



Making a **difference**

Barclays PLC
Annual Report 2020
Part 1



Making a difference

Barclays is a British universal bank. We support consumers and small businesses through our retail banking services, and larger businesses and institutions through our corporate and investment banking services.

In the wake of an extraordinary year, we have refreshed our corporate Purpose and our Values to ensure they are relevant to today's world.

Our Purpose

We deploy finance responsibly to support people and businesses, acting with empathy and integrity, championing innovation and sustainability, for the common good and the long term.

Our Values

Respect

We harness the power of diversity and inclusion in our business, trust those we work with, and value everyone's contribution.

Integrity

We operate with honesty, transparency and fairness in all we do.

Service

We act with empathy and humility, putting the people and businesses we serve at the centre of what we do.

Excellence

We champion innovation, and use our energy, expertise and resources to make a positive difference.

Stewardship

We prize sustainability, and are passionate about leaving things better than we found them.



You can read more about our new Purpose at home.barclays/purposeandvalues

Our Stakeholders

Having a strong Purpose and Values ensures we are able to deliver for all our stakeholders:

For our customers and clients

We help those who use our products, services and expertise realise their aspirations

For our colleagues

We support their health and wellbeing, enable them to build their career, and empower and motivate them to be able to provide excellent service

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 continue to build a strong, diversified business that can deliver attractive and sustainable returns

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The Barclays PLC Strategic Report 2020 was approved by the Board of Directors on 17 February 2021 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 2020 was unmodified, and its statement under Section 496 of the Companies Act 2006 was also unmodified (see page 260 of Part 2 of the Annual Report 2020).

Understanding Barclays

We are proud of our history and deep roots in the UK, while our scale, geographic reach and diversification make us a universal bank, delivering financial expertise in many different markets around the world.

Our investment proposition

1

Resilience through diversification

We are a British universal bank diversified by business, geography and income type, serving consumers and wholesale customers and clients globally. This diversification provides resilience through different economic cycles.

- Scale retail and business bank in the UK.
- Top tier global corporate and investment bank.
- Broad international consumer lending, cards, and payments franchise, and private bank.

2

Growth opportunities

Our diversified model offers us growth opportunities. We intend to grow Barclays by continuing to invest in our core business strengths, and delivering world-class technology and digital capabilities to our customers and clients.

- Attractive growth opportunities in markets where we have established businesses today.
- Investing in less capital intensive, technology-led, annuity businesses.
- Opening up potential new income streams and improving cost efficiencies.

3

Sustainable impact

We understand that our success is judged not only by commercial performance, but also by how we act sustainably and responsibly for each other and the long term. We are agents of change.

- Our ambition to be a net zero bank by 2050 and a commitment to align all our financing activities with the goals of the Paris Climate Agreement.
- Tackling climate change by accelerating the transition to a low-carbon economy.

4

Strong balance sheet supporting returns

A strong capital base, high levels of liquidity, and diversified profit streams provide a solid foundation for attractive and sustainable return of capital to shareholders.

Barclays aims to achieve the following targets:

- Group returns: return on tangible equity (RoTE) of >10% over time.
- Cost efficiency: cost: income ratio of <60% over time.
- Capital strength: Common Equity Tier 1 (CET1) ratio in the range of 13-14%.



For further information on our diversified business, please see our divisional reviews on pages 25 to 31.



For further information on growing our company, please see the Chief Executive's review on page 8.



For further information on our approach to climate, please see how we act in our society and environment on pages 39 to 43.



For further information on our performance in 2020, please see our summary financial review on pages 45 to 47.

Understanding Barclays continued



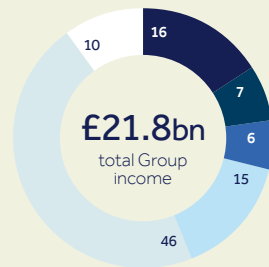
See our business model on page 14 for an overview of our customer base and our diverse range of products and services.

Barclays at a glance

Group income by business

%

Barclays UK
 Personal
 Barclaycard
 Business Banking
 Barclays International
 Consumer, Cards and Payments
 Corporate and Investment Bank:
 Investment Banking
 Corporate Banking

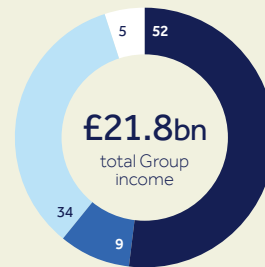


Percentages exclude Head Office which was a negative income of £0.5bn.

Group income by region

%

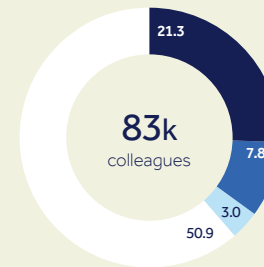
United Kingdom
 Europe
 Americas
 Asia Pacific



Number of colleagues by business

000s

Barclays UK
 Corporate and Investment Bank
 Consumer, Cards and Payments
 BX and Head Office

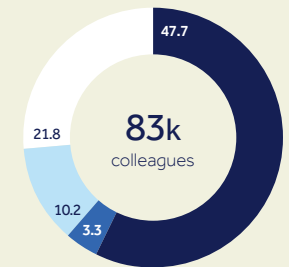


Barclays Execution (BX) and Head Office include our functions, technology and centralised support personnel supporting the client-facing businesses, reducing duplication and providing operational synergies. BX facilitates the sharing of expertise and ideas across the Group to allow us to bring our entire organisation to bear in delivering the right solutions for customers and clients, seamlessly.

Number of colleagues by region

000s

United Kingdom
 Europe
 Americas
 Asia Pacific

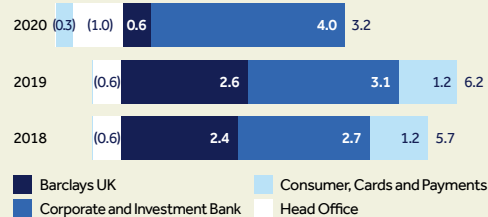


Our income generation demonstrates the range of retail and commercial products and services we offer.

Group profit before tax^a

£bn

Barclays UK and Barclays International statutory profit before tax (PBT) was £0.5bn and £3.6bn respectively.

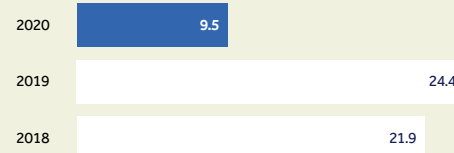


^a Excluding litigation and conduct. Including litigation and conduct, PBT was £3.1bn (2019: £4.4bn, 2018: £3.5bn).

The diversification of the Group helps support sustainable earnings through the cycle, as seen during 2020.

Earnings per share^a

p

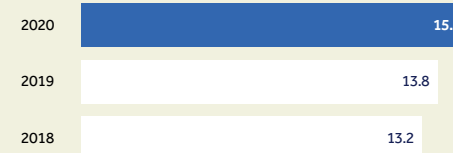


^a Excluding litigation and conduct.

Statutory earnings per share (EPS) were 8.8p (2019: 14.3p, 2018: 9.4p).

Common Equity Tier 1 ratio

%



Our CET1 ratio demonstrates resilience and provides a solid foundation for shareholder returns.

Total capital distribution per share

p



^a Although we declared a 9p dividend for 2019, the full year dividend of 6p was cancelled in response to a request from the PRA.

We are pleased to approve a total payout of 5.0p per share, including a 1.0p 2020 full year dividend and the intention to initiate a share buyback of up to £700m.

Chairman's introduction

This year has taught us some valuable lessons, and underlined the importance of purpose in everything we do. Our strategy is working and we are confident Barclays is in a strong position for the challenges and opportunities ahead.

Purpose during the pandemic

For most people, and indeed companies, the defining memory of 2020 will be the COVID-19 pandemic, which is of course still with us and has had such devastating consequences for the lives and livelihoods of millions around the world.

As the pandemic unfurled, Barclays' priorities were clear. We first needed to ensure our operational and financial resilience, not least because banks would be called upon to play a key role in mitigating some of the financial and economic consequences of the crisis. That resilience then had to be put to real use in supporting our customers and clients. And we needed to do this while protecting the health and wellbeing of our many thousands of employees.

We have been fortunate in pursuing those priorities to have the commitment of so many dedicated and resilient colleagues. While many switched to working from home with remarkable adaptability, I would like to record particular thanks to the thousands who continued to work in branches, looked after clients from the trading floors, and staffed our contact centres so as to deal with a significantly heightened volume of questions from customers. It has been fantastically uplifting to witness the spirit in which our colleagues have taken on these challenges. Of course, our workforce was not immune to the worst health impacts of the virus either. For those colleagues we have lost or who suffered personally, or whose families have been affected, I extend my deepest sympathy.

Revisiting our Purpose

During the course of the last year, we revisited our expression of Purpose with a view to improving its connectivity to the actual things that we do day-in and day-out. Our commitment now is to "deploy finance responsibly to support people and businesses, acting with empathy and integrity, championing innovation and sustainability, for the common good and the long term."

We want to ensure that, behind the headline, this real sense of Purpose is deeply embedded in the way in which the organisation takes decisions. This will not always be easy, and the interests of different groups of stakeholders can sometimes appear to collide, at least in the short term, but we will do our best to take the right decisions for the long term, even if that is not the easiest step in the short term.

We think that our statement of Purpose largely stood the test set by the pandemic. In an extremely difficult year for a lot of people and businesses, we deployed hundreds of millions of pounds in payment holidays and other schemes to support our retail customers, and lent billions of pounds more to those businesses, large and small, that needed it most to weather the immediate impact of the crisis.

We have done our best to support customers and communities in other ways. For example, we are very aware how frustrating it can be waiting to speak to a real person at times of high demand. At their peak, our contact volumes were up by 40%, while our contact centre capacity was cut by 70% as a result of the closure of operations in India and elsewhere

due to the pandemic. We were ultimately able to resolve this issue through a substantial deployment of technology to enable UK call centre staff to handle enquiries at home, as well as redeployment of some branch staff to bolster that capacity. We are appreciative of the patience and understanding shown by the vast majority of our customers.

The pandemic also provided an opportunity – indeed a necessity – to innovate at unprecedented speed. The UK Government's Bounce Back Loan Scheme (BBLS) is a case in point, requiring us to go operationally live only a matter of days after being notified that the scheme was to be established.

One of our priorities for this coming year, and the years ahead, is to ensure that we 'bottle up' the agility and innovation that stood us in such good stead in weathering this crisis. This has prompted a far-reaching assessment of our operational mindset, and we will be embedding new ways of thinking about our work across the entire colleague population during the course of 2021, based in large part on lessons learnt from our experience in 2020.



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We want to ensure that, behind the headline, this real sense of our Purpose is deeply embedded in the way in which the organisation takes decisions.

With colleagues located in local communities around the UK, as well as near our big centres of operations in the US and India, we thought hard about other ways of making a contribution to the crisis response. A key element of our response was the launch of a £100m COVID-19 Community Aid Package, including a matching programme for colleagues. Of the £95m donated to date, £59m is already funding the COVID-19 relief efforts of 250+ charity partners around the world.

Chairman's introduction continued

We hope that initiatives such as this demonstrate clearly the ways in which Barclays can do good in society by deploying finance in multiple ways.

As I said in my letter to shareholders and other stakeholders last year, we want to be increasingly proactive in making a substantive contribution in what we hope will become an age of greater corporate conviction. This is something all of our stakeholders expect of us. Let me take two examples:

First, the environment. Given the operational and other challenges of the last few years, Barclays had been slow to embrace its full responsibilities in the face of the climate challenge. Our shareholders and other stakeholders told us this, so we started a complete refresh of our environmental policies in the autumn of 2019. This led to our March 2020 announcement of our ambition to be net zero across scopes 1, 2 and 3 by 2050, and our commitment to align our financing to the goals of the Paris Climate Agreement.

