

# Delivering for our stakeholders



# Barclays is a British universal bank

## Our purpose is creating opportunities to rise

We support sustainable and inclusive growth by connecting the ideas, innovations and aspirations of our customers and clients to the capital that can bring them to life.

For over 325 years we have funded progress, and today we remain committed to helping to make our world more sustainable, more inclusive and more connected.

Our values underpin everything we do: Respect, Integrity, Service, Excellence and Stewardship.

### FOR OUR CUSTOMERS AND CLIENTS

We will help them to realise their financial aspirations in line with our values.

### FOR OUR COLLEAGUES

We will empower them to be themselves, motivate and engage them to do their best work, develop them and build their career and support their health and well-being.

### FOR SOCIETY

Our success over the long term is tied inextricably to the progress of our communities and the preservation of our environment.

### FOR OUR INVESTORS

We will build a strong, diversified and sustainable business that can deliver consistent returns in a way society expects.

## Diversified and resilient for long-term success

### Our strategy

We are a British universal bank with a diversified and connected portfolio of businesses, serving retail and wholesale customers and clients globally.

[See pages 8 to 11](#)

### Our business model

Our diversified business model is core to our strategy. The resilience this brings means we can deliver value to all our stakeholders.

[See pages 12 and 13](#)



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## Delivering for our stakeholders

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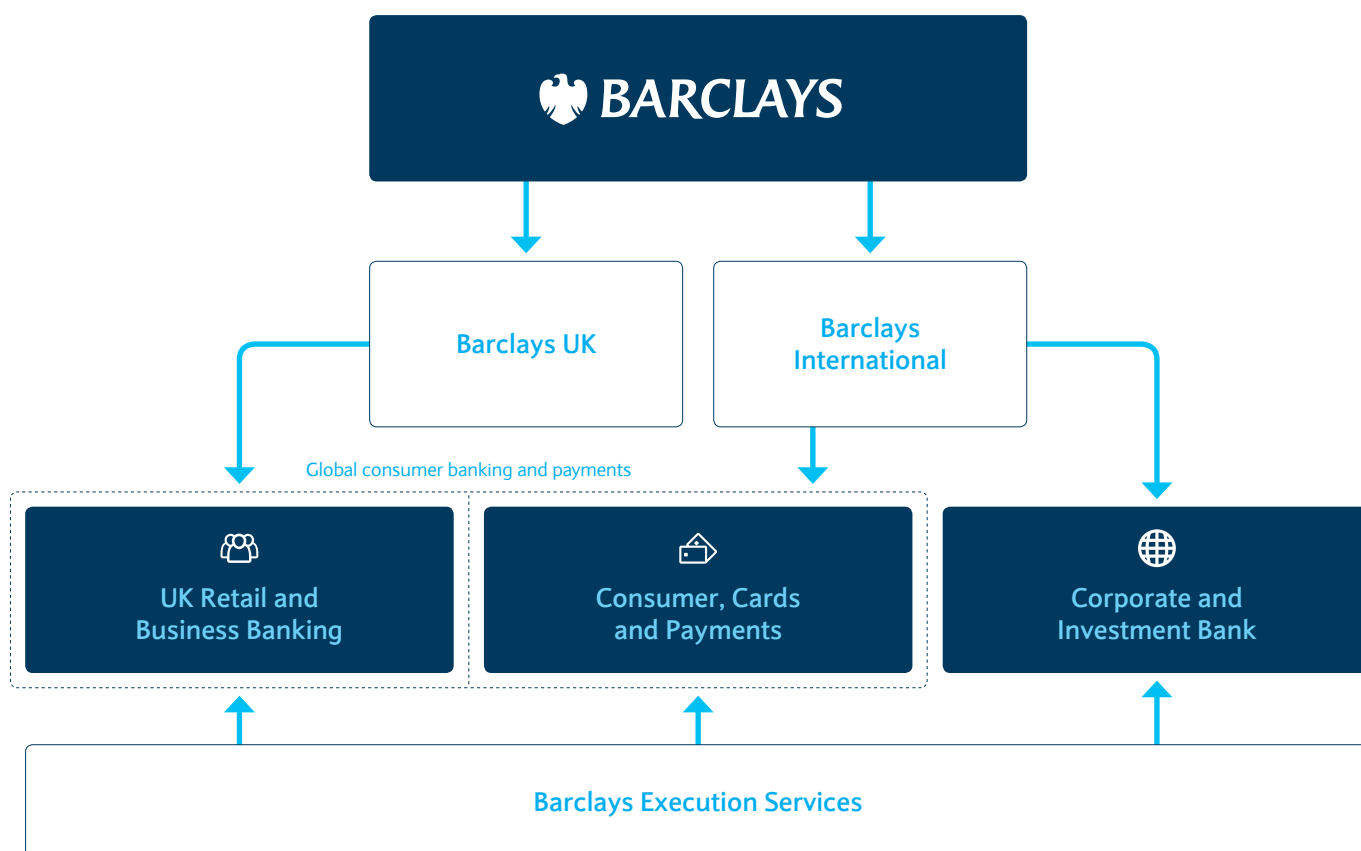
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# Understanding Barclays

Barclays is a British universal bank. We are diversified by business, by different types of customer and client, and by geography. Our businesses include consumer banking and payments operations around the world, as well as a top-tier, full service, global corporate and investment bank.

## Our structure

Barclays operates as two divisions, Barclays UK and Barclays International, supported by our service company, Barclays Execution Services – or BX as we call it.



Barclays UK is our UK ring-fenced bank, comprised largely of our UK Personal & Business Banking and Barclaycard Consumer UK businesses. Barclays International consists of the Corporate and Investment Bank (CIB) and international Consumer, Cards & Payments (CC&P) businesses. Barclays Execution Services (BX) is the Group-wide service company providing technology, operations and functional services to businesses across the Group.

In March 2019, Barclays announced certain leadership changes, including the appointment of a new Group Head of Consumer Banking & Payments, whose role is to oversee the execution of plans for the Group's consumer banking and cards and payments businesses in the UK and internationally.

# Highlights

Where relevant, metrics on this page are presented excluding litigation and conduct

## Group income £bn



## Group profit before tax £bn



Group profit before tax including litigation and conduct was £4.4bn (2018: £3.5bn, 2017: £3.5bn).

## Group return on tangible equity %



Group return on tangible equity including litigation and conduct was 5.3% (2018: 3.6%, 2017: (3.6)%).

## Earnings per share p



Earnings per share including litigation and conduct was 14.3p (2018: 9.4p, 2017: (10.3)p).

## Dividend per share p



## Common Equity Tier 1 ratio %



## Operating expenses £bn



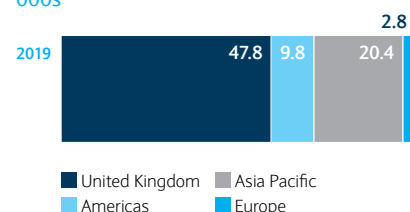
Operating expenses including litigation and conduct was £15.4bn. 2018: £16.2bn including litigation and conduct and a charge of £140m for Guaranteed Minimum Pensions (GMP). 2017: £15.5bn including litigation and conduct.

## Cost: income ratio %

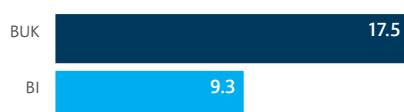


Cost: income ratio including litigation and conduct was 71% (2018: 77%, 2017: 73%).

## Number of colleagues by region 000s

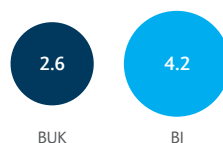


## Return on tangible equity by business %



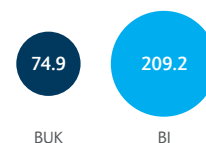
BUK and BI return on tangible equity including litigation and conduct was 2.7% and 9.0% respectively.

## Profit before tax by business £bn



BUK and BI profit before tax including litigation and conduct was £1.0bn and £4.1bn respectively.

## Risk weighted assets by business £bn



BUK and BI risk weighted assets for 2018 were £75.2bn and £210.7bn respectively.



# Building a stronger, better and more valuable company

Barclays has a real purpose, a clear strategy, strong values and improving performance.



A handwritten signature in blue ink, reading 'Nigel Higgins'.

**Nigel Higgins**  
Chairman

Barclays is now in a much stronger position than a few years ago to face the challenges ahead.

Barclays is one of the major banks of the world. It has a long history, sufficient scale and significant potential. The last 10 years have, however, been fairly troubled in the world of finance, including for Barclays. Much of this has been self-inflicted but the external environment has also been challenging, and indeed remains so. It is a tribute to the current management team, supported by tens of thousands of hard-working and dedicated colleagues, and by the Board, that Barclays is now in a much stronger position than a few years ago to face the challenges ahead. I would like to start by thanking them for all of their hard work and also to compliment my predecessor, John McFarlane, who played a key role in overseeing the transition from the troubles of the past towards what we believe will be a more prosperous and safer future. The Board and I will do our best to continue that work.

Barclays now has a real purpose, a clear strategy, strong values, and improving performance.

## Purpose

Our purpose is expressed in the phrase 'creating opportunities to rise'. We want to use finance and our broader financing, savings and advisory capabilities to help customers and clients in our chosen markets; to empower our colleagues to play meaningful roles in meeting those objectives; and to make a real contribution to society in the round.

Over time, these ambitions will enable us to build a stronger, better and more valuable company for our shareholders. It may be unfashionable to talk about banks doing good, but something which has struck me as much as anything else since arriving at Barclays has been the extraordinary breadth and depth of activity undertaken by colleagues to help the communities in which we work. I also cannot but commend the 'tone from the top'. There is a real commitment to make finance simpler and more accessible for the vulnerable in society. In 2019, we helped 2.3 million individuals improve their skills through our LifeSkills programme and we helped place 66,000 individuals into work through our Connect with Work partnerships. More than in the past, the bank is embracing its

environmental responsibilities and seeking to be one of the leaders in the transition to a low-carbon economy. I, and my colleagues, are committed to helping Barclays be a force for good in society; the pursuit of that goal is one of the reasons why I was so enthusiastic about assuming this new role.

## Strategy

Our results indicate that our strategy is working. It is of course, to a degree, shaped by our history and by the choices available to us, but we can, and constantly think about how to, refine it. It is important to focus on where we can be strong and effective, but also different. We are a British universal bank, serving retail and wholesale customers in many markets. There are plenty of revenue and cost sharing opportunities available across our retail, corporate and investment banking platforms and activities. Recent results, with an improving Corporate and Investment Bank and the UK retail market under pressure, demonstrate that we benefit from this diversification. Furthermore, we are a committed Europe headquartered universal bank and a leading European player in the US. In today's world that has real benefit.

## Performance

That is not to say of course, that we have yet got everything right. Performance over the last few years has seen a step change in its trajectory, consistency and transparency to all of our stakeholders. The Group has transformed. Underlying returns and cost efficiency have improved and the capital position is now secure. Group return on tangible equity has improved year on year to 9.0%, in line with the 2019 target, yet our target is to perform consistently above 10%. The global macroeconomic environment and current low interest rates mean it has become more challenging to achieve this and the Board and the management team recognise that there is still work to do. The underperforming areas have been clearly identified and are, we believe, receiving the appropriate strategic attention and indeed investment where that makes sense.

This is not a short journey. Business is never easy but we, like many of our peers, have the real challenge of ensuring that all our businesses, whether addressing family finance, derivatives trading or SME lending to name but a few, stand up with the best in a digital world. This has to be achieved while the 'factory' keeps operating, with minimal customer inconvenience and within the parameters for investment returns which we and our shareholders deem appropriate. Over the last three or four years, the current management team has strengthened the control environment of the bank and dealt with our major legacy conduct issues. At the same time we are ensuring the operational resilience of the organisation, including our ability to deal with cyberthreats, which have unfortunately become part of daily life. We are not satisfied however that we are yet at 'best-in-class' status across the board. Nor have we reduced customer complaints, in particular in the retail business, as far as we think should be possible. All this remains to be done.

In assessing our performance, including how far we have gone in hitting not just our financial targets but our ambitions around resilience and customer satisfaction, we look at multiple measures. In the rest of this report you will find a balanced assessment of where we stand in our major business areas when it comes to business performance, colleague engagement and customer or client satisfaction and feedback. We also stand back and look at our contribution to society, including what more we can do.

We stand back and look at our contribution to society, including what more we can do.

That includes how we are thinking about the environment and tackling climate change. We are committed to a positive, thoughtful and authentic role in the transition to a low-carbon economy and are, and will continue to be, working closely with all of our stakeholders to ensure that we make a real difference.

## Culture

I would like to add a word about the culture of the organisation. At an individual level I have been very impressed with the way in which colleagues clearly live our values. This is equally true in places as diverse as London, New York, Whippany, Northampton, Glasgow, Manchester, Pune and Chennai. Concern for the individual is broad at Barclays and we strive to lead the way in providing opportunities for colleagues with disabilities and in supporting those with mental health issues. Finding ways to help talent progress, inside and outside the firm, and respecting the diversity of all of our communities are again deep rooted characteristics of the organisation. There is also a deep sense of loyalty to Barclays, whether in the UK retail business, in the more international Corporate and Investment Bank or in Consumer, Cards and Payments, which today houses much of the old Barclaycard business. In BX, the service centre for the worldwide Group, there is a real fixation with professional excellence and teamwork. The firm overall, however, remains quite complex and occasionally still operates in silos, too slowly or with too many layers.

This is another management challenge for the future: how to take all of our culture and processes into the 21st-century, moving the organisation completely from product focus to customer or client focus, and embracing the fact that the acceptable speed of delivery is today often measured in seconds or minutes rather than weeks.

## The Board

The process of simplification has started with the Board. The Board is a little bit smaller than it was; we are grateful for the dedicated service of those who left in 2019. We are delighted to have added Dawn Fitzpatrick, Mohamed El-Erian and Brian Gilvary to the Board, all of whom bring considerable experience in our end markets. We have also simplified the structure at the top of the organisation, increasing the overlap between members of the Board of Barclays PLC and that of Barclays Bank PLC, the company which houses our Barclays International businesses (Corporate and Investment Bank and Consumer, Cards and Payments). For the next phase, we aim to add more new faces to the Board, increasing relevant domain knowledge and bringing a greater diversity of background and opinion. We aspire to a Board that challenges management in a constructive way, knows its subject matter, understands its governance responsibilities and adds real value to the senior management team.

## The future

What to expect for the future? We are committed to our target of generating returns over time of over 10%. The macroeconomic environment, with low interest rates and a flat yield curve, makes it harder to achieve that than we had hoped. Nonetheless, we strive to more than cover the cost of capital on a sustainable basis. We have started to increase cash returns to shareholders and we plan to continue in that vein. We will keep costs under control and BX will prove an active engine to drive cost efficiency and create capacity for targeted investments. We will grow certain businesses, with a bias towards those which are less capital intensive, and continue to invest in our differentiated strengths as an incredibly strong financing, advisory and servicing bank for retail and wholesale customers around the world. I believe that we are fortunate in having a management team which is focused relentlessly on delivering the improvements ahead.

**Nigel Higgins**  
Chairman

# Looking to the future

2019 has seen Barclays emerge from its transformation of recent years as a stronger, leaner, higher-performing organisation.



**James E. Staley**  
Group Chief Executive

I'm very proud of the way the management team and our colleagues around the world have maintained their focus on making a tangible difference every day to the customers and clients we are here to serve. In delivering for them, we continue to demonstrate that the strategic path we are on is the right one for our organisation.

## Continuing to deliver

The choices we have made about the shape and scale of Barclays are being validated by our performance. We know that we have more to do, but today we are a well-capitalised, British universal bank that is consistently profitable.

The diversity of the Group, both geographically and by business, remains a source of real strength. It provides us with exposure to growth in different economies, balance across currency fluctuations, and resilience through the economic cycle.

BX, our service company, continues to be a powerful force in continuously improving the efficiency, effectiveness and control of our core operating platform. It will also help create the capacity to invest in our future as the right opportunities present themselves.

These defining features of our business have meant our financial performance has again improved on the previous year, and the momentum in Barclays continues to build. We are in a strong capital position, with a Common Equity Tier 1 ratio of 13.8%. We have delivered return on tangible equity of 9%, in line with our 2019 target, with income up 2% and costs down 2%.

Our financial strength has enabled us to return capital to shareholders, which we will continue to do through a progressive ordinary dividend supplemented with additional cash returns, including share buy-backs, as and when appropriate. But, more than that, it's a performance that means we can make choices about our future from a position of stability.

## Guided by our purpose

As we write the next chapter of Barclays' story, those choices are guided by our purpose. The profession of banking has a unique role in society and it is our fundamental belief that we can and must do business in a way that does good. Through the work we do with our customers and clients, we can have a meaningful impact on the progress of our communities and the preservation of our environment, as well as making a positive difference to the health and well-being of our employees.

We take that duty seriously, and it shapes our view of the professional culture we want to be known for and the business we want to become.

We are today a well-capitalised, British universal bank that is consistently profitable.



## The challenges ahead

Our future is not entirely within our own hands, however, and we must recognise the role that factors outside of our control will always play in our continued success.

