

Shared Growth Ambition

2017 Reporting Framework

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For the year ended 31st December 2017

Approach

The aim of this document is to outline Barclays' Shared Growth Ambition reporting framework and set out the definitions and measurement methodology for our key performance metrics.

The Shared Growth Ambition, Barclays' Citizenship strategy for 2016-18 includes a revised and streamlined set of performance metrics, aligned to the key focus areas as noted below. This builds on the measurement framework, reporting processes and controls developed for our 2015 Citizenship Plan.

We will continue to maintain a robust internal and external assurance process for our key metrics, helping to ensure that we have strong controls and clear audit trails. Reporting on non-financial metrics does not yet have the same rigour and standardised definitions that apply to financial reporting. We are keen to enhance our approach to measuring performance and adopt more innovative ways to measure the wider outcomes and impacts of our activity. However, we also need to strike a balance between innovative metrics and the ability to credibly gather and verify data. We need reliable tracking mechanisms with robust controls.

We publish this reporting framework, which sets out definitions and assumptions for our key metrics, and outlines data collection and verification processes. We are committed to improving our reporting processes and will publish an updated version of this reporting framework on an annual basis.

Global Reporting Initiative

Our 2017 Environmental Social Governance (ESG) Supplement has been prepared in accordance with the Core option of the Global Reporting Initiative ('GRI') G4 Sustainability Reporting Guidelines and Financial Sector Supplement. See our 2017 ESG Supplement at <https://www.home.barclays/citizenship/our-reporting.html> for more information.

Assurance

KPMG LLP undertook a limited assurance engagement over selected performance information in our 2017 ESG Supplement. Refer to their statement within the ESG Supplement available at <https://www.home.barclays/citizenship/our-reporting.html>.

Shared Growth Ambition

Shared Growth is based on the concept of shared value, a corporate strategy based on policies and practices that enhance competitiveness by addressing social and environmental issues. With its focus on financial access, upskilling the economy and financing solutions to global challenges, the Shared Growth Ambition aims to turn social purpose into corporate strategy.

The Shared Growth Ambition defines opportunities for Barclays across four themes, defined in close consultation with internal business leaders and external stakeholders.

1. **Access to Financing:** We continue to create access to funding solutions for areas including, environmental financing via the capital markets and lending for clean energy, water and low carbon technologies; social infrastructure; national and supranational development institutions; and small business financing. We also continue to support our Green Bond Treasury portfolio.
2. **Access to Financial and Digital Empowerment:** We improve access to financial services, including developing targeted empowerment products and services for individuals and small businesses. We also provide digital and financial literacy skills training to help empower our customers.
3. **Access to Employment:** We help people develop the vital skills they need to get into work and support entrepreneurs to scale businesses and create employment opportunities.
4. **The Way we do Business:** We also continue to have performance targets for the way we do business – reducing global carbon emissions by 30% from a 2015 baseline by 2018, ensuring that we pay our suppliers on time and that our colleagues complete training and attest to the Barclays Way, our global Code of Conduct.

Enhancing our focus on impact

We will continue to report against our goals in our Annual Report and ESG Supplement – this will be done using a range of quantitative and qualitative indicators, tracking both the outcomes and, where possible, the impact and outcomes of our activity.

Shared Growth Ambition metrics and definitions

The following glossaries define the reporting boundaries and definitions for Barclays' Shared Growth Ambition KPIs. All our data is for all of Barclays PLC. The terms 'Barclays' or 'Group' mean Barclays PLC together with its subsidiaries. 'Barclays' and 'Group' are terms which are used to refer to the preceding group when the subject matter is identical.

