The Group Service Company enables the delivery of world class services to our customers and clients while driving efficiency gains.

- **Customer-centricity**: Delivering strategically aligned and sustainable processes for our customers and clients, driven by their needs.

- **Breaking down silos**: Implement a group-wide shared service operating model as a lever to reduce costs through economies of scale and process reengineering.

- **Simplification and clarity**: A comprehensive, coherent and integrated shared service provider to operate efficiently in a ring-fence ready environment.

- **Security, resilience and controls**: Holistic approach to security and global resilience with a coordinated and structured approach to controls.

- **Innovation / ‘Rise’**: Preeminent platform for innovation driven by customer and client experience.
We are building the Group Service Company for sustainable strategic advantage

Barclays UK

Barclays International

Group Service Company

COO

- Technology
- Data
- Strategy
- Cyber & Physical Security
- Controls
- Innovation ‘Rise’
- Real Estate
- Operations

Functions

- Finance
- Risk
- Treasury
- Internal Audit
- Compliance
- HR
- Legal
- Tax

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 the development of simplified and standardised operating environments to create greater leverage

We have organised our operations, technology and general services into Transaction Cycles focused on a set of common processes and solutions

**Customer-centricity**
- Shift from a product centric to a customer centric approach
- Greater business agility and reduced time to market
- High specialisation

**Simplification**
- Structurally simplified organisation
- Global reach and local action
- Demolish redundancy
- Investing in automation and self service

**Standardisation**
- Standardise operating environment
- Reduce legacy fragmentation
- Leverage industry utilities
- Location strategy

**Innovation**
- ‘Rise’ open innovation platform
- Accelerator programme for FinTech companies
- Increase the frequency and pace of controlled experiments

**Transparency**
- Active business engagement will drive and flex costs of services
- Value enhancing service level agreements relentlessly measured by KPIs

**Control**
- Structured and consistent across the organisation
- Expand advanced monitoring and self healing software
- Increase resilience via global footprint
Generating shareholder value by positioning Barclays at the forefront of industry change and innovation

Building holistic group wide capabilities to transform customer interactions and drive growth

**FOCUS AREAS**

- **Shared Services Synergies**
  - Shared best practices and solutions across the Group Service Company
  - Build once, use many times approach

- **Innovation**
  - Leverage the customer franchise and market position to launch differentiating capabilities
  - Transforming into a FinTech incumbent

- **Automation, Digitisation and Data**
  - Transforming and automating customer interactions
  - Utilisation and monetisation of data

- **Cloud & API**
  - Accelerate cloud infrastructure driven services
  - Extending our platform functionality using APIs

- **Resilience and Security**
  - Deep control of cyber and technological risks
  - Strengthened Controls environment to reduce operational risks and improve compliance

**OUTCOMES**

- **Excellence in Cost:Income**
- **Next generation products and services**
- **Benefits across the full P&L**
- **Increase productivity**
- **Enhanced customer and client trust**
## Case study: SkyBranches / Contact Centres

### Creating a seamless end to end customer experience in an omni-channel environment

#### Historical Challenges
- ~30 contact centre sites employing ~12,000 employees, providing a multi-channel experience
- >100 technology platforms
- >50 suppliers and outsourced services
- Duplication of processes – separate contact centres dedicated to different products (e.g. debit cards vs. credit cards)
- Inconsistent processes e.g. seven different ways to perform an address change
- Over 60% of calls relate to general servicing

#### Group Service Company Opportunity
- **Creation of a universal banker**
  Focus on ‘first point of contact’ resolution
- **Omni @ Scale**
  Further develop omni-channel capabilities (e.g. video, secure chat, social media)
- **Platform consolidation**
  Standardisation, digitalisation and automation of processes
- **Consolidation of locations**
  Optimisation of capacity and fungibility of resources

#### Progress
- Consolidation of four contact centres into two omni-channel centres of excellence in the UK
- Best-in-class training and development of universal bankers
- Customer complaint resolution at ‘first point of contact’
- Further automation of customer services
- Accelerate voice security deployment
# Case study: Fraud

## Provide frictionless customer experiences by building best-in-class capabilities

<table>
<thead>
<tr>
<th>Historical Challenges</th>
<th>Group Service Company Opportunity</th>
<th>Progress</th>
</tr>
</thead>
</table>
| - Genuine customer declines historically greater than market leaders | - Frictionless customer experience  
Minimise interruptions at point of sale and provide robust protection to customers  
Business growth  
Customer trust will drive loyalty and business growth  
Minimise the cost of fraud  
By taking a firm-wide approach to key fraud types | - Alignment of multi-functional teams globally  
- Agile development to identify the best tools and processes for managing key fraud types  
- Continuous evaluation of customer behaviour via machine learning to reduce fraud rates (e.g. 38% higher ATM fraud detection rates)  
- Roll out of #digisafe programme  
- Expand shared services to higher valued-added analytics and reporting  
- Decommission legacy roles, locations and technology |
| - Disparate local processes with multiple fraud teams in business and product silos | - Improve customer satisfaction  
Efficiency savings | |
| - Dislocation between risk, operations, technology, cyber and fraud analytics teams, spread across 19 locations | | |
| - Reliance on vendor solutions and legacy technology (>100 different technology platforms) | | |

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7 | Deutsche Bank Global Financial Services Conference | 30 May 2017
### Case study: Innovation / ‘Rise’

**Opportunity to remain at the forefront of industry change and innovation**

<table>
<thead>
<tr>
<th>Historical Challenges</th>
<th>Group Service Company Opportunity</th>
<th>Progress</th>
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<tbody>
<tr>
<td>▪ FinTechs and large technology companies are creating new services and products far more rapidly than traditional banks</td>
<td>▪ <strong>Customer behaviour not technology drives ‘Rise’ agenda</strong>&lt;br&gt;▪ <strong>Investment in platforms</strong>&lt;br&gt;New platforms enhance competitive advantage and increases productivity and automation</td>
<td>▪ <strong>Unique insight across the spectrum of FinTech companies</strong>&lt;br&gt;Accelerators in London, Manchester, New York, Tel Aviv, Mumbai and Vilnius</td>
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<td>▪ Significant investments into the sector have increased the risk of disintermediation</td>
<td>▪ <strong>Attract and establish partnerships with FinTechs via our Accelerators</strong>&lt;br&gt;We provide FinTechs with the opportunity to grow to scale</td>
<td>▪ <strong>250+ FinTech start-ups</strong>&lt;br&gt;based in Barclays Accelerator sites</td>
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<tr>
<td>▪ Challenge of discovering and evaluating emerging technologies</td>
<td>▪ <strong>Innovate for performance</strong>&lt;br&gt;Drive innovation for our own operational efficiency (e.g. cyber and data)</td>
<td>▪ The platform to innovate at scale is a differentiating strategic advantage</td>
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<td></td>
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<td>▪ Increase frequency and pace of controlled experiments</td>
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<td>▪ Improve connectivity between mainstream technology teams and Rise partners</td>
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</table>
Paul Compton
Group Chief Operating Officer
Disclaimer

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