The global economic environment will be markedly different in the medium term than it has been in recent decades. Despite very low levels of unemployment across the developed world, persistently low wage inflation and a related lack of inflationary pressure will likely cause central banks to hold interest rates at low levels for longer than otherwise expected. This in turn could raise concerns that the valuation of financial assets will become inflated.

We also see further regulatory change, and continued uncertainty related to Brexit, creating additional headwinds.

That is the reality of the context in which we will operate next year, but we are confident that Barclays is well-positioned and will further improve returns meaningfully in 2020.

## Growing our business

The profitability and cost efficiency of our model mean that we are also sustainably creating the capacity to grow.

We are focused on growth in areas where we have a significant customer base and believe we can differentiate Barclays over the next three to five years. In particular, growth in fee-based, technology-led, annuity businesses with lower capital intensity will further diversify the organisation, without limiting our commitment to the businesses we already have.

We will accelerate our digital journey, and continue to play a leading role in capturing innovation and bringing it to life, at scale, for millions of customers and clients.

I am very grateful for the generous support and guidance the management team and I enjoy from our Chairman and the Board. We know that we must stay focused and maintain our pace, but we believe that Barclays is well placed to continue the momentum we have built through our transformation.

We look forward to delivering for all of our stakeholders in 2020 and beyond.

**James E. Staley**  
Group Chief Executive

We will continue to play a leading role in capturing innovation and bringing it to life, at scale, for millions of customers and clients.

### Return on tangible equity<sup>a</sup>

9.0%

2018: 8.5%

### Common Equity Tier 1 ratio

13.8%

2018: 13.2%

### Income

£21.6bn

2018: £21.1bn

### Operating expenses<sup>a</sup>

£13.6bn

2018: £13.9bn excluding litigation and conduct and a GMP charge of £140m.

Note

<sup>a</sup> Excluding litigation and conduct.

# Our strategy

We have a proud history and deep roots in the UK, with the scale and diversity to serve customers and clients around the world across a broad range of their financial needs.

## Our strategy

As a purpose-driven organisation, we aspire to create opportunities to rise for all of our stakeholders. Our strategy has been developed to balance the needs of our customers and clients, our colleagues, our investors and wider society.

We have transformed Barclays over the last four years, responding to changes in the economic and regulatory environment, and to the changing needs of our customers and clients.

There are only a handful of banks in the world that can now do what we do. We have domestic strength; diversification of customers and clients, and of products; scale and geographic reach; an efficient and stable operating model; and a strong and positive culture.

We know we need to keep up the pace of evolution and delivery, and that we have more to do. Our customers and clients expect us to play a leading role in making banking work better tomorrow than today. Regulation continues to develop. The economic backdrop, particularly low interest rates, will present challenges for all banks for the foreseeable future.

Our strategy builds on our strengths and will steer us through those challenges. We must deliver for all of our stakeholders by understanding and balancing their different expectations of our business.

**We will do that via our 4 strategic pillars.**

## Creating opportunities to rise

Our aim is to connect the ideas, innovations and aspirations of our customers and clients to the capital that can bring them to life.

### 4 STRATEGIC PILLARS

1

#### Focusing on customers and clients

Putting them at the heart of decision making about how to manage our business today, and how to shape it for the future.

2

#### Becoming more digital

Because that's increasingly how our customers and clients prefer to deal with us, and because it makes our business more efficient.

3

#### Protecting and strengthening our culture

Drawing on our purpose and values to guide our choices as individuals and as an organisation.

4

#### Maintaining and increasing our diversification

Looking for opportunities within and outside our organisation that build on our current strengths and make us resilient in different economic conditions.



## 1. Focusing on customers and clients

We do more business with our customers and clients when we make it easy for them to deal with us. We believe the best way to do that is to listen to what people are trying to achieve, and how they would like to achieve it.

Our Barclays UK customers told us, for example, that using one app to manage their Barclaycard and another to manage everything else wasn't as easy as it should be. So we changed it, and now they can access everything in the same award-winning Barclays App<sup>a</sup>.

They also told us that buying a new house was stressful enough, so they really wanted getting a mortgage to be as easy as possible. We looked again at the process and made it simpler, and introduced a video chat service to help guide people through it. As a result, many of our customers can now get a mortgage approved on the same day.

New clients signing up to our payments business told us that it took too long to get on board. So we worked to simplify and speed up the process, meaning that we now have same day on-boarding for most of our customers – and with less paperwork too.

We're making small changes right across Barclays every day to make things better. And because all of our businesses share a common

core operating platform in BX, we can often make improvements once, but get the benefit everywhere.

We're in the distinctive position of enabling consumers to make payments digitally, while also supporting the companies who receive those payments. Because we can see all sides of a transaction we have the data about how payments work. And we're using our investment in technology to give us actionable insights into the payment process that make life quicker and simpler for our customers and clients. For example, we've helped one large UK insurance client realise millions of pounds' worth of additional online customer transactions, simply as a result of the improvements we made in their payment routes.

We track things like Net Promoter Scores (NPS) and what people think of our brand, as well as the number of complaints we receive when we haven't got things right.

We believe that designing our business around what people want is the best way to do more business. And when we look for new opportunities in the future, we believe that's also the best place to start.

There's more to do in reshaping Barclays to make the most of the connections between our businesses. We'll continue to do that by starting with a real customer or client need and working back from there.

We do more business with our customers and clients when we make it easy for them to deal with us.

Note

a Best use of mobile at FStech Awards 2019.

# Our strategy

## 2. Becoming more digital

The world is becoming more digital. For lots of our retail, corporate and institutional customers, it's how they prefer to do their banking.

So we're investing more than ever in building the Barclays of the future.

In Corporate Banking, we have been building a single digital platform, which over 80% of our corporate clients are now using.

In our Markets business, we have been investing to stay at the forefront of the industry-wide shift to greater electronic execution.

In our retail businesses we now have significant expertise in delivering digital services.

More of our customers are choosing to bank with us online and on their phones. In Barclays UK we currently have over 11 million digitally-active customers and nearly 8.5 million active mobile banking users.

And we're seeing better customer engagement as a result.

However, we recognise that more complex needs still need to be dealt with in person, with technology helping wherever it can. So our investment in the future is also going towards making our branches more digital, which means they're quicker and easier to use for everyone. In fact, 91% of our customer transactions are now automated across all our channels.

In a digital world, data is what joins everything together. Banking has always been about making connections and we're using the diverse data from across our business to make new connections.

We're helping our retail customers to manage their household budgets by using data to understand where their money's going, and bringing them a more personalised experience; we're helping merchants improve their customer payment and e-commerce experience by using data to understand and simplify their checkout process. We're helping corporate clients use data to manage their supply chain better.

Data is a valuable asset and we know that people care deeply about their privacy and security. We've been protecting both for years and we are not going to stop now. We continue to invest in our infrastructure to ensure it is resilient to cybercrime and we have deployed a number of cybercrime detection tools to protect customer data. We have also released a range of products and services to help keep customers safe, ranging from algorithm-based fraud detection to card freezing capabilities in the mobile banking app.



### Safe and secure in a digital age Building resilience

Our customers have trusted us to keep their money safe and secure for over 325 years. As banking has become more digital, so have the threats, which means that protecting our customers, and ourselves, has become more digital too.

Criminals are more sophisticated today than ever before, but we've invested millions in security, resilience and defence to hold them back.

We've built state-of-the-art joint operations centres around the world, so that we're watching for the next attack 24 hours a day, 365 days a year. We've introduced machine learning to help spot and stop fraudulent transactions.

We're using in-app and online prompts, as well as our adverts, to help educate customers about new types of fraud and scams, such as push payment fraud. And we're protecting the privacy of our customers with world-class data protection.

As technology continues to change, we know that the threats will keep evolving too. But our plans to make our bank more digital mean we're committed to always staying one step ahead.

We are focused on making our business more resilient, better controlled, and more efficient. Being more digital also allows us to significantly reduce our costs, which creates the financial capacity to invest in growth.

We have centralised the core operating functions of Barclays into BX, the digital heart of our organisation. Over the past two years that's enabled us to reduce duplication, simplify our operating environment and re-engineer our processes.

As we become more digital, we want to play a leading role in capturing innovation and bringing it to life – at scale.

We'll do that through partnerships with entrepreneurs building the future from the ground up, through our global Rise community of FinTech innovators, and our Eagle Labs community in the UK. And we'll do it by working closely with innovators inside and outside our organisation, through Barclays Ventures and innovation-focused teams across Barclays, to accelerate the growth of new business lines and build new customer propositions around disruptive technology.



### 3. Protecting and strengthening our culture

As a purpose-driven organisation, we are working hard to create a culture where each and every colleague feels empowered to take decisions that balance all our stakeholder interests.

Our most senior leaders spend significant time setting the right tone at Barclays, and our purpose and values are now deeply embedded in their message.

We are committed to creating a culture which gives our colleagues the opportunity to reach their potential, within an inclusive and supportive environment.

As an example of this, we have launched the BeWell programme which provides expert advice and guidance on practical steps that colleagues can take to look after their physical and mental health.



You can read more about our approach to supporting our people on [pages 28 to 31](#).

We believe that our purpose-driven culture will help us reduce the impact of poor conduct on our stakeholders and our financial performance and we track our progress through metrics such as the number of operational risk events and compliance breaches.

Outside our organisation, we believe that our success over the long term is tied inextricably to the positive impact we can have on the environment and the communities where we live and work.



You can read more about how we see our role in society on [pages 32 to 35](#).

Diversification creates the balance and resilience required to deliver through the economic cycle.

### 4. Maintaining and increasing our diversification

Our diversification is a real strength, and we will maintain and increase our diversity as we evolve.

Our revenue today comes from different businesses, different types of customer and client, different types of income, and different geographies. We believe this diversification creates the balance and resilience required to deliver through the economic cycle.

As a result of having such a broad range of products and services, we can support our customers and clients across almost all of their financial needs. It also creates opportunities for growth.

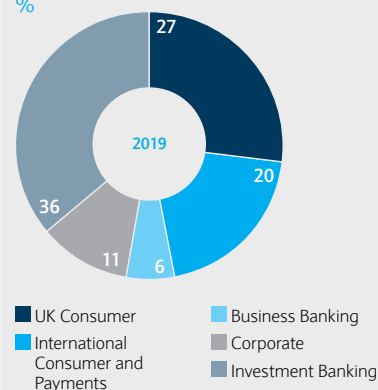
Across our businesses there are multiple areas where we benefit from significant scale – and where there is opportunity to further enhance the products and services we deliver for our customers and clients, without materially increasing capital deployed.

For example, in our payments business, we are using our strengths in the UK to better serve UK small businesses, while also targeting international expansion in Europe. Our Corporate Bank is enhancing its client-facing digital platform and expanding into new European markets without the overheads of a branch presence. And Barclays UK is building an integrated banking, financial planning and investments platform connected to the Barclays App, and focusing on our c.1m Premier customers.

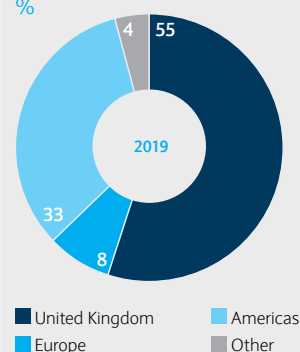
In addition, by combining our operating platform, through BX, we can share our investment and expertise across the whole of Barclays.

Our results indicate that our strategy is delivering. By optimising returns in our scale businesses whilst targeting growth in some of our less capital intensive businesses, we believe that we will continue to deliver. Our business model, described on the following pages, is the way in which we use our resources and deploy our strengths to deliver value for all our stakeholders.

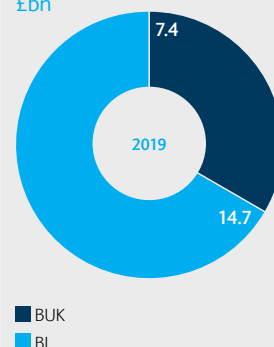
Group income by customer %



Group income by region %



Group income by business £bn



# Serving our stakeholders

Banks play a key role in connecting the providers and users of capital – Barclays recognises this role in serving society, and our success as a business has always been inextricably linked to the progress of the people, communities and businesses we serve.

We deploy our resources...  
to deliver the right outcomes  
for our clients

to serve our diversified  
customer base...  
ranging from retail banking  
customers, through to the largest  
multinational corporates and  
institutional clients



## People

Our people are our organisation. We deliver success through a purpose-driven and inclusive culture.



## Financial resources

We deploy our financial resources to help our customers and clients achieve their ambitions.



## Technology and infrastructure

Our deep technology and infrastructure capabilities drive seamless customer experiences and support strong resiliency.



## Operations and governance

Our risk management, governance and controls help ensure client outcomes are achieved in the right way.

### UK Consumer

# 27%

of our Group income

### International Consumer and Payments

# 20%

of our Group income

### Business Banking

# 6%

of our Group income

### Corporate

# 11%

of our Group income

### Investment Banking

# 36%

of our Group income

across all of their financial needs...

with our diverse range of products and services

employing our unique strengths...

which allow us to be the trusted financial partner for all of our customers and clients

to deliver value to all our stakeholders

and fulfilling a vital role in the economies in which we operate

## Move

We facilitate transactions and move money around the world.

- Payments
- Foreign exchange

## Lend

We lend to customers and clients to support their needs.

- Term lending
- Trade and working capital
- Credit cards
- Overdrafts

## Connect

We connect companies seeking funding with the financial markets.

- Equity capital markets
- Debt capital markets

## Protect

We ensure the assets of our clients and customers are safe.

- Deposit accounts
- Risk management

## Invest and advise

We help our customers and clients invest assets to drive growth.

- Investments
- Trading
- M&A

## Brand and heritage

Our strong brand and heritage earns trust from our customers and ensures we are delivering outcomes in the right way.

## Diversified model

Our diversified model strengthens our ability to deliver attractive and sustainable Group returns amidst economic uncertainty.

## Digitisation and innovation

Being at the forefront of innovation allows us to deliver excellent customer experiences and enables growth.

## Service execution

Our service company, BX, allows us to deliver excellent customer experiences and drive effective and efficient services.

## CUSTOMERS AND CLIENTS

Supporting financial goals for our customers and clients with products and services delivered through a superior offering.

See pages 20 to 27

## COLLEAGUES

Helping our colleagues across the world develop as professionals, and achieve their ambitions in the right way.

See pages 28 to 31

## SOCIETY

Providing support to our communities, and access to social and environmental financing to address societal needs.

See pages 32 to 35

## INVESTORS

Delivering attractive and sustainable shareholder returns on a foundation of strong capital and funding.

See pages 36 to 38



# Engaging with our stakeholders

Barclays aims to create value for its stakeholders, balanced across both the short and the long term. We engage with our stakeholders to better inform them of our activities and to create mutually supportive opportunities and outcomes for them.

## Who are our stakeholders?

### CUSTOMERS AND CLIENTS

Our customers and clients are those stakeholders who use our products, services and financial expertise.

See pages 20 to 27

## Why we focus on these stakeholders?

Our customers and clients are central to our business – without them, we would not exist.

## How do we engage them?

We engage and build our relationships with our customers and clients in a number of ways, from face-to-face interactions to the award-winning Barclays App.

We conduct a wide range of customer and client research to better understand their interactions with, and expectations of, Barclays. This includes close analysis of our NPS and monitoring of customer complaints.

### COLLEAGUES

Our colleagues embody our culture and provide excellent service to our customers and clients.

See pages 28 to 31

Our people are our most valuable asset. They make a critical difference to our success, and our investment in them protects and strengthens our culture.

We have an established approach to engaging colleagues to ensure we take their perspectives into account in our decision-making and action plans, and share with them our strategy and progress. Our employee opinion survey formally captures their views and is a key part of how we track engagement.

Our leaders engage face to face with colleagues locally and we engage collectively, including through an effective partnership with Unite, and the Barclays Group European Forum.

### SOCIETY

Society is represented by the communities in which we serve as well as the world in which we live.

See pages 32 to 35

Delivering long-term returns for all our stakeholders depends on deep and thoughtful engagement with the numerous individuals and interest groups representing wider society.

We engage in a continual dialogue with non-governmental organisations (NGOs) and other interest groups to improve our understanding of current and emerging environmental and societal topics.

We participate in multiple sustainability and human rights forums and global and regional industry initiatives, engaging directly through Barclays' Sustainability and Environmental, Social and Governance (ESG) teams.

### INVESTORS

Our investor stakeholder group encompasses all parties interested in the success and sustainability of the business, from our shareholders and bondholders to regulators and public policy makers.

See pages 36 to 38

Delivering for our investors ensures the business continues to be successful in the long term and can therefore continue to deliver for all our stakeholders.

We conduct extensive engagement with our institutional equity and fixed income investors throughout the year.

We have a collaborative and transparent dialogue with our regulators and work together to ensure we meet prudential and conduct based regulatory standards, contributing to a safe and robust banking system.

Our AGMs give the Board the opportunity to engage with investors on the running of their company, and to receive feedback.



## What do they tell us?

Based on data from millions of individual transactions and personal interactions, our customers and clients tell us they want:

- to be able to trust that our products and services meet their needs
- value for money
- to find Barclays easy to deal with.

These insights help to inform our business decisions and improve our products and services.

