other return on the Securities until they mature.

6.3 **There are risks relating to spread-linked interest**

The amount of interest accrued in respect of any interest calculation period (save for the first such period) will be linked to the spread of Spread-Linked Rate $One_{(t)}$ over Spread-Linked Rate $Two_{(t)}$ on the relevant date of determination. If on such date of determination Spread-Linked Rate $Two_{(t)}$ is equal to or greater than Spread-Linked Rate $One_{(t)}$, then the interest amount in respect of such interest calculation period may be equal to or even less than zero. See Risk Factor 6.1 (*Interest is contingent on the performance of the Underlying Assets*) on the effect of negative interest amount on the aggregate interest amount payable at the maturity of the Securities.

6.4 **There are risks in relation to potential disruptions to the floating rate and to the potential discontinuance of the floating rate**

(a) **Determination of a floating rate following a floating rate disruption**

If, on any day on which a valuation or determination in respect of a reference rate is to be made, the relevant reference rate is not available, the Determination Agent shall determine the rate by requesting four banks in the relevant market to provide an offered quotation for the relevant reference rate.

If two or more quotations are obtained, such quotations shall be used to determine the floating rate to be used for calculating interest payable for the relevant period. If fewer than two quotations are obtained, the Determination Agent shall determine the floating rate by postponement of the interest determination date to the first business day on which the relevant reference rate is available, subject to a maximum of two business days. If the relevant reference rate remains unavailable for more than two consecutive business days, the relevant floating rate will be some other rate determined by the Determination Agent.

There is a risk that the determination of the floating rate using the above methodology may result in a lower interest amount payable to you than the use of other methodologies.

(b) **Reference rate discontinuance**

If the calculation and publication of the relevant reference rate is permanently discontinued, the Determination Agent shall determine the floating rate using alternative arrangements which will vary depending on the reference rate.

The Determination Agent may identify an alternative rate that it determines represents the same or a substantially similar measure or benchmark as the relevant reference rate, and the Determination Agent may deem that rate (the "**Successor Rate**") to be the reference rate. If a Successor Rate is selected, that Successor Rate will be substituted for the discontinued reference rate for all purposes of the Securities, and the Determination Agent may adjust any variable described in this Prospectus as, in the good faith judgement of the Determination Agent, may be necessary to render the Successor Rate comparable to the discontinued reference rate for purposes of the Securities. If no Successor Rate is available, then the Determination Agent will determine the floating rate on each subsequent date of determination using Linear Interpolation. If any of the rates to be used for Linear Interpolation is unavailable, or otherwise the Determination Agent does not determine the Floating Rate of interest, an Additional Disruption Event will be deemed to have occurred and the Determination Agent will adjust, redeem and/or cancel the Securities.

Notwithstanding these alternative arrangements, the discontinuance of the relevant reference rate may adversely affect the market value of the Securities.

6.5 **There are risks due to the 'leverage' feature**

'Leverage' refers to the use of financial techniques to gain additional exposure to the Underlying Asset(s). A leverage feature will magnify the impact of the performance of the Underlying Asset(s) to cause a greater or lower return on the Securities than would otherwise be the case in the absence of leverage. As such, a leverage feature can magnify losses in adverse market conditions. In the terms of the Securities, the leverage feature is referred to as 'Participation' and the Securities have 'leverage' since 'Participation' is substantially higher than 100 per cent (or 1.00). The inclusion of such a leverage feature in the Securities means that the Securities will be more speculative and riskier than in the absence of such feature, since smaller changes in the performance of the Underlying Asset(s) can reduce (or increase) the return on the Securities by more than if the Securities did not contain a leverage feature. You should be aware that a small movement in the value of the Underlying Asset(s) can have a significant effect on the value of the Securities.

6.6 **There are risks due to the 'cap'**

Since the terms and conditions of your Securities provide that the interest amount in respect of an interest calculation period (save for the first such period) is subject to a pre-defined cap, your ability to participate in any positive change in floating interest rates will be limited, no matter how much any of the floating interest rates rises above the cap level over the life of the Securities. Accordingly, the value of or return on your Securities may be significantly less than if you had invested in instruments which pay an uncapped floating rate of interest directly.

7. Risks associated with the Securities being linked to one or more Underlying Assets

7.1 Risks associated with interest rates as Underlying Assets

The performance of interest rates is dependent upon a number of factors, including supply and demand on the international money markets, which are influenced by measures taken by governments and central banks, as well as speculations and other macroeconomic factors.

Determination of a floating rate using a screen rate

If, on any day on which a Reference Rate is to be determined for the purpose of calculating floating rate interest the relevant Reference Rate is not available, the Determination Agent will determine the applicable Reference Rate by reference to quotations provided by banks in the relevant market or previously published quotation(s) for the Reference Rate. In such event, the amount of interest payable to investors in respect of the relevant interest calculation period may be less than what was previously expected.

7.2 Past performance of an Underlying Asset(s) is not indicative of future performance

Any information about the past performance of an Underlying Asset(s) should not be regarded as indicative of any future performance of such Underlying Asset, or as an indication of the range of, or trends or fluctuations in, the price or value of such Underlying Asset(s) that may occur in the future. It is not possible to predict the future value of the Securities based on such past performance. Actual results will be different, and such differences may be material.

7.3 You will have no claim against any Underlying Asset

You will have no claim against the administrator or any other third party in relation to an Underlying Asset; such parties have no obligation to act in your interests.

7.4 There are certain risks if you are purchasing Securities for hedging purposes

If you are intending to purchase Securities as a hedge instrument, you should recognise the complexities of utilising Securities in this manner. Due to fluctuating supply and demand for the Securities and various other factors, there is a risk that the value of the Securities may not correlate with movements of the Underlying Asset(s), and the Securities may not be a perfect hedge for the Underlying Asset(s) or a portfolio containing the Underlying Asset(s). In addition, it may not be possible to liquidate the Securities at a level reflective of the prevailing price, level or value of the Underlying Asset(s).

7.5 The Benchmark Regulation could have a material impact on the Securities

Each of the Underlying Assets to which the Securities are linked is a "benchmark" within the scope of the EU Regulation on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmark Regulation**"). The Benchmark Regulation could have a material impact on the Securities, for example:

- any Underlying Asset may not be used by the Determination Agent for determining the interest amount in respect of any relevant interest calculation period if the benchmark administrator of such Underlying Asset fails to maintain its authorisation or registration by a competent authority. If the benchmark administrator fails to maintain such authorisation or registration, then an Additional Disruption Event will occur and the Securities may be redeemed prior to maturity; and

- the methodology or other terms of any Underlying Asset could be changed in order to comply with the requirements of the Benchmark Regulation, and such changes could reduce or increase the level of such Underlying Asset, and could lead to adjustments to the terms of the Securities, including potentially determination by the Determination Agent of the level of the Underlying Asset in its discretion.

Furthermore, each of the Underlying Assets is in term determined by reference to the a London Interbank Offered Rate ("**LIBOR**") for US dollar-denominated borrowings of the relevant maturity period. Regulatory authorities are strongly encouraging the transition away from US dollar LIBOR to a new US dollar interest rate benchmark known as the Secured Overnight Financing Rate ("**SOFR**"). It is not known whether US dollar LIBOR will continue long-term in its current form. If US dollar LIBOR disappears and is replaced by SOFR eventually, the Underlying Assets may perform differently from how they currently do because SOFR has a different methodology and other important differences from US dollar LIBOR. The unpredictable movements of the Underlying Assets could have a material adverse effect ton the value of and the return on the Securities.