We are extremely grateful for the support of practically all of our shareholders, who endorsed resolutions that we put before them in May 2020. Going forward, we have committed to be positive, thoughtful, authentic and open in our engagement with external stakeholders, and we recognise that the acceptable frontier of activity is moving very clearly in the direction of a green agenda. A further step was taken in November last year with the release of more detailed information on our targets, in particular in the energy and power sectors, and our overall framework for setting the measures by which we think we should be held accountable.

Secondly, we have been doing a lot more to embrace the Race at Work agenda. High profile incidents and protests in 2020 prompted organisations like Barclays to appraise what we have been doing to aid the fight against racism, and to ask ourselves: 'is it enough?'. We acknowledged that, despite our best intentions, the answer was likely 'no' and so we took action to address this.

In June 2020, we established our Global Race at Work agenda with a goal of reinforcing our stance of zero tolerance on racism, and to improve opportunities and representation for ethnic minority colleagues. In October 2020, we presented colleagues with

our 12-point Race at Work Action Plan focused on attracting, developing, advancing and retaining Black professionals at all levels. We have made tangible progress against each of these actions and, in 2021, we are now extending the work to include all other ethnically diverse colleagues, as well as customers, clients, and communities.

The right strategy

Our results indicate that our strategy is working, though in a completely different way to that which we might have envisaged at the start of the year. We remain a British universal bank committed to a diversified but synergistic portfolio of businesses. We strongly believe that it is better to stand on two or three legs than one, particularly when financial resilience is such an important part of a bank's appeal to customers and clients. I think it is fair to say that this strategy, grounded in diversification, has been validated in the extreme stress we experienced this past year.

During 2020, the normally reliable profitability of our UK activities was placed under severe pressure by the costs of addressing the pandemic, the impairment provisions that we made, and policy responses that have led to structurally much lower interest rates and a flatter yield curve. At the same time, the businesses in the Corporate and Investment Bank, and in particular our Markets business, benefited from significantly increased volatility and wider trading margins.

Given the interest rate environment, and also the agility that the business demonstrated in our response to the crisis, it is clear that there is both a need and an opportunity for the transformation of our UK business. We seek, at the same time, to serve our customers, to assist the most vulnerable among that group, and roll out further opportunities for a more streamlined service taking advantage of the digital world. This represents the principal strategic challenge for the Group in the near term.

More broadly, and as described in the letter from Jes Staley, we also now wish to focus on more of a growth agenda, in particular in the capital markets businesses, in our Corporate Bank, in our digital platforms, and in our UK Wealth business.

Reviewing our performance

The Group's performance has, for understandable reasons, been greatly affected by the external events of 2020. We ended 2019 with an RoTE of 9.0% excluding litigation and conduct, and believe that we were well on course towards our medium-term target of >10%.

It is disappointing of course that returns last year fell short of that, and hitting our targets, absent a significant change in the macroeconomic environment and interest rate structures in particular, has become harder and more distant. Nevertheless, we remain committed to improving returns and to attaining a >10% RoTE over time.

We did report a return on tangible equity of close to 10% in the Corporate and Investment Bank, but to deliver a greater than 10% RoTE across the board will require a return to higher levels of borrowing and transaction activity in our cards businesses, and the successful implementation of our plans for Barclays UK.

Our intention remains returning a healthy proportion of profits, and surplus capital, to shareholders via dividends and/or share buy-backs. The full year 2019 dividend was cancelled in response to a request from the PRA, but we are pleased that sufficient confidence is returning to the system to allow a moderate return of capital in the first quarter of 2021.

The Board

I am very grateful for the support and hard work of my Board colleagues during 2020, and in particular in responding to the extra commitments as a result of the pandemic and our desire to improve our environmental policies.

I am delighted that Dawn Fitzpatrick, Mohamed A. El-Erian and Brian Gilvary have settled in so well. We are also very pleased to be welcoming Julia Wilson as a Non-Executive Director from April. These additions to the Board, and its overall strength, have enabled us to plan ahead for succession in key roles.

I would like to thank Sir Ian Cheshire, who is retiring at this year's AGM, for the hard work he has put in over the last four years, notably in overseeing the successful establishment of Barclays Bank UK PLC

as a ring-fenced bank and leading its independent board. It is very good news that Crawford Gillies has been willing to take on the role of Chair of Barclays Bank UK PLC as we head into the next stage of its business transformation. Thanks too to Mary Anne Citrino who stepped down from the Board in October.

Balancing decisions in a way that optimises our Purpose requires a Board in which constructive challenge, openness and diversity of background and opinion are prized, along with a commitment to act fairly and in the interests of all stakeholders. Your Board is well placed to help the Company stay true to its Purpose.

The future

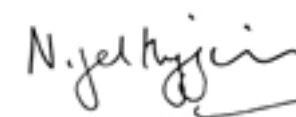
Notwithstanding the positive progress made on the medical front, the impact of the COVID-19 pandemic will continue to cast its shadow over the global economy for some time to come, and therefore continue to be the defining force affecting our business.

I believe we are well placed to respond to the challenges that brings. Our diversified model has proved its value, and we have a clear view of our business priorities going forward. We are determined to shape our own future as a company, and we will seek to leverage our pioneering spirit to serve our customers, clients and the communities in which we live and work to the best of our abilities.

Finally, I want to thank everyone involved in this most challenging of years – customers, clients, investors, regulators and governments. But above all, thank you to our colleagues, whose indomitable spirit has been a credit to themselves and to Barclays.

Nigel Higgins

Chairman



Chief Executive's review

The health and economic impacts of the COVID-19 pandemic have tested our business model, and demonstrated Barclays' commitment to our customers and clients, our colleagues, and to society.

Making a difference when it matters most

This year has taught us a great deal about Barclays' strengths, our Values, and our resilience.

As the COVID-19 pandemic grew, and the global economy began to contract, we were clear we needed to focus on three things.

First, we needed to preserve our financial integrity, for if we were to maximise our support for the economy and society during a time of such challenge, we needed to be a strong and profitable business.

Secondly, we wanted to be there for our customers and clients. That is why we did things like waiving charges and interest payments to help people cope during a very difficult period, while at the same time working with governments, particularly the UK Government, to deliver programmes to help businesses weather the storm.

Finally, we knew we needed to embrace and support our colleagues within Barclays, recognising the challenges we faced on a personal and professional level.

Resilience and stability

This year, I am pleased with the way we have demonstrated our financial integrity, maintaining profitability throughout the year.

We have delivered a resilient performance, despite extreme contraction in the global economy, with Group PBT of £3.1bn, and showed a capacity for strong capital generation.

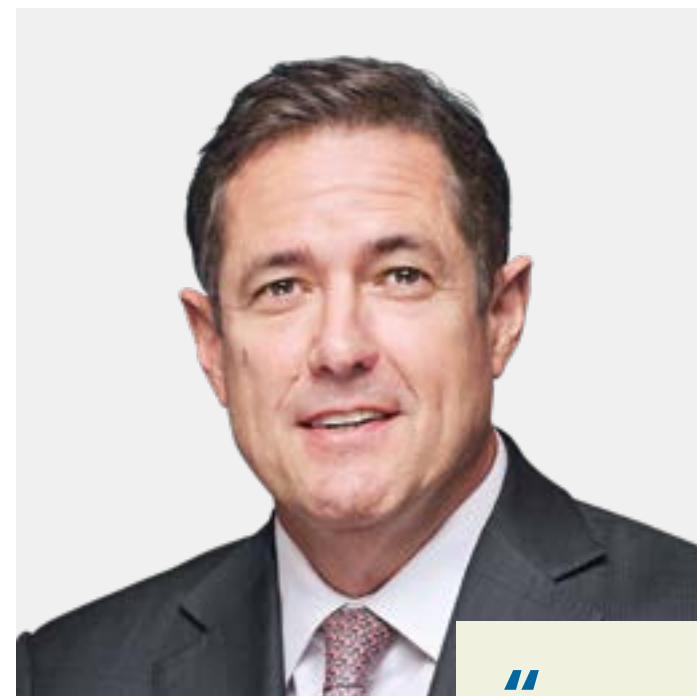
Our CET1 ratio as at 31 December 2020 was 15.1% – the highest level of capitalisation in Barclays' history – and our liquidity pool of £266bn represented 20% of the Group's balance sheet. We have £9.6bn of provisions set aside for impairments.

We ended the year therefore highly capitalised, highly liquid, and well provisioned for impairments. Most importantly, the Group's performance means we can make choices about our future from a position of strength and stability.

Given that strength in our business, we have decided the time is right to resume capital distributions. As a result, we are pleased to approve a total payout of 5.0p per share, including a 1.0p 2020 full year dividend and the intention to initiate a share buyback of up to £700m. We expect to comment further on capital distributions as appropriate.

The right model

Our British universal banking model remains core to our strategy for success, providing us with the diversification that has been critical to our performance. This year our model has demonstrated its capacity to deliver resilience through economic cycles, borne out in our relatively strong Group level results over a difficult macroeconomic period, driven by the performance of our Corporate and Investment Bank.



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Our British universal banking model remains core to our strategy for success, providing us with the diversification that has been critical to our performance.

Barclays is now the only British global investment bank with a leading presence in the US, competing at scale in a structurally attractive market as many of our European competitors pull back. As well as a positive for Barclays, this has the potential to become a strategically important proposition for the UK, providing a competitive edge for the economy here as more and more companies look for finance through the capital markets instead of via bank balance sheets.

At the same time, both Barclays UK and our Consumer, Cards and Payments business have faced significant challenges this year, enduring a severe economic shock, while also managing a long-term low interest rate environment, lower charges for overdrafts, and the elimination of certain banking fees.

Chief Executive's review continued

Structural challenges in the UK retail banking market have been evident for some time, but they have been brought into even sharper relief by COVID-19. Restoring Barclays UK to a position of strong and sustained profitability is now our principal near-term strategic challenge. Specifically, we need to deliver a better, more digital bank for consumers and small businesses; we need to address our cost base; and we need to increase our commercial engagement with a significant portion of customers where currently we generate too little income for the Group.

I am encouraged by the progress we have already made on this front, but there is more to do in 2021 and beyond.

Support in challenging times

This year, when it mattered most, Barclays was there for our customers and clients, and for the communities where we live and work all over the world. We took significant steps to relieve financial pressure for our customers, for example in waiving over £100m of fees and interest charges, and in granting hundreds of thousands of payment holidays.

We also worked with governments to deliver support programmes, including facilitating some £27bn in lending for British businesses. What the UK Government has done in terms of fiscal spending, through the furlough scheme and business loans, has been unprecedented. What the Bank of England has done in terms of monetary easing and providing liquidity to the financial markets, to encourage the markets to lend to businesses and other institutions, is on a scale way beyond anything we saw in the 2009 financial crisis. Both institutions are to be commended for being so decisive and bold in their actions to protect jobs and the economy.

In the UK, Asia, and across the Americas, we created a £100m COVID-19 Community Aid Package to work with local charities and support vulnerable communities hardest hit by COVID-19.

As a company, we are deeply indebted to our 83,000 employees who have worked so hard over the last 12 months to keep Barclays delivering for its customers and clients, and for our other stakeholders too. From our branches, to trading floors, to call centres, thousands of our staff were designated key or critical workers, and, like everyone else, we have all had to adapt to new ways of working while taking the necessary steps to slow the spread of the virus.

I am proud of the way we moved so many people to remote working in a matter of days, providing the technology to support them, and investing in our physical spaces so we are able to return colleagues to work safely when circumstances allow. For those colleagues unable to work during the pandemic, I am pleased we were able to pay people in full, as well as offer financial support for things like childcare and self-quarantine.