Theme	Metric	Definition	Reporting and controls process
<p>ACCESS TO EMPLOYMENT</p> <p>This addresses a major global challenge, while also building long-term demand for banking services</p>	<p>Number of people up-skilled to help achieve their ambitions</p>	<p>We measure the number of people who access Barclays' help to develop the vital skills they need to obtain employment, as well as the number of entrepreneurs supported to scale their businesses.</p> <p>Supply – Upskilling and vocational training: This includes regional employability programmes and other business-led employability initiatives.</p> <p>Demand – Entrepreneurship: This includes employment accelerator programmes (through our partnership with <i>Unreasonable</i>).</p>	<p>The majority of data is reported via Salesforce, a customised Employability reporting tool.</p> <p>In Salesforce data is reviewed and signed off at two different levels – country and region, before it is reviewed again centrally and aggregated into an overall figure.</p> <p>Further details on how we report on the number of individuals supported with LifeSkills can be found at http://www.barclayslifeskills.com/reporting and in appendix 1 of this document.</p>

Theme	Metric	Definition	Reporting and controls process
<p data-bbox="226 336 468 480">ACCESS TO FINANCIAL AND DIGITAL EMPOWERMENT</p> <p data-bbox="219 512 474 655">This ensures customers and communities can benefit from financial and digital services, while helping us increase loyalty and engagement</p>	<p data-bbox="504 304 960 408">Number of individuals and small businesses with improved access to financial and digital empowerment services</p>	<p data-bbox="987 300 1413 355">We track the number of individuals with enhanced access to one of the following:</p> <p data-bbox="987 395 1480 616">A – Digital skills – We measure the number of individuals who have accessed at least one of Barclays’ digital skills products, designed to empower those who are digitally excluded and ensure they are not excluded from financial services in an economy that is gradually moving toward digital and mobile banking.</p> <p data-bbox="987 655 1480 711">Products can be delivered by Barclays directly or through partners and digital platforms.</p> <p data-bbox="987 751 1480 999">B – Financial literacy and health – We measure the number of individuals whom we have helped to access tools, products or programs to improve their understanding, capability and confidence to use financial products and services in a way which contributes to personal financial health and resilience, increases financial literacy and enhances access.</p> <p data-bbox="987 1038 1480 1094">Products can be delivered by Barclays directly or through partners and digital platforms.</p> <p data-bbox="987 1134 1480 1318">C – Financial inclusion – We measure the number of customers and non-customers for whom we are helping to remove physical and technical barriers to access our services (e.g. low or no credit scores), in particular disadvantaged, disabled and vulnerable groups.</p>	<p data-bbox="1516 304 2080 440">Data is extracted from key internal systems, automatically derived from digital platforms or provided by external partners (for example in the case of Tea & Teach events).</p> <p data-bbox="1516 496 2085 632">In each case the data is reviewed and signed off internally within the responsible business unit, before it is reviewed again centrally and aggregated into an overall figure.</p> <p data-bbox="1516 679 2080 967">Where applicable, duplications (e.g. use of multiple products or services by the same individual) within each product or service category are eliminated from the data sets. Duplications are currently still possible across the entire KPI. For example, a customer with a card product targeted at improving financial inclusion could also attend a digital skills workshop. We are looking at ways to improve reporting going forward.</p>

Theme	Metric	Definition	Reporting and controls process
<p>ACCESS TO FINANCING</p> <p>This helps to fund crucial social and environmental infrastructure, while giving us access to growing markets</p>	<p>Financing in select social and environmental segments (GBP)</p>	<p>We measure the volume (in GBP) of new financing in select social and environmental segments in the reporting period.</p> <p>We believe the debt and capital markets can and will play a stronger role in funding critical social and environmental infrastructure. We aim to work across our business lines to deliver innovative client-focused solutions across a range of critical social and environmental themes:</p> <ul style="list-style-type: none"> • Environmental financing – capital markets and lending for clean energy, water, low carbon technologies and other categories; • Social Infrastructure – social housing, education and other public services; • Development institutions – Government related development banks, Supranationals; and sovereign issued green bonds; and • Small business financing in the 25% most deprived areas of the UK – focusing on businesses within the scope of our submissions to UK Finance’s (UKF) SME database. 	<p>Financing volume is tracked across selected segments and business lines according to specific social and environmental inclusion criteria developed with Sustainalytics .</p> <ol style="list-style-type: none"> 1. Qualifying social and environmental themes Barclays commissioned Sustainalytics, a global provider of ESG and corporate governance research, ratings and analytics, to help develop an Impact Eligibility Framework for assessing financing in social and environmental segments. This defines the selected segments eligible to be tracked under the framework. Current application and exclusions are noted below. <p>The framework is reviewed annually and is available on our website at https://www.home.barclays/citizenship/our-reporting.html</p> <ol style="list-style-type: none"> 2. Current Application of the Impact Eligibility Framework (2017) <p>Not all potential eligible lending aligned to the framework is currently covered.</p> <p>Social themes for lending currently only include social housing and education. We may look to add additional categories in future years.</p>