8. Risks associated with early redemption, adjustment and certain other miscellaneous features of the Securities

8.1 If your Securities are redeemed early, you may suffer potential loss of some of your investment, loss of opportunity and reinvestment risk

The Securities may be redeemed prior to their scheduled redemption date, and you are therefore subject to the following risks:

- risk of loss of investment: depending on the circumstance in which your Securities are redeemed prior to their scheduled redemption date, the amount of redemption proceeds you receive may be less than your original investment;
- risk of loss of opportunity: in the event that your Securities are redeemed prior to their scheduled redemption date, you will be unable to realise any potential gains in value of the Securities; and
- reinvestment risk: following such early redemption, you may not be able to reinvest the proceeds from an investment at a comparable return and/or with a comparable interest rate for a similar level of risk. You should consider such reinvestment risk in light of other available investments before you purchase the Securities.

The circumstances in which your Securities may be redeemed prior to their scheduled redemption date and the amount you can expect to receive in such case are described below.

Also, in certain circumstances, the terms of your Securities may be adjusted by the Issuer or the Determination Agent, which adjustment could have an adverse effect on the value of and return on your Securities. These circumstances include following an Additional Disruption Event (as described below), a redenomination, an index correction, a manifest error in index calculation and a potential adjustment event in relation to shares.

8.2 Your Securities may redeem early or may be adjusted by the Determination Agent following an 'Additional Disruption Event' or early redemption for unlawfulness or impracticability

There are certain events - relating to the Issuer, its hedging arrangements, the Underlying Asset(s), taxation or the relevant currency - the occurrence of which may cause the Securities to be redeemed prior to their scheduled redemption date:

(a) **Additional Disruption Events**

Additional Disruption Events include:

- an extraordinary market disruption event preventing the Issuer's performance of its obligations under the Securities;

- an extraordinary and/or disruptive event relating to the existence, continuity, trading, valuation, pricing or publication of an Underlying Asset;
- an event impacting one or more currencies that the Issuer determines would materially disrupt or impair its ability to meet its obligations or otherwise settle, clear or hedge the Securities;
- the Issuer's ability to source or unwind related transactions put in place to provide the returns on the Securities (Hedge Positions) is adversely affected in any material respect; and
- a change in law that means it has become, or is likely to become, illegal for the Issuer to hold Hedge Positions or it will incur a materially increased cost in dealing with Hedge Positions.

If any of these events occurs the Issuer may:

(i) adjust the terms and conditions of the Securities (without the consent of Holders); or

(ii) if the Determination Agent determines that no adjustment that could be made would produce a commercially reasonable result and preserve substantially the economic effect to the Holders of a holding of the relevant Security, redeem the Securities prior to their scheduled redemption date.

Any adjustment made to the terms and conditions of the Securities (which may include a reduction in the amount otherwise payable under the Securities in order to reflect increased costs or otherwise to the Issuer) may have a negative effect on the value of and return on the Securities.

See also Risk Factor 8.1 (If your Securities are redeemed early, you may suffer potential loss of some of your investment, loss of opportunity and reinvestment risk).

(b) **Unlawfulness or impracticability**

If the Issuer determines that the performance of any of its absolute or contingent obligations under the Securities has become unlawful or a physical impracticability, in whole or in part, the Issuer may redeem the Securities prior to their scheduled redemption date.

See also Risk Factor 8.1 (If your Securities are redeemed early, you may suffer potential loss of some of your investment, loss of opportunity and reinvestment risk).

8.3 **Discretionary determinations made by the Determination Agent may have a negative impact on the Securities**

Any determination made by the Determination Agent will be made in good faith and in a commercially reasonable manner and, in the absence of manifest or proven error, shall be conclusive and binding on all persons (including, without limitation, the Holders), notwithstanding the disagreement of such persons or other financial institutions, rating agencies or commentators. Any such determination could adversely affect the value of and return on the Securities. See also Risk Factor 10.1 (*Risks associated with discretionary powers of the Issuer and the Determination Agent, including in relation to the Issuer's hedging arrangements*).

8.4 **The Issuer may be substituted for another entity without your consent**

The Issuer may substitute itself as the principal obligor under the Securities for any other company which has an equivalent or better rating of long-term unsecured, unsubordinated and unguaranteed debt obligations from an internationally recognised rating agency. Following such a substitution, the original Issuer entity will be released from all payment obligations under the Securities, and you will become subject to the credit risk of the substitute issuer under your Securities. You will have no right of claim against the original Issuer or the substituted Issuer in the event that such substitution has adverse tax consequences for you. A substitution of the Issuer may affect any listing of the Securities and, in particular, it may be necessary for the substituted issuer to reapply for listing on the relevant market or stock exchange on which the Securities are listed.

8.5 If you have not fully satisfied each of the conditions to settlement, payment under the Securities shall be postponed and may ultimately be forfeited

If the Issuer determines that you have not satisfied each of the conditions to settlement in full, payment of the amount payable will not take place until all such conditions to settlement have been satisfied in full. No additional amounts will be payable to you by the Issuer because of any resulting delay or postponement. Further, if you have not fully satisfied each of the conditions to settlement by the 180th calendar day (or such other period as specified in the terms and conditions of the Securities) following the final settlement cut-off date, you will lose your right to claim any cash payment, and you shall have no further claim against the Issuer under your Securities.

8.6 The terms and conditions of your Securities may be amended by the Issuer without your consent in certain circumstances

The terms and conditions of the Securities may be amended by the Issuer without the consent of the Holders in any of the following circumstances:

- to cure a manifest or proven error or omission;
- where such amendment will not materially and adversely affect the interests of Holders;
- to correct or supplement any defective provision;
- where the amendment is of a formal, minor or technical nature; and/or
- to comply with mandatory provisions of law.

In certain other circumstances, the consent of a defined majority of Holders is required.

The terms and conditions of the Securities contain provisions for Holders to call and attend meetings to vote upon such matters or to pass a written resolution in the absence of such a meeting. Resolutions passed at such a meeting, or passed in writing, can bind all Holders, including investors that did not attend or vote, or who do not consent to the amendment.

8.7 Risks associated with the ability to enforce under the Securities

Following an event of default by the Issuer (such as a failure to pay interest or return capital, or, if the Issuer is subject to a winding-up order), including expiry of an applicable grace period, you may (i) determine to keep your Securities outstanding (in which case, the market value of those Securities may decline significantly) or (ii) by giving notice to the Issuer and the Issue and Paying Agent require immediate redemption of your Securities at the early cash settlement amount. **This amount may be less than your original investment and, therefore, you could lose some or all of your money**. See also Risk Factor 8.1 (*If your Securities are redeemed early, you may suffer potential loss of some of your investment, loss of opportunity and reinvestment risk*).

9. Risks associated with taxation

9.1 General

You should be aware that duties and other taxes and/or expenses, including any applicable depositary charges, transaction charges, stamp duty and other charges, may be levied in accordance with the laws and practices in the countries where the Securities are transferred and that it is the obligation of an investor to pay all such taxes and/or expenses.

All payments made under the Securities shall be made free and clear of, and without withholding or deduction for, any present or future taxes imposed by the Issuer's country of incorporation (or any authority or political subdivision thereof or therein), unless such withholding or deduction is imposed or required by law. If any such withholding or deduction is imposed and required by law, the Issuer will not pay additional amounts to cover the amounts so withheld or deducted. In no event will additional amounts be payable in respect of FATCA (defined below) or any US withholding tax, including without limitation, in respect of dividends, dividend equivalent payments, and direct and indirect interests in US real property. "**FATCA**" means sections 1471 through 1474 of the US Internal Revenue Code, as amended (the "**Code**"), any final current or future regulations or official interpretations thereof, any agreement entered into pursuant to section 1471(b) of the Code, or any US or non-US fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such sections of the Code.