Throughout the pandemic, we have learnt an enormous amount about the character of this company, about our people's capacity to cope and adaptability, and about ways of balancing our work and personal lives – and we must apply that knowledge as the world transitions back to normal, hopefully in the course of 2021.

Character and conviction

Our experience this year also prompted us to look afresh at our Purpose as an organisation, and to make sure our Values are as up to date as they should be. This is a worthwhile exercise for any company to undertake from time to time, but I believe it was particularly important this year for us to take some time to reflect on who we are as a company, and what we stand for. I am confident that our renewed expression of Purpose and Values effectively encapsulates Barclays today.

This crisis is clearly not over, but my hope is that Barclays will live up to its 330-year heritage, and emerge from this pandemic with pride in what we have done, and how we have helped.

“

This year, when it mattered most, Barclays was there for our customers and clients, and for the communities where we live and work all over the world.

One immediate example of our conviction as a company is last year's profoundly important announcement of our ambition to be a net zero bank by 2050. Notwithstanding the disruption caused by COVID-19, we have undertaken significant work over the course of this past year to build out our approach. In November, we set out the details of the methodology and targets that begin to align the emissions we finance through our activity, with the Paris Climate Agreement, on the way to achieving our net zero ambition.

We believe that our 2050 net zero ambition is the best way for Barclays to help accelerate the transition to a low-carbon economy, across all sectors, by harnessing the breadth and depth of our leading capital markets franchise to direct financing flows towards building a greener future.



Facts and figures

Return on tangible equity^a

3.4%

2019: 9.0%

Common Equity Tier 1 ratio

15.1%

2019: 13.8%

Income

£21.8bn

2019: £21.6bn

Operating expenses^a

£13.7bn

2019: £13.6bn

Note

^a Excluding litigation and conduct.

Chief Executive's review continued



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I want to thank my colleagues for their steadfast commitment, and for all they do for Barclays, and our customers and clients every day around the world. I am privileged to lead such a group of people.

This is the beginning of a lengthy journey of course, and will require considerable effort on our part, but I am proud that Barclays is taking a leading positive position in an area so critical to the world, and our collective future.

Growing our company

The diversity in our model gives us balance, financial strength, and resilience, but we are also ambitious to grow this business, and strategically we have four priority areas of focus in this regard.

First, we will continue to invest in our role as a major participant in the global capital markets. The capital markets – where companies, institutions, and governments issue securities, facilitated and underwritten by banks – drive the world's economic growth. Barclays aims to increase market share in our debt underwriting and equity issuance offering, building confidence in global liquidity and helping drive economic growth.

Second, we will accelerate the geographic roll out of Barclays' commercial banking expertise, building from our historic strength in the UK, and targeting rapid expansion in mainland Europe and the US. We will help corporations around the world manage their core financial needs, from liquidity management, to payments processing, to trade finance.

Third, we are investing in our consumer banking and payments businesses to provide a payments led multiway value exchange ecosystem for customers and clients who interact with us across our digital platforms. To enable this, we will be launching a platform-based business model to offer new avenues of growth for our corporate and Small and Medium-sized Enterprise (SME) clients, and provide differentiated products and services to our customers in the UK. This business model will further enhance the capabilities of our Payments and Consumer businesses, deepening the relationships with SMEs and corporates and expanding into mainland Europe. We will also connect corporates and our customers as we expand our partner focused consumer finance businesses in the UK, mainland Europe and the US.

And fourth, we will invest in the expansion of our wealth management business in the UK. Central to this is the extension of access to our investment platform and advice services to eligible banking customers, within our existing base. With our expertise we should be a major provider to hundreds of thousands more UK consumers as they plan for the future and invest in more attractive returning assets.

Through 2021 we will continue to work on these opportunities, and look to strengthen diversification and deliver growth.

Thank you

Finally, and as always in these letters, I want to thank my colleagues for their steadfast commitment, and for all they do for Barclays, and our customers and clients every day around the world. I am privileged to lead such a group of people.

I want to recognise also the contribution of the management team for their leadership across the Group, particularly important in this past year. And we are grateful too for the stewardship, support – and challenge – from our Chairman and the Board.

As I look to 2021, I remain, above all, committed to Barclays continuing to support and deliver for all our stakeholders.

James E Staley

Group Chief Executive Officer, Barclays



See our strategy on pages 11 to 13
See our approach to managing risk on pages 48 to 49
See how we act in our society and environment on pages 39 to 43



Go online at home.barclays/annualreport

Operating environment

We pay close attention to the environment in which we operate, scanning the horizon for risks and opportunities, and adapting our strategy accordingly. We also monitor trends in the behaviour of our customers and clients so we can effectively meet their evolving needs.

A rapidly changing world

The health and economic impacts of COVID-19 continue to have significant implications for Barclays and our stakeholders. The global economy has experienced significant fluctuations in activity levels over the last 12 months, and GDP in many of our key markets is still below pre-pandemic levels. The implications for wider society, and the way we live and interact, have also been dramatic and will continue to be for some time.

Throughout a challenging year, we are proud of the support we have been able to provide to our customers and clients. Now, we are committed to helping them rebuild and, where required, adapt to new trends that may arise in the coming years such as long-term implications for population centres or global supply

chains. As the vaccine rollout continues to progress, we are optimistic about the opportunities that will exist for Barclays and for our customers and clients in a recovery environment.

National governments around the world continue to implement measures to socially distance populations and restrict movement of people. This requires our operating model to adapt, innovate and be nimble, particularly in our capacity to manage disruption risks to our people, processes, infrastructure, and technology services. In March last year, we executed a major workforce transformation, migrating 70,000 colleagues to remote working in a matter of days. At the same time, we adapted working environments for colleagues and branch staff in the UK, as well as call centres globally, to ensure colleague and customer safety. We also stood up physical trading floors at designated emergency sites around the world to ensure uninterrupted service for our Investment Bank clients.

Where possible, and in line with local government guidance, we have instigated gradual returns to office working in certain parts of the business and parts of the world. In time, with the safety and wellbeing of colleagues as our first priority, we envisage more people will return to on-site working over the course of the coming months, more detail on which is set out in the people section of this report.



See our strategy on pages 11 to 13
See our people and culture on pages 33 to 37

Interest rates and other economic consequences

As a direct result of the economic consequences of the pandemic, there have been changes in the financial environment that we have adapted to meet. In particular, we have seen a reduction in interest rates in many of the jurisdictions where we operate, intensifying an already long-term low-interest rate environment that we expect to endure for some time. This underlines the importance, and opportunity, of transformation of our business to adapt to the structural challenges of the retail banking market.

In the financial markets, the last 12 months were characterised by initial periods of high volatility, market dislocation and significant trading activity, later stabilising across asset classes. The global markets revenue pool^a grew by 30% in 2020, attributable to the period of heightened activity in the first part of the year. Capital markets issuance^b rose by 9% as companies sought to strengthen their balance sheets.

These trends illustrate the importance of Barclays' market infrastructure, allowing our clients to continue to access the global capital markets in a distributed workplace.

We have also seen significant increases in our impairment provisioning, and have further constrained our risk appetite. This has required a re-evaluation of our strategic and investment priorities, set out in more detail elsewhere in this report.



See our strategy on pages 11 to 13

Customer and client behaviour

The impact of COVID-19 on society has accelerated a number of existing trends in consumer behaviour and preferences. In the last 12 months, for example, we have seen a further shift away from cash usage towards contactless payments as customers adapt to and embrace the low-touch environment necessitated by the pandemic. Contactless payments now account for 78% of total transactions within Barclays UK, increasing 8% since March 2020.

At the same time, we continue to observe a growing trend towards online transactions and servicing, further reducing customers' use of our branch infrastructure. Downloads of our mobile banking apps continue to increase as more and more customers look for ways to self-serve. As a consequence of lower spending and increasing cash reserves, we also continue to see a reduction in credit card balances and an increase in repayment volumes. Growth of the use of credit alternatives, and growth in precautionary savings, has also meant an increase in customer appetite for financial advice.

Notes

^a Coalition Greenwich, Preliminary FY20 Competitor Analysis. Market share represents Barclays share of the Global Industry Revenue Pool. Analysis is based on Barclays internal business structure and internal revenues.

^b Dealogic for the period covering 1 January to 31 December 2020.

“
As the vaccine rollout continues to progress, we are optimistic about the opportunities that will exist for Barclays and for our customers and clients in a recovery environment.

Operating environment continued

These trends present significant opportunities for Barclays to transform and continue to improve our services, finding further efficiencies through technology and automation, and creating new business models and partnerships based on digital engagement, customer trust, and our Payments capabilities.

This emphasis is important because we continue to operate in a highly competitive environment. The rapid growth of ecommerce continues, amplified even further by the pandemic, and a number of payments focused FinTechs have benefited from this trend. This creates an imperative for Barclays to continue investing in new digital architecture, not only to keep pace with competitors, but at a rate that allows us to develop ahead of them.

Within our Markets business, we continue to observe a shift in client preferences from active to passive fund management as well as the greater tendency towards electronic trading. This drives the need for the further digitalisation of our platforms, in turn generating higher volumes at tighter spreads, greater speed of execution and with lower costs for us and for our clients.

Again, this has been accelerated by the COVID-19 pandemic, in particular as clients look to more digital means of execution in a distributed working environment. Here too, we are seeing a growing emergence of non-banking players, often leveraging a core competency in technology to accelerate their offering.



See our strategy on pages 11 to 13
See our divisional review on pages 25 to 31



Looking ahead, we are optimistic about some of the additional opportunities the transition to a low-carbon economy will present for Barclays.

Political and regulatory change

Geopolitical events have implications for our operating environment, and political volatility continues to influence customer and client needs and behaviours. The long-term economic consequences of the pandemic may also have important monetary and fiscal impacts, including changes to tax and government spending in a number of jurisdictions, which is also likely to impact client needs.

In the United States, we expect the new administration, along with central banks, to continue to want to focus on liquidity facilities and bank capital strength, in addition to leading the efforts of the Financial Stability Board to implement international standards, such as Basel III. Trading relationships with the rest of the world, particularly China, will continue to have direct implications for our clients.



Climate change

As the global effort to tackle climate change grows, Barclays is moving rapidly to take a leading role in contributing to the transition to a low-carbon economy. In March last year, we set out our ambition to be a net zero bank by 2050. In November 2020, on the way to achieving that ambition, we set out the methodology and targets that begin to align the emissions we finance with the Paris Climate Agreement. More information is set out in our ESG Report, published alongside this document.

Looking ahead, we are optimistic about some of the additional opportunities the transition to a low-carbon economy will present for Barclays, including through increased green and infrastructure finance capabilities. Gradual changes to the structure of our economy are likely to be accelerated by advances in sustainable technologies, which will require us to be able to support new industries, and help customers in impacted industries adapt.



See how we act in our society and environment on pages 39 to 43



For more information please see our ESG resource hub at home.barclays/esg

In Europe, agreement between the UK and European Union (EU) over the shape of its future trading relationship is positive. The UK is also actively pursuing new trading relationships with other parts of the world, which have the potential to lead to an increase in cross-border activity for our customers and clients. Within the UK, there is the possibility of continued political tension over the prospect of a Scottish independence referendum following Scottish parliamentary elections this year.

Post the UK's withdrawal from the EU, the UK continues to develop a new framework for financial services regulation. We anticipate a new architecture for rule-making and an increase in public policy and legislative activity in the near term, including the potential for changes in regulatory approach between the UK and the EU. We also await the conclusion of the UK Financial Conduct Authority (FCA) reviews into the retail banking market and cost of credit.

Barclays remains subject to ongoing and significant levels of regulatory change in different jurisdictions around the world. In particular, we continue to pay close attention to the changing landscape of prudential requirements and supervisory expectations, changing approaches to stress testing, as well as policymaker focus on the derivatives market across the G20 countries and beyond.