Theme	Metric	Definition	Reporting and controls process
			<p>Environmental/Green themes include a wider range of clients. However, there may be small and medium sized business clients that qualify under the criteria but are not currently tagged within Barclays systems.</p> <p>3. Financing and lending volume definition</p> <p>All financing volume is reported on a Barclays pro-rata share basis:</p> <ul style="list-style-type: none"> • For capital markets transactions, Barclays share of the transaction or league table credit • Syndicated lending reflects Barclays share or hold of the overall transaction value. • Lending is calculated as total value of new commitments during the period. <p>4. Reporting process</p> <p>Data is collected from Barclays systems (lending data) or through external data sources (public capital markets transactions).</p> <p>Transaction data is collected from the Dealogic platform, Bloomberg and Thomson Reuters over the reporting period</p> <p>Additional transactions that are not picked up through the Dealogic download, are sourced from Barclays'</p>

Theme	Metric	Definition	Reporting and controls process
THE WAY WE DO BUSINESS			<p>internal lending systems, assessed on a case-by-case basis and added manually.</p> <p>Relevant transactions and loan volume are screened against the qualifying social and environmental themes.</p> <p>All data is reviewed by business teams and subject to central checks by the Finance and Citizenship teams before finalisation.</p>
	'Barclays Way' Code (% employees attested)	<p>This KPI reports on the percentage of employees who have completed and passed the 'Barclays Way' (Code of Conduct) training via the Barclays Learning Management System globally.</p> <p>The module is assigned to all operational colleagues for completion. We exclude Managed Services employees from Barclays PLC reporting. Non-operational colleagues include those on long term leave, and are not assigned the training until their return.</p>	<p>The data is collected via the Barclays Learning Management System. The learning module enables employees to attest that they have read and demonstrate that they understood the full Barclays Way.</p> <p>The completion data is reviewed by business units and the Board Reputation Committee.</p>
	Global carbon emissions (tonnes CO2e)	<p>The methodology used to calculate our CO2e emissions is the Greenhouse Gas Protocol (GHG): A Corporate Accounting and Reporting Standard Revised Edition, defined by the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD). We have adopted the operational control approach on reporting boundaries to define our reporting boundary. Where properties are covered by Barclays' consolidated financial statements but</p>	<p>Data collection and reporting is managed by the Corporate Real Estate Solutions (CRES) Environmental Team. Carbon performance is gathered using the internal management reporting process run by the CRES Environmental Team.</p>

Theme	Metric	Definition	Reporting and controls process
		<p>are leased to tenants, these emissions are not included in the Group GHG calculations Where Barclays are responsible for the utility costs, these emissions are included. Our reporting boundary is as follows:</p> <ul style="list-style-type: none"> • Scope 1: direct combustion of fuels (globally, and company-owned vehicles UK) • Scope 2: purchased electricity and steam for own use (globally) • Scope 3: Indirect emissions from business travel (global air travel UK private cars, rail, taxis and UK, India and US car hire) 	
	<p>% suppliers paid on time (45 days, by value)</p>	<p>Barclays measure payment on time by calculating the percentage of third party supplier spend paid within a specified time following invoice date, or receipt date if the invoice is already over 45 days from invoice date (by value over a three month rolling period) for all entities where invoices are managed centrally.</p>	<p>Payment performance data is sourced from the Group SAP system and is reviewed centrally before being reported internally each month.</p>

Appendix 1 – LifeSkills reporting criteria

The motivation behind LifeSkills is to create a better future for all young people. LifeSkills aims to ensure no young person is left behind by equipping them with the key skills needed in the future, boosting our economy and supporting our society.

