

Barclays Bank PLC
Hong Kong Branch

Key Financial Information Disclosure Statement

As at 31 Dec 2021



Barclays Bank PLC
Hong Kong Branch

SECTION A - Branch Information (Hong Kong office only)

Income statement

For the year ended 31 Dec 2021

| | Notes | 31 Dec 2021 HKD million | 31 Dec 2020 HKD million |
|--------------------------------------|-------|----------------------------|----------------------------|
| Interest Income | | 54 | 206 |
| Interest expense | | (68) | (93) |
| Net Interest (expense)/income | | <u>(14)</u> | <u>113</u> |
| Other operating income | 1 | 1,325 | 652 |
| Net fees and commission income | 2 | 1,011 | 1,108 |
| Operating expenses | 3 | (1,837) | (1,685) |
| Credit impairment releases/(charges) | | <u>3</u> | <u>(2)</u> |
| Profit before taxation for the year | | 488 | 186 |
| Tax expense | | <u>(59)</u> | <u>(46)</u> |
| Profit after taxation for the year | | <u><u>429</u></u> | <u><u>140</u></u> |

Balance sheet

As at 31 Dec 2021

| | | 31 Dec 2021 HKD million | 30 Jun 2021 HKD million |
|---|---|----------------------------|----------------------------|
| Assets | | | |
| Cash and balances with banks | | 542 | 412 |
| Amount due from Exchange Fund | | 155 | 141 |
| Amount due from overseas offices | | 6,907 | 3,298 |
| Investment securities | 4 | 2,445 | 500 |
| Loans and receivables | 5 | 251 | 214 |
| Other accounts | | 241 | 184 |
| Deferred tax assets | | 322 | 335 |
| Property, plant and equipment and investment properties | | <u>54</u> | <u>49</u> |
| Total Assets | | <u><u>10,917</u></u> | <u><u>5,133</u></u> |
| Liabilities | | | |
| Deposits and balances from banks | | - | 932 |
| Deposits from customers | 6 | 1,195 | 1,237 |
| Amount due to Exchange Fund | | 1,560 | - |
| Amount due to overseas offices | | 5,589 | 2,752 |
| Amount payable under repos | 4 | 2,210 | - |
| Other liabilities | 7 | <u>363</u> | <u>212</u> |
| Total Liabilities | | <u><u>10,917</u></u> | <u><u>5,133</u></u> |

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Off-balance sheet and liquidity information As at 31 Dec 2021

| | 31 Dec 2021 HKD million | 30 Jun 2021 HKD million |
|---|----------------------------|----------------------------|
| Contingent liabilities and commitments | | |
| Trade-related contingencies | 411 | 333 |
| Other commitments | 139 | 160 |

Derivatives instruments

| | 31 Dec 2021 HKD million | | |
|--|------------------------------------|---|--|
| | <u>Fair Value</u> <u>Assets</u> | <u>Fair Value</u> <u>Liabilities</u> | <u>Total Notional</u> <u>Amount</u> |
| Exchange rate-related derivative contracts | 159 | 147 | 35,264 |
| | <u>159</u> | <u>147</u> | <u>35,264</u> |
| | 30 Jun 2021 HKD million | | |
| | <u>Fair Value</u> <u>Assets</u> | <u>Fair Value</u> <u>Liabilities</u> | <u>Total Notional</u> <u>Amount</u> |
| Exchange rate-related derivative contracts | 94 | 97 | 18,522 |
| | <u>94</u> | <u>97</u> | <u>18,522</u> |

The notional amounts of the above instruments indicate the volume of transactions outstanding as of the balance sheet date. They do not represent amounts at risk.

Liquidity information disclosure

| | For the quarter ended 31 Dec 2021 | For the quarter ended 31 Dec 2020 |
|--|---|---|
| Average Liquidity Maintenance Ratio for the financial reporting period | 265.60% | 289.27% |

The liquidity maintenance ratio ("LMR") is prepared in accordance with the Banking (Liquidity) Rules ("BLR") issued by the Hong Kong Monetary Authority ("HKMA"). The average LMR is calculated based on the arithmetic mean of the monthly LMR as reported in the Liquidity Position Return submitted to the HKMA for the abovementioned reporting periods.