9.2 **Change in tax law**

You should be aware that tax regulations and their application by the relevant taxation authorities are subject to change and differing interpretations, possibly with retrospective effect, and this could negatively affect the value of the Securities. Any such change may cause the tax treatment of the Securities to change from the tax position at the time of purchase and may cause the statements in this Prospectus concerning the relevant tax law and practice to be inaccurate or insufficient to cover the material tax considerations in respect of the Securities. It is not possible to predict the precise tax treatment which will apply at any given time and changes in tax law may give the Issuer the right to amend the terms and conditions of the Securities, or redeem the Securities.

9.3 **US foreign account tax compliance withholding**

Under FATCA the Issuer (and any intermediary in the chain of payment) may require each holder of a Security to provide certifications and identifying information about itself and certain of its owners. The failure to provide such information, or the failure of certain non-US financial institutions to comply with FATCA, may compel the Issuer (or an intermediary) to withhold a 30 per cent tax on payments to such holders and neither the Issuer nor any other person will pay any additional amounts with respect to such withholding. FATCA withholding on "foreign passthrough payments" would begin no earlier than two years after the date on which final U.S. Treasury regulations defining foreign passthru payments are published. US-source payments are currently subject to FATCA withholding. US-source payments generally should be limited to dividend equivalent payments and interests in 'US real property interests' (although there can be no assurance the IRS may not seek to treat other payments that reference US securities as US source income).

Investors should be aware that the effective date for withholding on "foreign passthru payments" above reflects recently proposed U.S. Treasury regulations ("**Proposed FATCA Regulations**") which delay the effective date for withholding on foreign passthru payments. The Proposed FATCA Regulations also eliminate FATCA withholding on gross proceeds from, or final payments, redemptions, or other principal payments made in respect of, the disposition of an instrument that may produce U.S. source interest or dividends. The discussion above assumes that the Proposed FATCA Regulations will be finalized in their current form.

The Issuer will not make any additional payments to holders of Securities to compensate them for any taxes withheld in respect of FATCA or any US withholding or other tax, including, without limitation, in respect of dividends, dividend equivalent payments, and direct and indirect interests in US real property.

10. **Risks associated with conflicts of interest and discretionary powers of the Issuer and the Determination Agent**

As Issuer or as Determination Agent, Barclays has certain discretionary powers under the terms and conditions of the Securities that it could exercise in a way which is contrary to the interests of the Holders.

10.1 **Risks associated with discretionary powers of the Issuer and the Determination Agent, including in relation to the Issuer's hedging arrangements**

There are certain events – relating to the Issuer, the Issuer's hedging arrangements, the Underlying Asset(s), taxation, the relevant currency or other matters – the occurrence of which may give rise to discretionary powers of the Issuer or the Determination Agent under the terms and conditions of the Securities. For example, see Risk Factor 8.2 (*Your Securities may redeem early or may be adjusted by the Determination Agent following an 'Additional Disruption Event' or early redemption for unlawfulness or impracticability*).

In relation to the Underlying Asset(s), a key investment objective of the Securities is to allow Holders to gain an economic exposure to the Underlying Asset(s). If an Underlying Asset is materially impacted by an unexpected event or the relevant price, level or value can no longer be calculated, then it may not be possible to achieve the investment objective of the Securities based on their original terms. In that case, the Determination Agent may have discretionary powers under the terms and conditions of the Securities to (i) adjust the terms and conditions of the Securities to preserve the original economic terms and rationale, (ii) in certain cases, substitute the Underlying Asset(s) for another, (iii) calculate the relevant price, level or value itself, (iv) postpone payment (v) redeem the Securities early or (vi) apply some combination thereof.

In relation to the Issuer's hedging arrangements, you should be aware that (i) in exercising its discretionary powers under the terms and conditions of the Securities, each of the Issuer and the Determination Agent may take into account such factors as it determines appropriate in each case, which may include circumstances or events which have or may have a material impact on the Issuer's hedging arrangements in respect of the Securities; and (ii) unless the terms and conditions of your Securities provide that certain hedge disruption events do not apply, certain events which affect the Issuer's hedging arrangements can give rise to discretionary powers on the part of the Issuer and the Determination Agent. For example, see Risk Factor 8.2 (*Your Securities may redeem early or may be adjusted by the Determination Agent following an 'Additional Disruption Event' or early redemption for unlawfulness or impracticability*).

Hedging arrangements are the transactions (if any) entered into by the Issuer or one or more of its Affiliates to seek to cover the Issuer's exposure to the relevant cash amounts to be paid or assets to be delivered under the Securities as these fall due. This may involve investing directly in the Underlying Asset(s) or entering into derivative contracts referencing the Underlying Asset(s) or other techniques. The particular hedging arrangements (if any) undertaken by the Issuer, and their cost, will likely be a significant determinant of the issue price and/or economic terms of the Securities. Accordingly, if an event occurs which negatively impacts the Issuer's hedging arrangements, the Issuer or the Determination Agent on the Issuer's behalf may have options available to it under the terms and conditions of the Securities which it may select in its discretion in order to deal with the impact of the event on the Issuer's hedging arrangements. These options may include adjustment of the terms and conditions of the Securities or early redemption of the Securities. In the event of early redemption, the early redemption amount you may receive will be equal to an amount equal to the greater of (a) the fair market value of your Securities prior to redemption and (b) the Calculation Amount of each Security, and the costs associated with the Issuer's hedging arrangements will be deducted from such early redemption amount. This amount may be less than your original investment and, therefore, you could lose some of your money. See Risk Factor 8.1 (*If your Securities are redeemed early, you may suffer potential loss of some of your investment, loss of opportunity and reinvestment risk*).

10.2 **Trading and other transactions by the Issuer or its Affiliates could affect the levels of Underlying Asset(s) and their components**

In connection with Barclays' normal business practices or in connection with hedging its obligations under the Securities, Barclays may from time to time buy or sell the Underlying Asset(s), or similar instruments, or derivative instruments relating to the Underlying Asset(s). These trading activities may present a conflict of interest between your interest in the Securities and the interests which Barclays may have in its proprietary accounts, in facilitating transactions, including block trades, for Barclays' other customers and in accounts under management. These trading activities also could affect the levels of the Underlying Asset(s) in a manner that would decrease the market value of the Securities prior to maturity, or the amount you would receive at maturity or at the payment or settlement date. To the extent that Barclays has a Hedge Position in the Underlying Asset(s), or in a derivative or synthetic instrument related to the Underlying Asset(s), Barclays may increase or liquidate a portion of those holdings at any time before, during or after the term of the Securities. This activity may affect the amount payable at maturity, any amount of money payable at the payment date, or the market value of the Securities in a manner that would be adverse to your investment in the Securities. Depending on, among other things, future market conditions, the aggregate amount and the composition of those Hedge Positions are likely to vary over time. In addition, Barclays may purchase or otherwise acquire a long or short position in the Securities. Barclays may hold or resell any such position in the Securities.

10.3 **Research reports and other transactions may create conflicts of interest between you and Barclays**

Barclays may have previously published, and may in the future publish, research reports relating to the Underlying Asset(s). The views expressed in this research may be modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding the Securities. Any of these activities may affect the levels of the Underlying Asset(s) and, therefore, the market value of the Securities. Moreover, other professionals who deal in these markets may at any time have views that differ significantly from Barclays. In connection with your purchase of the Securities, you should investigate the Underlying Asset(s) and not rely on Barclays' views with respect to future movements in the Underlying Asset(s).

Barclays also may issue, underwrite or assist unaffiliated entities in the issuance or underwriting of other securities or financial instruments with returns indexed to the Underlying Asset(s). By introducing competing products into the marketplace in this manner, Barclays could adversely affect the market value of the Securities.