## How do we respond to them?

In 2019, we developed our services following engagement with our customers and clients. These included:

- holding events for customers and clients ranging from our Eagle Labs to over 200 local clinics for UK SMEs to prepare for Brexit
- the upgrade of BARX as an integrated, cross-asset electronic trading platform to create a better experience for Investment Bank clients
- raising the unsecured lending limit to £100k for SME clients with a digital application process allowing clients to receive money within 24 hours.

In the 2019 employee opinion survey, our colleagues told us:

- overall colleague engagement score is 77%
- 88% say they are able to work dynamically, and 80% would recommend Barclays as a good place to work
- only 61% said the stress levels at work are manageable and only 53% believe that we have been successful in eliminating obstacles to efficiency.

This data and other insights form an important part of our decision-making, and improving these scores is a key priority.

The results from our employee opinion survey help shape how we run the business and the areas that will make a real difference to our colleagues:

- we ensure everyone is kept up to date on the strategy, performance and progress of Barclays through a co-ordinated, multi-channel approach across a combination of leader-led engagement, and digital and print communication
- we are continuing to focus on tools and training for physical and mental well-being and we are investing in technology and in our premises.

During 2019, our society stakeholders told us that they wanted to hear more about:

- supporting our customers and clients in the transition to a low-carbon economy
- responsible financing for companies in sensitive energy sectors
- managing our broader environmental and social impacts
- the support we're giving to the communities in which we operate.

We responded on key topics in 2019 through a wide range of initiatives including:

- publication of our *Energy & Climate Change and Forestry and Palm Oil Statements*
- becoming a founding signatory of the United Nations Principles for Responsible Banking
- continued growth in our suite of green finance products
- maintaining ongoing dialogue with a wide range of NGOs
- further engagement on ESG with investors and broader stakeholders
- launching *Building Thriving Local Economies* pilots in the UK.

Discussions with our investors included:

- drivers of sustainable improvement in Group returns
- the macroeconomic environment and headwinds to the delivery of our strategy and targets
- our focus on cost efficiency and ongoing investment in digital and technology

We continued to have constructive engagement with regulators, evidenced by positive stress test outcomes.

ESG engagement increased during 2019, reflecting the pace of change in the industry and its importance to our investors.

We have responded to investors in a number of ways including:

- the new Chairman's 'listening tour', which helped to inform new deep-dive Board sessions
- passing the 2019 BoE and CCAR stress tests, giving regulators in the UK and US comfort in our capital position
- taking Barclays to its stakeholders, from 2020, the AGM will be held outside of London; our 2020 AGM will be held in Glasgow, where we are building a new strategic campus site.

# Engaging with our stakeholders

## Having regard to our stakeholders in Board decision-making.

### Section 172(1) statement

The Directors have acted in a way that they considered, in good faith, to be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so had regard, amongst other matters, to:

- the likely consequences of any decision in the long term
- the interests of the Company's employees
- the need to foster the Company's business relationships with suppliers, customers and others
- the impact of the Company's operations on the community and the environment
- the desirability of the Company maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the Company.

The Directors also took into account the views and interests of a wider set of stakeholders, including our pensioners, regulators, the Government and non-governmental organisations. You can find out more about how Barclays engages with its stakeholders on the previous pages.

Considering this broad range of interests is an important part of the way the Board makes decisions, although in balancing those different perspectives it won't always be possible to deliver everyone's desired outcome.

### How does the Board engage with stakeholders?

The Board will sometimes engage directly with certain stakeholders on certain issues, but the size and distribution of our stakeholders and of Barclays means that stakeholder engagement often takes place at an operational level.

The Board considers and discusses information from across the organisation to help it understand the impact of Barclays operations, and the interests and views of our key stakeholders. It also reviews strategy, financial and operational performance, as well as information covering areas such as key risks, and legal and regulatory compliance. This information is provided to the Board through reports sent in advance of each Board meeting, and through in-person presentations.

As a result of these activities, the Board has an overview of engagement with stakeholders, and other relevant factors, which enables the Directors to comply with their legal duty under section 172 of the Companies Act 2006.

For more details on how our Board operates, and the way in which it reaches decisions, including the matters it discussed and debated during the year, please see pages 48 to 51 of the Barclays PLC Annual Report 2019.

### Engagement in action

The following are some examples of how the Directors have had regard to the matters set out in sections 172(1)(a)-(f) when discharging their section 172 duties and the effect of that on certain of the decisions taken by them.

The Board considers and discusses information from across the organisation to help it understand the impact of Barclays operations, and the interests and views of our key stakeholders.



### Being accountable for our decisions

Our governance is designed to ensure that we take into account the views of all our stakeholders, so that our decision-making is collaborative and well-informed – both before and after we make our decisions public.

In October 2019, we announced that we would be withdrawing over-the-counter access to cash for our customers at Post Offices in the UK. This was a decision made after carefully balancing the economic impact of a significant increase in transaction fees, and our ability to put in place comprehensive plans to safeguard our customers' access to cash. Following our announcement, we continued to engage with customers, Members of Parliament, and the government. It became clear from this further engagement that our full participation in the Post Office Banking Framework is crucial to the viability of the Post Office network at this point in time.

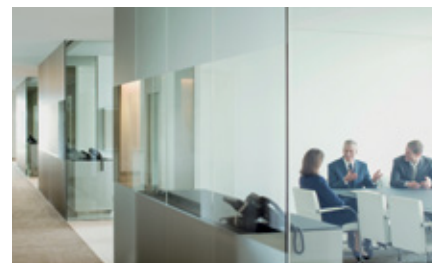
As a result of that further engagement and debate, we reversed our decision. The Board has reviewed the planning and decision-making process around this issue. This has highlighted and reconfirmed, among other things, the importance of listening to all of our stakeholders, on an ongoing basis.



### Improving the quality of our decision-making

The Board's agenda in 2019 has been significantly influenced by a comprehensive 'listening tour' undertaken by our new Chairman following his arrival at Barclays in March, before he became Chairman in May. Nigel Higgins held around 50 meetings with shareholders and other stakeholders as part of this 'listening tour' and has also subsequently spent considerable time this year meeting with stakeholders across the globe as part of his induction, including with our investors, customers and colleagues.

The Board and Executive Committee used the feedback to agree a prioritised series of deep dives which now form a significant part of each Board meeting. These deep dives have helped to facilitate an in-depth understanding of issues with a view to helping management and the Board make well-informed decisions both now and in the future. The deep dives conducted in 2019 covered a wide range of topics, including focus on particular business areas, capital allocation, our culture, our societal purpose and environmental matters.



### Striving for simplicity and effectiveness

Barclays is a large, diversified organisation and in 2019 the Board took several decisions to simplify its governance model. The consolidation and streamlining of membership of the Barclays PLC and Barclays Bank PLC Boards, announced in September 2019, has benefited Board members and our colleagues by significantly increasing co-ordination and efficiency and reducing complexity and duplication.

Oversight of the activities of Barclays Bank PLC, which includes our CIB, is now vested in a board the members of which also have direct accountability to Barclays PLC's shareholders through their separate responsibilities as members of the Barclays PLC Board. In reaching this decision, the Board took great care to consider the broader UK regulatory environment, so as to safeguard both the letter and the spirit of the UK ring-fencing legislation which came into force at the start of 2019.

Recognising the importance of our culture, reputation and the environment to the Board and to all our stakeholders, we also decided to transfer primary oversight for these key matters from the Reputation Committee to the Board.

Deep dives have helped the Board to develop an in-depth understanding of issues such as capital allocation, culture, and societal purpose.

# A balanced assessment of our progress

Our performance measurement framework enables a balanced assessment of progress towards the strategic goals of the organisation, viewed from the perspectives of each of our key stakeholder groups.

A broad range of financial and non-financial measures are analysed as part of regular business strategy and performance reviews.

To assess our performance, we use a number of sources including regular management reporting of our key metrics, as well as external measures, to provide a balanced review of performance during the year, while additionally monitoring for emerging trends.

Performance against our financial targets and strategic non-financial performance measures is directly linked to executive remuneration, and influences incentive outcomes for Barclays' employees more broadly. This approach enables us to deliver positive and sustainable outcomes for all our stakeholders while maintaining flexibility for our businesses to adapt in a fast-moving world.

We consider a range of metrics across all stakeholder groups and continuously assess whether new measures should be added or removed from our dashboards, in order to ensure these remain relevant and appropriate. For example, in recent years, digital engagement and related customer satisfaction scores have become increasingly important as we continue on our digital journey.

Key measures used in our 2019 assessment include, but are not limited to, the metrics reported on this page, and in the broader discussion of our performance on the following Customers and Clients, Colleagues and Society pages.

## Notes

Prior period comparatives for Society are only shown for 2018, reflecting Barclays' new commitments launched in 2019.

a. ©Net Promoter, Net Promoter System, Net Promoter Score, NPS and the NPS-related emoticons are registered trademarks of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc.

b. Source: Coalition Competitor Analysis. Market share represents Barclays' share of the total industry revenue pool. Analysis is based on Barclays' internal business structure and internal revenues.

c. Source: Dealogic.

d. 2018 financing has been restated to incorporate sustainability-linked financing facilities and to ensure a consistent basis of reporting with 2019.

e. Excluding litigation and conduct.

## CUSTOMERS AND CLIENTS

We aim to build trust by offering innovative products and services, with an excellent customer and client experience, such that customers and clients are happy to recommend us to others.

See pages 20 to 27

## Barclays UK net promoter score (NPS)<sup>a</sup>



The NPS is a view of how willing customers are to recommend our products and services to others.

## COLLEAGUES

We promote and maintain a diverse and inclusive workforce in which colleagues of all backgrounds are treated equally and supported to achieve their potential within a positive, values-based culture.

See pages 28 to 31

## Colleague engagement %



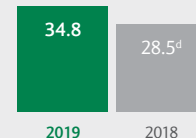
This is a measure derived from our nine engagement questions in the Your View survey.

## SOCIETY

We manage the environmental and societal impact of our business, making decisions that provide all our stakeholders with access to a prosperous and sustainable future.

See pages 32 to 35

## Social and environmental financing £bn



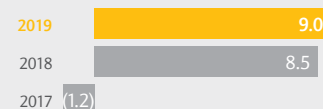
Financing in select social and environmental segments aligned to Barclays impact eligibility framework.

## INVESTORS

Our ambition is to generate attractive and sustainable returns through the economic cycle. We measure our progress through our Group financial targets.

See pages 36 to 38

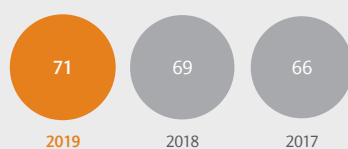
## Group return on tangible equity (RoTE)<sup>e</sup> %



RoTE increased to 9.0%, in line with the 2019 target.

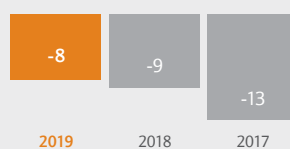


### CC&P US customer digital engagement %



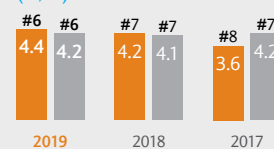
Metric shows percentage of digitally active CC&P US consumers.

### Barclays UK complaints excluding PPI %



We received a significant volume of PPI-related claims leading up to the FCA deadline of 29 August 2019. As such the underlying trend provides a more meaningful comparison.

### CIB revenue ranks and market shares (#, %)



■ Markets global revenue ranking and share (Coalition)<sup>b</sup>  
 ■ Banking global fee ranking and share (Dealogic)<sup>c</sup>  
 Demonstrating our performance vs peers.

### Females at Managing Director and Director level %



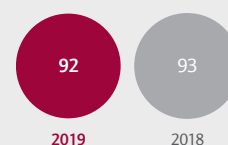
Metric reflects % of women in senior leadership roles within Barclays.

### "I would recommend Barclays as a good place to work" %



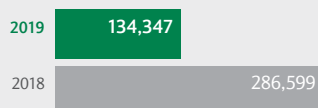
A question in the 2019 Your View employee survey that measures colleague advocacy.

### "I believe my team and I role-model the values" %



A new question since the 2018 Your View employee survey showing our colleagues' connection to Barclays' values and culture.

### Operational carbon emissions t CO<sub>2</sub> equiv.



Emissions generated from Barclays' branches, offices and data centres, including all indirect emission from electricity consumption.

### LifeSkills – No. of people upskilled in the UK per year million



Number of people participating in the Barclays LifeSkills programme focused on employability skills.

### Connect with Work – No. of people placed into work globally

66,000

Number of people placed into work following training provided by Barclays Connect with Work partner organisations.

### CET1 ratio %



CET1 ratio target of c.13.5%, following removal of the operational risk floor during 2019.

### Operating expenses<sup>e</sup> £bn



Group operating expenses in line with the 2019 guidance. 2018 excludes litigation and conduct and a GMP charge of £140m.

### Cost: income ratio<sup>e</sup> %



Cost efficiency remains a priority and we continue to target a cost: income ratio of <60% over time.

# Barclays UK

Barclays UK is our UK ring-fenced bank, comprised largely of our UK Personal and Business Banking and Barclaycard Consumer UK businesses.

UK Personal Banking offers retail solutions to help customers with their day-to-day banking needs. UK Business Banking serves business clients, from high growth

start-ups to small and medium-sized enterprises, with specialist advice for their business banking needs.

Barclaycard Consumer UK is a leading credit card provider, offering flexible borrowing and payment solutions, while delivering a leading customer experience.

| Income | Operating expenses <sup>a</sup> | Profit before tax <sup>a</sup> | Return on tangible equity <sup>a</sup> | Risk weighted assets |
|--------|---------------------------------|--------------------------------|--|----------------------|
| £7.4bn | £4.0bn                          | £2.6bn                         | 17.5%                                  | £75bn                |

<sup>a</sup> Excluding litigation and conduct.

# Barclays UK

We serve personal and small business customers across all of their banking needs.

Barclays is one of the most recognisable British brands. We serve customers in the UK across the entire spectrum of their banking needs.

We also support small and medium-sized businesses, providing the financing, saving and transactional products and services they need to grow.



## Strategic priorities

Barclays UK places customers at the centre of what we do. This means listening to our customers, and adapting our products and services to ensure we have the capabilities to support their ever-evolving needs – from receiving their first salary payment, through moving home to saving and investing for retirement. It also means transforming the way we organise ourselves by creating a core team centred around our customers' needs, enabling us to move faster.

As part of our transformation, we are using technology to improve our service and to make it more efficient and reliable for our customers. We continue to make progress in eliminating the causes of complaints and improving the quality of our service. Nevertheless, accelerating progress on behalf of our customers remains a key priority, as the interruptions to our services and the level of complaints we receive from our customers is still more than we would like.

Barclays UK is focused on providing services and insights, to help customers manage their finances.

The way we serve our customers is increasingly digital, a reflection of how most of our customers now prefer to interact with us. Further investment in our digital capabilities remains fundamental to our strategy, ensuring that our customers have the flexibility to manage the majority of their day-to-day banking needs via mobile and online banking.

This allows us to understand our customers' needs to a degree never previously possible, meaning we can tailor our services accordingly and deliver insights to customers, which help them manage their finances more effectively.

Additionally, the investment we are making in our technology, especially moving to the Cloud, means that we can get products to customers more quickly and deliver a more personalised digital experience.

However, we recognise that more complex needs, like property transactions, still need to be dealt with in person. That's why we're also investing in our physical locations, using technology wherever possible, to make them quicker and easier to use for everyone.



## Operating environment

The lower interest rate environment makes borrowing more affordable but, combined with intense competition in the mortgage market and our focus on secured lending, continues to compress our net interest margin.

The accelerated pace of change in this competitive environment has also moved the traditional boundaries of retail banking and reshaped customer expectations. We are making good progress in meeting these new expectations, for example, with balance tracking, spending categorisation and a controls hub allowing customers to manage the types of spend they want, but we recognise that we still have more to do.

We must also continue to adapt to evolving regulation, for example by offering alternatives to traditional forms of credit in unsecured lending.



## Our achievements in 2019

We continued to progress our digital strategy through 2019. As at the end of the year, 59% of our products were provided to our customers through digital channels and the number of digitally-active customers increased by 6% to 11.4 million year on year.

We upgraded our mobile banking offering so that our customers can now use one app to access their Barclaycard account alongside other Barclays products. This upgrade also meant that 1.2 million Barclaycard customers, who previously had no relationship with us other than their credit card, can now access more of our products and services through the Barclays App.

We have also improved the products and services that we offer our customers. 2019 saw us enhance our market-leading unsecured business loans, enabling Business Banking clients to borrow up to £100,000 digitally – an increase from £25,000 previously. This is another industry first for Barclays, as we are currently the only UK bank able to offer an instant answer on clients' eligibility for lending at this scale, and making funds available the next working day.



# Barclays UK

## Fostering innovation Barclays Eagle Labs

Barclays Eagle Labs is a platform to support the UK's entrepreneurial community. Through a national network of 24 labs we incubate high-growth tech businesses, offering co-working spaces, mentoring opportunities and access to cutting-edge technology to rapidly prototype new product ideas.

We currently support over 470 startups and to date our members and alumni have collectively raised over £600m of funding.

Committed to connecting communities, in 2019 we hosted or helped organise 2,200 events throughout the UK. These were attended by over 80,000 people, with a strong focus on educating individuals, businesses and larger organisations.