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Liquidity Information Disclosure (continued)

Liquidity framework

Barclays PLC ("the Group") has a comprehensive liquidity risk control framework to manage liquidity risk exposures under BAU and stressed conditions. The framework is designed to maintain liquidity resources that are sufficient in amount, quality and funding tenor profile to support the Liquidity Risk Appetite (LRA) expressed by the Barclays PLC Board.

The Liquidity Framework is delivered via a combination of policy formation, review and governance, analysis, stress testing, limit setting and monitoring.

Structure and responsibilities of liquidity risk management

The Regional Funding and Liquidity Risk Management Departments approve the LRA of the branch which is then reviewed and challenged by the Hong Kong Asset and Liabilities Management Committee ("ALCO"). The ALCO additionally reviews the liquidity and funding risk management strategies, key metrics and limits structure, and the assets and liabilities maturity profile.

The Hong Kong and the Regional Treasury Departments are responsible for day-to-day monitoring of the liquidity stress test, the liquidity maintenance ratio and other liquidity risk management metrics produced by various financial and risk reporting functions, and exercise relevant controls to ensure compliance with the internal and regulatory requirements. The Regional Funding and Liquidity Risk functions are responsible for setting the quantitative and qualitative liquidity risk management measures, limits and constraints. The Internal Audit Department conducts regular audits to provide assurance on the effectiveness of the liquidity risk management governance and the related risk management controls.

Liquidity risk appetite

Pursuant to the Group LRA, the Branch defines its risk appetite and tolerance based on the amount of liquidity resources required to meet modelled and prescribed liquidity stress outflows over a period of time. This is the level of liquidity risk the Branch chooses to take and tolerate in pursuit of its business objectives and in meeting its regulatory obligations. A set of liquidity risk limits are developed under the LRA which define the constraints within which the business lines must operate.

Stress testing and internal liquidity reporting

The Branch runs three short term liquidity stress test scenarios, aligned to the Group and the PRA's prescribed stresses:

- 90-day market-wide stress event
- 30-day Barclays specific stress event
- combined 30-day market-wide and Barclays specific stress event.

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Liquidity Information Disclosure (continued)

Stress testing and internal liquidity reporting (continued)

The Branch manages its eligible liquid asset pool to be at least 100% of the anticipated net stressed outflows assessed under each of these stress scenarios.

In addition, the Branch also establishes internal limits and monitoring procedures to ensure compliance with the LMR required under the Banking (Liquidity) Rules. A daily report on the LMR is produced with results communicated to the abovementioned departments for monitoring and risk management purposes.

The stress test report is also produced on a daily basis with the results communicated to the abovementioned departments for funding and liquidity risk management purposes.

Liquidity risk management and funding strategies

The key objective of the Branch's liquidity risk management and funding strategies is to maintain liquidity surplus over the designated horizon under each stress scenario. Where there is a projected shortfall or an actual funding gap, Treasury will take necessary actions to meet the liquidity required through additional funding or business actions as appropriate to the scenario.

As at 31 Dec 2021 and 31 Dec 2020, the Branch held material liquidity surpluses under both the 30-day Barclays specific and the combined market-wide and as well as the 90-day market wide stress scenario.

| | 30-day Barclays specific stress requirements HKD million | 90-day Market- wide stress requirements HKD million |
|---|---|--|
| As at 31 Dec 2021 | | |
| Eligible liquid assets | 239 | 239 |
| Net stress inflows | 1,306 | 1,023 |
| Surplus | 1,545 | 1,262 |
| Liquidity pool as a percentage of anticipated net stress outflows as at 31 Dec 2021 | - | - |

| | 30-day Barclays specific stress requirements HKD million | 90-day Market- wide stress requirements HKD million |
|---|---|--|
| As at 31 Dec 2020 | | |
| Eligible liquid assets | 645 | 645 |
| Net stress inflows | 1,801 | 1,130 |
| Surplus | 2,446 | 1,775 |
| Liquidity pool as a percentage of anticipated net stress outflows as at 31 Dec 2020 | - | - |

The contractual maturity profile of the Branch's on and off-balance items is reviewed regularly by the HK ALCO. In practice, the behavioural maturity of these items may differ from contractual maturity. The maturity profile of the sources and uses of funding is monitored to maintain sufficient liquidity surplus over the designated horizon under each stress test.