10.4 **Barclays may have confidential information relating to the Underlying Asset(s)**

Barclays, at present or in the future, may engage in business relating to the person or organisation responsible for calculating, publishing or maintaining the Underlying Asset(s) (referred to as the 'administrator' of the Underlying Asset(s)) including making loans to, equity investments in, or providing investment banking, asset management or other advisory services to the administrator. In connection with these activities, Barclays may receive information pertinent to the Underlying Asset(s) that Barclays will not divulge to you.

INFORMATION INCORPORATED BY REFERENCE

The information set out under paragraph 2 *(Information incorporated by reference*) below contained in the documents set out under paragraph 1 (*Source documents*) below has been filed with the Central Bank of Ireland and shall be incorporated into, and form part of, this Prospectus:

1. **Source documents**

(a) the GSSP Base Prospectus 1B dated 10 April 2019 (the "**Base Prospectus**") (available at https://home.barclays/content/dam/home-barclays/documents/investor-relations/fixed-income-investors/Barclays-Bank-PLC-BP1B-Rates-2019-CBI-Approved-10-April-2019.PDF);

(b) the Annual Report of the Issuer, as filed with the United States Securities and Exchange Commission ("**SEC**") on Form 20-F on 21 February 2019 in respect of the years ended 31 December 2017 and 31 December 2018 (the "**2018 Form 20-F**") (available at https://home.barclays/content/dam/home-barclays/documents/investor-relations/reports-and-events/annual-reports/2018/BBPLC-20-f.pdf);

(c) the Annual Reports of the Issuer containing the audited consolidated financial statements and the independent auditors' report of the Issuer in respect of the years ended 31 December 2017 (the "**2017 Issuer Annual Report**") and 31 December 2018 (the "**2018 Issuer Annual Report**"), respectively (available at https://home.barclays/content/dam/home-barclays/documents/investor-relations/reports-and-events/annual-reports/2017/Barclays-Bank-PLC-2017-AR-FINAL.pdf and https://home.barclays/content/dam/home-barclays/documents/investor-relations/reports-and-events/annual-reports/2018/Barclays-Bank-PLC-Annual-Report-050318.pdf, respectively); and

(d) the unaudited interim results announcement of the Issuer as filed with the SEC on Form 6-K on 1 August 2019 in respect of the six months ended 30 June 2019 (the "**2019 Interim Results Announcement**") (available at https://home.barclays/content/dam/home-barclays/documents/investor-relations/ResultAnnouncements/2019HYResults/BB-PLC-H1-2019-Form-6-K.pdf).

The hyperlinks set out in the preceding paragraphs are provided solely for the convenience of prospective investors. Other than the information specifically incorporated by reference pursuant to paragraph 2 below, neither the content of the website of the Issuer, nor the content of any website accessible from hyperlinks on such website, is incorporated into, or forms part of, this Prospectus. Any website referred to in this document does not form part of the Prospectus and has not been scrutinised or approved by the Central Bank of Ireland.

2. **Information incorporated by reference**

The information specified in the table below is incorporated into this Prospectus by reference. Any information contained in any of the documents specified in paragraph 1 (Source Documents) above which is not listed in the cross-reference lists below is not incorporated by reference in the Prospectus and is either not relevant for investors for the purposes of Article 6(1) of the Prospectus Regulation or is covered elsewhere in the Prospectus. Any documents incorporated by reference into the above documents shall not thereby be deemed to have been incorporated by reference into this Prospectus.

From the 2019 GSSP Base Prospectus 1B	
Terms and Conditions of the Securities	Pages 124 to 239
Clearance and Settlement	Page 292

From the 2018 Form 20-F
Whole document (excluding the section entitled "Exhibit Index" on page 282)

From the 2018 Issuer Annual Report
Whole document

From the 2017 Issuer Annual Report
Whole document

From the 2019 Interim Results Announcement
Whole document (including the exhibits thereto)

The above documents may be inspected: (i) during normal business hours at the registered office of the Issuer; (ii) at the specific locations indicated above on the Issuer's website (https://home.barclays/investor-relations/reports-and-events); (iii) at the specified office of the Issue and Paying Agent as described in the section entitled 'General Information' below; and (iv) on the website of Euronext Dublin (www.ise.ie).

SPECIFIC TERMS

The terms and conditions of the Securities comprise:

1. the Terms and Conditions of the Securities, as amended and supplemented from time to time (the "**General Conditions**") as incorporated in relevant part by reference from the Base Prospectus (see '*Information Incorporated by Reference*' above); and

2. the following specific terms of the Securities, which includes "Part A – Contractual Terms" and "Part B – Other Information" of the Specific Terms below (collectively, the "**Specific Terms**"), which specific terms amend, supplement and complete the General Conditions.

In the event of any inconsistency between the General Conditions and the Specific Terms, the Specific Terms shall prevail.

Each reference in the General Conditions to "Final Terms" shall be deemed to be to "Specific Terms".

PART A – CONTRACTUAL TERMS

1. (a) Series Number:	NX000238644
(b) Tranche Number:	1
2. Settlement Currency:	United States Dollar ("**USD**")
3. Exchange Rate	Not Applicable
4. Securities:	Applicable
(a) Aggregate Nominal Amount as at the Issue Date:	
(i) Tranche:	USD 140,000,000
(ii) Series:	USD 140,000,000
(b) Specified Denomination:	USD 125,000
(c) Minimum Tradable Amount:	USD 125,000
5. Issue Price:	100 per cent. of the Aggregate Nominal Amount
6. Issue Date:	6 December 2019
7. Interest Commencement Date:	In respect of: (i) Fixed Rate Interest, the Issue Date; and (ii) Spread-Linked Interest, 6 December 2020
8. Scheduled Redemption Date:	6 December 2039
9. Calculation Amount:	USD 125,000

Provisions relating to interest (if any) payable

10. Type of Interest:	As specified in Paragraphs 15 and 20 below
(a) Interest Payment Date(s)	The Scheduled Redemption Date All Interest Amounts accrued and calculated in respect of all Interest Calculation Periods during the term of the Securities shall be

		aggregated and shall not be paid until the Scheduled Redemption Date. For the avoidance of doubt, no additional interest shall accrue in respect of Interest Amounts accrued and calculated in respect of prior Interest Calculation Periods.
	(b) Interest Period End Date(s)	6 December in each year without adjustment up to and including the Scheduled Redemption Date
11.	Switch Option:	Not Applicable
12.	Conversion Option:	Applicable
	- Cut-off Time:	2:00 pm London Time
	- Minimum Number of Option Exercise Business Days Cut off:	Fifth Option Exercise Business Day
	- Notice Delivery Email Address(es):	MTNSNTRADINGEMEA@Barclays.com
	- Option Exercise Centre(s):	London and Frankfurt
	- Maximum Exercise Number:	Five
13.	Fixing Date – Interest:	Not Applicable
14.	Fixing Time – Interest:	Not Applicable
15.	Fixed Rate Interest Provisions:	Applicable in respect of the Interest Calculation Period commencing on (and including) the Issue Date and ending on (but excluding) 6 December 2020.

For the purposes of the Securities only, General Conditions 7.1(b) and (c) are deleted and replaced with the following:

"(b) **Accrual of interest and when paid**

Each Security bears interest during each Relevant Interest Calculation Period at the rate(s) per annum equal to the Fixed Rate(s) specified in the Specific Terms to apply to such Relevant Interest Calculation Period. Interest will be payable on the Relevant Interest Payment Date, together with interest accrued in respect of each other Interest Calculation Period under the Securities.

(c) **Interest Amount**

The Interest Amount in respect of each Security (representing a nominal amount equal to the Calculation Amount) in respect of a Relevant Interest Calculation Period shall be calculated by the Determination Agent by multiplying the Fixed Rate by the Calculation Amount, and then further multiplying such amount by the Day Count Fraction."