We have progressed with efforts to improve our digital estate, data capabilities and ultimately create the opportunity to better engage partners. We have continued our support for some of the most promising emerging FinTechs through our network of Rise sites and deepened our strategic relationship with MarketFinance (a peer-to-peer invoice discounting platform).

Overall, our relentless focus on customers is reflected in an improved Net Promoter Score for Barclays UK of +18, and +11 for the Barclaycard brand, which shows the strength and depth of our relationships.



## Focus for 2020 and beyond

We aim to continue the progress made during 2019 in driving down complaints, by continuing to identify and address the root cause of customer problems, and by making selective investments to improve infrastructure.

We want to continue to improve our customers' digital experience in 2020, as well as developing enhancements to our online and mobile platforms. We will continue to invest in equipping our people with the tools and skills they need to achieve this, as well as strengthening our culture.

We are also creating an integrated banking, advice and investments platform, building on our award-winning<sup>a</sup> Barclays App. Customers will be able to access financial planning services and investment products, as an extension of their existing banking products and services.

Finally, we will continue to embed our new ways of working into our organisation, in order to ensure that we are able to meet our customers' ever-evolving needs.

Note

a Best use of mobile at FStech Awards 2019.

Barclays UK Net Promoter Score

+18

Barclaycard Net Promoter Score

+11

Digitally-active customers

11.4m

Barclays App users

8.4m

UK new mortgage lending

£25.5bn



# Barclays International

Barclays International consists of the Corporate and Investment Bank and Consumer, Cards and Payments. With relentless focus on delivering for customers and clients around the world, Barclays International's diversified business portfolio provides balance, resilience and exciting growth opportunities. The division

has strong global market positions and continues to invest in people and technology in order to deliver sustainable improved returns. Barclays International offers customers and clients a range of products and services spanning consumer and wholesale banking.

Approach

Delivery

Governance

Shareholder information

Income

£14.7bn

Operating expenses<sup>a</sup>

£9.3bn

Profit before tax<sup>a</sup>

£4.2bn

Return on tangible equity<sup>a</sup>

9.3%

Risk weighted assets

£209bn

<sup>a</sup> Excluding litigation and conduct.

# Barclays International: Corporate and Investment Bank

Our Corporate and Investment Bank aids money managers, institutions, governments and corporate clients in managing their financial needs.

Our Corporate and Investment Bank is one of the world's leading providers of funding, financing, cash management, advisory and risk management products and services. We work with money managers, financial institutions, governments and corporate clients globally to help them innovate and grow.



## Strategic priorities

Over the last few years, our US competitors have consolidated their strong position, and our European peers have focused efforts on a narrower product set.

Barclays is therefore able to differentiate itself as a European headquartered provider of universal banking services. As our clients look to diversify their service providers, and decrease their exposure to the US credit cycle, we believe our ability to provide this diversification is a real strength.

Our strategy is also shaped by the increasingly sophisticated needs of our clients, and technological evolution across our industry.

We are focused on three areas:

### Adapting to the evolving needs of our clients

We are investing in technology that makes it easier for our clients to do business with us. That includes the development of our electronic offering in Markets and the digitalisation of our Corporate Banking client service platform.

### Running an efficient and effective business

Achieving better operational performance and driving improvements in market share, while maintaining cost discipline and driving more productive use of capital by recycling risk-weighted assets to the highest returning opportunities.

### Improving returns by growing high returning and capital efficient businesses

Focused growth in areas such as transaction banking in Corporate Banking and fee-led advisory and equity origination work in Banking. We are also developing other higher-returning businesses where we see opportunities, such as securitised products.



## Operating environment

The economic conditions of 2019 continued to provide a challenging context for corporate and institutional banking and financing activity. Features such as the low interest rate environment, the UK's withdrawal from the EU and global trade tensions combined to dampen and delay deal activity, particularly primary issuance.

That meant the global markets revenue pool shrank by 2%<sup>a</sup> in 2019.

Our Banking business has also seen its available fee pool shrink, with declines of 14-18%<sup>b</sup> compared with 2018 in the UK and Europe, and 2-3%<sup>b</sup> in the Americas and Asia.

We expect many of these macroeconomic trends to continue, and are shaping our business accordingly.



## Our achievements in 2019

Despite the challenging conditions, many of our businesses have performed well. We have continued to gain market share in Markets and Banking and all of our businesses continue to deliver for our clients. However, our Corporate and Investment Bank as a whole must make further progress in generating the returns our shareholders expect.

In Markets, we have helped clients navigate the volatile trading environment and continued to grow despite subdued financial markets, with share up 0.2%<sup>c</sup> in a highly competitive environment.

That was, in part, a result of continued investment in our electronic capabilities, particularly through investment in our BARX and options platforms. We are now partway through a multi-year effort to provide our clients with market-leading execution capabilities and liquidity access, and increase the strength of our digital offering.

In Corporate Banking, we have also invested in our digital proposition, with over 80% of our clients now using iPortal, our digital self-service platform, creating a 'single window' for clients to self-serve for many day-to-day corporate banking needs through a reliable, easy to use interface.

We have also broadened our business across Europe, with our single platform now live across seven of our nine target European countries, without the overheads of a branch network. We continue to focus on capital productivity and transaction banking revenue growth to improve returns.

In Banking, we saw notable improvements in share and revenue in both advisory and equity underwriting. In the UK and US, we improved our rank to #5<sup>b</sup>, and globally, improved to #6<sup>b</sup>. Our ambition is to continue to deliver a more diversified product mix, and improve the proportion of income generated by less capital intensive businesses. In this context, we increased our global fee share to 4.2%<sup>b</sup>, despite a declining market.

We also continued to invest and evolve to meet the changing needs of our clients. This saw us create one of the first Sustainable and Impact Banking (SIB) teams in the market, enabling us to provide thoughtful content and execution capabilities to serve the ESG needs of our clients.

Our strategy is shaped by the increasingly sophisticated needs of our clients, and technological evolution across our industry.





### Focus for 2020 and beyond

Our strategy puts us on a clear path to evolve with the needs of our clients, and in doing so to increase returns.

We will continue to focus on growth in high-returning, capital efficient parts of our business, as well as maintaining our focus on cost discipline and operational rigour.

We will also look to make further, selective investments for the long term; establishing ourselves firmly as the leading European Corporate and Investment Bank, competing on an even footing with our US peers, and operating at the most efficient scale in serving our clients.

In Corporate Banking, we will continue the investment in our digital proposition and in our European offering. We will also focus on steadily improving our credit portfolio returns by reallocating risk weighted assets to higher-returning opportunities.

Markets will continue to focus on growing client balances, building a large and stable accrual income base. We will keep investing in low-touch electronic execution platforms, to drive efficiency and scale. We will also broaden the reach of our fixed income and equities product suite to hedge fund clients, through our Prime Brokerage offering.

Banking will continue to invest in select sectors in the US and Europe to improve revenue contribution from our equity and advisory offerings and help us narrow the gap to our US peers.

Following creation of the SIB team, we will accelerate our efforts to support growth stage companies as well as our broader client base on integrating ESG.

The SIB group will coordinate the ESG activities for our clients across Corporate and Investment Bank – including our current Green

### Committed to sustainable finance

#### Apple Inc. €2.0bn Green Bond

We continue to lead the market in our commitment to sustainable finance through our ESG franchise. In November 2019, we priced a €2.0bn green bond for Apple. The transaction was the largest-ever Euro-denominated green bond issued by a US corporate, and the second-largest Euro-denominated corporate green bond offering of all time.

Apple intends to use the proceeds from the offering to finance one or more of its 'Eligible Green Projects': mitigating its impact on climate change by reducing the carbon footprint of its supply chain, pioneering the use of greener materials in its products and processes, and conserving resources by transitioning to recycled and renewable materials for production.

We were able to use our expertise in green banking and track record of success to support Apple in their ambitions to support new opportunities that will protect the planet in a sustainable way. The transaction, among many others, demonstrates the role that Barclays plays in financing and advising on transactions that contribute to a sustainable future for us all.

Bond franchise and the existing renewables business in our Power & Utilities Group.

We are tracking our progress against all strategic priorities closely, to make sure that our choices are delivering the returns we expect, and that we can adjust our plans accordingly.

#### Notes:

a Source: Coalition FY19 Preliminary Competitor Analysis.

b Source: Dealogic.

c Source: Coalition FY19 Preliminary Competitor Analysis. Market share represents Barclays' share of the total industry revenue pool. Analysis is based on Barclays' internal business structure and internal revenues.

d Excluding litigation and conduct.

#### Income

£10.2bn

#### Operating expenses<sup>d</sup>

£7.0bn

#### Profit before tax<sup>d</sup>

£3.1bn

#### Return on tangible equity<sup>d</sup>

8.0%

#### Global banking fee share rank<sup>b</sup>

6th

Top-ranked European bank on a full-year basis

#### Global markets revenue rank<sup>c</sup>

6th

Largest non-US bank

# Barclays International: Consumer, Cards and Payments

Our Consumer, Cards and Payments business is at the forefront of the digital economy.

Consumer, Cards and Payments includes the following key businesses:

In the UK, our payments business enables clients ranging from small businesses to large corporates to make and receive payments. We are a leading corporate card issuer for large and small businesses, and have expanded into providing business-to-business supplier payment solutions. We also help businesses accept payments from their customers in-store, in-app and online. We are also one of the UK's largest finance partners for retailers, providing point-of-sale finance solutions to consumers.

In the US, our co-branded cards business provides credit cards to consumers. Our partners include American Airlines, JetBlue and Wyndham Hotels & Resorts.

In Germany, we offer market-leading consumer credit cards<sup>a</sup>, while continuing to develop our lending offering.

Our Private Bank provides a diverse range of personal and institutional wealth management products and services, including investments, credit and cash management solutions.



## Strategic priorities

Our strategy is to grow capital efficient businesses such as payments. We will also grow in other areas of expertise, such as our US co-branded credit card business, though we have scaled back our presence in Barclays branded US credit cards.

Barclays is a top-ten credit card issuer in the US.

We plan to grow our payments business by deepening our client relationships through tighter integration across Barclays and through significant investment in our digital and client reporting capabilities, where we have historically had gaps.

We will also build upon our deep payments experience by integrating with the software providers our clients use, in order to scale up our payments solutions across the UK and into Europe. Further investment in our digital infrastructure will be key to continuing to simplify processes and make it easy for our clients to access an end-to-end payment service from Barclays in the UK and across Europe.

In our US co-branded cards business, we are strengthening our foundations through platform upgrades, infrastructure improvements and process automation to meet evolving customer needs. Our co-branded business model is well proven and is creating opportunities for growth. We continue to focus on deeper engagement with current partners, whilst expanding our reach with new strategic opportunities.

Our Private Bank remains focused on delivering bespoke solutions for global high-net-worth, ultra-high-net-worth and family office clients. We have made a number of digital enhancements to streamline onboarding for our Private Bank clients and this will remain an area of focus.



## Operating environment

Market changes are primarily driven by changes in consumer behaviour. For example, the UK card payment market is growing significantly, with a shift from in-store to online payments. Digital and e-commerce focused players are growing fast and gaining market share.

The continued low interest rate environment means consumers are borrowing more, creating opportunities for new entrants who are focused solely on point-of-sale financing, to compete with traditional card issuers like Barclays.

Private Banking continues to be highly fragmented, and while digital penetration is lower than other segments, technology and automation are playing an increasing role.



## Our achievements in 2019

On top of strong partner renewal activity in the US, we launched a refreshed Uber credit card with new reward features to maximise customer engagement and value for our partner and cardholders. We also launched refreshed American Airlines Aviator Red and Silver cards and relaunched our Barclaycard Financing Visa – a simplified financing-focused product for Apple consumers in the US.

We have also made progress in upgrading the US platform and data infrastructure, which has both improved customer experience and made our business more efficient.

In point-of-sale lending in the UK, we have worked with Apple to launch the 'Trade-In-With-Instalment' solution. This offers customers the opportunity to upgrade their iPhone through a 24-month instalment loan with 0% interest. It is a good example of how we are providing value for both consumers and our clients.

In our payments business in the UK, we have retained key strategic clients and forged new partnerships with companies like Coupa and TouchBistro, highlighting our unique payments integration capabilities.

We see a third of all card payments made in the UK, which gives us a broad and deep understanding of the payments environment.





### Next generation fraud protection

#### Barclaycard Transact

New regulations are introducing additional authentication requirements for online card payments. This can slow down the checkout experience for consumers, and sometimes mean they abandon their purchase altogether.

As more transactions move online, it is critical to ensure higher-risk transactions have these higher levels of authentication while continuing to allow low-risk consumer spend to be approved seamlessly.

Launched in September 2019, Transact is our new online fraud and payment solution. It uses AI to send payments through the quickest route – helping our corporate clients take payments at the speed their customers expect, and helping to prevent abandoned transactions.

With a third of all card payments made in the UK<sup>b</sup>, Barclays is one of the largest payment processors in Europe<sup>c</sup>, and is a leading corporate card issuer. We recently won the B2B Payments Innovation Award at the 2019 Payments Awards, which highlights the strength of our franchise in payments.

Making it easier for small businesses to join our payments network has been at the centre of our digital transformation. We have successfully streamlined a paper-based journey into a digital experience, now with same day onboarding for most of our clients.

In the US, we continue to see strong net promoter scores. We maintained our ranking in the top 10 of US credit card issuers<sup>d</sup>.



### Focus for 2020 and beyond

We continue to make our businesses more digital, meeting the changing needs of clients and consumers. We also see opportunities to make our businesses more efficient.

We will remain focused in the US on upgrading our platform, enabling us to transact faster, and create stronger foundations for growth, including new planned product offerings in consumer lending and point-of-sale financing.

Our successful track record with our retail partners in the UK serves us well as we develop product propositions across our payments business. We will also expand our acquiring business geographically, particularly across Europe.

We have a strong foundation and deep subject matter expertise across a wide range of businesses and regions. By bringing together a number of our efforts, we will unlock further growth opportunities for Barclays and deliver world-class solutions for our customers.

In the Private Bank, we continue to work closely with the CIB to build out further our suite of products, with a focus on expanding our investment and credit propositions, supported by improved digital capabilities.

#### Notes

a Sources: Bankenfachverband, Statistisches Bundesamt, plus own calculations.

b Source: UK Finance.

c Source: Nilson Report #1153.

d Source: Nilson Report #1161.

e Excluding litigation and conduct.

#### Income

£4.4bn

#### Operating expenses<sup>e</sup>

£2.3bn

#### Profit before tax<sup>e</sup>

£1.2bn

#### Return on tangible equity<sup>e</sup>

15.9%

#### Net Promoter Score

+33

US Cards

#### CC&P US customer digital engagement

71%

# Our people and culture

We believe that the culture of Barclays is built and shaped by the thousands of professionals around the world who serve our customers and clients with a shared purpose and values.

Our people make a critical difference to our success, and our investment in them protects and strengthens our culture.

We increasingly draw on the latest thinking from behavioural science and data science to identify what's most likely to be effective in hiring, developing and engaging our people, and then track effectiveness over time. We're also starting to use the same data-driven approach to give us a much more accurate picture of how people progress through our organisation.

## Hiring the best people

We continue to focus on hiring people with the skills that will help us accelerate the digital transformation of our organisation, as well as adapt more quickly to the changing needs of our customers and clients.

We have increased hiring across our core strategic locations globally. Building a modern, scale presence in a smaller number of sites enables us to make significant investments in the workplace that would not otherwise be possible. The transition to having more of our people work from these strategic sites means change for our existing colleagues. We recognise the disruption that this can create and we are managing the impacts thoughtfully.

Within BX, we continue to rebalance the mix of contractors and permanent colleagues, so that more people work directly for us. We believe this is a competitive advantage and further strengthens our culture.

People with different perspectives and life experiences make our organisation stronger.

We want to hire from within and are increasingly using data and analytics to identify and support high performers and potential future leaders – particularly from those groups that are currently under-represented amongst our senior colleagues. 34% of our vacancies were filled by internal candidates during 2019.

Just under 900 graduates joined us in 2019, enabling us to develop our pipeline of future leaders in-house. The percentage of graduate female hires was 34%. We also provided over 300 people with the opportunity to complete a structured apprenticeship.

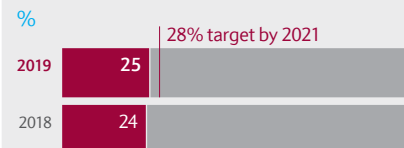
We have continued to put additional effort into supporting people who have been in the armed forces to find a career at Barclays, through the 'After' programme. We have also supported those returning to the workforce after a career break, through our 'Encore' programme.

People with different perspectives and life experiences make our organisation stronger. We are committed to attracting, developing and retaining a diverse and inclusive workforce, and providing equal opportunities.

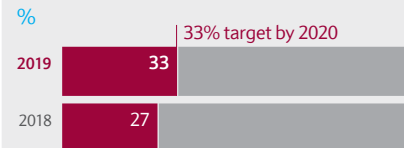
We aim to make sure our hiring is as diverse as possible. Our policies require us to give full and fair consideration to all populations based on their aptitudes and abilities. We're using data and analytics to better understand how we can improve our hiring process.

