

# Summary of the Barclays Investment Bank Allocation Document

## Introduction

Barclays Bank PLC and Barclays Bank Ireland PLC, Investment Firms as defined by the Markets in Financial Instruments Directive II (MiFID II), and their MiFID II Investment Firm subsidiaries (together, Barclays) comprise multi-service financial institutions that engage in a wide variety of activities in relation to multiple products and services, with a broad and diverse client base. Because of the nature of these activities, situations may arise in relation to Barclays where a client's interests could conflict with those of Barclays or with those of other Barclays' clients, including in the context of allocations of securities offerings.

Barclays must pursue its clients' interests ahead of its own, and manage conflicts where the interests of one client may be in competition with those of another, or indeed those of Barclays. For further information on the management of conflicts of interest by Barclays, please refer to the [Conflicts of Interest Policy Summary](#).

## 1. Purpose and application

The purpose of this document is to provide clients with a summary of the standards applied to the allocation process where Barclays is managing the investor allocation process, or is otherwise involved in the allocation process, in a debt or equity securities offering (an Offering).

Barclays maintains a global Allocation document which, together with related procedures, seeks to (i) minimise or prevent the circumstances in which a potential conflict of interest might arise, (ii) identify any potential conflicts that do arise, and (iii) where a potential conflict of interest is identified, ensure that any competing interests are appropriately managed. It covers acceptable factors and prohibited allocation practices, as well as delineating the supervisory controls in place to ensure compliance with the Allocation document.

**Territorial scope:** The Allocation document applies to all Barclays employees who may be involved in an Offering in all regions. Certain jurisdiction-specific requirements are also addressed.

**Product scope:** The Allocation document is applicable where Barclays is managing the investor allocation process, or is otherwise involved in the allocation process, in an Offering. This document applies to all such Offerings whether Barclays is acting as sole or joint active bookrunning manager or arranger, whether registered or unregistered and whether the Offering is a primary offering or secondary block trade, on behalf of an issuer or selling security holder, such as a selling shareholder in a block trade (each the Client).

More details of Barclays' Allocation document are available upon request.

## 2. Allocation principles

When carrying out a mandate to manage an Offering, Barclays must act in accordance with the best interests of the Client.

Barclays actively seeks to discuss the relevant aspects of the allocation process with its Clients. The Client will be given the opportunity to discuss (i) its allocation objectives, if any; (ii) the allocation process in determining Barclays' recommendations; (iii) the target investor group; (iv) pricing; (v) any allocations to internal accounts (internal allocations); and (vi) how any potential conflicts that arise might be managed. The Client will be invited to actively participate in the allocations process.

Where required by applicable regulation (for example, where the principal role in the bookbuilding process and execution is undertaken by one of Barclays' EEA Syndicate desks), this Summary will be provided directly to the Client, by email or otherwise.

Barclays has identified a number of general factors to take into consideration in making allocation decisions, which it will give the Client the opportunity to discuss. These include, but are not limited to:

- **The investor's category/description (e.g. asset management firm, pension fund or hedge fund):** To the extent required by applicable regulation (for example, where the principal role in the bookbuilding process and execution is undertaken by one of Barclays' EEA Syndicate desks) and where the Client has specified a type of investor to whom Barclays should allocate, Barclays' proposed allocation recommendation per type of investor must be agreed with the Client
- **Investor profile:** Barclays will take into account elements such as the investor's portfolio orientation, interest and experience with regards to the Client itself and the Client's sector
- **Investor engagement in the Offering:** The investor's nature, level of engagement (e.g. dialogue with the Client) and timing of engagement in the issuance (such as early participation in the process and attendance at roadshows) can also be factors
- **Investor strategy:** Barclays will take into account the investor's expected investment amount in light of historical investment and portfolio size, desired price level, views on the Client, short-term intentions and desired long-term position in the security being offered or relevant industry more generally.

### 3. Prohibited allocation practices

Barclays is not permitted to rely on certain factors to make allocations decisions, reflecting the fact that Barclays must pursue its clients' interests ahead of its own. Amongst other considerations, Barclays cannot allow the allocations process to be influenced by arrangements that may be construed as an inducement (e.g. preferential allocation to investor clients who are willing to pay high rates of commissions to Barclays or investor clients who are promising high volumes of business at normal levels of commission) or a predetermined agreement or quid pro quo arrangement with an investor client in return for an allocation, including an undertaking or promise to allocate in a future offering of a different issuer. Allocation to a senior executive, director or corporate officer of an existing or potential Client, or of a listed company, on the basis that they have authority to influence the future award of investment banking business, is not permitted.

### 4. Internal allocations

Barclays must pursue its clients' and/or investors' interests ahead of its own in deciding whether to allocate to an internal account, as distinguished from an investor or investor-owned account. Factors to be considered in making an internal allocation include: regulatory requirements; whether the Offering involves a capital commitment by Barclays; the client's objectives; market practice in the relevant jurisdiction; the type of Offering; and whether the Offering is oversubscribed.

All proposed internal allocations must be approved in advance and similar principles as apply to investor client orders will apply to Barclays, for example in respect of oversubscribed transactions.

All internal allocations are undertaken in accordance with all relevant regulatory limitations including, amongst others, the Volcker Rule.