The definitions of "Fixed Rate" and "Relevant

Interest Payment Date" in General Condition 7.1(d) are deleted and replaced, respectively, with the following:

""**Fixed Rate**" means the percentage rate of interest per annum for the Relevant Interest Calculation Period as set out in the Specific Terms."

""**Relevant Interest Payment Date**" means the Interest Payment Date (being the Scheduled Redemption Date)."

(a)	Fixed Rate:	2.00 per cent. (expressed as 2.00%) per annum
(b)	Day Count Fraction:	Actual/Actual (ICMA)
(c)	Range Accrual:	Not Applicable
(d)	Global Floor:	Applicable (subject to change following exercise of the Conversion Option)

For the purposes of the Securities only, General Condition 7.12(b) is deleted and replaced with the following:

"(b) Global Floor

If the Determination Agent determines that the aggregate of the Interest Amounts accrued and calculated in respect of each Security (representing a nominal amount equal to the Calculation Amount) in respect of all Interest Calculation Periods during the term of the Securities (including any Interest Amount calculated in respect of the final Interest Calculation Period) (such aggregate amount, the "**Aggregate Interest Amount**"), is less than the Global Floor then, the Issuer shall pay the Additional Interest Amount in respect of each Security (representing a nominal amount equal to the Calculation Amount) on the Scheduled Redemption Date. The Additional Interest Amount shall be paid in addition to the Aggregate Interest Amount payable on the Scheduled Redemption Date."

-	Global Floor Percentage:	18 per cent. (expressed as 18%)
16.	Floating Rate Interest Provisions::	Not Applicable
17.	Inverse Floating Rate Interest Provisions:	Not Applicable
18.	Inflation-Linked Interest Provisions:	Not Applicable
19.	Digital Interest Provisions:	Not Applicable
20.	Spread-Linked Interest Provisions:	Applicable in respect of the Interest Calculation Period commencing on (and including) 6 December 2020 and ending on (but excluding) the next succeeding Interest Period End Date and each successive Interest

Calculation Period commencing on (and including) an Interest Period End Date and ending on (but excluding) the next succeeding Interest Period End Date up to and including the Scheduled Redemption Date.

For the purposes of the Securities only, General Conditions 7.6(b), (c) and (d) are deleted and replaced with the following:

"(b) **Accrual of interest and when paid**

Each Security bears interest during each Relevant Interest Calculation Period at the rate(s) per annum equal to the Spread-Linked Rate of Interest applicable for that Relevant Interest Calculation Period, as determined below. Interest will be payable on the Relevant Interest Payment Date.

(c) **Interest Amount**

(i) **Calculation of Interest Amount**

The Interest Amount in respect of each Security (representing a nominal amount equal to the Calculation Amount) in respect of a Relevant Interest Calculation Period shall be calculated by the Determination Agent by applying the Spread-Linked Rate of Interest for such Relevant Interest Calculation Period to the Calculation Amount, and then further multiplying such amount by the applicable Day Count Fraction. For the avoidance of doubt, if the above calculation results in an amount of less than zero, then the Interest Amount in respect of such Relevant Interest Calculation Period shall be less than zero.

(ii) **Determination of Spread-Linked Rate of Interest**

The spread-linked rate of interest (the "**Spread-Linked Rate of Interest**") for a Relevant Interest Calculation Period will be equal to (A) (x) the Floating Rate for Spread-Linked Rate $One_{(t)}$ ("**Spread-Linked Rate** $\mathbf{One_{(t)}}$") minus (y) the Floating Rate for Spread-Linked Rate $Two_{(t)}$ ("**Spread-Linked Rate** $\mathbf{Two_{(t)}}$"), each such floating rate as determined for such Relevant Interest Calculation Period in accordance with 6.6(d) (*Floating Rate for Spread-Linked Rate One(t) and Spread-Linked Rate* $Two_{(t)}$) immediately below, multiplied by (B) the number specified as the 'Participation' in the Specific Terms (the "**Participation**"), provided that, if the above calculation results in a rate greater than the Cap Rate, then the Spread-Linked Rate of Interest in respect of such Relevant Interest Calculation

Period shall be deemed to be the Cap Rate

The Spread-Linked Rate of Interest can also be expressed formulaically as follows:

Min{[[Spread-Linked Rate One$_{(t)}$ – (Spread-Linked Rate Two$_{(t)}$)] × Participation]; Cap Rate}

(d) **Floating Rate for Spread-Linked Rate One$_{(t)}$ and Spread-Linked Rate Two$_{(t)}$**

The Specific Terms will specify whether the Floating Rate for each Relevant Interest Calculation Period for each of Spread-Linked Rate One$_{(t)}$ and Spread-Linked Rate Two$_{(t)}$ shall be determined by either 'Floating Interest Rate Determination' (in which case General Condition 7.8(b) (*Floating Interest Determination of a Floating Rate*) below will apply) or 'CMS Rate Determination' (in which case General Condition 7.8(c) (*CMS Rate Determination for Floating Rate*) below will apply). Any reference to an "Interest Payment Date" in General Condition 7.8 (*Determination of a Floating Rate*) and any of the defined terms used in that General Condition shall be deemed to be a reference to an "Interest Period End Date" instead."

The definition of "Relevant Interest Payment Date" in General Condition 7.6(e) is deleted and replaced with the following:

""**Relevant Interest Payment Date**" means the Interest Payment Date (being the Scheduled Redemption Date)."

The following term has the following respective meanings:

""***Min***", followed by two amounts (including a calculation which produces an amount) separated by a semi-colon (';'), means the lesser of such two amounts."

(a)	Floating Rate Interest provisions applicable to the determination of Spread-Linked Rate One$_{(t)}$ and Spread-Linked Rate Two$_{(t):}$	Spread-Linked Rate One$_{(t)}$	Spread-Linked Rate Two$_{(t)}$
(i)	Floating Interest Rate Determination:	Not Applicable	Not Applicable
(ii)	CMS Rate Determination:	Applicable	Applicable
		CMS Reference Rate 1	CMS Reference Rate 2
-	Specified Swap Rate:	10-Year USD ICE	2-Year USD ICE

			Swap Rate	Swap Rate
	-	Reference Currency:	USD	USD
	-	Designated Maturity:	10 years	2 years
	-	Relevant Screen Page:	Bloomberg Screen page USISDA10	Bloomberg Screen page USISDA02
	-	Relevant Time:	11:00 a.m., New York City Time	11:00 a.m., New York City Time
	-	Interest Determination Date(s):	The date falling two London Business Days prior to the first day of each Relevant Interest Calculation Period	The date falling two London Business Days prior to the first day of each Relevant Interest Calculation Period
	-	Pre-nominated Index:	Not Applicable	Not Applicable
	-	Spread-Linked Rate $\text{One}_{(t)}$ Cap:	Not Applicable	
	-	Spread-Linked Rate $\text{One}_{(t)}$ Floor:	Not Applicable	
	-	Spread-Linked Rate $\text{Two}_{(t)}$ Cap:		Not Applicable
	-	Spread-Linked Rate $\text{Two}_{(t)}$ Floor:		Not Applicable

(b)	Cap Rate:	40.65 per cent. (expressed as (40.65%)
(c)	Curve Cap:	Not Applicable
(d)	Floor Rate:	Not Applicable
(e)	Leverage:	Not Applicable
(f)	Participation:	13.55
(g)	Spread:	Zero
(h)	Day Count Fraction:	Actual/Actual (ICMA)
(i)	Details of any short or long Interest Calculation Period:	Not Applicable
(j)	Range Accrual:	Not Applicable
(k)	Global Floor:	Applicable (subject to change following the exercise of the Conversion Option) General Condition 7.12(b) is deleted and replaced as set out in paragraph 15(d) above
-	Global Floor Percentage:	18 per cent. (expressed as 18%)