Our strategy

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

Our four strategic pillars

Barclays has transformed over the past few years. We have evolved to respond to the needs of customers and clients, and adapted to changes in the economic and regulatory environment.



See our key performance indicators on pages 22 to 23

See our people and culture on pages 33 to 37

See our approach to managing risk on pages 48 to 49

1

Focus on customers and clients

Putting them at the heart of the decisions we make about running our business and shaping it for the future

2

Continue digitalising

Enabling our customers and clients to engage with us in the way they want to, and making our business more efficient

3

Strengthen our diversification

Diversify our organisation by business, geography and income type to be more resilient to economic headwinds and future trends

4

Protect and strengthen our culture

Draw on our Purpose and Values to guide our choices as colleagues and as an organisation

Each of these components is complementary, with benefits from improvements in one reinforcing progress across the others. For example, we better meet our client needs by focusing on digitalisation, which in turn expands our product sets and strengthens diversification.

This improves the resilience of the Group, increases efficiency and reduces cost and operational risk, while providing an improved experience and faster capability for our customers.

Our strategy continued

1

Focus on customers and clients

Our customers and clients are at the heart of everything we do, and we are relentless in our commitment to their best interests.



Putting customers and clients at the heart of what we do requires us to listen and to understand their priorities, tailoring our products and services to meet their needs, while using our expertise to support their progress.

The global reach of our universal banking platform across a diverse set of products and services allows us to meet an unparalleled range of our customer and client needs. We have taken steps to join up and strengthen the way we think about our service across all of our businesses to present a single, compelling face to our customers and clients. This inter-connection is reinforced by our common core operating platform, BX, which facilitates the sharing of expertise and ideas across the Group. We are now better able to bring our entire organisation to bear in delivering the right solutions for customers and clients seamlessly.

Internally we call this the Power of One Barclays, a philosophy that unites colleagues across all of our businesses in a single objective to meet our customer and client needs end-to-end, realising operational and financial synergies across the Group.

There is, of course, always more we can do. This year, for example, we have simplified our debit and credit card offerings, removing certain fees and charges to better reflect how our customers interact with us and to do so fairly.

We measure our performance against customer and client priorities through metrics such as Net Promoter Scores (NPS®) – a view of how willing customers are to recommend our products and services to others – and client engagement, as well as the number and character of complaints we receive, to make sure we are making progress and understand when and why we haven't met expectations.



See our key performance indicators on pages 22 to 23
See our divisional reviews on pages 25 to 31

2

Continue digitalising

Technology is ubiquitous and our digital strategy similarly spans our entire organisation, improving the experience, efficiency, simplicity and reach of our products and services.



In our Corporate Bank, we continue our three-year plan to improve our clients' digital experience, supporting more and more to self-serve in line with their needs. Last year, we successfully migrated Barclays iPortal from legacy physical infrastructure to the cloud, providing a more resilient and cost effective platform.

In our Markets business, we continued to increase the scale of our network and platforms, extending our electronic capabilities, including our BARX and options offerings. Electronic trading continues to increase in importance, continuing to benefit from sustained multi-year investment.

Finally, in a year that saw a peak of over 70,000 colleagues working remotely, the value of our strategic investment in digital infrastructure was plain to see. Within a matter of days, Barclays enabled a huge number of people to make that transition, deploying c.£51m of IT kit, infrastructure and home office equipment to improve capabilities.

In the UK, we continue to focus investment on the rapid automation of as many processes as possible while striving to not leave any customer behind. This enhances customer experience and the reach of our products, and it also reduces costs, creating the capacity to finance further investment in automation and a virtuous circle of multi-year cost efficiencies. As well as significant cost opportunities, new income streams have also become possible, for example, our Plan & Invest platform, a digitally delivered advice and investment offering for current account customers in the UK, launched in September 2020.

During the COVID-19 pandemic, we recognised that digital access was a necessity and worked to accelerate investment in our digital and automation agenda, helping customers bank and transact with us more easily.

Our strategy continued

3

Strengthen our diversification

2020 has demonstrated the power of our universal banking model and the benefits of diversification, creating the resilience required to deliver for our stakeholders through the economic cycle.



We are diversified in a variety of different ways across:

- **Customers and clients:** we serve a wide spectrum from individual customers and businesses, to institutional investor clients and governments;
- **Business lines:** our Personal Banking, Barclaycard Consumer UK and Business Banking businesses in Barclays UK, and our Corporate and Investment Banking and Consumer, Cards and Payments businesses in Barclays International;
- **Geographies:** the UK is our home market, but we also operate a highly successful franchise in the US, and generate significant value in Europe, Asia Pacific, and emerging markets;
- **Currencies:** our clients enjoy access to international markets in over 80 currencies;

■ **Sources of income:** through the combination of interest and fee income business, our profits remain consistent despite economic headwinds. Only 37% of Group income is from net interest income, meaning we are less impacted by the income challenge posed by current low interest rates.

We demonstrated the benefits of our diversification through 2020, delivering consistent profitability during the COVID-19 pandemic, while managing our risk appropriately and taking significant provisions for future potential credit losses. Our Markets business benefited from high asset price volatility and volumes of client transactions, and from a well-executed risk strategy. This generated significant profits, helping to offset headwinds that we saw in our consumer businesses.

4

Protect and strengthen our culture

We believe that the way we do business is a powerful differentiator and a core driver of our success.



We are committed to a culture that upholds the highest standards of conduct and controls. This benefits all of our stakeholders, helping our customers and clients to succeed, our colleagues to realise their potential, and the communities in which we operate to prosper.

Our business is focused on the areas where we can have the greatest long-term positive impacts, operating responsibly with respect to the environment and society and investing in communities. We have made significant progress across all of these areas in 2020, more detail on which is set out later in this report.

At the heart of our culture are Barclays' Purpose and Values, both of which have been updated to reflect what we have learnt during the extraordinary circumstances of the past year. Together, they ensure that a strong ethical and inclusive culture defines the way we do business at Barclays.

A culture which makes it easy for colleagues to determine and make the right decisions in any given situation. This has never been more important than during the extreme challenges experienced in 2020.

Our senior leaders spend significant time setting the right tone, with a sense of purpose ingrained in how they communicate and lead Barclays.

Colleague performance continues to be evaluated in terms of 'what' has been achieved against agreed objectives and 'how' these objectives have been delivered in line with our Values and desired behaviours. Decisions on individual performance and compensation outcomes are therefore influenced by whether an individual is helping to build and embed the desired culture we want to see. This continues to be a powerful way of embedding our Purpose, Values and desired behaviours throughout Barclays.

We continue to believe that creating an inclusive and supportive culture is not only the right thing to do, but also what is best for our business. It creates a sense of belonging and value and enables colleagues to perform at their best. At Barclays, we focus on five areas of inclusion – disability, gender, LGBT+, multicultural, and multi-generational – which you can read more about later in this report.



See our people and culture on pages 33 to 37

Our business model

Barclays plays a key role in connecting the providers and users of capital. We recognise the role we play in society, and our success as a business has always been closely linked to the progress of the people, communities and businesses we serve.

A British universal bank

We deploy our resources ...

to deliver the right outcomes for our customers and 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 goals.



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 customer and client outcomes are delivered in the right way.

to serve our diversified customer base ...

ranging from retail banking customers, through to the largest multinational corporates and institutional clients

Barclays UK

Group income – Personal Banking

16%

Group income – Barclaycard Consumer UK

7%

Group income – Business Banking

6%

Barclays International

Group income – Consumer, Cards and Payments

15%

Group income – Investment Bank

46%

Group income – Corporate Banking

10%

Income splits of revenue-generating divisions. Head Office had negative income of £0.5bn

Our business model continued

across all of their financial needs ...

with our diverse range of products and services

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
- Credit cards
- Overdrafts
- Trade and working capital

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

employing our strengths ...

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

Brand and heritage

Our brand and heritage helps foster a strong relationship of trust with our customers and clients.

Diversified model

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

Digitalisation and innovation

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

Service execution

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

to deliver value to all our stakeholders

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

Customers and clients

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

Colleagues

Helping our colleagues across the world develop as professionals.

Society

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

Investors

Delivering attractive and sustainable shareholder returns on a foundation of a strong balance sheet.

Engaging with our stakeholders

Barclays aims to create value for everyone we serve, balanced across the short and the long term – our sustainable impact. We think about our priority stakeholders as belonging to four groups: customers and clients, colleagues, society, and investors.

Sustained dialogue

Customers and clients

Our customers and clients are at the heart of everything we do. We are relentless in our commitment to their best interests and we must engage with them regularly to help us achieve that.

What do they tell us?

In 2020, we engaged with customers and clients in a wide variety of ways, including running regular surveys, analysing customer complaints, and drawing on data from millions of individual transactions and personal customer interactions.

Customers told us:

- to make things easy and intuitive so they can self-serve and complete (simple) everyday tasks, via a digital channel when it's convenient for them.
- to be there and provide support, expertise and guidance, for important financial decisions.
- to help them stay in control of their finances by providing tools, and information tailored to their specific financial circumstances.
- to be reliable, always available and to keep their money and data safe.
- to be there for local communities and businesses, helping them adapt to the changes brought about by the pandemic.

How do we respond to them?

- Helped businesses and institutions raise c.£1.5trn of new issuance in the capital markets.
- Facilitated c.£27bn of financing to businesses through the UK Government support schemes.
- Provided over 680,000 payment holidays for customers globally.
- Waived c.£100m in overdraft interest and banking charges for UK customers and clients.
- Made significant improvements to our Barclays apps, including enhanced payment alerts, and the ability to see itemised digital receipts.
- Introduced Dream Accelerator to help first time homebuyers get onto the property ladder sooner.
- Launched Plan & Invest, a digital investment service that creates a personalised investment plan, tailored by our experts.

c.£1.5trn

raised across Equity and Debt Capital Markets in Q220-Q420

c.£27bn

financing provided to businesses through UK Government support schemes

Colleagues

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.

What do they tell us?

Our long established approach to regularly engaging with colleagues, Unite, the Barclays European Forum and other colleague forums, ensures we listen and take all perspectives into account in our decision-making and action plans. As a result of COVID-19, many of our events this year have been web based, although, where possible, we have supported colleagues in our branches and offices with site visits.

In addition to our annual employee opinion survey, this year we have run regular Here to Listen surveys to understand how colleagues were feeling during the COVID-19 pandemic, with a specific focus on wellbeing, working remotely and work/life balance:

- 83% of colleagues believe Barclays supports colleague wellbeing (2019: 74%).
- 77% believe they have the work tools and resources they need to achieve excellent performance (2019: 56%).
- 74% believe the stress levels at work are manageable (2019: 61%).
- 78% say they have been able to balance their personal and work demands.

The data and insights from our surveys form an important part of our decision-making, and continuing to improve these scores is a priority.

How do we respond to them?

- Mental Health Awareness training completed by 96% of colleagues (2019: 27%).
- 39% of colleagues have registered for our Be Well portal (2019: 23%).
- Spent c.£51m on IT kit, infrastructure and home office equipment to ensure 70,000 colleagues were set up to work remotely.
- We implemented a 12-point Race at Work action plan to open up opportunities to attract, develop and add to our great Black talent.
- Our Diversity and Inclusion networks are at an all-time high, with over 23,000 colleagues now involved.
- Our overall Inclusion Index score for 2020 is 76%, with 89% of colleagues saying they feel included in their team.

83%

of colleagues believe Barclays supports their wellbeing

96%

of colleagues completed Mental Health Awareness training

Engaging with our stakeholders continued

Society

Delivering long-term value depends on deep and thoughtful engagement with the numerous individuals and interest groups that represent wider society.