The programme began on 30th April 2013.

As of the 31st December 2017, the number of young people that have participated since the programme was launched had reached 5,493,026 Δ (number of participants from launch to 31st December 2016: 3,613,251).

LifeSkills created with Barclays – Reporting Criteria

This document sets out the Barclays LifeSkills team’s reporting approach and criteria to enable measurement and reporting on the number of young people that have participated in the LifeSkills programme.

The LifeSkills KPI

KPI: the number of young people that have participated in the ‘LifeSkills created with Barclays’ programme.

Scope

All young people, defined as between 11 – 35, and having participated in the ‘LifeSkills created with Barclays’ programme.

There are three ways young people can participate in the programme:

1. Young people register themselves at www.barclayslifeskills.com and participate through interactive content on their own;
2. Young people participate in lessons led by Barclays volunteers and charity partners funded by Barclays;
3. Young people participate in workshops led by teachers.

Independent assurance

Barclays engaged KPMG LLP (KPMG) to undertake limited assurance using the assurance standard ISAE 3000 over selected information included within the Barclays Environmental Social Governance Report for the reporting year ended 31 December 2017. We have included some of that information that was subject to KPMG's limited assurance in this LifeSkills report which has been marked with the symbol Δ. KPMG's full assurance statement is available on the Barclays website at <https://www.home.barclays/citizenship/our-reporting.html>¹

Unit of measurement

Number of young people defined as between 11 – 35 years old as at the date of registration.

1. Young people register themselves online:

Participants for this group are defined as those who have registered, are aged between 14 – 35 years old, and who have collected 11+ points through participation in the online modules.

Owing to data privacy rules, young people need to be aged 14+ to access the website. When young people aged under 14 contact us to ask how they can register, we recommend they ask a parent or guardian to do so on their behalf.

Exclusions

- a. Prior to June 2014, registration was not a requirement for young people to access the content and as such during this time participation as defined above was not captured and is not included in the KPI.
- b. During the period 1 January 2017 - 31 December 2017, we discounted the number of registered participants aged between 14-18 by 42.3%. To calculate this assumption, we used the percentage (42.3%) of online users stating “teacher referral” during their online registration. We believe this change in approach reflects a more accurate estimation.

¹ The level of assurance provided for a limited assurance engagement is substantially lower than for a reasonable assurance engagement. A summary of the work KPMG performed is included within their full assurance statement. Non-financial performance information is subject to more inherent limitations than financial information. It is important to read the data in the context of KPMG's full assurance statement and the Barclays LifeSkills Reporting Guidelines.

During the period 22 January 2015 - 31 December 2016, we discounted the number of registered participants aged between 14-18 by 27%. To calculate this assumption, we used the percentage (27%) of online users stating “teacher referral” during their online registration. We believe this change in approach reflects a more accurate estimation.

For the period June 2013 – 21 January 2015 we used the percentage (44%) (based on independent research findings) of teachers who refer participants to the LifeSkills website for further information.

After a review of the referral reasons given for all 2017 registrations, we plan to use 50.3% for 2018. This will be reviewed mid-year to ensure it is still correct.

2. Young people participating in lessons with Barclays volunteers and charity partners:

Participation for this group means that the young people have attended and completed a lesson based on LifeSkills materials and lesson plans with Barclays volunteers or charity partners funded by Barclays.

Method

There are two methods that we count:

i. Lessons run by charity partners funded by Barclays

Barclays fund four charity partners to organise and facilitate workshops on our behalf in schools where 21% or above of students are eligible for Free School Meals. The numbers of students participating in these workshops are reported to the LifeSkills team by our charity partners to enable allocation of the correct number of volunteers and for the purposes of tracking participant numbers.

ii. Lessons organised by Barclays volunteers and employees

Barclays volunteers can organise their own lessons independently of the LifeSkills team. Barclays volunteers download materials and deliver lessons in accordance with Barclays LifeSkills internal guidance on the number of volunteers needed per participant. Volunteers report their volunteering hours and the number of participant to the Barclays Community Investment team, where the information is recorded on a system called GivingForce.

