Jes Staley
Barclays Group Chief Executive Officer
Completed Barclays’ restructuring

Africa selldown complete
- Sold down to target shareholding of c.15% and achieved proportional regulatory consolidation

CET1 ratio within end-state range
- CET1 ratio of 13.1%, reflecting strong capital generation from profits and 47bps from Africa selldown

Non-Core closed
- Closure on 1 July 2017 with residual RWAs of £23bn, ahead of guidance
Transatlantic Consumer, Corporate and Investment bank

Barclays UK
RoTE of 20.4%¹
UK consumer and business bank
differentiated by scale and digital innovation

Stronger and simpler Barclays, benefitting from diversification and stability

Barclays International
RoTE of 12.4%
Diversified transatlantic wholesale and consumer bank

Group Service Company
Enabling world-class services for our customers and clients while driving efficiency

Strong capital position

CET1 ratio of 13.1%
13.4% pro-forma for BAGL³

Simpler organisation

Reduced headcount by c.60k

Focused on improving returns

Group RoTE of 8.1%²
Core RoTE of 10.4%¹

¹H117 RoTE excluding £700m of charges for PPI | ²H117 RoTE excluding Africa selldown effects (£1,435m loss on sale of 33.7% of BAGL’s issued share capital and £1,090m impairment of Barclays’ holding in BAGL) and £700m of charges for PPI | ³Assuming full regulatory deconsolidation, at 30 June 2017 |
Targeting Group RoTE of >10%

1. Eliminate structural reform and restructuring costs
   - Structural reform/compensation charge/other
     - c.£0.7bn
   - Non-Core costs
     - c.£0.5bn
   - c.£1.2bn of costs in 2017

2. Improve CIB returns
   - Redeployment of capital in the CIB loan book and improved funding assumptions
   - Cost efficiencies and strategic investments

3. Drive cost efficiency through the Service Company
   - Group-wide processes
   - Standardised ops & tech
   - Simplified architecture
   - Automation and digital
   - Innovative technologies
   - Right-sized footprint
   - Generating capacity to reinvest in the business

Of which c.£1bn eliminated by 2019

Restructured and repositioned CIB

Creating capacity to self-fund investment

Driving CIB returns higher

World-class central shared services

Targeting Group CIR <60% over time

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1 Includes Structural Reform Programme implementation costs, the change in compensation awards introduced in Q416 and other restructuring costs.
Material reductions in our cost base, creating capacity to self-fund investment in the business

Group operating costs excluding notable items, conduct and litigation

1 As previously presented in Barclays’ annual reports. 2 Africa Banking reclassified as a discontinued operation in 2016. 3 2013 includes costs to achieve as previously disclosed in Barclays’ annual reports, 2016 and 2017 include Structural Reform Programme implementation costs, the change in compensation awards introduced in Q416 and other restructuring costs.
Service Company enables the delivery of world class services to our customers and clients while driving efficiency gains

Barclays UK

Barclays International

Group Service Company

COO

Functions

Ensuring seamless connectivity with the business entities

Scaling market leading technology and removing redundancy

Sharing best practices

Initial stand-up September 2017

Fully operational in April 2018
Facilitating simplified and standardised operating environments to create greater operational leverage

Operations, technology and functional services organised into transaction cycles, focused on common processes and solutions

- Customer and client focus
- Breaking down silos
- Simplification and clarity
- Security, resilience and controls
- Innovation
Managing the bank through transaction cycles, driving savings and the capacity to self-fund investment

- **Fraud**
  - Firm-wide approach to key fraud types
  - Adopting machine learning and AI
  - 10 fraud handling departments reducing to 1
  - Reducing customer friction, improving detection
  - Minimising the cost of fraud

- **Collections**
  - Alignment of policy, processes and toolsets across Barclays UK
  - Digitisation and automation of processes
  - Single customer view across all products
  - Consolidating 9 locations down to 4

- **Contact centres**
  - Consolidation of global contact centre estate
  - Creation of ‘universal banker’ across multiple products at first point of contact
  - Consistent customer service standards launched globally
  - Voice biometrics live

- **Digital**
  - Customer and client journey automation
  - Build once and deploy across all channels
  - Cloud and API ready
  - 9.6m digitally active UK customers
  - 5.9m Barclays Mobile Banking active users
  - 55% of instant lending via mobile channel

- **Procurement**
  - Supplier and consultant rationalisation
  - Enhanced procurement discipline
  - Material reduction in preferred suppliers, accounting for over 70% of 3rd party spend

Standardised front to back processes and solutions that operate horizontally across the Group
Creating capacity for investment

**Payments**
- **#2** Merchant Acquirer in Europe
- **1 in every 3** UK card transactions
- New merchant acquiring platform ‘bPaid’

**US Cards**
- **#9** Issuer in the US
- Co-brand model
- New co-brand credit card partnership with Uber

**Barclays UK**
- **24m** Customers
- 9.6m Digitally active
- Mobile active customers +19%
- #1 Mobile Banking App
- Data analytics to build meaningful customer relationships and growth

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1 Nilson report #1104 for US Cards and #1110 for Payments | 2 Great British Mobile Banking Review 2017 – The Memo
Leading on FinTech innovation through Rise

Rise, created by Barclays, is a community of the world’s brightest FinTech start-ups, experts and industry leaders, working together with us to create the future of financial services. It has state-of-the-art workspaces and is home to the Barclays Accelerator programme, powered by Techstars.

100+ companies through the Accelerator since 2013
250+ start-ups are members of Rise
Group financial targets

- **Returns**
  - Group Return on Tangible Equity (RoTE) >10%

- **Capital**
  - Group CET1 ratio
    - 150-200 bps above regulatory minimum level → c.13%

- **Costs**
  - Group Cost: income ratio <60%

Intend to achieve these targets within a reasonable timeframe
Disclaimer

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