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Liquidity Information Disclosure (continued)

Liquidity risk management and funding strategies (continued)

The contractual maturity profile and related liquidity surplus/gaps as at 31 Dec 2021 and 31 Dec 2020 extracted from the Return of Liquidity Monitoring Tools submitted by the Branch to the HKMA are set out in the table below:

| As at 31 Dec 2021 HKD million | Total | > 1 | | >3 | | >6 months to 1 year | > 1 year up to 5 years | Over 5 years | Balancing amount |
|--|--------------|-------------------|-------------------|-------------------|-------------------|---------------------------|------------------------------|-----------------|---------------------|
| | | Within 1 month | up to 3 months | up to 3 months | up to 6 months | | | | |
| On-balance sheet liabilities | | | | | | | | | |
| Demand and saving deposits from non-bank customers | 41 | 41 | - | - | - | - | - | - | - |
| Term, call and notice deposits from non-bank customers | 1,155 | 745 | 400 | - | 10 | - | - | - | - |
| Derivative instruments | 147 | 9,349 | 19,556 | 1,583 | 21,446 | - | - | - | - |
| Due to HKMA for account of Exchange Fund | 1,560 | - | 1,560 | - | - | - | - | - | - |
| Due to banks | 5,591 | 3,839 | 1,001 | 701 | - | - | - | 50 | - |
| Other liabilities | 265 | 176 | 82 | - | - | - | - | - | 7 |
| Reserves | (52) | - | (52) | - | - | - | - | - | - |
| Total | 8,707 | 14,150 | 22,547 | 2,284 | 21,456 | - | 50 | - | 7 |
| Off-balance sheet obligations | | | | | | | | | |
| Irrevocable loan commitments | 139 | 139 | - | - | - | - | - | - | - |
| Contractual obligations arising from securities financing transactions | 2,210 | 2,210 | - | - | - | - | - | - | - |
| Other off-balance sheet obligations | | | | | | | | | |
| - with dates and amounts of payment ascertained | 2,738 | 2,228 | 7 | 503 | - | - | - | - | - |
| - Others | 383 | 383 | - | - | - | - | - | - | - |
| Total | 5,470 | 4,960 | 7 | 503 | - | - | - | - | - |
| On-balance sheet assets | | | | | | | | | |
| Derivative instruments | 159 | 9,371 | 19,539 | 1,580 | 21,449 | - | - | - | - |
| Due from HKMA for account of Exchange Fund | 155 | 155 | - | - | - | - | - | - | - |
| Due from banks | 7,450 | 5,890 | 1,560 | - | - | - | - | - | - |
| Debt securities (Exchange Fund Bills) | 80 | 80 | - | - | - | - | - | - | - |
| Loan and advances to customers | 55 | - | - | - | - | - | 55 | - | - |
| Other assets | 640 | 139 | 47 | - | - | - | - | - | 454 |
| Total | 8,539 | 15,635 | 21,146 | 1,580 | 21,449 | 55 | - | - | 454 |
| Off-balance sheet claims | | | | | | | | | |
| Contractual claims arising from securities financing transactions | 2,377 | 2,377 | - | - | - | - | - | - | - |
| Other off-balance sheet claims | 2,710 | 2,210 | 500 | - | - | - | - | - | - |
| Total | 5,087 | 4,587 | 500 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contractual maturity mismatch | | 1,112 | (908) | (1,207) | (7) | 55 | (50) | | |
| Cumulative contractual maturity mismatch | | 1,112 | 204 | (1,003) | (1,010) | (955) | (1,005) | | |

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Liquidity Information Disclosure (continued)