We recognise the importance of measuring progress around our gender diversity agenda and believe that setting targets is an effective way to do this. We've set ourselves a target of 28% female Managing Directors and Directors by the end of 2021, and have signed up to the Hampton Alexander targets of 33% female representation on each of our Boards and across our Group Executive Committee (ExCo) and their direct reports by the end of 2020. We continue to report on our results as part of the Hampton Alexander Review and HM Treasury Women in Finance Charter.

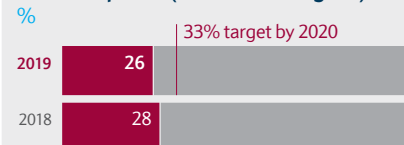
## Females at Managing Director and Director level



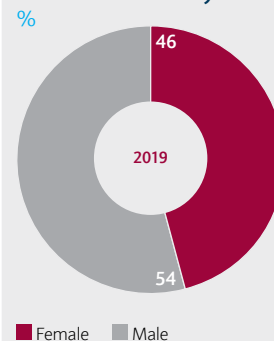
## Females on Board of Directors



## Females on Group ExCo and ExCo direct reports (Senior Managers)



## Females in Barclays



Under the Companies Act 2006, Barclays is required to report on the gender breakdown of our employees and 'senior managers'. Our global workforce was 87,369 (47,392 male, 39,970 female, 7 unavailable), with 107 senior managers (79 male, 28 female). This is on a headcount basis, including colleagues on long-term leave. Unavailable refers to colleagues who do not record gender in our systems. 'Senior Managers' represents the Group Executive Committee and their direct reports.

## Developing talent for the future

We operate in a highly-regulated environment, so it's critical to our success that our people understand the rules that govern how we operate. We invested £36m in training last year to ensure we get this right.

A wide range of development opportunities are available to help all our people build their career, delivered both in-person and through our new digital learning platform, Learning Lab, which is making development more available than ever.

We also launched two new flagship leadership development programmes during 2019. This is a significant investment in our future leaders, driven by our core belief that quality leadership makes a difference to our success. We track the progression of people that have participated in these programmes to see how effective they are.

We remain committed to closing pay gaps at Barclays; the difference in seniority between male and female colleagues, and between BAME and non-BAME colleagues. You can find out more about this in our Pay Gaps Report, available at [barclays.com](https://www.barclays.com)

## Colleague engagement

We have an established approach to engaging colleagues which includes the majority of the UK's Financial Reporting Council (FRC) recommendations, and is in line with new governance requirements in 2019. This ensures that we understand their perspective, take it into account in our decision making at the most senior level, and share with them our strategy and progress.

That extends to those who work for us indirectly as well, such as contractors, although in a more limited way. In 2020, our supplier code of conduct will require organisations with more than 250 employees to demonstrate that they have an effective workforce engagement approach of their own.

It's important to us that our Board members are engaged with our people – directly, and indirectly through our management team.

We regularly report on our colleague engagement activity to our Boards.

Together with direct engagement, this comprehensive reporting approach and dedicated time at board meetings helps our Board take the issues of interest to our colleagues into account in their decision making.

This has enabled them to confirm that our workforce engagement approach is effective.

## Listening to our people

Our regular colleague survey formally captures the views of all our people and is a key part of how we track colleague engagement. Our overall engagement score reduced slightly to 77% in 2019, but 80% of our colleagues would still recommend Barclays as a good place to work. Our colleagues also shared that 79% of them feel it's safe to speak up to share their views.

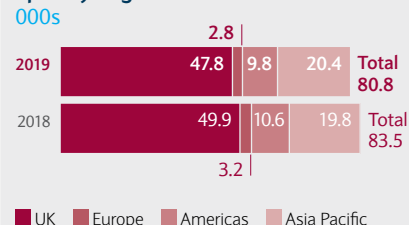
89% of colleagues told us they believe Barclays is focused on achieving good customer and client outcomes and 86% said they are proud of the contribution Barclays makes to the community and society.

Only 61% of our people said the stress levels at work are manageable, and 53% believe that we have been successful in eliminating obstacles to efficiency. Improving these scores is a key priority and we are working on the underlying problems.

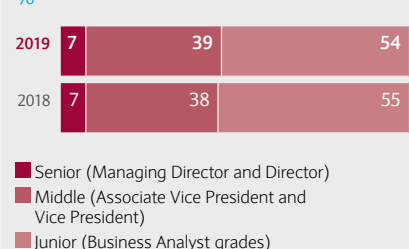
The results from the survey are an important part of the conversations our leaders have about how we run the business, and it's a specific focus for our Executive Committee and our Board. The Executive Committee holds a dedicated town hall for colleagues each year, specifically to talk about their feedback and the actions we're taking in response, and there are many follow up communications and action plans built across the Group.

We monitor our culture across the organisation, and in individual business areas, through culture dashboards. These combine colleague survey data with other metrics about our business, so that we can see the effect our people's engagement has on our performance, and on the continued strength of our culture. 82% of our people have heard or read senior leaders talking about the character and culture of Barclays.

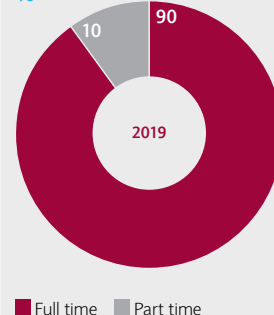
### Number of employees split by region



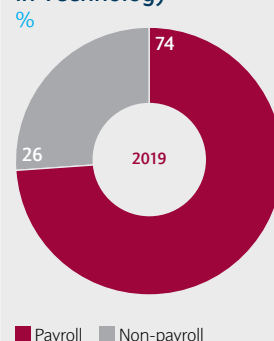
### Split by level



### Split by full time/part time



### Split by payroll/non-payroll in Technology



# Our people and culture

## Keeping our people informed

In addition to these data sources, our leaders, including our Board, engage face-to-face with colleagues locally to hear what they think. That might be through site visits, large-scale town halls, training and development activity, mentoring, informal breakfast sessions, committee membership, diversity and well-being programmes, or focus and consultative groups.

We make sure we're regularly keeping everyone up to date on the strategy, performance and progress of the organisation through a strategically-coordinated, multi-channel approach across a combination of leader-led engagement, and digital and print communication, including blogs, vlogs and podcasts.

We also engage with our people collectively through a strong and effective partnership with Unite, as well as the Barclays Group European Forum, which represents all colleagues within the European Union.

These conversations help us to deliver things like a collective pay deal for our Unite covered colleagues, who represent 84% of our UK-based colleagues, as well as more complex business change and our long-term focus on colleague well-being.

We regularly brief our union partners on the strategy and progress of the business and seek their input on ways in which we can improve the colleague experience of working for Barclays. The collective bargaining coverage of Unite in the UK represents c.52% of our global workforce.

When we make significant changes to our business, they can affect our people and can mean that redundancies are necessary. We consult in detail with colleague representatives on major change programmes affecting our people. We do this to help us minimise compulsory job losses wherever possible, including through voluntary redundancy and redeployment.

We are committed to paying people fairly – in a way that balances the needs of all our stakeholders.

## Our people policies

Another way we shape the culture of our organisation is through our people policies, which are reviewed regularly, including by our Board.

Our policies are designed to provide equal opportunities and create an inclusive culture, in line with our values and in support of our long-term success. They also reflect relevant employment law, including the provisions of the Universal Declaration of Human Rights and ILO Declaration on Fundamental Principles and Rights at Work.

We expect our people to treat each other with dignity and respect, and do not tolerate discrimination, bullying, harassment or victimisation on any grounds.

We are committed to paying our people fairly and equitably relative to their role, skills, experience and performance – in a way that balances the needs of all our stakeholders. That means our remuneration policies reward sustainable performance that's in line with our purpose and values, as well as our risk expectations. You can find more information in our Fair Pay Report, available on [barclays.com](https://www.barclays.com)

We encourage our people to benefit from Barclays' performance by enrolling in our share plans, further strengthening their commitment to the organisation.

The Directors' Remuneration Report on pages 85 to 123 of the Barclays PLC Annual Report 2019 sets out updates on remuneration outcomes and developments during 2019. It also explains our plans for 2020, including our proposed new Directors' Remuneration Policy, which will be subject to a vote at the next AGM.

## Facts and figures

77%

Colleague engagement

893

graduate hires

311

apprenticeships

10%

voluntary employee turnover

15%

employee turnover

15

average training hours per annum per employee (payroll)



## Building a supportive culture

Diversity of thought and experience works best when everyone feels included. People who feel they can be themselves at work are happier and more productive, so we believe that creating an inclusive and diverse culture isn't just the right thing to do, but is also best for our business.

We focus on five areas: disability, gender, LGBT+, multicultural, and multigenerational. Each of these is represented and championed by a senior leader, and embedded deeply into the organisation through colleague networks organised by our people and funded by Barclays.

Our networks provide colleagues with valuable support and advice, create development opportunities, and raise awareness of issues and challenges. Our networks also influence our people policies, teaching us how we need to adapt to give our people the support they need to succeed. 85% of our colleagues say that they feel included within their teams.

Our policies require managers to give full and fair consideration to those with a disability on the basis of their aptitudes and abilities; both when hiring and through ongoing people management, as well as ensuring opportunities for training, career development and promotion are available to all. As part of the UK government Disability Confident scheme, we encourage applications from people with a disability, or a physical or mental health condition.

We encourage everyone working at Barclays, or thinking about joining us, to tell us what support and adjustments they need to be their best at work. We're working hard to make the processes that support this more effective, recognising that at times getting the support colleagues need can be slow.

We track the ever-changing composition of our people through online dashboards, to make sure that our senior leaders understand the diverse makeup and needs of the organisation they lead. We're also an inaugural signatory of the UK's Race at Work Charter.

Through our BeWell programme, we provide expert advice and guidance on the practical steps colleagues can take to look after their physical and mental health. In 2020, our Mental Health Awareness training will become mandatory for all colleagues. We were one of the first businesses to sign up to the Mental Health at Work Commitment. 74% of colleagues say that Barclays supports employee efforts to enhance their well-being.

## The tools to succeed

We provide tools, programmes and support that enable colleagues to balance their work-life with their personal commitments, supporting career development opportunities at each life stage.

We offer enhanced maternity, paternity, adoption and shared parental entitlements.

We're continuing to shape a more agile, technology-led culture through dynamic working, so that we can meet our people's desire to work more flexibly. 88% of colleagues say they are able to work dynamically and this is one of the biggest drivers for overall engagement, with more favourable scores across all questions.

However, our people also told us that we need to invest more in the technology and services we use internally. Only 56% of people said they have the work tools and resources they need to achieve excellent performance and this is a reduction year over year. We've made significant progress particularly in our new strategic campus sites, but we need to get the balance right between required investment and cost discipline in order to effectively balance the needs of all of our stakeholder groups.

We're replacing the old devices that we know our people can find frustrating, and we're updating our software and connectivity so that getting work done is easier. We've also invested in the technology support we provide to our people, so that when things do go wrong, we can put them right more quickly.

Over the next few years, our focus will be on enabling much greater collaboration, right across the organisation, so that we can unlock the power of the connections between our people.

### Black, Asian and Minority Ethnic (BAME) colleagues<sup>a</sup>

Global  
%



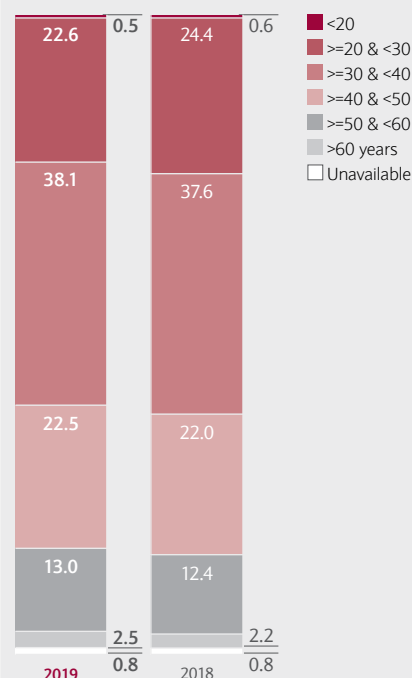
United Kingdom  
%



USA  
%



### Age of employees %



Note

<sup>a</sup> BAME populations include Asian, Mixed, Black, Hispanic/Latino, Native Hawaiian or Other Pacific Islander and Native American colleagues. Employees with an undeclared ethnicity (21% of our global population) have been excluded from all calculations, both for 2019 and 2018.

# Our role in society

Our success over the long term is tied inextricably to the preservation of our environment and the progress of our communities.

Stakeholder focus on the societal impact of businesses on wider ESG factors has continued to evolve rapidly during 2019. Investors, customers and clients, regulators, policymakers and broader society are all accelerating the pace of change.

We continue to strengthen the integration of social and environmental issues into our business strategy. Demonstrating the growing strategic importance of these issues, the Group Executive Committee created the Environmental and Social Impact (ESI) Committee in June 2019 to manage environmental and social matters. Chaired by the Group Chief Executive, with representation from business and function leadership, the Committee provides strategic management oversight, sets our approach and monitors execution against priorities.

Sometimes, that will take the form of an unambiguous statement of intent – as we have made through our Energy and Climate Change Statement. Often, though, the mark of our contribution will be seen most clearly in the way we run our business.

We believe we can make a difference in four key ways.

We understand the issues that define our shared future and the role we might play in addressing them.

## 1. Making growth 'green', sustainable and inclusive

Banks help to finance the future. In the way we prioritise and mobilise financial resources, and in how we do business, we can help shape the future to be cleaner, fairer and leave no one behind.

### Social and environmental financing

We continue to make good progress towards our social and environmental financing commitment, having provided £34.8bn of social and environmental financing in 2019 (2018: £28.5bn), facilitating a total of £63.3bn towards our £150bn goal. Social financing was £23.9bn (69% of total), environmental financing was £7.8bn (22% of total).

Supra-national, national and regional development institution finance continues to be a key driver of the £23.9bn in social financing (up 9% from £21.8bn in 2018).

Sustainability-linked loans, which can be linked to a range of different social and environmental performance metrics, increased to £3.1bn. These loans doubled year on year as more clients integrate sustainability metrics into their loan facilities.

Environmental financing grew by 45% year on year to a total of £7.8bn (2018: £5.3bn). We have seen good growth across our product set in our consumer and wholesale businesses.

### Accessible retail products and services

We believe that banking should work for everyone.

There were more than 570,000 Barclays Basic Current Accounts open at the end of 2019, serving the financial needs of those who wouldn't otherwise qualify for an account.

We also provide free banking to over 130,000 small not-for-profit organisations through our Community Accounts, including sports and community clubs, religious groups, and local charities.

## ESG and climate-related disclosures

Barclays will publish a comprehensive Environmental, Social and Governance Report and associated disclosures, including climate-related disclosures later this year.

## Social and environmental financing facilitated by type

£bn

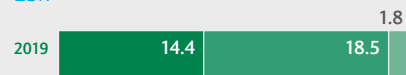


■ Green ■ Social ■ Sustainability linked

\* 2018 Social and Environmental financing has been restated to incorporate sustainability-linked financing facilities and ensure a consistent basis of reporting with 2019.

## Social and environmental financing facilitated by region

£bn



■ Americas ■ UK and Europe ■ Rest of World

## Unreasonable impact

No. of ventures supported since 2016

124

## Building thriving local economies

Pilot projects launched across the UK

3

## Connect with Work

Businesses engaged to help provide job placements for 66,000

4,200

## Green and Sustainable Finance Products

### Consumer

**Barclays Green Home Mortgage** – Rewards homebuyers who choose to buy an energy-efficient new build home with lower interest rates on their mortgage.

**ESG investment products** – Range of impact investing and ESG investment products for consumers.

### Corporate

**Green Asset Finance** – Financing green assets through lease purchase, finance and operating leases.

**Green Loans** – Lending for a variety of green and energy-efficient projects.

**Innovation Finance** – Financing of up to £5m at competitive rates to support green business innovation in small to medium-sized businesses.

**Green Deposits** – Allows our largest clients to earmark their cash balances against the green assets held on Barclays' balance sheet.

**Green Trade Loans** – Supporting the green working capital needs of clients from procurement through to final sale of goods.

### Capital Markets and Strategic Advisory

**Green and Sustainable Capital Markets** – Active in underwriting Green and Sustainability Bond issuance across sectors and geographies.

**Sustainable and Impact Banking** – Launched dedicated coverage group for high-growth sustainability ventures and ESG-focused private and public investors.

We continue to improve our customer experience for those who have accessibility requirements. Our main digital channels have all been accredited for accessibility by AbilityNet, a leading UK accessibility charity. Video banking is now helping hard of hearing customers reliant on lip-reading to connect with us.

To help keep our customers safe, we've invested millions of pounds in multi-layered security systems that protect against fraud and scams. We prevent thousands of attempted fraudulent transactions every day, and stopped over £720 million of fraud from taking place in the past year alone.

Our customers are increasingly choosing to access our products and services digitally, and using our branches less and less. That means we must constantly assess how and why our branches are used, and make commercial decisions based on that information.

Where we take the difficult decision to close a branch, we work closely with the local community to understand their needs and any alternative solutions we can provide. These solutions will be specific to each area but may include cashback from local retailers, arrangements with the nearest Post Office, or pop-up branches, as well as Barclays Collect for businesses, video banking, fully-automated facilities or cash machines. We also work closely with customers in communities across the UK to help them access and feel confident in using our digital services through our team of Barclays Digital Eagles.