What do they tell us?

The rapid changes brought about by COVID-19 have meant our role in society and the embedding of Environmental, Social and Governance (ESG) within our strategy have never been more important.

This year, we engaged constructively with a wide range of stakeholders, including non-governmental organisations (NGOs) and others. We participate in multiple sustainability and human rights forums and global and regional industry initiatives, engaging directly through Barclays' Sustainability and ESG teams.

Major themes we heard from them included:

- climate change and our support of customers and clients in the transition to a low-carbon economy.
- the financial assistance and support we're providing to customers, clients and communities through COVID-19.
- the management of our broader environmental and social impacts.

How do we respond to them?

- Published our methodology and targets to align to the goals of the Paris Climate Agreement, including £100bn green financing committed to by 2030.
- £100m committed through our COVID-19 Community Aid Package, supporting more than 250 charities globally:
 - 5,000 colleagues have donated or raised money to support people in 17 countries
 - 9m+ meals provided to vulnerable communities across the US through our partnership with Feeding America
 - 65,000+ hygiene kits distributed to people across Asia Pacific
 - 13+ UK NHS hospitals supported to meet the immediate and urgent needs of patients, staff and volunteers

£100m

committed through our COVID-19 Community Aid Package

£100bn

green finance committed by 2030

Investors

We engage with all parties who are interested and invested in the success and sustainability of our business. Doing so helps us understand expectations and leads to better outcomes over the long-term.

What do they tell us?

We engaged extensively with our institutional equity and fixed income investors throughout the year, as well as our private shareholders, in what has been a challenging year where we could not conduct the AGM in the manner we have done previously. We also continued to take part in collaborative and transparent dialogue with our regulators, working together to ensure we meet prudential and conduct based regulatory standards and contributing to a safe and robust banking system. Important topics for our stakeholders included:

- credit conditions and risk management through the COVID-19 pandemic.
- impact of low interest rates and reduced levels of consumer spending on our income generation.
- regulatory restriction on dividends across all UK banks, to allow continued support for the economy.
- climate change, following Barclays' climate change resolution duly passed at the AGM with overwhelming shareholder support.

How do we respond to them?

- Adjusted our investor engagement programme for a virtual format, ensuring continued high level activity with existing and target investors despite restrictions on face-to-face meetings.
- In November 2020, we published an update on our climate strategy detailing the methodology we will follow, the metrics for measuring our progress and the targets against which we will report.
- More effective engagement with our sell side analysts and investors, resulting in a nomination for Best Overall Company Investor Relations at the Investor Relations Society Best Practice Awards 2020.

99.93%

Number of votes cast in favour of Barclays' own climate change resolution



For further information on the 2020 AGM voting, please see page 97 of Part 2 of the Annual Report

Section 172(1) statement

Having regard to our stakeholders in Board decision-making.

Engaging with our stakeholders

The Directors have acted in the way that they considered, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and this section forms our Section 172 disclosure, describing how, in doing so, the Directors considered the matters set out in Section 172(1)(a) to (f) of the Companies Act 2006. The Directors also took into account the views and interests of a wider set of stakeholders, including the Group's pensioners, regulators, the UK Government and non-governmental organisations. You can find out more about how Barclays engages with its stakeholders on the previous pages. The Directors recognise that having a good understanding of the views and interests of the Group's key stakeholders will help them to deliver the Group's strategy in line with its Purpose and to operate the business in a sustainable way. Consistent with its regulatory responsibilities, the Board also considers carefully the impact its decisions will have on the Group's risk and control environment, and on customer outcomes. Considering a broad range of stakeholders and their relative interests is an important part of the way in which the Board makes decisions, although in having regard to those different perspectives it is not always possible to deliver everyone's desired result or necessarily achieve a positive outcome for all stakeholders.

How does the Board engage with stakeholders?

Depending on the decision in question, the relevance of each particular stakeholder group may differ, and equally the Board adopts a variety of methods of engagement with different stakeholder groups. The Board will sometimes engage directly with particular stakeholders on certain issues, but the number and distribution of the Group's stakeholders and the size of the Group overall means that stakeholder engagement often takes place at an operational level. In addition to direct engagement with stakeholders by Board members, the Board regularly receives reports and considers and discusses information from across the organisation to help it understand the impact of the Group's operations on, and the interests and views of, the Group's key stakeholders. As a result of these activities and the information it receives, 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.

Engagement in action

Read on to find out how the Directors have had regard to the matters set out in Section 172 when discharging their duties, and the effect of those considerations in reaching certain decisions taken by them, in the context of (i) establishing the Group's climate strategy, and (ii) responding to the challenges arising from the COVID-19 pandemic.

Engagement in action: Climate change

The Board recognised that Barclays can, and should, make a real contribution to tackling climate change, and help to accelerate the transition to a low-carbon economy. The Board also recognised, however, that we were behind where we needed to be, and approached the challenge to help accelerate the transition in a positive, thoughtful, authentic and open way. Having begun in the autumn of 2019 to review our environmental policies with a view to making the step-change required, in the first quarter of 2020 the Board established a Board Climate Committee, to oversee our activities in this critically important area.

The Board and its Climate Committee recognised that delivering on this ambition would involve balancing the needs and expectation of a range of key stakeholders and that gaining a detailed understanding of the views of those stakeholders would be key to making meaningful progress. Accordingly, in the first quarter of 2020 we began an extensive stakeholder engagement programme, led by the Chairman, personally, and the Company Secretary. This engagement programme was undertaken in three parts initially, following which we took action and reported back to our stakeholders:

1

We engaged and listened

First, we engaged and listened. We sought to understand the views and expectations of major shareholders, shareholder representative bodies, shareholder activists, non-governmental organisations, and stakeholders from across society more broadly. We also took into account the views of customers, clients and employees. The feedback was consistent and clear: the vast majority of our stakeholders wanted Barclays to take a leadership position in addressing climate change.

2

We developed proposals

Secondly, we developed proposals, with the benefit of the rich and valuable feedback we had received from our stakeholders. We formulated an ambition to be a net zero bank by 2050 and developed real and tangible commitments to align our provision of financing across all sectors, starting with the energy and power sectors, to the goals and timelines of the Paris Climate Agreement. We developed a clear strategy, with specific targets and regular reporting.

3

We tested our proposed new approach and strategy

Thirdly, we tested our proposed new approach and strategy with many of the same stakeholders as well as with representatives of governments, and various customers, clients and suppliers, to check whether what we were proposing aligned with their aspirations for us. We made refinements to our proposals based on the feedback we received.

Section 172(1) statement continued

4

We acted

Then, we acted. The Board always intended that our new approach should be a binding commitment on our part. It was clear that many of our shareholders, as well as other stakeholders, wanted this commitment to be reflected in a shareholder resolution. The Board also believed that this was the right thing to do. With the advice and support of its Climate Committee and on the recommendation of management, the Board resolved to put its own binding resolution to shareholders to give the maximum force and effect to its new approach and strategy. Shareholders gave their overwhelming support to this resolution at our AGM in May 2020. The Board also approved the creation of a new Executive Committee role focused on driving the execution and evolution of our climate strategy, and so began the process of embedding into the business the changes our new commitments required.

5

We reported back

And finally, we reported back. Having set our ambition and formalised our commitments, the Board undertook to develop, with the help of a range of stakeholders, detailed metrics for measuring our progress and targets against which we would report and be held to account, and to report on progress by the end of the year. Continuing their respective oversight roles throughout, the Board and its Climate Committee approved materials for publication and, on 30 November 2020, we delivered on this commitment.

Addressing the climate challenge is a monumental task and opportunity and we are committed to playing our part. Doing so will not only help to build Barclays' reputation and to secure its long-term success by mitigating associated risk, but will also help deliver meaningful change for the benefit of society at large, and also enable Barclays credibly to access the business opportunities that playing an active role in the transition will present.

Engagement with our stakeholders has been integral and essential to the progress we have made so far, but this is the start of a journey and we have a long way to go. Our success over the long term is inextricably tied to the progress of our communities and the preservation of the environment, and continued engagement with our stakeholders will therefore be integral and essential also to our future success.

Developing and delivering on our climate change strategy has required us to take account of the sometimes conflicting needs and expectations of different stakeholder groups and to have regard to these in a fair and balanced manner. The Board also had to give due consideration to important issues such as energy transition and the impact of our decisions on businesses and the wider communities in which they operate, as well as to our relationship with various key stakeholders.



You can find further information about our climate change strategy on pages 39 to 43 in our society and environment section.

Engagement in action: COVID-19

Throughout almost the entirety of 2020 the primary focus of the Company and the Board has been on how best to deliver its strategy while at the same time supporting the Group's stakeholders through the challenges brought about by the COVID-19 pandemic. This has meant the Board has met, whether in person (when permitted) or by video conference calls, significantly more frequently than in previous years, in order to devote the time needed to address the challenges which have arisen and to provide the necessary support to customers, clients, colleagues and society more broadly while continuing to drive value creation over the longer term.

Between formal meetings, the Board has received regular updates on the implementation of the Group's strategy, in particular in relation to the Group's participation in the UK Government schemes and its broader support for customers and clients, as well as its ongoing engagement with key stakeholders and the steps being taken to safeguard the health and wellbeing of customers and colleagues. Given the importance of the Group's response to the COVID-19 crisis and its impact on stakeholders and the economy as a whole, the Board also set up a Board COVID-19 Crisis Response Committee in April.

This Committee met initially weekly and then fortnightly until well into the summer of 2020, in order to act both as a point of escalation for considering material matters arising during the crisis and as a review and sounding board for business decisions made by management which might impact the reputation of the Group. Close co-ordination between the Board and the Chairs of the main subsidiary boards has also ensured an ongoing dialogue has been maintained across the Group throughout the crisis, resulting in a more co-ordinated response to the crisis.

Set out overleaf is a summary of some of the key decisions and actions the Group has taken in response to the impact of the ongoing pandemic where the Board has had regard to the interests of, and impact on, affected stakeholders, including consideration of stakeholder engagement, feedback received, the key decisions made by the Board and the potential outcomes of those decisions.



On the following pages we describe the Board's consideration of the interests of our four priority stakeholder groups:

- Customers and clients
- Colleagues
- Society
- Investors



For further detail on Governance please see pages 59 to 142 of Part 2 of the Annual Report

Section 172(1) statement continued

Engagement in action

Customers and clients



Continuing to support customers and clients has been a critical focus of the Board throughout the year.

This has been reflected in a range of actions and decisions taken by the Board and management, including in their efforts to ensure a COVID-19 safe environment has been maintained for our customers and clients as well as our colleagues. This has been achieved through the provision of safe access to bank branches, putting in place a programme to achieve effective social distancing and a stringent cleaning routine. Balancing the needs of our customers and clients against their health and safety and that of our colleagues has been crucial and so, while such measures included notifying customers and clients of reduced opening times, we also sought to enhance our call centre facilities in order to deal with increased volumes. We also took steps to support vulnerable customers who were unable to visit a branch.

In order to support our customers and clients financially throughout these unprecedented times, the Board supported management in making appropriate adjustments to the Group's strategy and policies. This has included decisions to support the Group's credit card and borrower customers such as the implementation of payment

holidays, the waiver of interest and fees on overdrafts and forbearance on late payments, as well as facilitating borrowing under the various government loan schemes.

The rationale for these changes has been to provide breathing space for customers; to appropriately reflect the impact of the pandemic on customers' income and circumstances in affordability calculations and credit decisions given the unprecedented uncertainty as a result of the pandemic. See our strategy on pages 11 to 13 for further information.

