Barclays Group: Diversification provides balance and stability

- c.50% income

Barclays UK

- £7.4bn income

- Current accounts
- Wealth & Investments
- Payments
- Corporate banking
- Mortgages
- Personal loans
- Credit cards
- Merchant acquiring

Barclays International

- c.35% income

- £14.5bn income

- Currency & Geography

- Customers & Clients

- Product spectrum

- Capital markets
- Investment banking
Barclays UK: Differentiated by scale, digital leadership and innovation

**Meaningful relationships:** driving increased engagement with existing customers and clients

- Transforming customer interactions
- Leveraging digital and data
- Rewarding customers

**Delivering sustainable returns:** stable NIM, prudent growth in balances, conservative risk appetite and structural cost reduction over time

**Key metrics FY 2016**

<table>
<thead>
<tr>
<th></th>
<th>Income</th>
<th>NIM</th>
<th>RoTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>£7.4bn</td>
<td>3.62%</td>
<td>19.3%</td>
<td></td>
</tr>
<tr>
<td>£2.6bn</td>
<td>53%</td>
<td></td>
<td>52 bps</td>
</tr>
</tbody>
</table>

1 Excluding notable items
Barclays UK: Diversified business, driving growth with existing customers
# Transforming customer interactions: Delivering an omni-channel experience

<table>
<thead>
<tr>
<th>Cost (Index)¹</th>
<th>Branch</th>
<th>SkyBranch</th>
<th>Digital</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.5</td>
<td>2</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

## Transformation since 2013

### Automate
- 71% of core branches automated with intelligent deposit machines
- Reduced counter transactions by 46% to 93 million
- Video banking kiosks
- Intelligent safes

### 24x7 capability
- Video banking
- Secure chat
- Social media interaction

### Build and scale
- Multiple digital assets launched
- Barclays Mobile Banking functionality from zero to over 100 features in 2016
- ‘Save and resume’ across channels
- New business model with partners

## Quantum

<table>
<thead>
<tr>
<th>Branches²</th>
<th>UK sites²</th>
<th>&gt;9 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,560 to 1,305</td>
<td>6 to 2</td>
<td>Digitally active customers</td>
</tr>
</tbody>
</table>

Supported by common infrastructure facilitating first point of contact solutions for customers and colleagues

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¹ Cost index represents relative aggregate cost of different customer channels
² From 2013 to 2016
Transforming customer interactions: Developing new business models

- Product and service capabilities
- Credit scoring
- Propensity modelling
- Personalisation engine
- Rewards
- Deep linking with partners
- Customer insights
- Security and resilience

Digital log-ins (m)

- 2012: 356
- 2013: 753
- 2014: 1,108
- 2015: 1,361
- 2016: 1,691
Leveraging digital and data: Building once and reusing

Proven success in consumer lending

Over £2bn of unsecured lending originated and fulfilled digitally in 2016

Digitally originated and fulfilled unsecured lending has a cost: income ratio in the low 20s

Extending across Barclays UK

6 taps from application to approval for Barclaycard

1st UK bank to have a Digital Business Lending Application on Mobile

Simplified overdrafts and SMS alerts to customers

>5m customers have personalised limits
Leveraging digital and data: Realising significant opportunity with our 24 million customers

Premier and Mortgages

#1 affluent mortgage provider in the UK

On average Premier customers are 65% more profitable than Community customers

£57bn Premier mortgage balances held “off-Barclays”

Barclaycard and Current Accounts

4.3m Barclays customers pre-selected for a Barclaycard

Barclaycard customers have £19bn in “off-Barclays” credit card balances

- Leveraging our data to drive personalised and relevant offers to customers
- Improved underwriting at a holistic customer level
- Channel shift to digital, reducing cost and increasing customer experience and satisfaction

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1 Source: GFK - share of mortgage balances as at Dec-16 | 2 Where a Premier customer holds loans and a mortgage or savings of £10k+ | 3 By value

7 | Barclays UK | 17 March 2017
Leveraging digital and data: Growing the fee line

Smart Business

Business & banking dashboard

A directory of leading business apps

- Single customer view of cash flow and its drivers all in one place
- Provides relevant data to drive customer conversations and timely customer prompts
- Provides strategic options for generating income growth
Leveraging digital and data: Growing the fee line

Direct Invest

- Fully integrated investment and banking service. Seamless and easy environment for customers to invest.
- Market leading pricing and digital engagement tools.
- Opportunity for customers who are investing for the first time with a focus on long term goals.

We are the only bank to allow you to view your current account, savings and investments in one place side by side.

Barclays UK | 17 March 2017
Rewarding customers: Building loyalty and trust

- Over half a million customers signed up for Blue Rewards, increasing brand NPS by 59%
- Partnership model including cost and revenue share
- >200 retailers
- Deep linking to reward/retailer content, providing segmented customer experience

<table>
<thead>
<tr>
<th></th>
<th>Cashback</th>
<th>Blue Rewards</th>
<th>Premier Rewards</th>
<th>Little Book of Wonders</th>
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<tbody>
<tr>
<td>Wealth</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Premier</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Community</td>
<td>✔️</td>
<td>✔️</td>
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In partnership with Barclays

Including:
- Expedia
- simplifydigital
- energyhelpline
- COACH
- England Rugby Store
- Jacques Vert
- The White Company London
Delivering attractive and sustainable returns

**Prudent balance sheet**
- Prudent growth in balances
- Maintained conservative risk profile

**Stable income profile**
- Attractive and stable NIM: 350-360bps range for FY 2017\(^1\)
- Disciplined product pricing
- Growth through leveraging digital and data

**Cost efficiency**
- Aiming for <50% cost : income ratio
- Focus on automation and digitisation
- Improving cost efficiency over time

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1. Estimated range assuming Bank of England base rate at 0.25%  
2. Excluding notable items
Conclusion

Barclays UK
Diversified business differentiated by scale, digital leadership and innovation

Meaningful relationships
Driving increased engagement with existing customers and clients
- Transforming customer interactions
- Leveraging digital and data
- Rewarding customers

Sustainable returns
Delivering sustainable and attractive returns
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