In October 2019, we made a commitment to freeze branch closures for 'last-in-town' and remote locations, protecting 105 branches for at least two years, and we will maintain a full service proposition for our customers through the Post Office for the next three years.

## 2. Managing our social and environmental impact

The scale and scope of the support we provide to our customers and clients means that we can have a significant impact on the world around us. We take seriously our obligations to manage that impact responsibly.

As a bank, our potential adverse environmental and social impacts are frequently indirect, arising from the provision of financial services to business customers operating in sensitive sectors. We believe that appropriate risk management of these environmental and social impacts is not only the right thing to do, but ensures the longevity of our business and our ability to serve our clients.



### Social Innovation Facility

Fostering social innovation in the way we think, work and operate is a priority for Barclays.

Barclays Social Innovation Facility (SIF) incubates financial products and services that will have a sustained social or environmental impact. The SIF works with ideas created by innovators within Barclays and helps to support them through the development process from idea refinement, to scoping out the market, to commercialising the opportunity. Products range from impact investing to retail banking services for ex-military. Read more at [home.barclays/citizenship](https://home.barclays/citizenship)

Environmental and social risks are governed and managed as part of Barclays' credit risk and reputation risk management frameworks and processes. These include the client transaction review process, which is managed by a dedicated Environmental Risk Management team, as part of the central Credit Risk Management function, as well as the Group Sustainability and Reputation risk teams.

Our approach to environmental and social risk management is based on a combination of statements, standards and guidance. Formal position statements are developed in consultation with numerous stakeholders and aligned with industry best practices. We have also developed internal standards to implement our position statements.



Policies and position statements can be downloaded from [home.barclays/citizenship/statements-and-policy-positions/](https://home.barclays/citizenship/statements-and-policy-positions/)

# Our role in society

## 3. Running a responsible business

We know that trust is earned by repeatedly doing the right thing. Our approach to governance is built to reinforce that trust. We believe the best way to build that trust is to invest in our culture and support our people in the choices they make every day with guidance and policies that help.

That starts with our purpose and our values, and is locked into our organisation through The Barclays Way. The Barclays Way is the touchstone for everyone in Barclays on the standard of conduct we expect, and sets a tone from the top that is unequivocal about who we are and what we stand for.

### Whistleblowing

Most employees feel comfortable raising concerns through the usual escalation channels: their line manager, as well as Compliance, Legal and HR contacts.

If employees prefer to raise an issue in confidence, including a formal whistleblowing issue, we have a dedicated 'Raising Concerns' team that employees can contact which direct their issue to the most appropriate team.

Whistleblowing reports will be directed to a dedicated, confidential and independent whistleblowing team to investigate.

In 2019, the whistleblowing team opened a total of 254 whistleblowing investigations (2018: 364), with the majority of the investigations focused on allegations of breaches of controls or processes. Of the 217 whistleblowing investigations closed in 2019, 28% were found to have some level of substantiation.

### Managing our supply chain

14,000 companies from more than 26 countries supply Barclays across a broad range of products and services. Nearly 90% of our third party spend is concentrated in the UK and US.

Our supply base is diverse, including start-ups, small and medium-sized businesses, businesses owned, controlled and operated by under-represented segments of local societies as well as multinational corporations. Many of our suppliers have their own extensive supply chains.

Our engagement with suppliers is important. The Directors have regard, via management oversight, to the need to foster business relationships with suppliers and, as such, engage with them to ensure adherence to the Barclays' Supplier Code of Conduct and Supply Control obligations which cover our expectations of suppliers.

Adherence is confirmed through pre-contract attestation. Further, Barclays PLC is a signatory to the Prompt Payment Code in the UK, committing to pay our suppliers within clearly defined terms. In 2019, we achieved 85% (2018: 82.1%) on-time payment by value to our suppliers, meeting our public commitment to the suppliers of 85%.

### IT failures and resilience

Technology plays an increasingly important role in how we deliver for our customers and clients.

The stability and resilience of our technology systems has a direct impact on the quality of our service. We make significant investments in our infrastructure to guard against risk ranging from large scale data corruption, to hacking and third party failure.

Our multi-channel approach to delivering for our customers provides a level of resilience, and we maintain and regularly test comprehensive recovery plans to be used in the event of a failure.

## 4. Investing in our communities

A strong, inclusive economy is a better economy for everyone. A vibrant, skilled workforce ensures that businesses can thrive, and that individuals, along with their families and wider communities, can achieve financial independence and security.

We are helping to build skills and break down barriers to work wherever we find them, to enable people to succeed now and in the future. We do that through our flagship programmes.

**LifeSkills** gives people across the UK the skills, knowledge and confidence they need to be ready for the world of work – now and in future.

We've already helped millions of people through the programme since 2013 and are committed to helping a further 10 million people by 2022. We have made good progress towards our target, with 2.3m upskilled through the Life Skills programme in 2019.

**Connect with Work** provides people from often overlooked communities with vital work skills, and connects them to businesses that are recruiting, including Barclays' clients and suppliers.

By the end of 2019 we helped 66,000 people around the world into work with 4,200 businesses. We aspire to have placed 250,000 people into work through the programme by 2022.

**Eagle Labs** is a UK network of branch-based spaces that support individuals and businesses to innovate and grow. Eagle Labs are helping drive transformation in SMEs and across industry sectors, through local collaborations with industry-leading companies, universities and start-ups.

**Unreasonable Impact** is a partnership between Barclays and the Unreasonable Group. It helps fast-growing, social and environment-focused companies globally to accelerate their business and create hundreds of new jobs while solving some of society's most pressing problems.

With advice and guidance from a community of world-class mentors and industry specialists, the programme has so far supported 124 growth-stage ventures.

By 2022, we aspire to have supported 250 high-growth businesses through Unreasonable Impact.

Alongside these high-impact programmes, we also support our employees to make a difference on the issues that matter most to them personally, by supporting them to volunteer their time and skills in their own community and matching their financial contribution with our own.



### Building Thriving Local Economies

Our Thriving Local Economies initiative aims to identify the drivers and barriers to local economic success and enables Barclays to support those economies to thrive beyond the provisioning of our day-to-day products and services. In 2019 Taunton Deane, in the South West of England, joined Bury and Kilmarnock as our pilot communities. During the three-year programme, we are working closely with local councils, schools and business groups in those communities to better understand what help and support they need to thrive.





As our home market experienced uncertainty around Brexit, we continued to support local businesses and communities through this period of change.

### ESG and climate-related disclosures

Barclays supports the goals of the Paris Agreement, and we recognise the role that banks must play in assisting the transition to a low-carbon economy.

This can be accomplished through the provision of products and services which mobilise the capital required to execute this transition, and better management of climate-related risk within our portfolio.

We will be publishing a full suite of ESG and climate-related disclosures later this year, including an updated climate change position, ESG Report and separate TCFD publication.



## PRINCIPLES FOR RESPONSIBLE BANKING

### Developing the Principles for Responsible Banking

The Principles for Responsible Banking (PRB) provide a single framework for the global banking industry to embed sustainability at strategic, portfolio and transactional levels, and across all business areas. The Principles help to align banks with society's goals, as expressed in the Paris Climate Agreement and the United Nations' Sustainable Development Goals.

As one of the 30 founding banks, we are proud to have partnered to help develop and support the Principles. We recognise that implementing the Principles will be a journey and we will continue to embed the Principles into our business. We will provide initial disclosures on how Barclays is responding to the Principles as part of our ESG Report and associated disclosures.

### Supporting UK Business

When the customers, clients and communities we serve succeed, Barclays succeeds. This is particularly true in the United Kingdom, where we have been part of the fabric of the country for over 325 years.

As our home market experienced uncertainty around Brexit through the year, we continued to support local businesses and communities through this period of change.

From farmers embracing the fourth industrial revolution to manufacturers forging trade links in new markets, small, medium and large businesses across the UK continue to demonstrate ambition, innovation and resilience.

To help them fulfil their potential, we launched our dedicated support package for small and medium-sized businesses (SMEs) – the lifeblood of the economy. This included a dedicated £14.7bn SME lending fund, our 1,500-strong team of on-the-ground relationship managers and over 200 Brexit and Beyond clinics, held across the country. We have already lent £3.8bn to SMEs during 2019.

# Financial review

Barclays delivered year on year improved RoTE of 9.0%. This represents the third consecutive year of improved underlying RoTE performance.

## Financial metrics

### Group RoTE

RoTE measures our ability to generate acceptable returns for shareholders. It is calculated as profit after tax attributable to ordinary shareholders as a proportion of average shareholders' equity excluding non-controlling interests and other equity instruments adjusted for the deduction of intangible assets and goodwill.

This measure indicates the return generated by the management of the business based on shareholders' tangible equity. Achieving a target RoTE demonstrates the organisation's ability to execute its strategy and to align management's interests with those of its shareholders. RoTE lies at the heart of the Group's capital allocation and performance management process.

### CET1 ratio

The CET1 ratio is a measure of the capital strength and resilience of Barclays. The Group's capital management objective is to maximise shareholder value by prudently managing the level and mix of its capital. This is to ensure the Group and all of its subsidiaries are appropriately capitalised relative to their minimum regulatory and stressed capital requirements, and to support the Group's risk appetite, growth, and strategic options while seeking to maintain a robust credit proposition for the Group and its subsidiaries.

The ratio expresses the Group's CET1 capital as a percentage of its risk weighted assets (RWAs). RWAs are a measure of the Group's assets adjusted for their associated risks.

### Operating expenses

Barclays views operating expenses as a key strategic area for banks; those which actively manage costs and control them effectively will gain a strong competitive advantage.

### Cost: income ratio

The cost: income ratio measures operating expenses as a percentage of total income and is used to assess the productivity of our business operations.

## Our performance in 2019

### Group RoTE

RoTE, excluding litigation and conduct, increased to 9.0% (2018: 8.5%), in line with the 2019 target. Based on an average target CET1 ratio<sup>a</sup> of 13.2%, RoTE was also 9.0%.

We continue to target greater than 10% RoTE. Notwithstanding global macroeconomic uncertainty and the current low interest rate environment, we believe we can achieve a meaningful improvement in returns in 2020.

### CET1 ratio

The CET1 ratio increased to 13.8% (December 2018: 13.2%).

CET1 capital decreased by £0.3bn to £40.8bn. This was driven by underlying profit generation of £5.0bn offset by dividends paid and foreseen of £2.4bn, an additional provision for PPI of £1.4bn, pension deficit reduction contribution payments of £0.5bn, a decrease in the currency translation reserve of £0.5bn, mainly driven by the depreciation of period end USD against GBP, and a loss on the redemption of Additional Tier 1 (AT1) securities of £0.4bn.

RWAs decreased by £16.8bn to £295.1bn primarily driven by the reduction in the Group's operational risk RWAs, as well as the depreciation of period end USD against GBP.

The Group continues to target a CET1 ratio of c.13.5%.

### Operating expenses

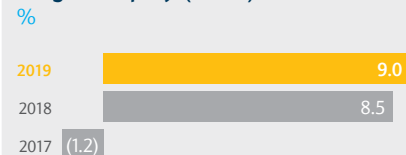
Operating expenses decreased to £13,585m (2018: £13,896m) in line with 2019 guidance, as cost efficiencies were partially offset by continued investment.

### Cost: income ratio

Barclays UK and Barclays International each generated positive cost: income jaws, resulting in the Group cost: income ratio, excluding litigation and conduct, reducing to 63% (2018: 66%).

Cost control remains a priority and management continues to target a cost: income ratio of less than 60% over time.

### Group return on tangible equity (RoTE)<sup>b</sup>



RoTE increased to 9.0%, in line with the 2019 target.

### CET1 ratio



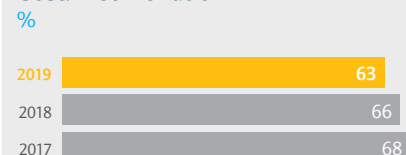
CET1 ratio target of c.13.5%, following removal of the operational risk floor during 2019.

### Operating expenses<sup>b</sup>



Group operating expenses in line with the 2019 guidance of less than £13.6bn. 2018 excludes litigation and conduct and a GMP charge of £140m.

### Cost: income ratio<sup>b</sup>



Cost control remains a priority and we continue to target a cost: income ratio of <60% over time.

#### Note

a The average target CET1 ratio reflects the change in the Group target from c.13.0% to c.13.5% in September 2019 following the removal of the operational risk RWAs floor.

b Excluding litigation and conduct.

## SUMMARY FINANCIALS

# Consolidated summary income statement

| For the year ended 31 December                               | 2019<br>£m      | 2018<br>£m      |
|--|-----------------|-----------------|
| <b>Continuing operations</b>                                 |                 |                 |
| Net interest income  | 9,407           | 9,062           |
| Net fee, commission and other income                         | 12,225          | 12,074          |
| <b>Total income</b>  | <b>21,632</b>   | <b>21,136</b>   |
| <b>Credit impairment charges</b>                             | <b>(1,912)</b>  | <b>(1,468)</b>  |
| Operating costs  | (13,359)        | (13,627)        |
| UK bank levy   | (226)           | (269)           |
| <b>Operating expenses</b>                                    | <b>(13,585)</b> | <b>(13,896)</b> |
| GMP charge   | –               | (140)           |
| Litigation and conduct                                       | (1,849)         | (2,207)         |
| <b>Total operating expenses</b>                              | <b>(15,434)</b> | <b>(16,243)</b> |
| <b>Other net income</b>                                      | <b>71</b>       | <b>69</b>       |
| <b>Profit before tax</b>                                     | <b>4,357</b>    | <b>3,494</b>    |
| Tax charge <sup>a</sup>                                      | (1,003)         | (911)           |
| <b>Profit after tax</b>                                      | <b>3,354</b>    | <b>2,583</b>    |
| Non-controlling interests                                    | (80)            | (234)           |
| Other equity instrument holders                              | (813)           | (752)           |
| <b>Attributable profit</b>                                   | <b>2,461</b>    | <b>1,597</b>    |
| <b>Selected financial statistics</b>                         |                 |                 |
| Basic earnings per share                                     | 14.3p           | 9.4p            |
| Diluted earnings per share                                   | 14.1p           | 9.2p            |
| Return on average tangible shareholders' equity              | 5.3%            | 3.6%            |
| Cost: income ratio   | 71%             | 77%             |
| <b>Performance measures excluding litigation and conduct</b> |                 |                 |
| Profit before tax  | 6,206           | 5,701           |
| Attributable profit  | 4,194           | 3,733           |
| Return on average tangible shareholders' equity              | 9.0%            | 8.5%            |
| Cost: income ratio   | 63%             | 66%             |

Note

a From 2019, due to an IAS 12 update, the tax relief on payments in relation to equity instruments has been recognised in the tax charge of the income statement, whereas it was previously recorded in retained earnings. Comparatives have been restated, reducing the tax charge for 2018 by £211 m. This change does not impact earnings per share or return on average tangible shareholders' equity.

Approach

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## SUMMARY FINANCIALS

# Consolidated summary balance sheet

| As at 31 December   | 2019<br>£m       | 2018<br>£m       |
|---|------------------|------------------|
| <b>Assets</b>   |                  |                  |
| Cash and balances at central banks                                | 150,258          | 177,069          |
| Cash collateral and settlement balances                           | 83,256           | 77,222           |
| Loans and advances at amortised cost                              | 339,115          | 326,406          |
| Reverse repurchase agreements and other similar secured lending   | 3,379            | 2,308            |
| Trading portfolio assets  | 114,195          | 104,187          |
| Financial assets at fair value through the income statement       | 133,086          | 149,648          |
| Derivative financial instruments                                  | 229,236          | 222,538          |
| Financial assets at fair value through other comprehensive income | 65,750           | 52,816           |
| Other assets  | 21,954           | 21,089           |
| <b>Total assets</b>   | <b>1,140,229</b> | <b>1,133,283</b> |
| <b>Liabilities</b>  |                  |                  |
| Deposits at amortised cost  | 415,787          | 394,838          |
| Cash collateral and settlement balances                           | 67,341           | 67,522           |
| Repurchase agreements and other similar secured borrowings        | 14,517           | 18,578           |
| Debt securities in issue  | 76,369           | 82,286           |
| Subordinated liabilities  | 18,156           | 20,559           |
| Trading portfolio liabilities                                     | 36,916           | 37,882           |
| Financial liabilities designated at fair value                    | 204,326          | 216,834          |
| Derivative financial instruments                                  | 229,204          | 219,643          |
| Other liabilities   | 11,953           | 11,362           |
| <b>Total liabilities</b>  | <b>1,074,569</b> | <b>1,069,504</b> |
| <b>Equity</b>   |                  |                  |
| Called up share capital and share premium                         | 4,594            | 4,311            |
| Other equity instruments  | 10,871           | 9,632            |
| Other reserves  | 4,760            | 5,153            |
| Retained earnings   | 44,204           | 43,460           |
| <b>Total equity excluding non-controlling interests</b>           | <b>64,429</b>    | <b>62,556</b>    |
| Non-controlling interests   | 1,231            | 1,223            |
| <b>Total equity</b>   | <b>65,660</b>    | <b>63,779</b>    |
| <b>Total liabilities and equity</b>                               | <b>1,140,229</b> | <b>1,133,283</b> |
| Net asset value per ordinary share                                | 309p             | 309p             |
| Tangible net asset value per share                                | 262p             | 262p             |
| Number of ordinary shares of Barclays PLC (in millions)           | 17,322           | 17,133           |
| Year-end USD exchange rate  | 1.32             | 1.28             |
| Year-end EUR exchange rate  | 1.18             | 1.12             |



# Managing risk

Barclays is exposed to internal and external risks as part of our ongoing activities. These risks are managed as part of our business model.