All of this has been achieved while maintaining an appropriate risk and control environment. Through regular updates from the Board Audit Committee, the Board Risk Committee and management, the Board has closely scrutinised the risk and control environment across the Group, and ensured that the ongoing support for customers and clients during the pandemic has been achieved while continuing to adopt a robust approach to risk and control so as to maintain a strong capital position for the longer term.

The Board has paid particularly keen attention to updates from management on various metrics and tools used to measure customer and client satisfaction and had been pleased to note that feedback on the Group's support during 2020 has been positive.

The Board and senior management will continue to monitor customer and client behaviours and preferences – whether arising from ongoing concerns over social distancing or from a change in customer and client banking patterns, or greater use of online services rather than branch or call centre facilities – and this information will help inform the Board's decisions on future strategy as it evolves to meet the long-term needs of our customers and clients.

Colleagues



The Board has regarded colleagues' wellbeing as being of paramount importance throughout the pandemic.

Together with management, the Board has sought to support colleagues both financially (by minimising job losses), and by ensuring our working environments are as safe as possible, both for colleagues who have continued to work from our offices or branches and for the 70,000 colleagues who moved to work remotely. For our offices and branches, this has meant the introduction of health and safety measures across our sites, including restricting occupation levels, enhanced hygiene and cleaning measures, and social distancing. We established a formal risk assessment process across our sites, and a COVID-19 Health and Safety Forum, who have overseen our approach to protecting colleagues' health and safety during the COVID-19 pandemic.

The Board, with management, has also ensured that colleagues have been provided with the necessary tools to enable the shift to remote working, including by the provision of increased technological support, laptops and other home office equipment. We also helped colleagues cope with some of the personal challenges the pandemic created, including offering paid leave

to support self-quarantine, sickness or care for dependants and financial help with childcare, as well as the provision of education and training tools, including increased support in relation to mental health and wellbeing, and support services and helplines.

In assessing the Group's future strategy, the Board will take into account the lessons learnt during the pandemic and, in particular, will monitor changes in customer and client banking patterns and the ability of colleagues to provide services through remote working, in order to assess whether these changes could be adopted in the longer term so as to provide greater flexibility in terms of working practices for colleagues once the pandemic is over.

Colleagues across the Group have also made a considerable contribution towards charitable giving during the year. Much of this has been provided through the COVID-19 Community Aid Package announced by the Group Chairman on behalf of the Board in early April 2020. Colleagues have been able to support charities of their choice, local to their homes or places of work and which are working to support communities impacted by the COVID-19 pandemic, with Barclays match-funding colleague contributions. We have been pleased to note strong engagement with the match-funding initiative.

Colleague surveys have been conducted on a number of occasions throughout the year in order to maintain ongoing engagement and gather feedback, and reported to the Board. In addition to the colleague surveys and regular updates from management, members of the Board have continued to engage with colleagues in a variety of ways throughout the pandemic. These included holding virtual town halls, and interactive video call sessions. You can read more about how we support the health and wellbeing of our colleagues and about our workforce engagement more generally on page 16 and in Our people and culture on pages 33 to 37.

Section 172(1) statement continued

Engagement in action

Society



From the outset of the pandemic, the Board has encouraged management to ensure that the Group, as a key universal bank both in the UK and within the international financial system, strives to operate responsibly in supporting the wider community in dealing with the current unprecedented medical and economic crisis caused by COVID-19, and in preparing for recovery in its aftermath.

In particular, the Board has focused on the need for the economy to be supported; and has taken a particularly keen interest in the regular updates provided by management as to the Group's efforts in this regard.

In addition, in early April 2020 the Group Chairman announced, on behalf of the Board, the launch of the Barclays' COVID-19 Community Aid Package totalling £100m. This comprised a Charity Partners Programme to support charities working to support vulnerable people impacted by COVID-19 and to alleviate the associated social and economic hardship caused by the crisis. This funding has been donated to, and deployed through,

partnerships with trusted charities that can have a direct and immediate impact in the communities where we have a presence.

The package also comprised a commitment to match-fund personal donations and fundraising efforts made by colleagues to charities of their choice supporting COVID-19 relief. A wide range of colleagues have since made donations through the COVID-19 Community Aid Package, including the Group Chairman and two Executive Directors who each personally donated one third of their respective Group fees and fixed pay for six months of 2020.

We have also continued to engage with local communities throughout the pandemic, to understand their needs and develop alternative solutions to enhance the provision of our services where possible, including by working closely in communities across the UK to help them access and feel confident in using our digital services through our team of Barclays Digital Eagles.

The Board is pleased to note that external feedback has been very positive in relation to the Group's support of society both through the maintenance of its financial services and the delivery of our COVID-19 Community Aid Package.

The Board is committed to develop its future strategy so as to continue this support and engagement with local communities and society more broadly through the remainder of the pandemic and its aftermath during 2021.

Read more about our work supporting our local communities in Our society and environment on pages 39 to 43.

Investors



The Board is committed to achieving sustainable returns for our investors over the long term.

Taking into consideration the importance to investors of the long-term security and soundness of the Group and the preservation of its balance sheet, the Board encouraged management to ensure that lending decisions would continue to be taken prudently throughout the pandemic, notwithstanding the drive to provide increased support to our customers and clients. This has also been reflected in the Board's Risk Committee monitoring closely any changes to relevant risk limits and financial products.

Balancing the needs of the Company's key stakeholders is a key part of the Board's decision-making process. In this regard, given the unprecedented nature of the COVID-19 pandemic, the Board concluded that the long-term interests of the Group and its responsibility towards supporting customers, clients and society more broadly in dealing with the impact of the pandemic, were of paramount importance, even if that might inevitably be less favourable in terms of investor returns in the short term.

In light of the challenges imposed by the COVID-19 pandemic and following engagement with the Group's regulators, the Board decided, in line with its peers and in

response to a request from the UK Prudential Regulatory Authority, that it was prudent not to undertake any interim ordinary share dividend payments, accrual of ordinary share dividends or share buy-backs in 2020; and likewise that it should cancel the ordinary share full year 2019 dividend which was due for payment in April 2020.

These were difficult decisions for the Board, not least in terms of the adverse short-term impact on investors, but the Board concluded that this was right and prudent in order to preserve additional capital so as to allow the Group to continue to serve the needs of its customers and clients throughout the crisis. The Board is pleased that the continuing strong capital position of the Group means that it has been able to resume paying a dividend to ordinary shareholders.

The Board considers engagement with its shareholders as being critical to its understanding of investors' views. The AGM is an important event in the Company's corporate calendar and an excellent opportunity to engage with shareholders and for shareholders to ask questions of the Board. Despite the impossibility of shareholder attendance at the 2020 AGM as a result of the UK Government's prohibition on public gatherings because of the pandemic, the Board ensured that all shareholders had the opportunity to submit questions in advance of the AGM. All questions were considered carefully and answered individually and pre-recorded presentations by the Group Chairman and the Group Chief Executive were made available on the Group website on the day of the AGM. In addition, as noted in the section above entitled 'Climate change', extensive shareholder engagement took place both in person, where possible, and remotely in the lead-up to the AGM in the context of seeking shareholders' views on and support for the Group's approach to climate change. Following the AGM, the Board has continued to maintain its engagement programme with investors, notwithstanding the inability to meet face to face.

Find out more about our engagement with our investors on page 17.

Key performance indicators

We analyse a broad range of financial and non-financial measures to make sure our strategy is working. Ultimately, the experience of our stakeholders is the key indicator as to whether we are succeeding.

Enabling us to adapt and deliver

We use a number of sources to assess our performance and provide a balanced review of performance during the year.

Financial targets and strategic non-financial performance measures are also linked to the way we pay our colleagues, including at executive management level.

This approach means we are better able to deliver positive and sustainable results for our stakeholders, while at the same time 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. For example, in recent years digital engagement and related customer satisfaction scores have become increasingly important.

Key measures used in our 2020 assessment include the metrics reported on this page, and in the broader discussion of our performance on the subsequent pages of this report.

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 our divisional reviews on pages 25 to 31

Barclays UK Net Promoter Score (NPS)^a



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 our people and culture on pages 33 to 37

Colleague engagement %



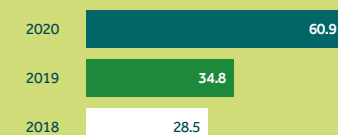
This is a measure derived from our nine engagement questions in the Your View survey.

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 our society and environment on pages 39 to 43

Social and environmental financing £bn



Financing in select social and environmental segments aligned to Barclays sustainable impact 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 our summary financial review on pages 45 to 47

Common Equity Tier 1 (CET1) ratio %



Group target: CET1 ratio in the range of 13-14%.

Key performance indicators continued

Notes

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.

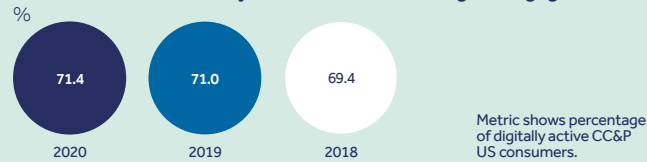
b Coalition Greenwich, Preliminary FY20 Competitor Analysis. Market share represents Barclays share of the Global Industry Revenue Pool. Analysis is based on Barclays internal business structure and internal revenues.

c Dealogic for the period covering 1 January 2017 to 31 December 2020.

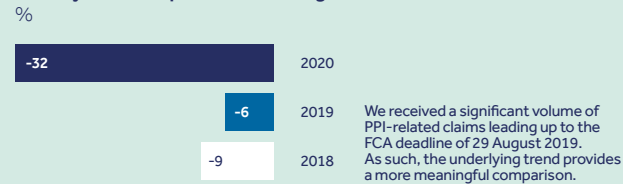
d Excluding litigation and conduct.

e 2018 excludes litigation and conduct and a Guaranteed Minimum Pensions (GMP) charge of £140m.

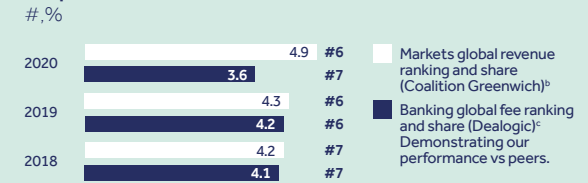
Consumer, Cards and Payments US customer digital engagement



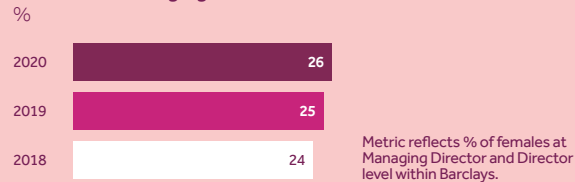
Barclays UK complaints excluding PPI



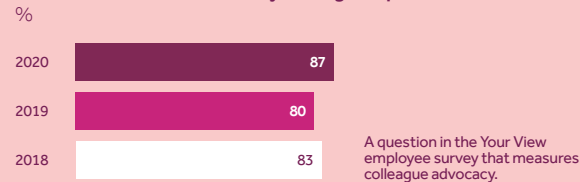
Corporate and Investment Bank revenue ranks and market shares



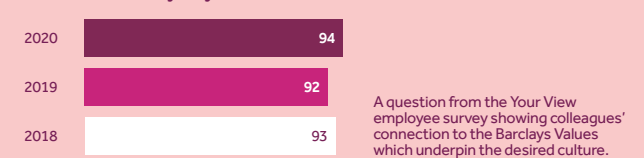
Females at Managing Director and Director level



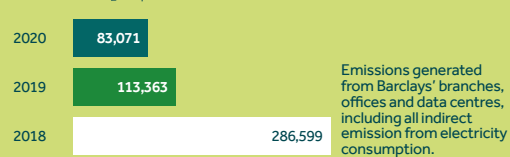
"I would recommend Barclays as a good place to work"



"I believe that my team and I do a good job of role modelling the Values every day"



Operational carbon emissions



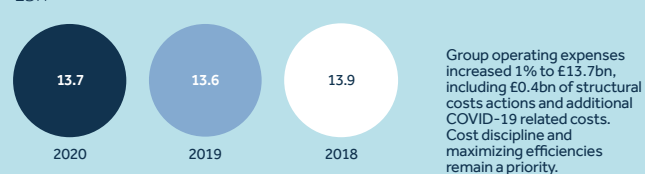
LifeSkills – Number of people upskilled in the UK per year



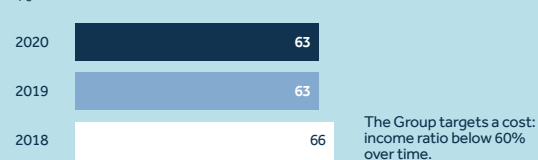
Connect with Work – Number of people placed into work globally



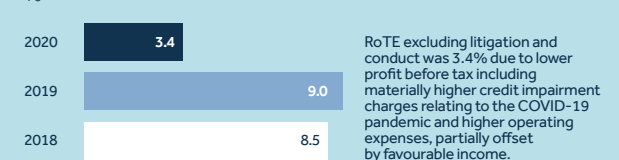
Operating expenses^{d,e}



Cost: income ratio^d



Group return on tangible equity (RoTE)^d



Making a difference for our clients**When I called,
they were ready**

My business has always thrived on the power of relationships, and I had great expectations from 2020.