21.	Decompounded Floating Rate Interest Provisions:	Not Applicable

22.	Zero Coupon Provisions:	Not Applicable

Provisions relating to redemption

23.	Optional Early Redemption:	Not Applicable
24.	Call provisions:	Not Applicable
25.	Put provisions:	Not Applicable
26.	Final Redemption Type:	Bullet Redemption
27.	Bullet Redemption Provisions:	Applicable
	- Final Redemption Percentage:	100 per cent. (expressed as 100%)
28.	Inflation-Linked Redemption Provisions:	Not Applicable
29.	Early Cash Settlement Amount:	Greater of Market Value and Par
	- Unwind Costs:	Not Applicable
30.	Fixing Date – Redemption:	Not Applicable
31.	Fixing Time – Redemption:	Not Applicable
32.	Change in Law:	Applicable
33.	Currency Disruption Event:	Applicable
34.	Issuer Tax Event:	Not Applicable
35.	Extraordinary Market Disruption:	Applicable
36.	Hedging Disruption:	Applicable
37.	Increased Cost of Hedging:	Applicable

Disruptions

38.	Settlement Expenses:	Not Applicable
39.	FX Disruption Fallbacks (General Condition 11 (Consequences of FX Disruption Events)):	Not Applicable

General Provisions

40.	Form of Securities:	Global Bearer Securities: Permanent Global Security TEFRA: C Rules NGN Form: Not applicable CGC Form: Applicable
41.	Trade Date:	15 November 2019
42.	Taxation Gross Up:	Not Applicable
43.	Prohibition of Sales to EEA Retail Investors:	Applicable
44.	Early Redemption Notice Period Number:	10 Business Days

45.	Additional Business Centre(s):	Frankfurt and TARGET (and, for the avoidance of doubt, New York)
46.	Business Day Convention:	Following
47.	Determination Agent:	Barclays Bank PLC
48.	Registrar:	The Bank of New York Mellon SA/NV, Luxembourg Branch
49.	Transfer Agent:	The Bank of New York Mellon, London Branch
50.	(a) Names and addresses of Manager:	Barclays Bank PLC at 1 Churchill Place, London E14 5HP, United Kingdom
	(b) Date of underwriting agreement:	Not Applicable
	(c) Names and addresses of secondary trading intermediaries and main terms of commitment:	Not Applicable
51.	Registration Agent:	Not Applicable
52.	*Masse* Category:	Not Applicable
53.	Governing Law:	English Law
54.	Belgian Securities:	Not Applicable
55.	Relevant Benchmarks:	Each of the 10-Year USD ICE Swap Rate (USISDA10) and the 2-Year USD ICE Swap Rate (USISDA02) is provided by ICE Benchmark Administration Limited. As at the date hereof, ICE Benchmark Administration Limited appears in the register of administrators and benchmarks established and maintained by ESMA pursuant to article 36 of the Benchmark Regulation.

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

Application has been made by the Issuer (or on its behalf) for the Securities to be listed on the official list and admitted to trading on the regulated market of the Irish Stock Exchange plc trading as Euronext Dublin with effect from or around the Issue Date.

Estimate of total expenses related to admission to trading:	EUR 3,540

2. RATINGS

Ratings:	The Securities have not been individually rated.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

No commissions or distribution fees have been paid to any third party.

Save as discussed in Risk Factor 10 (*Risks associated with conflicts of interest and discretionary powers of the Issuer and the Determination Agent*) in the "*Risk Factors*" section, so far as the Issuer is aware, no person involved in the issue of the Securities has an interest material to the issue.

4. REASONS FOR THE ISSUE, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i)	Reasons for the issue:	General funding
(ii)	Estimated net proceeds:	Not Applicable
(iii)	Estimated total expenses:	Not Applicable

5. YIELD

Not Applicable

6. PAST AND FUTURE PERFORMANCE OF THE UNDERLYING ASSETS

Details of the past and future performance of the 10-Year USD ICE Swap Rates and 2-Year USD ICE Swap Rates can be found on the Bloomberg Screen pages "USISDA10" and "USISDA02", respectively.

7. OPERATIONAL INFORMATION

(i)	ISIN Code:	XS2033453486
(ii)	Common Code:	203345348
(iii)	WKN:	BC7BJ1
(iv)	Relevant Clearing System(s) and the relevant identification number(s):	Euroclear/Clearstream, Luxembourg
(v)	Delivery:	Delivery free of payment
(vi)	Name and address of additional Paying Agents (if any):	Not Applicable
(vii)	Intended to be held in a manner which would allow Eurosystem eligibility:	No. Whilst the designation is specified as "no" at the date of this Specific Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting

then the Notes may then be deposited with one of the International Central Securities Depositaries ("**ICSDs**") as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

THE ISSUER, THE BANK GROUP AND THE GROUP

The Issuer is a public limited company registered in England and Wales under number 1026167. The liability of the members of the Issuer is limited. It has its registered and head office at 1 Churchill Place, London, E14 5HP, United Kingdom (telephone number +44 (0)20 7116 1000 and website www.Barclays.com). The information on the Issuer's website does not form part of this Prospectus unless that information is incorporated by reference into this Prospectus.

The Issuer was incorporated on 7 August 1925 under the Colonial Bank Act 1925 and on 4 October 1971 was registered as a company limited by shares under the Companies Acts 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, the Issuer was re-registered as a public limited company and its name was changed from 'Barclays Bank International Limited' to 'Barclays Bank PLC'. The whole of the issued ordinary share capital of the Issuer is beneficially owned by Barclays PLC. Barclays PLC is the ultimate holding company of the Group.

The Group is a transatlantic consumer and wholesale bank with global reach offering products and services across personal, corporate and investment banking, credit cards and wealth management anchored in the Group's two home markets of the UK and the US. The Group is organised into two clearly defined business divisions – Barclays UK division and Barclays International division. These are primarily housed in two banking subsidiaries – Barclays UK sits within Barclays Bank UK PLC and Barclays International sits within the Issuer – which operate alongside Barclays Execution Services Limited but, in accordance with the requirements of ring-fencing legislation, independently from one another. Barclays Execution Services Limited drives efficiencies in delivering operational and technology services across the Group.

The Issuer and the Bank Group offer products and services designed for the Group's larger corporate, wholesale and international banking clients.

The short term unsecured obligations of the Issuer are rated A-1 by Standard & Poor's Credit Market Services Europe Limited, P-1 by Moody's Investors Service Ltd. and F1 by Fitch Ratings Limited and the long-term unsecured unsubordinated obligations of the Issuer are rated A by Standard & Poor's Credit Market Services Europe Limited, A2 by Moody's Investors Service Ltd. and A+ by Fitch Ratings Limited.

Based on the Bank Group's audited financial information for the year ended 31 December 2018, the Bank Group had total assets of £877,700m (2017: £1,129,343m), total net loans and advances of £136,959m (2017: £324,590m), total deposits of £199,337m (2017: £399,189m), and total equity of £47,711m (2017: £65,734m) (including non-controlling interests of £2m (2017: £1m)). The profit before tax of the Bank Group for the year ended 31 December 2018 was £1,286m (2017: £1,758m) after credit impairment charges and other provisions of £643m (2017: £1,553m). The financial information in this paragraph is extracted from the audited consolidated financial statements of the Issuer for the year ended 31 December 2018.