## Enterprise Risk Management Framework

At Barclays, risks are identified and overseen through the Enterprise Risk Management Framework (ERMF), which supports the business in its aim to embed effective risk management and a strong risk management culture.

The ERMF governs the way in which Barclays identifies and manages its risks.

The management of risk is then embedded into each level of the business, with all colleagues being responsible for identifying and controlling risk.

## Risk appetite

Risk appetite defines the level of risk we are prepared to accept across the different risk types, taking into consideration varying levels of financial and operational stress. Risk appetite is key to our decision-making processes, including ongoing business planning and setting of strategy, new product approvals and business change initiatives.

## Three lines of defence

The first line of defence is comprised of the revenue generating and client-facing areas, along with all associated support functions, including Finance, Treasury, Human Resources and Operations and Technology. The first line identifies the risks, sets the controls and escalates risk events to the second line of defence.

The second line of defence is made up of Risk and Compliance and oversees the first line by setting limits, rules and constraints on their operations, consistent with the risk appetite.

The third line of defence is comprised of Internal Audit, providing independent assurance to the Board and Executive Committee on the effectiveness of governance, risk management and control over current, systemic and evolving risks.

Although the Legal function does not sit in any of the three lines, it works to support them all and plays a key role in overseeing legal risk throughout the bank. The Legal function is also subject to oversight from the Risk and Compliance functions (second line) with respect to the management of operational and conduct risks.

## Monitoring the risk profile

Together with a strong governance process, using business and Group level Risk Committees as well as Board level forums, the Board receives regular information in respect of the risk profile of the Group, and has ultimate responsibility for Group risk appetite and capital plans. Information received includes measures of risk profile against risk appetite as well as the identification of new and emerging risks.

In 2019, Barclays also conducted a group-wide, exploratory stress test against a severe but plausible near-term climate scenario. The aim of the analysis was to identify key vulnerabilities that were most relevant and material to the Group's business model and geographical footprint.

We believe that our structure and governance supports us in managing risk in the changing economic, political and market environments.

We believe that our structure and governance will assist us in managing risk in the changing economic, political and market environments.

# Managing risk

*The ERMF defines eight principal risks*

*How risks are managed*

## Financial principal risks

|                           |  |  |
|---------------------------|--|--|
| Credit risk               | The risk of loss to the Group from the failure of clients, customers or counterparties, including sovereigns, to fully honour their obligations to the Group, including the whole and timely payment of principal, interest, collateral and other receivables.   | Credit risk teams identify, evaluate, sanction, limit and monitor various forms of credit exposure, individually and in aggregate.   |
| Market risk               | The risk of loss arising from potential adverse changes in the value of the Group's assets and liabilities from fluctuation in market variables including, but not limited to, interest rates, foreign exchange, equity prices, commodity prices, credit spreads, implied volatilities and asset correlations.   | A range of complementary approaches are used to identify and evaluate Market risk and to capture exposure to Market risk. These are measured, controlled and monitored by Market risk specialists.   |
| Treasury and Capital risk | <p><b>Liquidity risk:</b><br/>The risk that the Group is unable to meet its contractual or contingent obligations or that it does not have the appropriate amount, tenor and composition of funding and liquidity to support its assets.</p> <p><b>Capital risk:</b><br/>The risk that the Group has an insufficient level or composition of capital to support its normal business activities and to meet its regulatory capital requirements under normal operating environments or stressed conditions (both actual and as defined for internal planning or regulatory testing purposes). This includes the risk from the Group's pension plans.</p> <p><b>Interest rate risk in the banking book:</b><br/>The risk that the Group is exposed to capital or income volatility because of a mismatch between the interest rate exposures of its (non-traded) assets and liabilities.</p> | Treasury and Capital risk is identified and managed by specialists in Capital Planning, Liquidity, Asset and Liability Management and Market risk. A range of approaches are used appropriate to the risk, such as: limits; plan monitoring; internal and external stress testing. |

## Non-financial principal risks

|                  |  |   |
|------------------|--|---|
| Operational risk | The risk of loss to the Group from inadequate or failed processes or systems, human factors or due to external events where the root cause is not due to Credit or Market risks.                             | <p>Operational risk comprises the following risks; data management and information, execution risk, financial reporting, fraud, payments processing, people, physical security, premises, prudential regulation, supplier, tax, technology and transaction operations.</p> <p>It is not always cost effective or possible to attempt to eliminate all operational risks.</p> <p>Operational risk is managed across the businesses and functions through an internal control environment with a view to limiting the risk to acceptable residual levels.</p> |
| Model risk       | The risk of potential adverse consequences from financial assessments or decisions based on incorrect or misused model outputs and reports.  | Models are independently validated and approved prior to implementation and their performance is monitored on a continual basis.  |
| Conduct risk     | The risk of detriment to customers, clients, market integrity, effective competition or Barclays from the inappropriate supply of financial services, including instances of wilful or negligent misconduct. | The Compliance function sets the minimum standards required, and provides oversight to monitor that these risks are effectively managed and escalated where appropriate.  |
| Reputation risk  | The risk that an action, transaction, investment, event, decision or business relationship will reduce trust in the Group's integrity and/or competence.   | Reputation risk is managed by embedding our purpose and values and maintaining a controlled culture within the Group, with the objective of acting with integrity, enabling strong and trusted relationships with customers and clients, colleagues and broader society.  |
| Legal risk       | The risk of loss or imposition of penalties, damages or fines from the failure of the Group to meet its legal obligations including regulatory or contractual requirements.                                  | The Legal function supports colleagues in identifying and limiting legal risks.   |

# Viability statement

## Provision 31 of the 2018 UK Corporate Governance Code

The financial statements and accounts have been prepared on a going concern basis.

In addition, Provision 31 of the 2018 UK Corporate Governance Code requires the Directors to make a statement in the Annual Report regarding the viability of the Group, including an explanation of how they assessed the prospects of the Group, the period of time for which they have made the assessment and why they consider that period to be appropriate.

## Time horizon

In light of the analysis summarised below, the Board has assessed the Group's current viability, and confirms that the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the next three years. This time frame is used in management's Working Capital and Viability Report (WCR), prepared at February 2020. The availability of the WCR gives management and the Board sufficient visibility and confidence on the future operating environment for this time period. The three-year time frame has also been chosen because:

- it is within the period covered by the Group's formal projections of profitability, cash flows, capital requirements and capital resources
- it is also within the period over which regulatory and internal stress testing is carried out
- it is representative of the level of anticipated regulatory change in the financial services industry.

The Directors are satisfied that this period is sufficient to enable a reasonable assessment of viability to be made.

## Considerations

In making its assessment the Board has:

- carried out a robust and detailed assessment of the Group's risk profile and material existing and emerging risks
- notable among these are risks which senior management believe could cause the Group's future results of operations or financial condition to differ materially from current expectations or could adversely impact the Group's ability to meet regulatory requirements
- reviewed how those risks are identified, managed and controlled (further detail provided on pages 139 to 146 of the Barclays PLC Annual Report 2019)
- considered the WCR which provides an assessment of forecast CET1, leverage, Tier 1 and total capital ratios, as well as the build-up of MREL up to the end of 2022
- reviewed the Group's liquidity and funding profile, including forecasts of the Group's internal liquidity risk appetite (LRA) and regulatory liquidity coverage ratios
- considered the Group's viability under specific internal and regulatory stress scenarios
- considered the stability of the major markets in which it operates, supply chain resiliency and regulatory changes
- considered the sustainability of capital distributions
- considered scenarios which might affect the operational resiliency of the Group
- reviewed the draft statutory accounts and the in-depth disclosure of the financial performance of the Group
- considered the Group's medium-term plan
- reviewed the possible impact of legal, competition and regulatory matters set out in Note 26 to the financial statements on pages 303 to 306 of the Barclays PLC Annual Report 2019.

## Assessment

Risks faced by the Group's business, including in respect of financial, conduct and operational risk, are controlled and managed within the Group in line with the ERMF. Executive management set a risk appetite for the Group, which is then approved by the Board. Risk and Compliance set limits, within which businesses are required to operate. Management and the Board then oversee the ongoing risk profile. Internal Audit provide independent assurance to the Board and Executive Committee over the effectiveness of governance, risk management and control over current and evolving risks.

A full set of material risks to which the organisation is exposed can be found in the material existing and emerging risks on pages 129 to 137 of the Barclays PLC Annual Report 2019. Certain risks are additionally identified as key themes and monitored closely by the Board and Board Committees. These are chosen on the basis of their ability to impact viability over the time frame of the assessment but in some instances the risks exist beyond this time frame.

These particular risks include:

- the consequences of the UK's exit from the EU are unpredictable and diverse, difficult to predict and may impact over a prolonged period. In particular, a significant deterioration in the macroeconomic environment in the UK and Europe could lead to increased credit rating downgrades of the UK sovereign and the Group, significantly increasing borrowing costs, widening credit spreads and could materially adversely affect the Group's interest margins and liquidity position
- legal proceedings, competition, regulatory and conduct matters giving rise to the potential risk of fines, loss of regulatory licences and permissions and other sanctions, as well as potential adverse impacts on our reputation with clients and customers and on investor confidence and/or potentially resulting in impacts on capital, liquidity and funding

# Viability statement

- sudden shocks or geopolitical unrest in any of the major economies in which the bank operates which could impact credit ratings, alter the behaviour of depositors and other counterparties and affect the ability of the firm to maintain appropriate capital and liquidity ratios
- evolving operational risks (notably cybersecurity, technology and resilience) and the ability to respond to the new and emerging technologies in a controlled fashion.

As a universal bank with a diversified and connected portfolio of businesses, servicing customers and clients globally, the Group is impacted in the longer term by a wide range of macroeconomic, political, regulatory and accounting, technological, social and environmental developments. The evolving operating environment presents opportunities and risks which we continue to evaluate and take steps to appropriately adapt our strategy and its delivery. Notably, the consequences of the withdrawal of the UK from the EU and the associated economic and operational risks have received significant management attention, particularly, given the greater uncertainty this is likely to cause in 2020 and beyond.

## Stress tests

The Board has also considered the Group's viability under specific internal and regulatory stress scenarios.

The Board reviewed external regulatory stress test results which are designed to assess the resilience of banks to adverse economic developments and confirm that we have robust forward-looking planning processes for the risks associated with our business profile.

In addition, the latest macroeconomic internal stress test, conducted in Q4 2019, considered the potential impacts of:

- a severe UK recession triggered by the UK leaving the EU with no transitional arrangements, including falling property prices which fail to recover over the forecast horizon and rising unemployment
- the US entering into a recession of similar magnitude to the UK, with heightened levels of concern over consumer and corporate debt as a result of the ongoing US-China trade dispute
- weakness in peripheral Europe driven by weakening in global demand with heightened trade tensions and ballooning debt burdens in Italy and Spain, the threat of a populist uprising beginning to dominate the political landscape,

all of which could result in, among other things, a loss of income or increased impairment. The stress test outcome for macroeconomic tests shows our full financial performance over the horizon of the scenario and focuses on the CET1 capital ratio.

In addition, Barclays conducted a group-wide, exploratory stress test against a severe but plausible near-term climate scenario. The aim of the analysis was to identify key vulnerabilities that were most relevant and material to the Group's business model and geographical footprint.

Legal proceedings, competition, regulatory and remediation/redress conduct matters are also assessed as part of the stress testing process. Capital and liquidity risk appetite are set at a level designed to enable the Group to withstand various stress scenarios. As part of this process, management also identified actions, including cost reductions and withdrawal from lines of business, available to restore the Group to its desired capital flightpath.

The Group-wide stress testing framework also includes reverse stress testing techniques which aim to identify and analyse the circumstances under which the Group's business model would no longer be viable. Examples include extreme macroeconomic downturn scenarios, or specific idiosyncratic events, covering operational risk (for example, cyberattack), adverse outcomes in legal proceedings, competition, regulatory and conduct matters and capital/liquidity events.

We use an inventory of models, quantitative procedures and judgement to support the stress test calculations and projections. These tools range from experienced management judgement through to sophisticated financial and behavioural models. The stress test evaluation process produces both gross impacts and the effect of mitigation including management actions. This enables us to understand, monitor and control the risks identified. The stress testing process is overseen by a governance structure from the Board through executive business and risk committees. Management believes that the internal and external stress testing process considers a wide range of severe but plausible events. However, stress tests should not be assumed to be an exhaustive assessment of all possible hypothetical extreme or remote scenarios.

These internal and external stress tests informed the conclusions of the WCR. Based on current forecasts, incorporating key known regulatory changes to be enacted and having considered possible stress scenarios, the current liquidity and capital position of the Group continues to support the Board's assessment of the Group's viability.



# Non-financial information statement

Certain of the non-financial information required pursuant to the Companies Act is provided by reference to the following locations:

| Non-financial information                                      | Section                             | Pages |
|--|-------------------------------------|-------|
| Business model   | Business model                      | 12    |
| Policies   | Non-financial information statement | 43    |
| Principal risks (pages in the Barclays PLC Annual Report 2019) | Risk review                         | 125   |
|  | Principal risk management           | 139   |
|  | Risk performance                    | 147   |
| Key performance indicators                                     | Key performance indicators          | 18    |

We use a variety of tools to track and measure our strategic delivery, and collect both quantitative and qualitative information to get the full picture of our performance.

The Non-Financial Reporting requirements contained in sections 414CA and 414CB of the Companies Act 2006 are addressed within this section by means of cross reference in order to indicate which part of the strategic narrative the respective requirements are embedded. We have used cross referencing as appropriate to deliver clear, concise and transparent reporting.

We have a range of policies and guidance (also available at [home.barclays/esg](https://home.barclays/esg)) that support our key outcomes for all of our stakeholders. Performance against our strategic non-financial performance measures, as shown on pages 18 to 35, is one indicator of the effectiveness and outcome of policies and guidance.

Across Barclays, policies and statements of intent are in place to ensure consistent governance on a range of issues. For the purposes of the Non-Financial Reporting requirements, these include, but are not limited to:

## Environmental matters

| Policy statement   | Description  |
|--|--|
| <a href="#">Energy and Climate Change statement</a>                  | Our Energy and Climate Change statement sets out our approach to energy sectors with higher carbon-related exposures from extraction or consumption, and/or those with an impact in certain sensitive environments, namely thermal coal, Arctic oil and gas, and oil sands. The statement outlines the important role Barclays plays in ensuring that the world's energy needs are met, while helping to limit the threat that climate change poses to people and to the natural environment.                    |
| <a href="#">World Heritage Site and Ramsar Wetlands statement</a>    | We understand that certain industries, and in particular mining, oil and gas, and power, can have negative impacts on areas of high biodiversity value including UNESCO World Heritage Sites (WHS) and Ramsar Wetlands (RW). Our WHS and RW statement outlines our client due diligence approach to preserving and safeguarding these sites.   |
| <a href="#">Climate Change Financial and Operational Risk Policy</a> | In 2019, we published a 'Climate Change Financial Risk and Operational Risk Policy'. This introduced climate change as an overarching risk impacting certain principal risks: credit risk, market risk, treasury and capital risk and operational risk. The policy is jointly owned by the relevant Principal Risk Leads with oversight by the Board Risk Committee.   |
| <a href="#">Forestry and Palm Oil statement</a>                      | We recognise that the production of timber products and palm oil is often associated with significant environmental and social impacts, particularly in relation to biodiversity loss, tropical deforestation and climate change. Our Forestry and Palm Oil Statement outlines our due diligence approach for clients involved in these activities, ensuring that we support clients that promote sustainable forestry and agribusiness practices whilst respecting the rights of workers and local communities. |

## Colleagues

| Policy statement                               | Description   |
|--|---|
| <a href="#">Board Diversity Policy</a>         | The Board Diversity Policy sets out the approach to diversity on the Boards of Barclays.  |
| <a href="#">Code of Conduct</a>                | The Barclays Code of Conduct outlines the Values and Behaviours which govern our way of working across our business globally. It constitutes a reference point covering all aspects of colleagues' working relationships, specifically (but not exclusively) with other Barclays employees, customers and clients, governments and regulators, business partners, suppliers, competitors and the broader community. |
| <a href="#">Health, safety and welfare</a>     | Our commitment is to ensure the health, safety and welfare of our employees and to provide and maintain safe working conditions. Effective management of health and safety will have a positive effect on the services we provide.  |
| <a href="#">Equality and Diversity Charter</a> | Barclays Equality and Diversity Charter governs the approach for employees of the Group. A diverse employee-base will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between employees, with all appointments made on merit.   |

