



**ASIC**  
Australian Securities &  
Investments Commission

## CEU final compliance report by ASIC

ASIC's final report dated **27 May 2019** on compliance with the s93AA ASIC Act court enforceable undertaking (CEU) given by Barclays Capital Inc (**BCI**), Barclays Capital Asia Limited (**BCAL**) and Barclays Capital Securities Limited (**BCSL**) (together the Barclays Entities) on 22 March 2017.

Terms used in this report have the same meaning as in the CEU dated 22 March 2017.

| Undertakings  | Report on compliance   |
|---|--|
| <b>Contribution to The Ethics Centre</b><br><br>CEU paragraph 6.2 | 1. The Barclays Entities made payments to the total amount of A\$500,000 to The Ethics Centre in accordance with the requirements and time frame specified in the CEU.   |
| <b>Independent Expert</b><br><br>CEU paragraphs 6.3 - 6.7         | 2. Ernst & Young (EY) was appointed with ASIC's approval, as the Independent Expert (IE) in accordance with the terms of engagement and time frame specified in the CEU.   |
| <b>First Review</b><br><br>CEU paragraph 6.8(a)                   | 3. The First Review was conducted by the IE in accordance with the requirements and time frame specified in the CEU.   |
| <b>First Report</b><br><br>CEU paragraphs 6.8(b) and 6.9          | 4. The First Report was delivered in accordance with the requirements and time frame specified in the CEU.<br>5. The First Report set out the IE's findings from the First Review. In summary, the IE found: <ul style="list-style-type: none"><li>• no weaknesses (Deficiencies) in compliance by the Barclays Entities with the Disclosure Requirement and for BCI, the Reporting Requirement, since the date of the CEU; and</li><li>• that the policies, procedures, practices, training and monitoring arrangements put in place by the Barclays Entities had been sufficiently designed to ensure effective and enduring compliance with the Disclosure Requirement and for BCI, the</li></ul> |

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|---|--|
|   | <p>Reporting Requirement, as at the point in time at which the IE's assessment was made.</p> <p>6. A summary of the First Report was published on ASIC's CEU Register on 7 June 2018.</p>  |
| <p><b>Second Review</b></p> <p>CEU paragraph 6.8(c)</p>           | <p>7. The Second Review was conducted by the IE in accordance with the requirements and time frame specified in the CEU.</p>   |
| <p><b>Second Report</b></p> <p>CEU paragraphs 6.8(d) and 6.15</p> | <p>8. The Second Report was delivered in accordance with the requirements and time frame specified in the CEU.</p> <p>9. The Second Report set out the IE's findings from the Second Review. In summary, the IE found no weaknesses (Deficiencies) or instances of non-compliance as it relates to the:</p> <ul style="list-style-type: none"> <li>• Barclays Entities' compliance with the Disclosure Requirement and for BCI, the Reporting Requirement;</li> <li>• Barclays Entities compliance framework; and</li> <li>• operating effectiveness of the policies, procedures, practices, training and monitoring arrangements put in place by the Barclays Entities.</li> </ul> <p>10. The IE did not identify any gaps in internal control areas as they relate to the Disclosure Requirement and for BCI, the Reporting Requirement.</p> <p>11. The IE's testing found the policies, procedures, practices, training and monitoring arrangements assessed for the Barclays Entities in the course of the Second Review have operated sufficiently to ensure effective and enduring compliance with the Disclosure Requirement and for BCI, the Reporting Requirement as at the point in time at which the IE's assessment was made.</p> <p>12. A summary of the Second Report was published on ASIC's CEU Register on 27 May 2019.</p> |