

## **GRACECHURCH CARD (HOLDINGS) LIMITED**

### **Strategic Report (continued) For the Year Ended 31 December 2022**

#### **Principal risks and uncertainties (continued)**

During 2022, the Barclays Group, including the Company, ran a stress test to assess its capital adequacy and resilience under a severe but plausible macroeconomic scenario. The internal stress test was informed by the Bank of England 2022 regulatory stress test featuring high and persistent inflation, rising global interest rates, a severe UK recession brought by falling household real incomes, job losses leading to a high unemployment rate, energy and cost of goods shocks, increasing corporate defaults, and severe house and real estate price shocks.

The principal risk is that the investment in its subsidiary generates lower than expected returns on investment to the Company. The Directors seek to mitigate this risk through the day-to-day business of the Company.

Information on how the Company's Directors manage these risks and uncertainties is explained in note 11 to the accompanying financial statements.

#### **Key performance indicators**

The principal components of the Company's operations are centred on the performance of the investment held in its subsidiary. These have performed in line with expectations during the year.

#### **Section 172(1) statement**

The Directors have acted in the way that they considered, in good faith, would be most likely to promote the success of the Company for the benefit of its member as a whole and this section forms our section 172 disclosure, describing how, in doing so, the Directors considered the matters set out in section 172(1)(a) to (f) of the Companies Act 2006. The Directors also took into account the views and interests of a wider set of stakeholders, including the UK Government and non-governmental organisations.

The Directors considered, amongst other matters, the following:

- the documents governing the financing and other principal transactions to which the Company is party (together, the "programme documentation") have been formulated with the aim of achieving the Company's purpose and business objectives, safeguarding the assets of the Company and promoting the success of the Company;
- the Company has no employees;
- the Company has appointed various third parties to perform certain roles strictly governed by the programme documentation, fee arrangements agreed in advance;
- as a special purpose vehicle, the Company has no physical presence or operations and accordingly has minimal impact on the community and the environment.

#### **Engagement in action**

##### *Supporting our customers, clients, colleagues and communities through challenging times*

In response to unusually large increases to living costs experienced by UK colleagues, Barclays Group brought forward part of the 2023 pay increase, awarding 35,000 UK-based junior colleagues a £1,200 salary increase effective from August 2022, ahead of our annual salary review. In January 2023, Barclays Group worked closely with Unite the Union to agree a 2023 UK pay deal which, combined with the August 2022 increases, brought the total average salary increase for our lowest paid colleagues up to 11%. By doing this Barclays Group ensured that the minimum rate of pay in the UK remains well ahead of Living Wage Foundation benchmarks.

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**Strategic Report (continued)  
For the Year Ended 31 December 2022**

**Engagement in action (continued)**

*Responding to the impacts of the Russian invasion of Ukraine*

The impacts of the war are numerous and widespread, with implications for Barclays Group, its clients and customers and other stakeholders. This has resulted in heightened awareness of certain principal risks such as conduct, reputational, compliance and cyber risk. These risks are managed within the established risk framework and key performance indicators remain within the risk appetite defined by the Company.

This report was approved by the Board on 28 June 2023 and signed on its behalf by:

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**P H Whitaker**

For and on behalf of Intertrust Directors 1 Limited  
Director

Date: 28 June 2023

Company number: 03817404