# Non-financial information statement

## Social matters

| Policy statement     | Description  |
|----------------------|--|
| Donations            | Barclays works in partnership with non-profit organisations, including charities and NGOs, to develop high-performing programmes and volunteering opportunities that harness the skills and passion of our employees. Barclays has chosen to partner with a small number of organisations, allowing us to have deeper relationships and ultimately enabling us to have the greatest impact on our communities in which we operate. Barclays does not accept unsolicited donation requests. |
| Tax                  | Our Tax Principles are central to our approach to tax planning, for ourselves or on behalf of our clients. Since their introduction in 2013 we believe our Tax Principles have been a strong addition to the way we manage tax, ensuring that we take into account all of our stakeholders when making decisions related to our tax affairs. The same applies to our Tax Code of Conduct.  |
| Sanctions            | Sanctions are restrictions on activity with targeted countries, governments, entities, individuals and industries that are imposed by bodies such as the United Nations (UN), the European Union (EU), individual countries or groups of countries. The Barclays Group Sanctions Policy is designed to ensure that the Group complies with applicable sanctions laws in every jurisdiction in which it operates.   |
| The defence industry | We provide financial services to the defence sector within a specific policy framework. Each proposal is assessed on a case-by-case basis and legal compliance alone does not automatically guarantee our support. The Barclays Statement on the Defence Sector outlines our appetite for defence-related transactions and relationships.  |

## Human rights

| Policy statement | Description  |
|------------------|--|
| Human rights     | We operate in accordance with the Universal Declaration of Human Rights and take account of other internationally accepted human rights standards. We also promote human rights through our employment policies and practices, through our supply chain and through the responsible use of our products and services.  |
| Modern slavery   | Barclays recognises its responsibility to comply with all relevant legislation including the UK Modern Slavery Act 2015. In accordance with the requirements of the Act, we release an annual Barclays Group Statement on Modern Slavery, which outlines the actions we have taken to address the risks of modern slavery and human trafficking in our operations, supply chain, and customer and client relationships.  |
| Supply chain     | Our supply base is diverse, including start-ups, small and medium-sized businesses, and businesses owned, controlled and operated by under-represented segments of society as well as multinational corporations. We recognise that these partnerships have significant direct and indirect environmental and social impacts. We actively encourage our supplier partners to meet Barclays' requirements in order to meet our obligations to our stakeholders. |
| Data protection  | Across Barclays, the privacy and security of personal information is respected and protected. Our Privacy Statement governs how we collect, handle, store, share, use and dispose of information about people. We regard sound privacy practices as a key element of corporate governance and accountability.  |

## Anti-bribery and anti-corruption

| Policy statement                                      | Description  |
|---|--|
| Bribery and corruption                                | We recognise that corruption can undermine the rule of law, democratic processes and basic human freedoms, impoverishing states and distorting free trade and competition. Our statement reflects the statutory requirements applicable in the UK as derived from the United Nations and Organisation for Economic Co-operation and Development conventions on corruption. |
| Anti-money laundering and counter-terrorist financing | Barclays Anti-Money Laundering Policy is designed to ensure that we comply with the requirements and obligations set out in UK legislation, regulations, rules and industry guidance for the financial services sector, including the need to have adequate systems and controls in place to mitigate the risk of the bank being used to facilitate financial crime.       |

# Shareholder information

## Annual General Meeting (AGM)

### Location

This year's AGM will be held at the Scottish Events Campus (SEC), Glasgow, Scotland, G3 8YW

### Date

Thursday 7 May 2020

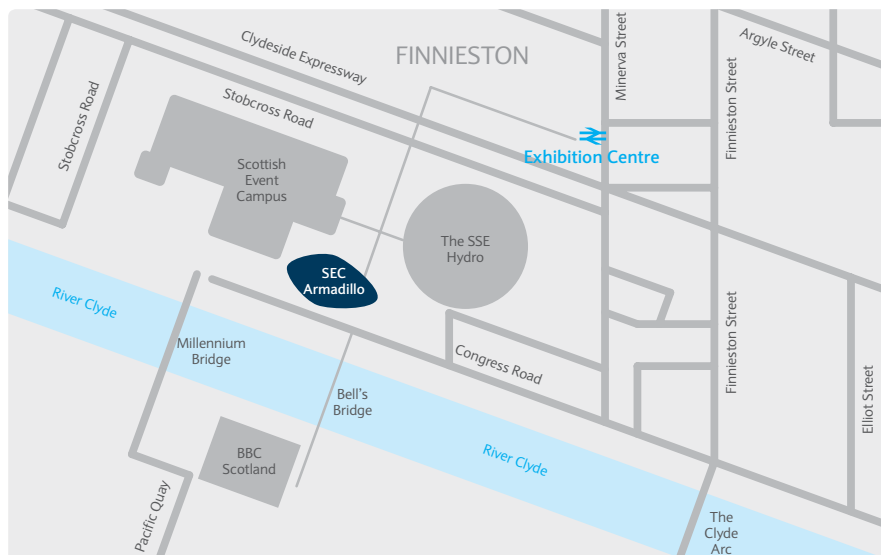
### Time

11.00am

The Chairman and Chief Executive will update shareholders on our performance in 2019 and our goals for 2020. Shareholders will also have the opportunity to ask the Board questions at the meeting.



You can find out more at: [home.barclays/agma](http://home.barclays/agma)



SEC Armadillo, Glasgow, Scotland, G3 8YW

## Keep your personal details up to date

Please remember to tell Equiniti if:

- you move
- you need to update your bank or building society details.

If you are a Shareview member, you can update your bank or building society account or address details online. If you hold 2,500 shares or less, you can update details quickly and easily over the telephone using the Equiniti contact details overleaf. If you hold more than 2,500 shares you will need to write to Equiniti.

### Dividends

The Barclays PLC 2019 full year dividend for the year ended 31 December 2019 will be 6.0p per share, making the 2019 total dividend 9.0p.

The Company understands the importance of delivering attractive cash returns to shareholders. The Company is therefore committed to maintaining an appropriate balance between total cash returns to shareholders, investment in the business, and maintaining a strong capital position.

Going forward, the Company intends to pay a progressive dividend taking into account these objectives, and the earnings outlook of the Group. It is also the Board's intention to supplement the ordinary dividends with additional returns to shareholders as and when appropriate.

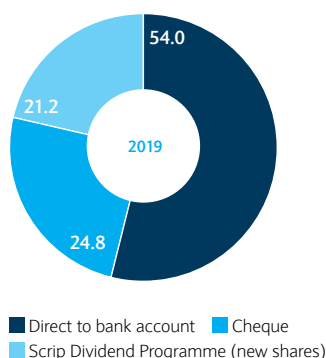
The Board notes that in determining any proposed distributions to shareholders, the Board will consider the expectation of servicing more senior securities.

Save time and receive your dividends faster by choosing to have them paid directly into your bank or building society account

It is easy to set up and your money will be in your bank account on the dividend payment date. If you hold 2,500 shares or less, you can provide your bank or building society details quickly and easily over the telephone using the Equiniti contact details overleaf. If you hold more than 2,500 shares, please contact Equiniti for details of how to change your payment instruction.

### How do Barclays shareholders receive their dividends?

%



### Scrip Dividend Programme

Shareholders can choose to have their dividends reinvested in new ordinary Barclays shares through the Scrip Dividend Programme.

More information, including the Terms and Conditions and application form, are available on our website.



To find out more, contact Equiniti or visit: [home.barclays/dividends](http://home.barclays/dividends)

## Key dates

**3 April 2020**

Full year dividend payment date

**29 April 2020**

Q1 Results Announcement

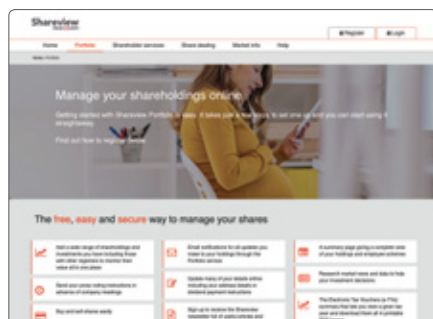
**7 May 2020**

Annual General Meeting, at 11.00am

**21 September 2020**

Half year dividend payment date

# Shareholder information



## Managing your shares online

### Shareview

Barclays shareholders can go online to manage their shareholding and find out about Barclays performance by joining Shareview.

Through Shareview, you:

- will receive the latest updates from Barclays direct to your email
- can update your address and bank details online
- can vote in advance of general meetings.

To join Shareview, please follow these three easy steps:

**Step 1** Go to [portfolio.shareview.co.uk](https://portfolio.shareview.co.uk)

**Step 2** Register for electronic communications by following the instructions on screen

**Step 3** You will be sent an activation code in the post the next working day

### Returning funds to shareholders

Over 60,000 shareholders did not cash their Shares Not Taken Up (SNTU) cheque following the Rights Issue in September 2013. In 2019, we continued the tracing process to reunite these shareholders with their SNTU monies and any unclaimed dividends and by the end of the year, we had returned approximately £23,288 to our shareholders, in addition to the approximately £65,000 returned in 2018, £212,000 returned in 2017, £1.65m returned in 2016 and £2.2m in 2015.

### Donations to charity

We launched a Share Dealing Service in October 2017 aimed at shareholders with relatively small shareholdings for whom it might otherwise be uneconomical to deal. One option open to shareholders was to donate their sale proceeds to ShareGift. As a result of this initiative, £58,267 was donated in 2019, taking the total donated since 2015 to over £403,000.

## Shareholder security

Shareholders should be wary of any cold calls with an offer to buy or sell shares. Fraudsters use persuasive and high-pressure techniques to lure shareholders into high-risk investments or scams. You should treat any unsolicited calls with caution.

Please keep in mind that firms authorised by the Financial Conduct Authority (FCA) are unlikely to contact you out of the blue. You should consider getting independent financial or professional advice from someone unconnected to the respective firm before you hand over any money.

## Report a scam

If you suspect that you have been approached by fraudsters please tell the FCA using the share fraud reporting form at [fca.org.uk/scams](https://fca.org.uk/scams). You can also call the FCA Helpline on 0800 111 6768 or through Action Fraud on 0300 123 2040.

## Useful contact details

### Equiniti

The Barclays share register is maintained by Equiniti. If you have any questions about your Barclays shares, please contact Equiniti by visiting [shareview.co.uk](https://shareview.co.uk)

Equiniti

0371 384 2055<sup>a</sup>  
(in the UK)

+44 121 415 7004  
(from overseas)

0371 384 2255<sup>a</sup>  
(for the hearing impaired in the UK)

+44 121 415 7028  
(for the hearing impaired from overseas)

Aspect House, Spencer Road,  
Lancing, West Sussex BN99 6DA

### American Depositary Receipts (ADRs)

ADRs represent the ownership of Barclays PLC shares which are traded on the New York Stock Exchange. ADRs carry prices, and pay dividends, in US dollars.

If you have any questions about ADRs, please contact J.P.Morgan:  
[StockTransfer@equiniti.com](mailto:StockTransfer@equiniti.com)  
or visit [adr.com](https://adr.com)

### J.P.Morgan Shareholder Services

+1 800 990 1135  
(toll free in US and Canada)

+1 651 453 2128  
(outside the US and Canada)

+1 866 700 1652  
(hearing impaired)

JPMorgan Chase Bank N.A.  
PO Box 64504  
St Paul  
MN 55164-0504  
USA

### Shareholder Relations

To give us your feedback or if you have any questions, please contact:  
[privateshareholderrelations@barclays.com](mailto:privateshareholderrelations@barclays.com)

Shareholder Relations  
Barclays PLC  
1 Churchill Place  
London E14 5HP

### Share price

Information on the Barclays share price and other share price tools are available at:  
[home.barclays/investorrelations](https://home.barclays/investorrelations)

## Alternative formats

Shareholder documents can be provided in large print, audio CD or Braille free of charge by calling Equiniti.

0371 384 2055<sup>a</sup>  
(in the UK)

+44 121 415 7004  
(from overseas)

Audio versions of the Strategic Report will also be available at the AGM.



Note

<sup>a</sup> Lines open 8.30am to 5.30pm (UK time) Monday to Friday, excluding public holidays.



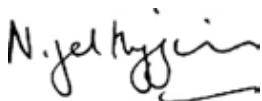
### Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to the Group. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results or other financial condition or performance measures could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Forward-looking statements can be made in writing but also may be made verbally by members of the management of the Group (including, without limitation, during management presentations to financial analysts) in connection with this document. Examples of forward-looking statements include, among others, statements or guidance regarding or relating to the Group's future financial position, income growth, assets, impairment charges, provisions, business strategy, capital, leverage and other regulatory ratios, payment of dividends (including dividend payout ratios and expected payment strategies), projected levels of growth in the banking and financial markets, projected costs or savings, any commitments and targets, estimates of capital expenditures, plans and objectives for future operations, projected employee numbers, IFRS impacts and other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. The forward-looking statements speak only as at the date on which they are made and such statements may be affected by changes in legislation, the development of standards and interpretations under IFRS, including evolving practices with regard to the interpretation and application of accounting and regulatory standards, the outcome of current and future legal proceedings and

regulatory investigations, future levels of conduct provisions, the policies and actions of governmental and regulatory authorities, geopolitical risks and the impact of competition. In addition, factors including (but not limited to) the following may have an effect: capital, leverage and other regulatory rules applicable to past, current and future periods; UK, US, Eurozone and global macroeconomic and business conditions; the effects of any volatility in credit markets; market related risks such as changes in interest rates and foreign exchange rates; effects of changes in valuation of credit market exposures; changes in valuation of issued securities; volatility in capital markets; changes in credit ratings of any entity within the Group or any securities issued by such entities; the potential for one or more countries exiting the Eurozone; instability as a result of the exit by the UK from the European Union and the disruption that may subsequently result in the UK and globally; and the success of future acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Group's control. As a result, the Group's actual financial position, future results, dividend payments, capital, leverage or other regulatory ratios or other financial and non-financial metrics or performance measures may differ materially from the statements or guidance set forth in the Group's forward-looking statements. Additional risks and factors which may impact the Group's future financial condition and performance are identified in our filings with the SEC (including, without limitation, our Annual Report on Form 20-F for the fiscal year ended 31 December 2019), which are available on the SEC's website at [www.sec.gov](http://www.sec.gov).

Subject to our obligations under the applicable laws and regulations of any relevant jurisdiction, (including, without limitation, the UK and the US), in relation to disclosure and ongoing information, we undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

The Barclays PLC Strategic Report 2019 was approved by the Board of Directors on 12 February 2020 and signed on its behalf by the Chairman.



#### Report of the Auditor

The Auditor's report on the financial statements of Barclays PLC for the year ended 31 December 2019 was unqualified, and their statement under section 496 of the Companies Act 2006 was also unqualified (see page 239 of the Barclays PLC Annual Report 2019).

#### Notes

The terms Barclays or Group refer to Barclays PLC together with its subsidiaries. Unless otherwise stated, the income statement analysis compares the year ended 31 December 2019 to the corresponding twelve months of 2018 and balance sheet analysis as at 31 December 2019 with comparatives relating to 31 December 2018. The abbreviations '£m' and '£bn' represent millions and thousands of millions of Pounds Sterling respectively; the abbreviations '\$m' and '\$bn' represent millions and thousands of millions of US Dollars respectively; and the abbreviations '€m' and '€bn' represent millions and thousands of millions of Euros respectively.

There are a number of key judgement areas, for example impairment calculations, which are based on models and which are subject to ongoing adjustment and modifications. Reported numbers reflect best estimates and judgements at the given point in time.

Relevant terms that are used in this document but are not defined under applicable regulatory guidance or International Financial Reporting Standards (IFRS) are explained in the results glossary that can be accessed at [home.barclays/investor-relations/reports-and-events/latest-financial-results](http://home.barclays/investor-relations/reports-and-events/latest-financial-results).

The information in this announcement, which was approved by the Board of Directors on 12 February 2020, does not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2019, which contain an unmodified audit report under Section 495 of the Companies Act 2006 (which does not make any statements under Section 498 of the Companies Act 2006) will be delivered to the Registrar of Companies in accordance with Section 441 of the Companies Act 2006.

These results will be furnished as a Form 20-F to the US Securities and Exchange Commission (SEC) as soon as practicable following their publication. Once furnished with the SEC, a copy of the Form 20-F will be available from the Barclays Investor Relations website at [home.barclays/annualreport](http://home.barclays/annualreport) and from the SEC's website at [www.sec.gov](http://www.sec.gov).

Barclays is a frequent issuer in the debt capital markets and regularly meets with investors via formal roadshows and other ad hoc meetings. Consistent with its usual practice, Barclays expects that from time to time over the coming quarter it will meet with investors globally to discuss these results and other matters relating to the Group.

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Barclays is a company  
of opportunity makers,  
working together to help  
people rise – customers,  
clients, colleagues  
and society.

For further information and a fuller understanding of the results and the state of affairs of the Group, please refer to the full Barclays PLC Annual Report 2019 suite of documents available at [home.barclays/annualreport](https://home.barclays/annualreport)

#### **Barclays PLC Strategic Report 2019**

An overview of our 2019 performance, a focus on our strategic direction, and a review of the businesses underpinning our strategy.

#### **Barclays PLC Annual Report 2019**

A detailed review of Barclays 2019 performance with disclosures that provide useful insight and go beyond reporting requirements.

#### **Barclays PLC Country Snapshot 2019**

An overview of our tax contribution country by country as well as our broader approach to tax, including our UK tax strategy.

#### **Barclays PLC Pillar 3 Report 2019**

A summary of our risk profile, its interaction with the Group's risk appetite, and risk management.