Only those volunteers that are not already counted by the LifeSkills team in method (i) described above, are counted in this method. Barclays LifeSkills guidance is for one volunteer per 10 participants.

However, we reviewed the average ratio of volunteers to participants in 2017 and found the actual ratio was found to be one volunteer per 12 students. Therefore, we have used this ratio (1:12) to estimate the participation figures for these sessions for the period 1 January 2017 – 31 January 2017. This Ratio was reviewed at mid-year 2017 and remained constant.

Note that before 1 January 2016, the ratio used was 1:10. Between 1 January 2016 – 31 December 2017, the ratio used was 1:12.

3. Young people taught through teacher led lessons:

Participation for this group is defined as young people being taught LifeSkills content by a teacher or tutor.

Method

- a. An active teacher is defined as a teacher who has:
 - o registered on the Life Skills website; and
 - o downloaded at least 1 set of materials and lesson plans in the current academic year (1 August – 31 July). For example, if a teacher downloaded materials in January 2017 and again in September 2017, this would mean that they have been active twice. Therefore, we would calculate the number of participants as 2 x teacher multiplier (see b. below) x teacher cap multiplier (see c. below).
- b. We use independent research performed for Barclays with a selection of participating teachers to estimate the average number of unique young people participating in lessons, per teacher, per teaching year.

For the period 30th April 2013 – 21 January 2015 this was 134 students per teacher, per teaching year.

For the period 22 January 2015 – 31 December 2016 this was revised down to 124 students per teacher, per teaching year.

For the period 1 January 2017 – 31 December 2017 this was revised up to 126 students per teacher, per teaching year.

- c. Most institutions have more than one teacher registered for LifeSkills. Where there is more than one active teacher, there is the risk of double counting as students may participate in lessons with more than 1 teacher. We have assessed that applying a cap of 3 active teachers per secondary school will reduce the risk to an acceptable level and avoid double counting.

For the period 30th April 2013 – 21 January 2015, we used a cap of 2 registered teachers, giving a multiplier of 0.89 to reflect this cap.

For the period 22 January 2015 – 31 January 2016, we have conservatively capped the participation figures to 3 active teachers, per academic year, by multiplying the estimate of young people participating in lessons, per teacher, per teaching year by 0.907.

For the period 1 January 2017 – 31 December 2017, we have used a multiplier of 0.946.

Following a review in 2017, we will use 0.950 for the period from 1 January 2018.

- d. Teachers can also request Barclays volunteers through the LifeSkills website and these lessons are directly organised with volunteers by the LifeSkills team. The number of participants is logged as an important programme metric but since 22 January 2015 is not included in the final programme participation figures because we assume that the students are taught in teacher-led lessons. This ensures that there is no double counting between teachers who download lesson plans to use with their students and lessons run with those same students by Barclays volunteers. For the period 30 May 2013 – 21 January 2015 our approach to help ensure no double counting was to remove the active teachers (and relevant participants) who downloaded online material and also requested volunteers. We believe this change in approach reflects a more accurate estimation.

Changes to our methodology

We review our calculation methodology in light of improved understanding of the data. Where we have updated assumptions based on this improved understanding we have also considered the impact of any new assumptions on previously calculated participation levels. Where changes to our assumptions have a material impact on the previously calculated participation levels we adjust the brought forward cumulative number of participants by applying the new assumptions.

In calculating the cumulative number of participants from inception of the scheme on 30 April 2013 to 31 December 2017, we have made no adjustments to the cumulative number of participants reported from inception of the scheme on 30 April 2013 to 25 January 2015 of 1,110,434, as we consider that the effect on the previously calculated total of the changes to our assumptions are not material, individually or in aggregate.