Liquidity risk management and funding strategies (continued)

| As at 31 Dec 2020 | | | > 1 | >3 | >6 | > 1 year | Over 5 | Balancing |
|--|--------|----------|---------|---------|-----------|----------|--------|-----------|
| HKD million | Total | Within 1 | month | months | months | up to 5 | years | amount |
| | | month | up to 3 | up to 6 | to 1 year | years | | |
| | | months | months | months | | | | |
| On-balance sheet liabilities | | | | | | | | |
| Demand and saving deposits from non-bank customers | 43 | 43 | - | - | - | - | - | - |
| Term, call and notice deposits from non-bank customers | 1,310 | 900 | 400 | - | 10 | - | - | - |
| Derivative instruments | 174 | 11,901 | 3,297 | 4,186 | 4,656 | - | - | - |
| Due to HKMA for account of Exchange Fund | 388 | 388 | - | - | - | - | - | - |
| Due to banks | 8,241 | 6,686 | 1,004 | 501 | - | - | 50 | - |
| Other liabilities | 22 | 15 | - | - | - | - | - | 7 |
| Reserves | (45) | - | (45) | - | - | - | - | - |
| Total | 10,133 | 19,933 | 4,656 | 4,687 | 4,666 | - | 50 | 7 |
| Off-balance sheet obligations | | | | | | | | |
| Irrevocable loan commitments | 76 | 76 | - | - | - | - | - | - |
| Contractual obligations arising from securities financing transactions | - | - | - | - | - | - | - | - |
| Other off-balance sheet obligations | | | | | | | | |
| - with dates and amounts of payment ascertained | 1,035 | 17 | 17 | 1 | 1,000 | - | - | - |
| - Others | 300 | 300 | - | - | - | - | - | - |
| Total | 1,411 | 393 | 17 | 1 | 1,000 | - | - | - |
| On-balance sheet assets | | | | | | | | |
| Derivative instruments | 168 | 11,904 | 3,290 | 4,186 | 4,652 | - | - | - |
| Due from HKMA for account of Exchange Fund | 125 | 125 | - | - | - | - | - | - |
| Due from banks | 8,379 | 8,369 | - | - | 10 | - | - | - |
| Debt securities (Exchange Fund Bills) | 643 | 643 | - | - | - | - | - | - |
| Loan and advances to customers | 118 | - | - | - | - | 118 | - | - |
| Other assets | 700 | 174 | 18 | - | - | - | - | 508 |
| Total | 10,133 | 21,215 | 3,308 | 4,186 | 4,662 | 118 | - | 508 |
| Off-balance sheet claims | | | | | | | | |
| Contractual claims arising from securities financing transactions | - | - | - | - | - | - | - | - |
| Other off-balance sheet claims | 1,000 | - | 1,000 | - | - | - | - | - |
| Total | 1,000 | - | 1,000 | - | - | - | - | - |
| Contractual maturity mismatch | | | | | | | | |
| | | 889 | (365) | (502) | (1,004) | 118 | (50) | |
| Cumulative contractual maturity mismatch | | | | | | | | |
| | | 889 | 524 | 22 | (982) | (864) | (914) | |

Remarks:

(1) The Branch holds highly liquid assets in its liquidity pool, which mainly comprises of balances with the central bank, Treasury bills and Government Bonds as shown in the above maturity profile analysis. These assets are all eligible to meet the local and the Group's liquidity requirements and there is no concentration limit set on individual type of assets held in the pool.

(2) The funding source diversification, including by currency, is centralised for Barclays Bank PLC Head Office and its branches. The Branch is funded within these arrangements.

(3) The on-balance sheet assets and liabilities are not balanced as at 31 Dec 2021 due to repo borrowing and encumbered debt securities being excluded from the balance sheet in accordance with the HKMA Return of Liquidity Monitoring Tools MA(BS)23 completion instructions.

Contingency funding plan

The Branch adopts and conforms to the APAC Contingency Funding Plan, which outlines the liquidity early warning indicators, the crisis invocation and escalation protocols, and the sources of funding available to the Branch. The Branch also establishes its own recovery plan which covers the contingency funding options for managing local liquidity stresses. These plans are reviewed regularly by the Hong Kong Treasurer, the relevant Asia Treasury and Risk functions, and the Hong Kong ALCO.