I created CMe Media to help British brands with their advertising and campaign needs. Since then, we've grown steadily, winning new clients and business, and this year we were on course to pass the £2 million mark.

Then COVID-19 hit, and suddenly everything I had worked so hard for was in danger of being wiped out. I knew I needed to act quickly to protect not only my team, but my growing family too. So, I picked up the phone to Ian Jarvis, my relationship manager at Barclays. Ian was already familiar with my business and my plans for long-term development, so when I called, he was ready. He helped me access a CBILS loan, to ease cashflow and support growth, and worked closely with me to create a solid development plan.

As a result, the business I created and the team that helps drive its success are protected during one of the most challenging times we have faced.

“

I know I need to be incredibly organised and to work smart – Barclays help me with that.

Charisse Smith
Director, CMe Media
Fareham



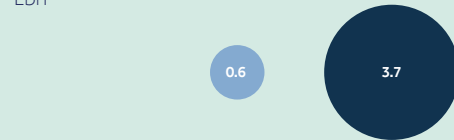
Divisional reviews

We are diversified by business, geography, and income type. Our businesses include consumer banking and payments operations around the world, as well as a top-tier, full service, global corporate and investment bank.

A diversified portfolio for resilient performance

Profit before tax (PBT) by business^a

£bn



■ Barclays UK
■ Barclays International

BUK and BI PBT for 2019 were £2.6bn and £4.2bn respectively.

Risk weighted assets (RWAs) by business

£bn

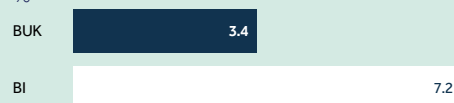


■ Barclays UK
■ Barclays International

BUK and BI RWAs for 2019 were £74.9bn and £209.2bn respectively.

Return on tangible equity (RoTE) by business^a

%



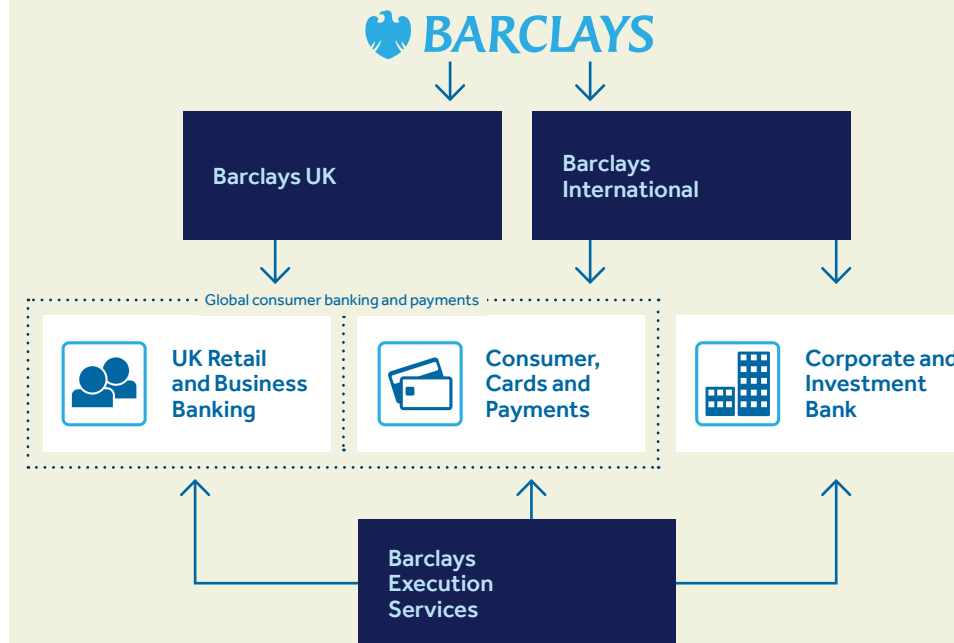
BUK and BI RoTE for 2019 were 17.5% and 9.3% respectively.

Notes

^a Excluding litigation and conduct.

Our structure

Barclays operates as two divisions, Barclays UK and Barclays International, supported by our service company, Barclays Execution Services.



Barclays UK

Barclays UK (BUK) consists of our UK Personal Banking, UK Business Banking and Barclaycard Consumer UK businesses. These businesses are carried on by our UK ring-fenced bank (Barclays Bank UK PLC) and certain other entities within the Group.

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 SMEs, 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.

Barclays International

Barclays International (BI) consists of our Corporate and Investment Bank and Consumer, Cards and Payments businesses. These businesses are carried on by our non-ring-fenced bank (Barclays Bank PLC) and its subsidiaries, as well as by certain other entities within the Group.

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.

Barclays Execution Services

Barclays Execution Services (BX) is the Group-wide service company providing technology, operations and functional services to businesses across the Group.

Barclays has a CEO, Consumer Banking and Payments, whose role is to oversee the execution of plans for the Group's consumer banking and payments businesses in the UK and internationally.

Divisional reviews: Barclays UK

Barclays UK consists of our UK Personal Banking, UK Business Banking and Barclaycard Consumer UK businesses. These businesses are carried on by our UK ring-fenced bank (Barclays Bank UK PLC) and certain other entities within the Group.

Barclays UK

- 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 SMEs, 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.

Measuring success

Income

£6.3bn

2019: £7.4bn

Operating expenses^a

£4.3bn

2019: £4.0bn

Profit before tax^a

£0.6bn

2019: £2.6bn

Return on tangible equity^a

3.4%

2019: 17.5%

Barclays UK complaints excl. PPI

-32%

2019: -6%

Barclays UK NPS

+15

2019: +18

Note

^a Excluding litigation and conduct.

Strategic priorities

The UK's retail banking environment is rapidly transforming and we remain focused on being at the forefront of that transformation. We want to provide customers with banking services in new and innovative ways, embracing technology as a means of making things simpler, more transparent and more secure. Barclays UK will continue to support customers and businesses, acting with empathy and integrity to build a sustainable bank.

At the same time, we know banking cannot be something only a narrow section of society is able to use. There must be a sustainable means for everyone – including vulnerable customers who may need additional protection or want to access banking products in a different kind of way.

We are focused on the following areas:

- 1. Providing exceptional service and insights to customers:** we want to provide simple, relevant and prompt services and propositions for our customers so they have greater choice and access to money management capabilities. Using insights, we want to help customers better manage their finances and make informed financial decisions.
- 2. Driving technology and digital innovation:** we continue to invest in our digital capabilities, upgrading our systems, moving to cloud technology and implementing rapid automation of manual processes. This allows us to deliver a more personalised digital experience, reduce cost and create additional capacity to support more of our customers.
- 3. Continuing to grow our business:** by pursuing partnership opportunities to build and deliver better propositions and services for our customers. We will fully utilise the Barclays platform to open up new income stream opportunities and provide greater services to more customers.

Divisional reviews

Barclays UK continued

Year in review

2020 was a highly varied and challenging year for Barclays UK, which required immediate and balanced actions to support millions of our customers and clients impacted by the pandemic.

We endured severe economic shock, while incurring additional costs, driven by our response to the pandemic. We waived fees and charges and interest payments and we worked with UK regulators and Government to provide ongoing support for our customers and clients.

Despite a turbulent year, Barclays UK continued to deliver against our strategic priorities.

- Throughout the COVID-19 pandemic, we played a key role in the facilitation and delivery of the UK Government's business support schemes, designing and executing a digital application system within days, overcoming significant operational challenges. Over the course of the period to 8 January 2021, we lent £10.1bn to British businesses under the Bounce Back Loan Scheme (BBSLS) and £1.2bn under the Coronavirus Business Interruption Loan Scheme (CBILS). This is the equivalent of four years of traditional lending volumes, condensed into less than 12 months. This represents a significant number of new customers to Barclays through the Government schemes, providing us with an opportunity to establish long-lasting relationships for the future.
- We took significant steps to relieve financial pressure for our customers, acting quickly and effectively at a time of maximum need. Over the course of the year, we waived £100m of fees and interest charges and granted hundreds of thousands of payment holidays. Over 650 of our branches (80% of the total estate) remained open throughout the pandemic and over 250 staff received additional training to answer calls from customers experiencing financial difficulty.
- Despite facing significant challenges this year and enduring a severe economic shock, we continued to meet more of our customers' needs by simplifying our credit and debit card offerings. We eliminated certain fees and charges to better reflect how our customers interact with us and we made changes to our overdrafts fees and charges to protect our most vulnerable customers. We also continued to deliver digital innovation with 67% of our products provided to customers through digital channels. Currently, 70% of our products are available via a fully digital solution or self-service enabled.
- Complaints across Barclays UK in 2020 were significantly lower than in 2019, decreasing 32%. This was, in part, a consequence of the pandemic and lower business volumes but also thanks to great strides we have made in reducing complaint volume year on year. In Q1 2020, prior to the outbreak of the pandemic, we saw lower year on year complaint volumes, driven by robust management actions. NPS for Barclays UK and Barclaycard has remained relatively stable at +15 and +8 respectively. NPS scores across the market have softened as customers continue to feel the financial pressure of the pandemic and ongoing movement restrictions. While the market remains challenging, Barclays UK has continued to deliver support and assistance to customers.
- We made significant improvements to our Barclays apps, which have over 9.2m active users. We introduced Dream Accelerator to help customers looking to buy their first home, enabling them to access tools to help them in the home buying preparation process. Our customers can now also view itemised digital receipts directly from the Barclays app when they shop at participating retailers, removing the need to carry paper receipts and helping customers better manage their spending.
- We launched Plan & Invest, a new digital investment service that provides customers with the confidence and support to invest for the future. Plan & Invest creates a personalised investment plan, tailored to our customers' goals, with dedicated support at every step. Customers

can stay updated over the phone and in an online hub, and see how well their investments are tracking against their financial goals.

- While managing a long-term low interest rate environment, we have driven strong Mortgage application volumes this year, and maintained competitive service levels for our customers. Despite the pandemic, we have continued to support customers with their home buying needs and have seen a strong performance in Mortgage completions, particularly through the second half of the year.
- We continued to build strategic partnerships, including launching a new collaboration with Nextdoor, a fast-growing social network service, to help thousands of local businesses secure new customers by arranging free advertising on the platform.
- We accelerated our green agenda by leveraging environmentally friendly material for our debit cards, reducing paper statements sent to our customers, and expanding our plastic reduction programme. We also supported 'green' agricultural lending across SMEs and will continue to explore opportunities to go further. Through our Barclays Partner Finance business, we plan to expand the distribution of Green Finance across a range of home improvement assets that aid in reducing energy consumption.

