

Our enhanced structure empowers our business model...

In 2017, Barclays made significant progress reorganising the business to enable a sharper focus on our strengths as a transatlantic consumer and wholesale bank with global reach.

In March 2016, we announced our intention to operate through two principal business divisions: Barclays UK and Barclays International. As well as accelerating the delivery of our strategy, this change helped enable Barclays to fulfil the requirements of our UK regulators in regard to ring-fencing. Ring-fencing of essential retail banking services is one of the reforms introduced by the UK government to strengthen the UK financial system following the financial crisis that began in 2007. It requires the larger UK high street banks, including Barclays, to separate certain retail and smaller corporate banking activity and products, like savings accounts, current accounts and payments, from more complex, wholesale and investment banking activity and from certain activities outside of the UK and European Economic Area. This separation must be completed by 1 January 2019.


Barclays Bank UK PLC and Barclays Bank PLC will operate alongside, but independently from one another.

Both Barclays UK and Barclays International currently operate within the legal entity of Barclays Bank PLC. Barclays UK offers everyday products and services to retail and consumer customers and small to medium sized enterprises based in the UK, and Barclays International delivers products and services designed for our larger corporate, wholesale and international banking clients. During the first half of 2018, we will formally separate the Barclays UK division into a new legal entity – Barclays Bank UK PLC – which will become our UK ring-fenced bank, subject to court and regulatory approvals.

Products and services designed for our larger corporate, wholesale and international banking clients will continue to be offered by Barclays International from within Barclays Bank PLC. Barclays Bank UK PLC and Barclays Bank PLC will operate alongside, but independently from one another as part of the Barclays Group under the listed entity, Barclays PLC.

In September 2017, in preparation for the separation of the Barclays UK business into its separate legal entity, we created our Group Service Company, Barclays Services Limited, as a subsidiary of Barclays PLC. The Group Service Company will deliver critical infrastructure services to businesses within the Barclays Group and will enhance operational continuity for our business units, facilitating the execution of recovery and resolution plans in the event of financial difficulty. It will also become a centre of excellence for services required by the business, such as fraud management and cyber security, reducing duplication and promoting best practice across our businesses.

The new organisational structure, illustrated below, brings complementary businesses more closely together; creates an enhanced focus on our client proposition and offering across all target sectors; and, through the creation of the new Group Service Company, establishes a centre of service excellence that will drive efficiency and increase the Group's resilience.

 Further information on Structural Reform can be found on page 204 of the Barclays PLC Annual Report 2017. Illustrative unaudited pro-forma financials for Barclays Bank UK PLC and Barclays Bank PLC are available at home.barclays.com/annualreport