Based on the Bank Group's unaudited financial information for the six months ended 30 June 2019, the Bank Group had total assets of £969,266 million, total net loans and advances of £144,664 million, total deposits of £215,125 million, and total equity of £52,610 million (including non-controlling interests of £0 million). The profit before tax of the Bank Group for the six months ended 30 June 2019 was £1,725 million (30 June 2018: £725 million) after credit impairment charges and other provisions of £510 million (30 June 2018: £156 million). The financial information in this paragraph is extracted from the unaudited condensed consolidated interim financial statements of the Issuer for the six months ended 30 June 2019.

Legal Proceedings

For a description of the governmental, legal or arbitration proceedings that the Issuer and the Bank Group face, see Note 9 (*Provisions*) and Note 15 (*Legal, competition and regulatory matters*) to the condensed consolidated interim financial statements of the Issuer on page 34 and pages 37 to 44, respectively, of the 2019 Interim Results Announcement.

Directors

The Directors of the Issuer, each of whose business address is 1 Churchill Place, London E14 5HP, United Kingdom, their functions in relation to the Issuer and their principal outside activities (if any) of significance to the Issuer are as follows:[1]

Name	***Function(s) within the Issuer***	***Principal outside activities***
Nigel Higgins	Non-Executive Director and Chairman	Barclays PLC (Group Chairman and Non-Executive Director); Sadler's Wells (Chairman); Tetra Laval International S.A. (Non-Executive Director)
James Staley	Executive Director and Chief Executive Officer	Barclays PLC (Executive Director and Group Chief Executive Officer); Institute of International Finance (Board Member); Bank Policy Institute (Board Member)
Tushar Morzaria	Executive Director	Barclays PLC (Executive Director and Group Finance Director); Main Committee of the 100 Group (Member); Sterling Risk Free References Rates Working Group (Chair)
Michael Ashley	Non-Executive Director	Barclays PLC (Non-Executive Director); Barclays Capital Securities Limited (Non-Executive Director); International Ethics Standards Board for Accountants (Member); Institute of Chartered Accountants in England & Wales' Ethics Standards Committee (Member); Charity Commission (Member); Cabinet Office Board (Member)
Tim Breedon	Non-Executive Director	Barclays PLC (Non-Executive Director); Barclays Capital Securities Ltd (Non-Executive Director); Apax Group Alpha Limited (Chairman)
Mary Anne Citrino	Non-Executive Director	Barclays PLC (Non-Executive Director); Ahold Delhaize N.V. (Non-Executive Director); Alcoa Corporation (Non-Executive Director); HP Inc (Non-Executive Director); The Blackstone Group L.P. (Senior Advisor)
Dawn Fitzpatrick	Non-Executive Director	Barclays PLC (Non-Executive Director); Soros Fund Management LLC (Chief Investment Officer); New York Federal Reserve’s Investor Advisory Committee on Financial Markets (Member); Advisory Board and Investment Committee of the Open Society Foundations’ Economic Justice Program (Member)
Mary Francis	Non-Executive Director	Barclays PLC (Non-Executive Director); Ensco plc (Non-Executive Director); The Institute of Business Ethics (Advisory Panel Member); U.K. Takeover Appeal Board (Member)
Matthew Lester	Non-Executive Director	Barclays PLC (Non-Executive Director); Capita plc (Non-Executive Director); Man Group plc (Non-Executive Director)

Diane Schueneman	Non-Executive Director	Barclays PLC (Non-Executive Director); Barclays US LLC (Non-Executive Director); Barclays Execution Services Limited (Chair)

[1] On 26 September 2019, the Issuer announced that Mohamed A. El-Erian will join the Issuer's Board of Directors on 1 January 2020.

No potential conflicts of interest exist between any duties to the Issuer of the Directors listed above and their private interests or other duties.

PURCHASE AND SALE

Pursuant to the Master Subscription Agreement dated 12 June 2019 (as amended, supplemented and/or restated from time to time, the "**Master Subscription Agreement**"), the Manager has agreed with the Issuer the basis on which it may purchase Securities. In the Master Subscription Agreement, the Issuer has agreed to reimburse the Manager for certain of its expenses in connection with the Securities issued pursuant to the Programme.

No representation is made that any action has been or will be taken by the Issuer or the Manager in any jurisdiction that would permit a public offering of any of the Securities or possession or distribution of the Base Prospectus, this Prospectus or any other offering material in relation to the Securities in any country or jurisdiction where action for that purpose is required (other than actions by the Issuer to meet the requirements of the Prospectus Regulation for offerings contemplated in this Prospectus). No offers, sales, resales or deliveries of any Securities, or distribution of any offering material relating to any Securities, may be made in or from any jurisdiction and/or to any individual or entity except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on the Issuer and/or the Manager.

Subject to the restrictions and conditions set out in this Prospectus, the categories of potential investors to which the Securities are intended to be offered are institutional investors.

Selling Restrictions

Public Offer Selling Restrictions Under The Prospectus Regulation

In relation to each Member State of the European Economic Area, an offer of Securities which are the subject of the offering contemplated by this Prospectus may not be made to the public in that Member State except that offer of such Securities may be made to the public in that Member State:

(a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the Manager; or

(c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Securities referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression "an offer of Securities to the public" in relation to any Securities in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

The Manager has represented and agreed that in relation to any offering of Securities for which Directive 2014/65/EU and Regulation (EU) No 600/2014) (together, as may be amended from time to time, "**MiFID II/MiFIR**") applies, any commission or fee received from the Issuer complies with the applicable rules set out in MiFID II/MiFIR.

Prohibition of sales to EEA Retail Investors

The Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities which are the subject of the offering contemplated by this Prospectus to any EEA Retail Investor. For the purposes of this provision:

(a) the expression "**EEA Retail Investor**" means a person in the European Economic Area who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended from time to time, "**MiFID II**");

(ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**") where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in the Prospectus Regulation; and

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities.

United States of America

US Tax Selling Restrictions

The Securities must be issued and delivered outside the United States and its possessions in connection with their original issuance by an issuer that (directly or indirectly through its agents) does not significantly engage in interstate commerce with respect to the issuance. The Manager has represented and agreed that: (i) it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, any such Securities within the United States or its possessions within the United States or its possessions; (ii) it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either of them is within the United States or its possessions; and (iii) it will not otherwise involve its US office in the offer and sale of such Securities. Terms used in this paragraph have the meanings given to them by the US Internal Revenue Code of 1986, as amended, (the "**Code**") and regulations thereunder, including US Treasury Regulation section 1.163-5(c)(2)(i)(C) (the "**C Rules**").

U.S. persons

The Issuer makes no representation regarding the characterisation of the Securities for US federal income tax purposes. The Securities may not be a suitable investment for U.S. persons and other persons subject to net income taxation in the United States.

Non-U.S. persons

A non-U.S. person with no connection with the United States other than owning a Security generally will not be subject to withholding tax on payments on the Security provided that such person complies with any applicable tax identification and certification requirements.

US Securities Selling Restrictions

The Securities have not been and will not be registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in certain transactions exempt from the registration requirements of the Securities Act and applicable state securities laws. Trading in the Securities has not been approved by the US Commodities Futures Trading Commission under the Commodity Exchange Act and the rules and regulations promulgated thereunder. Terms used in this section (*US Securities Selling Restrictions*) shall, unless the context otherwise requires, have the meanings given to them by Regulation S under the Securities Act ("**Regulation S**").

The Manager has represented and agreed that it has not offered and sold and will not offer or sell Securities (i) as part of their distribution at any time or (ii) otherwise until 40 (forty) calendar days after the completion of the distribution of an identifiable tranche of which such Securities are part, as determined and certified to the Agent by the Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to the Manager to which it sells Securities during the Distribution Compliance Period a confirmation or other notice setting out the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of, U.S. persons. None of the Manager, its affiliates, or any persons acting on its or their behalf, have engaged or will engage in any directed selling efforts (as defined in Regulation S) with respect to the Securities, and the

Manager, its affiliates and all persons acting on its or their behalf have complied and will comply with any applicable offering restrictions requirement of Regulation S.

