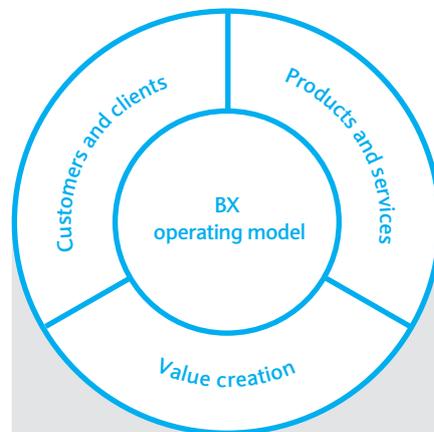


# World-class service provider



**Paul Compton**  
CEO, Barclays Execution Services

**2018 is the second year of operations for BX and we have gone from strength to strength. Through our centres of excellence we are delivering capacity to support investment in our businesses and drive exceptional customer service.**



#### Customers and clients

- BUK and BI businesses – and their customers and clients

#### Products and services

- Technology
- Operations
- Other functional services

#### Value creation

- To our customers and clients – delivering high quality services and an outstanding experience
- To society – safety and continuity of services to the financial system
- To shareholders – generating efficiencies by transforming the way we do business

#### Overview

BX is the Group-wide service company providing technology, operations and functional services to businesses across the Group.

The initial catalyst for the creation of BX was the UK ring-fencing regulation and the need to ensure operational continuity. However, from day one, we have thought about BX strategically as an organisation that can drive productivity and capacity across Barclays. BX has a central role in Barclays' operating model supporting the performance of both the BI and the BUK businesses.

BX operates through centres of excellence which group complimentary processes and services together in order to offer consistency and efficiency of delivery. It is an organisation of scale and sophistication with nearly two-thirds of colleagues within the BX organisation.

## Strategy

The BX strategy is to be a world class provider of simple, efficient, innovative and secure services, which deliver customer and shareholder value.

We will achieve this by leveraging our centres of excellence to drive operational excellence and outstanding customer experience to create competitive advantage.

We remain focused on eliminating inefficiencies within the Group, creating capacity to enable investment both in our core infrastructure and in growth opportunities.

Bringing teams together creates opportunities to identify and share best practices and foster innovation. This delivers enhanced controls and security resulting in a more resilient organisation.

## Market and operating environment

In an era of high paced development, maintaining state of the art technology for our customers and colleagues is critical. Technology is a core enabler of our strategy and BX partners with BI and BUK to ensure that we continue to offer a market leading digital offering; for example, supporting the development of BUK's mobile banking application and developing enhanced electronic trading capabilities for BI's Equities business.

## Risks to the operating model

Robust management of operational risks have never been more important in financial services and Barclays is no exception. BX is at the forefront of actively managing the Group's operational risks. Key focus areas for BX include enhancing and maintaining the cyber defences and technology resilience that is critical. The threat of cybercrime remains a key risk and we continue to invest in keeping our customers and businesses safe. We have made major investments in our cyber defences, including in our global network of Security Joint Operation Centres. These are state of the art integrated facilities, providing 24/7 monitoring and response capability enabling a Group-wide collaborative response to threats and incidents potentially impacting our colleagues, customers and clients.

Technology resilience is at the heart of our approach to operational resilience. The demands of stakeholders including customers, markets and regulators, have never been greater in respect of this risk. We continue to invest to ensure the operational resilience and reliability of our technology infrastructure.

## Key highlights of the year

Throughout 2018, we have delivered outstanding customer service and kept Barclays safe and secure.



## Engaging with financial technology companies to drive innovation

Innovation plays a key role in solving Barclays' challenges, identifying new revenue and investment streams and building next-generation products, services and platforms. One way of bringing innovation into the organisation is by harnessing the power of FinTech companies.

Known as the #homeoffintech, Rise, created by Barclays, is a global community of the world's top innovators working together with our colleagues, partners and clients, to create the future of financial services. Rise operates state-of-the-art workspaces in key cities across the world, including London, New York, Tel Aviv and Mumbai. Today, we have over 250 Technology companies who are based at Rise, along with a virtual community of over 6,000 members.

In 2018, we successfully halved the onboarding cycle time for our clients across Corporate, Markets and Banking and 95% of Corporate new-to-bank clients say they have had a positive experience with their onboarding manager.

Our investments in resilience and in our cyber defences are enhancing the resilience of our operations. In addition, we have made major strides in moving our hosting solutions to the Cloud and this will remain an area of focus in 2019.

We have continued to develop our digital capability and in 2018 we added over 15,000 clients onto our Corporate Banking iPortal platform, covering more than 80% of the customer base. In addition, we added more cash management services to the platform and launched the first mobile version.

Rise is home to the Barclays Accelerator, powered by Techstars. Now in its fifth year, this 13-week programme is designed to tackle some of Barclays' biggest challenges, as well as shape and scale the next generation of FinTech businesses. To date, we've had over 140 companies graduate from the programme. Their combined valuation is estimated at £550m.

This year, we launched 'Rise Growth Investments', making up to £10 million of investment capital available to each class of ten companies coming through the Barclays Accelerator. These funds would provide financial support at a key growth stage for FinTech companies working with us on strategic opportunities, reflecting Barclays' commitment to mutual growth and success.

In 2019, investment in iPortal will increase to allow the addition of: digital onboarding and servicing; improved user experience; extended transaction banking capabilities; and API accessibility to deliver a market leading Corporate Banking platform. We have developed strategic campus sites in Whippany, Glasgow and Pune which provide state of the art work spaces for our colleagues.

Our focus on our customers and clients remains relentless.

## Paul Compton

CEO, Barclays Execution Services