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Notes to the Financial Information Disclosure Statement

| 1 Other operating income | Notes | 31 Dec 2021 HKD million | 31 Dec 2020 HKD million |
|--|--------------|------------------------------------|------------------------------------|
| Income from foreign currency related activities | | | |
| - Transfer pricing income | | 135 | 76 |
| - Trading gains less losses from foreign currency trading | | 3 | (9) |
| Income from securities-related activities | | | |
| - Transfer pricing income | | 685 | 601 |
| Income/(loss) from derivatives-related activities | | | |
| - Transfer pricing income/(expense) | | 502 | (17) |
| Others | | - | 1 |
| | | <u>1,325</u> | <u>652</u> |
| 2 Net fees and commission income | | 31 Dec 2021 HKD million | 31 Dec 2020 HKD million |
| Gross fees and commission income | | 1,180 | 1,222 |
| Gross fees and commission expenses | | <u>(169)</u> | <u>(114)</u> |
| | | <u>1,011</u> | <u>1,108</u> |
| 3 Operating expenses | | 31 Dec 2021 HKD million | 31 Dec 2020 HKD million |
| Management fee recharged from related companies | | (1,818) | (1,659) |
| Depreciation | | (20) | (19) |
| Others | | 1 | (7) |
| | | <u>(1,837)</u> | <u>(1,685)</u> |
| 4 Investment securities | | 31 Dec 2021 HKD million | 30 Jun 2021 HKD million |
| Financial Assets at fair value through other comprehensive income | | <u>2,445</u> | <u>500</u> |
| <p>As at 31 Dec 2021, the Branch has sold investment securities of HKD2,366 million (30 Jun 2021: Nil) subject to commitments to repurchase them. The considerations received are accounted for as financial liabilities at amortised cost and disclosed as "Amount payable under repos". The securities sold are encumbered assets and are retained on the balance sheet as the Branch retains substantially all the risks and rewards of ownership.</p> | | | |
| 5 Loans and receivables | | 31 Dec 2021 HKD million | 30 Jun 2021 HKD million |
| Loans and advances to customers | 8, 9, 10, 11 | 55 | 34 |
| Other receivables | | | |
| - Accrued interest | | 13 | - |
| - Other receivables | | 183 | 191 |
| Credit impairment allowance | | <u>-</u> | <u>(11)</u> |
| | | <u>251</u> | <u>214</u> |

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Notes to the Financial Information Disclosure Statement (continued)

5 Loans and receivables (continued)

Barclays Group is required to recognise expected credit losses (ECLs) based on unbiased forward-looking information for all financial assets at amortised cost and at fair value through other comprehensive income and loan commitments under IFRS 9 Financial Instruments (IFRS 9). An allowance (or provision for loan commitments and trade-related contingent items) is recognised for the 12 month (Stage 1) ECLs. If the credit risk has significantly increased since initial recognition (Stage 2), or if the financial instrument is credit impaired (Stage 3), an allowance (or provision) should be recognised for the lifetime ECLs.

The measurement of the ECLs are calculated using three main components as follows:

- (i) probability of default (PD)
- (ii) loss given default (LGD)
- (iii) exposure at default (EAD)

The 12 month and lifetime ECLs are calculated by multiplying the respective PD, LGD and EAD discounted at the original

For the IFRS 9 impairment assessment, Barclays Group's risk models are used to determine PD, LGD and EAD. To reflect changes in policy or correct impairment model performance issues identified through model monitoring, management adjustments which contain an element of subjectivity are applied by the Group in order to factor in certain conditions or changes in policy that are not fully incorporated into the models, or to reflect additional facts and circumstances at the period end. Management adjustments are reviewed and incorporated into future model development where appropriate.

The credit impairment allowances made by Barclays Bank PLC Hong Kong Branch as at 31 Dec 2021 and 30 Jun 2021 represent Stage 1 and Stage 2 ECL for loan and advances to customers and loan commitments respectively. These credit impairment allowances are assessed on a collective basis.

6 Deposits from customers

| | 31 Dec 2021 HKD million | 30 Jun 2021 HKD million |
|--------------------------------------|----------------------------|----------------------------|
| Demand deposits and current accounts | 41 | 41 |
| Time, call and notice deposits | 1,154 | 1,196 |
| | <u>1,195</u> | <u>1,237</u> |

7 Other liabilities

| | 31 Dec 2021 HKD million | 30 Jun 2021 HKD million |
|-------------------|----------------------------|----------------------------|
| Accrued interest | 3 | 2 |
| Other liabilities | 360 | 210 |
| | <u>363</u> | <u>212</u> |