In addition, until 40 (forty) calendar days after the completion of the distribution of an identifiable tranche of Securities, any offer or sale of Securities within the United States by any dealer (whether or not participating in the offering of such Securities) may violate the registration requirements of the Securities Act.

The Securities are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

The Base Prospectus and this Prospectus have been prepared by the Issuer for use in connection with the offer and sale of Securities outside the United States and for the listing of Securities on the Relevant Stock Exchange. The Issuer and the Manager reserve the right to reject any offer to purchase the Securities, in whole or in part, for any reason. Neither the Base Prospectus nor this Prospectus constitutes an offer to any person in the United States or to any U.S. person. Distribution of the Base Prospectus and this Prospectus by any non-U.S. person outside the United States is unauthorised, and any disclosure without the prior written consent of the Issuer of any of its contents to any of such U.S. person or other person within the United States is prohibited.

General

The selling restrictions may be modified by the agreement of the Issuer and the Manager, including following a change in a relevant law, regulation or directive.

No action has been taken in any jurisdiction that would permit a public offering of any of the Securities, or possession or distribution of the Base Prospectus, this Prospectus or any other offering material, in any country or jurisdiction where action for that purpose is required.

The Manager has agreed that it will comply with all relevant laws, regulations and directives, and obtain all relevant consents, approvals or permissions, in each jurisdiction in which it purchases, offers, sells or delivers Securities or has in its possession or distributes the Base Prospectus, this Prospectus, any other offering material, and neither the Issuer nor the Manager shall have responsibility therefor.

Benefit plan investor selling restrictions

The Securities and any beneficial interest therein may not be sold or transferred to (i) any employee benefit plan, as defined in Section 3(3) of the US Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), that is subject to Part 4 of Subtitle B of Title I of ERISA, (ii) any plan, as defined in Section 4975(e)(1) of the Code, that is subject to Section 4975 of the Code, (iii) any governmental plan (as defined in Section 3(32) of ERISA), church plan (as defined in Section 3(33) of ERISA) or non-U.S. plan (as described in Section 4(b)(4) of ERISA) that is subject to any law, rule or regulation that is substantially similar to Part 4 of Subtitle B of Title I of ERISA or Section 4975 of the Code ("**Similar Law**"), or (iv) any entity the underlying assets of which are treated as assets of a plan described in (i), (ii) or (iii) for purposes of Part 4 of Subtitle B of Title I of ERISA, Section 4975 of the Code or any Similar Law (each of (i), (ii) (iii) and (iv) a "**Benefit Plan Investor**"), or to any person acting on behalf of or investing the assets of a Benefit Plan Investor. Each person that acquires Securities or any beneficial interest therein shall, by its acquisition thereof, be deemed to have continuously represented, warranted and covenanted throughout the period it holds the Securities or beneficial interest that it is not, and is not acting on behalf of or investing the assets of, a Benefit Plan Investor.

IMPORTANT LEGAL INFORMATION

Ratings

The credit ratings included or referred to in this Prospectus or any document incorporated by reference are, for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies (as amended and/or as implemented, transposed, enacted or retained for the purposes of English law on or after exit day, the "**CRA Regulation**"), issued by Fitch Ratings Limited ("**Fitch**"), Moody's Investors Service Ltd. ("Moody's") and Standard & Poor's Credit Market Services Europe Limited ("Standard & Poor's"), each of which is established in the European Union and has been registered under the CRA Regulation.

As of the date of this Prospectus, the short-term unsecured obligations of the Issuer are rated A-1 by Standard & Poor's[1] , P-1 by Moody's[2] , and F1 by Fitch[3] and the long-term obligations of the Issuer are rated A by Standard & Poor's[4], A2 by Moody's[5] , and A+ by Fitch[6].

Hyper-links to websites

For the avoidance of doubt, the content of any website to which a hyper-link is provided shall not form part of this Prospectus.

The proposed financial transactions tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Securities (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Securities where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

Notes on Issuer ratings: The information in these footnotes has been extracted from information made available by each rating agency referred to below. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by such rating agencies, no facts have been omitted which would render the reproduced information inaccurate or misleading.

1 A short-term obligation rated 'A-1' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.

2 'P-1' Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations.

3 An 'F1' rating indicates the highest short-term credit quality and the strongest intrinsic capacity for timely payment of financial commitments; it may have an added '+' to denote any exceptionally strong credit feature.

4 An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong. The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

5 Obligations rated 'A' are considered upper-medium grade and are subject to low credit risk. Note: Moody's appends numerical modifiers 1, 2 and 3 to each generic rating classification from 'Aa' through 'Caa'. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

6 An 'A' rating indicates high credit quality and denotes expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Securities are advised to seek their own professional advice in relation to the FTT.

GENERAL INFORMATION

Significant Change Statement

There has been no significant change in the financial performance or financial position of the Bank Group since 30 June 2019.

Material Adverse Change Statement

There has been no material adverse change in the prospects of the Issuer since 31 December 2018.

Legal proceedings

Save as disclosed under Note 9 (*Provisions*) and Note 15 (*Legal, competition and regulatory matters*) to the condensed consolidated interim financial statements of the Issuer on page 34 and pages 37 to 44, respectively, of the 2019 Interim Results Announcement, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), which may have or have had during the 12 months preceding the date of this Prospectus, a significant effect on the financial position or profitability of the Issuer and/or the Bank Group.

Authorisation and Consents

The issue of the Securities pursuant to the Programme have been duly authorised by the Chief Finance Officer of the Issuer, exercising the delegated authority of the Board of Directors of the Issuer, on 21 March 2019.

The Issuer has obtained all necessary consents, approvals and authorisations in connection with establishing and updating the Programme and will obtain all such consents, approvals and authorisations in connection with the issue and performance of the Securities.

Use of proceeds

The Issuer intends to apply the net proceeds from the sale of the Securities either for hedging purposes or for general corporate purposes.

Relevant Clearing Systems

The Securities are accepted for clearance through Euroclear and Clearstream. The International Securities Identification Number (the "**ISIN**") is set out in the Specific Terms. Transactions will be effected for settlement in accordance with the Relevant Rules.

Documents Available

For as long as this Prospectus remains in effect or any Securities remain outstanding, copies of the following documents will, when available, be made available during usual business hours on a weekday (Saturdays, Sundays and public holidays excepted) for inspection and, in the case of (a), (b) and (c) below, shall be available for collection free of charge at the registered office of the Issuer and at https://home.barclays/investor-relations/fixed-income-investors/prospectus-and-documents/structured-securities-prospectuses/#gcmtnprogramme, https://home.barclays/investor-relations/fixed-income-investors/prospectus-and-documents/structured-securities-prospectuses/ and https://home.barclays/investor-relations/reports-and-events, respectively, and at the specified office of the Issue and Paying Agent.

(a) the constitutional documents of the Issuer;

(b) the documents set out in the '*Information Incorporated by Reference*' section of this Prospectus;

(c) all future annual reports and semi-annual and quarterly financial statements of the Issuer;

(d) the Master Subscription Agreement;

(e) the Master Agency Agreement; and

(f) the Deed of Covenant.

Post-issuance Information

The Issuer does not intend to provide any post-issuance information in relation to the Securities or the performance of any Underlying Asset, except if required by any applicable laws and regulations.

Issue Price

The Securities have been issued by the Issuer at the Issue Price specified in the Specific Terms.

Auditors

The Issuer's auditors are KPMG LLP, chartered accountants and registered auditors (a member of the Institute of Chartered Accountants in England and Wales), of 15 Canada Square, London E14 5GL, United Kingdom.

ISSUER

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United Kingdom

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