8 Analysis of advances to customers by industry sector

| | 31 Dec 2021 HKD million | | |
|--|----------------------------|------------------|--------------|
| | <u>Secured</u> | <u>Unsecured</u> | <u>Total</u> |
| Loans and advances for use outside Hong Kong | - | 55 | 55 |
| Total loans and advances to customers | <u>-</u> | <u>55</u> | <u>55</u> |
| | 30 Jun 2021 HKD million | | |
| | <u>Secured</u> | <u>Unsecured</u> | <u>Total</u> |
| Loans and advances for use outside Hong Kong | - | 34 | 34 |
| Total loans and advances to customers | <u>-</u> | <u>34</u> | <u>34</u> |

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Notes to the Financial Information Disclosure Statement (continued)

9 Overdue loans and advances to customers and banks

The Branch did not have any overdue or rescheduled loans and advances to customers and banks as at 31 Dec 2021 and 30 Jun 2021.

The Branch did not have any impaired loans and advances to customers and banks as at 31 Dec 2021 and 30 Jun 2021.

10 Repossessed assets

The Branch did not have any repossessed assets as at 31 Dec 2021 and 30 Jun 2021.

11 Loans and advances to customers by country or geographical segment

| | 31 Dec 2021 HKD million | 30 Jun 2021 HKD million |
|-------|----------------------------|----------------------------|
| Macau | 55 | 34 |
| | <u>55</u> | <u>34</u> |

Loans and advances to customer by country or geographical segment are classified according to the location of the counterparties after taking into account of the transfer of risk.

Countries or geographical segments constituting 10% or more of the aggregate amount of loans and advances to customers are disclosed.

12 International claims

| | 31 Dec 2021 HKD million | | | | Total |
|--|----------------------------|--|---|----|-------|
| | <u>Banks</u> | <u>Official sector</u> | <u>Non-bank private sector institutions</u> | | |
| | | <u>Non-bank financial institutions</u> | <u>Non-financial private sector</u> | | |
| Developed countries <i>of which</i> United Kingdom (excludes Guernsey, Isle of Man and Jersey) | 7,228 | - | 0 | - | 7,228 |
| | 7,228 | - | - | - | 7,228 |
| Offshore centres <i>of which</i> Hong Kong SAR | 541 | 12 | 39 | 55 | 647 |
| | 541 | 12 | - | - | 553 |

| | 30 Jun 2021 HKD million | | | | Total |
|--|----------------------------|--|---|----|-------|
| | <u>Banks</u> | <u>Official sector</u> | <u>Non-bank private sector institutions</u> | | |
| | | <u>Non-bank financial institutions</u> | <u>Non-financial private sector</u> | | |
| Developed countries <i>of which</i> United Kingdom (excludes Guernsey, Isle of Man and Jersey) | 3,599 | - | 4 | - | 3,603 |
| | 3,599 | - | - | - | 3,599 |
| Offshore centres <i>of which</i> Hong Kong SAR | 411 | - | - | 34 | 445 |
| | 411 | - | - | - | 411 |

International claims information discloses exposures in relation to all cross-border claims and local claims in foreign currencies after taking into account of the transfer of risk. The above information is prepared in accordance with the HKMA Return of International Banking Statistics MA(BS)21 completion instructions. Countries or geographical segments constituting 10% or more of total international claims are disclosed.

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Notes to the Financial Information Disclosure Statement (continued)

13 Non-bank Mainland exposures

| | 31 Dec 2021 HKD million | | |
|---|--|---|--------------|
| | <u>On-balance sheet exposure</u> | <u>Off-balance sheet exposure</u> | <u>Total</u> |
| PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and joint ventures | - | 21 | 21 |
| Total | - | 21 | 21 |
| Total assets after provision | 10,917 | | |
| On-balance sheet exposure as percentage of total assets | 0.00% | | |

| | 30 Jun 2021 HKD million | | |
|---|--|---|--------------|
| | <u>On-balance sheet exposure</u> | <u>Off-balance sheet exposure</u> | <u>Total</u> |
| PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and joint ventures | - | 6 | 6 |
| Total | - | 6 | 6 |
| Total assets after provision | 5,133 | | |
| On-balance sheet exposure as percentage of total assets | 0.00% | | |

14 Currency Risk

| | 31 Dec 2021 HKD million | | | |
|---------------------------|----------------------------|------------|---------------|--------------|
| | <u>USD</u> | <u>RMB</u> | <u>Others</u> | <u>Total</u> |
| Spot assets | 2,186 | 2,223 | 3 | 4,412 |
| Spot liabilities | (5,527) | (2,232) | (3) | (7,762) |
| Forward purchases | 28,565 | 10,655 | 780 | 40,000 |
| Forward sales | (25,224) | (10,593) | (780) | (36,597) |
| Net options position | - | - | - | - |
| Net long/(short) position | - | 53 | - | 53 |

| | 30 Jun 2021 HKD million | | | |
|---------------------------|----------------------------|------------|---------------|--------------|
| | <u>USD</u> | <u>RMB</u> | <u>Others</u> | <u>Total</u> |
| Spot assets | 504 | 46 | 8 | 558 |
| Spot liabilities | (2,044) | (8) | (9) | (2,061) |
| Forward purchases | 9,978 | 5,512 | 708 | 16,198 |
| Forward sales | (8,438) | (5,550) | (707) | (14,695) |
| Net options position | - | - | - | - |
| Net long/(short) position | - | - | - | - |

The Branch had no structural positions in any particular foreign currency as at 31 Dec 2021 and 30 Jun 2021.

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SECTION B - Barclays PLC

Consolidated Financial Information

As at 31 Dec 2021

| Capital ratio (Note 1) | 31 Dec 2021 | 30 Jun 2021 |
|---|--------------------|--------------------|
| Total Regulatory Capital | 22.3% | 22.3% |
| Common Equity Tier 1 (CET1) | 15.1% | 15.1% |
| Total Shareholders' equity (excluding non-controlling interests) | 31 Dec 2021 | 30 Jun 2021 |
| | GBP million | GBP million |
| | 69,222 | 67,052 |
| Other financial information | 31 Dec 2021 | 30 Jun 2021 |
| | GBP million | GBP million |
| Balance sheet | | |
| Total assets | 1,384,285 | 1,376,333 |
| Total liabilities | 1,314,074 | 1,308,217 |
| Total loans and advance at amortised cost | 361,451 | 348,549 |
| Total deposits at amortised cost (Note 2) | 519,433 | 500,895 |
| | 31 Dec 2021 | 31 Dec 2020 |
| | GBP million | GBP million |
| Profit and Loss | | |
| Pre-tax profit for the financial period | 8,414 | 3,065 |

Notes

(1) Total Regulatory Capital ratio is calculated as total regulatory capital divided by risk weighted assets.

The Common Equity Tier 1 ratio is a risk based ratio calculated as CRD IV Common Equity Tier 1 capital divided by CRD IV risk weighted assets, before the interpretive guidance published by the Prudential Regulation Authority (PRA).

The capital ratios are calculated by applying the transitional arrangements of the Capital Requirements Regulation (CRR) issued by the European Union. The regulation includes IFRS 9 transitional arrangements and the grandfathering of CRR non-compliant capital instruments. The rules are supplemented by Regulatory Technical Standards (RTS) and in the United Kingdom by the PRA rulebook, including the implementation of transitional rules.

(2) Total customer deposits are not separately disclosed in the Consolidated Financial Statements of Barclays PLC, hence total deposits including both deposits taken from banks and customers are disclosed.

(3) Further details regarding Barclays PLC can be obtained from the 2021 Barclays PLC Annual Report at www.barclays.com.

Barclays Bank PLC Hong Kong Branch

Principal activities

Barclays Bank PLC Hong Kong Branch ("the Branch") is a branch of Barclays Bank PLC, a bank incorporated in the United Kingdom with limited liability. The Branch is a licensed bank authorised under the Hong Kong Banking Ordinance. The Branch's principal activities are lending, deposit taking, foreign currency trading, derivatives trading, securities trading and advising on corporate finance.

Chief Executive's Declaration of Compliance

I certify that the information disclosed above is in compliance with the Banking Ordinance Chapter 155M Banking (Disclosure) Rules and "Guideline on the Application of the Banking (Disclosure) Rules" issued by the HKMA is not false or misleading.



Anthony Miles Davies, Chief Executive
Barclays Bank PLC, Hong Kong Branch