Looking ahead

Customer expectations continue to evolve, with more interactions moving to digital or via a virtual channel (call, video or web chat) and more customers seeking expert guidance for their specific financial circumstances. We also continue to see a reduction in the use of our branch infrastructure and a significant shift away from cash usage towards contactless payments. Where appropriate, we will continue reshaping our footprint to better support the customers we serve in ways they want to be serviced.

Barclays UK is working to build a better bank for customers, a more efficient bank that is safe, intuitive and that will support customers and businesses responsibly and sustainably. Our focus is on customers

Money Mentors – a free and impartial mentoring service

Customers can now book a free session with one of our 300 Money Mentors, asking questions playing on their minds without fear of judgement. The service responds to millennial customers who told us they wanted a more open forum to talk through their financial concerns and goals. We had over 2,000 conversations in 2020, with over 80% of customers saying they will do something different with their finances as a result.



For the full story go online at barclays.co.uk/money-mentors/

and clients and putting them at the heart of the decisions we make about running our business and shaping it for the future.

We are reinventing our service model for customers to create a more efficient, more resilient and seamless service, which will include the expansion of our Wealth Management proposition. We are building partnerships in the open market and working across the whole of Barclays to deliver additional value for our customers and businesses through our size and scale.

We will continue to invest in digital platforms, remove unnecessary processes and costs and make it seamless for customers to self-serve. We will continue to invest in digitalisation and automation to be more efficient, reduce costs and to create additional capacity for colleagues to support customers.

In recent years we have invested in cloud technology and begun to build our digital bank capabilities, removing reliance on a heritage core. This investment will continue and will provide a strong digital customer platform that stands out from our competitors.



For more information go online at home.barclays/annualreport

Divisional reviews: Barclays International

Barclays Corporate and Investment Bank is comprised primarily of the Banking, Corporate Banking and Markets businesses, aiding money managers, financial institutions, governments, supranational organisations and corporate clients to manage their funding, financing, strategic and risk management needs.

Barclays International: Corporate and Investment Bank

- Banking provides clients with strategic advice on mergers and acquisitions (M&A), corporate finance and financial risk management solutions, as well as equity and debt fundraising services.
- Corporate Banking provides GBP and EUR working capital, transaction banking including trade and payments, and lending for multinational corporates and institutions and for large and medium-sized corporate clients in the UK.
- Our Markets business provides a broad range of clients with market insight, execution services and tailored risk management and financing solutions across equities, credit, rates and foreign exchange products.

Measuring success

Income

£12.5bn

2019: £10.2bn

Operating expenses^a

£6.9bn

2019: £7.0bn

Profit before tax^a

£4.0bn

2019: £3.1bn

Return on tangible equity^a

9.5%

2019: 8.0%

Banking global fee ranking

7th

FY 2020 Dealogic ranking^b

Global markets revenue rank

6th

Largest non-US bank

FY 2020 Coalition Greenwich ranking^c

Strategic priorities

Barclays is a European headquartered investment bank competing at scale in the US and providing universal banking services around the world. At a time of heightened stress for many corporates, governments and institutions, we maintain our client-centric focus and our commitment to a full capability offering in our Corporate and Investment Bank.

We are focused on the following areas:

1. Adapting to the evolving needs of our clients:

We continue to invest 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 build out of our full service Corporate Banking digital proposition.

2. Running an efficient and effective business:

Our focus is on achieving better operational performance and driving improvements in market share. At the same time, we want to maintain cost discipline and drive more productive use of capital by recycling risk weighted assets to the highest returning opportunities.

3. Improving returns by investing in and growing our capital markets and capital efficient businesses:

The capital markets are an increasingly important source of financing and growth for the global economy. In order to ensure we remain globally relevant, we want to invest to grow our share of global debt and equity underwriting. At the same time, we remain focused on growing capital-light parts of our business, including Transaction Banking and fee-led advisory work in Banking. We are also developing other higher-returning businesses where we see opportunities, including in securitised products and our prime financing business.

Notes

^a Excluding litigation and conduct.

^b Dealogic for the period covering 1 January to 31 December 2020.

^c Coalition Greenwich, Preliminary FY20 Competitor Analysis. Market share represents Barclays share of the Global Industry Revenue Pool. Analysis is based on Barclays internal business structure and internal revenues.

Divisional reviews

Barclays International: Corporate and Investment Bank continued

Year in review

- In Banking, we helped some of the world's largest governments, corporations and public institutions issue debt in order to help them manage the strain that the COVID-19 pandemic placed on their operating environments. In total, we helped our corporate clients raise c.£1.6trn and governments, government-related clients and supranationals raise c.£430bn in 2020. While our Banking global fee ranking^b fell to 7th in 2020 from 6th in 2019, largely attributable to a decline in activity in the sectors where we have relative strength, our revenue growth of 8% is testament to a resilient performance in a challenging year.
- Our Corporate business played a key role in supporting the UK economy through the COVID-19 pandemic, helping clients to raise funding in excess of £15bn under the UK Government lending schemes including the Coronavirus Large Business Interruption Scheme and the Covid Corporate Financing Facility. In the UK, Corporate Banking deposits grew by 22% during the year, and we had over 600 net new client wins, illustrating the extent to which our corporate clients trusted us during a time of uncertainty.

- Our Markets business acted as a market-maker and liquidity provider to institutions across the globe, playing a pivotal role in allowing them to manage risk during a time of unprecedented disruption. Despite a challenging environment, we were able to gain share^c to 4.9% (2019: 4.3%), maintaining our global revenue ranking^c at 6th – the largest non-US bank. In line with our strategy, we have made significant progress in our multi-year effort to provide our clients with market-leading electronic capabilities.
- We continued to invest in enhancing our digital proposition, including our electronic trading capabilities and our digital self-service platform. Our BARX (cross-asset electronic trading) and options platforms continue to benefit from sustained multi-year investment. The user base of iPortal, our digital self-service platform, grew in 2020, and we are seeing a continued reduction in cost to serve through digital adoption. In order to ensure a seamless experience, we have invested in resilience, with client-impacting technology incidents down 14% compared to last year.

- We continued to broaden our digital footprint business across Europe, with our Transaction Banking offering now digitally live across nine key EU countries, without the overheads of a branch network. Despite the challenging environment, we on-boarded over 640 new clients and attracted over £2bn of new deposits in the year.
- We also continued to enjoy a strong partnership with our colleagues in BX, including in our Transaction Banking business, which had significant demand placed on its technology infrastructure during the early days of the COVID-19 pandemic, including the rapid deployment of the UK Government schemes and the distribution of support via Local Authorities. We remain committed to growing capital-light businesses across our expanded geographic presence and through investment in our digitalised offering.

In Corporate Banking, we will look to continue the investment in our digital proposition and in our European offering, a critical enabler for Barclays' ambitions across the continent. We will also focus on steadily improving our credit portfolio returns by reallocating risk weighted assets to higher-returning opportunities as well as making selective investments in expanding the footprint of our US Corporate Banking offering.

Markets will continue to focus on growing balances, driving client-centricity and building a large and stable income base. We will keep investing in low-touch electronic execution platforms, to drive efficiency and scale, and will also seek to utilise the strength of our integrated financing platform to drive growth in client balances.



For more information
go online at home.barclays

Looking ahead

Across our Corporate and Investment Bank, we will remain focused on maintaining our client-centric approach and, in doing so, developing opportunities to grow our business and increase returns. We will continue to focus on growth in high-returning, capital efficient parts of our business and to sustain our focus on cost discipline and operational rigour.

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

Banking will continue to invest in select sectors, particularly Health Care and Technology, 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. We will continue to build our Sustainable and Impact Investment Banking team, ensuring that we accelerate our efforts to support growth stage companies as well as our broader client base on implementing ESG.

The World Bank – sustainable financing to help combat COVID-19

As the pandemic spread, the World Bank wanted to raise funds to support its member countries. Barclays participated as a joint lead manager on a record-breaking US\$8bn Sustainable Development Bond, a transaction that was part of the World Bank's issuance programme to support the financing of sustainable development projects and programmes. At a critical moment, when cautious investors were looking for signs of confidence in an uncertain market, we were proud to be able to support the World Bank and its members as they work to prevent, detect and roll out vaccination programmes, as well as to strengthen health systems, and sustain economies for the long term.

Divisional reviews: Barclays International

Consumer, Cards and Payments is comprised of our US Consumer Bank, Barclays Payments, Barclaycard Germany and our Private Bank.

Barclays International: Consumer, Cards and Payments

- Barclays Payments enables businesses of all sizes to make and receive payments and we continue to be a leader in payment processing and commercial payments.^a
- In the US, we have a partnership-focused business model, offering credit cards to consumers through our partners, such as American Airlines and Wyndham Hotels & Resorts, as well as online retail savings products.
- We also offer multiple consumer products in Germany, including credit cards, online loans, instalment purchase-financing, electronic Point of Sale (ePOS) financing and deposits.
- Our Private Bank offers banking, credit and investment capabilities to meet the needs of our clients across the UK, Europe, the Middle East and Africa, and Asia.

Measuring success

Income

£3.4bn

2019: £4.4bn

Operating expenses^b

£2.1bn

2019: £2.3bn

(Loss)/profit before tax^b

£(0.3)bn

2019: £1.2bn

Return on tangible equity^b

(6.7)%

2019: 15.9%

Net Promoter Score

+35

2019: +33

CC&P US customer digital engagement

71.4%

2019: 71.0%

Notes

^a Nilson Report #1175.

^b Excluding litigation and conduct.

Strategic priorities

Leveraging the combined strength of our Consumer, Cards and Payments businesses, we continue to serve and strive to deliver best-in-class consumer finance, private banking and payment solutions to our customers and clients.

We are focused on the following areas:

1. Responding to changing consumer behaviour:

We continue to invest heavily in the digitalisation of our businesses, delivering new products and capabilities to reflect the growing trends within our Consumer, Cards and Payments businesses. This includes investing in a new platform-based business model to build digital connections between our customers and our corporates and small businesses, creating a new multiway value exchange ecosystem with Barclays at the centre.

2. Building a more efficient and seamless business:

We are accelerating our automation agenda to drive operational efficiency and create seamless digital journeys to enhance the customer experience. For example, we launched our first fully digital application for our commercial payments cardholders who can now view their accounts through the Barclays app, as well as our new mobile app for corporate card customers.

3. Winning new partnerships:

We are focused on delivering across all our markets through broadening our product penetration with our existing partners and pursuing new partnerships, particularly in the US, as well as building capabilities to offer new financing solutions in markets such as Germany.

Divisional reviews

Barclays International: Consumer, Cards and Payments continued

Year in review

- We forged new partnerships across all our businesses, notably in the US, where we signed a multi-year partnership agreement with Emirates, the world's largest international airline, as well as successfully renewed partnerships with key clients across our US Consumer Bank and, as such, maintained our position as a top 10 credit card issuer in the US^a. Additionally, we signed a multi-year agreement for a card programme relationship with AARP, the largest non-profit, non-partisan organisation in the US dedicated to empowering people aged 50 and older to choose how they live as they age.
- We launched a streamlined credit card process on Frontier Airline's native mobile app, simplifying the application process for customers within Frontier's booking journey. For us, it creates an exciting new capability for existing and future partners. As part of our push to broaden our product set, we also launched our card-based Equal Payment Plan proposition, which helps customers finance purchases with our partners.
- The investments we have made in digital servicing have allowed us to reach a digital active user rate of 71.4% and enabled strong delivery of customer supporting programmes, including payment relief and merchant disputes. The NPS for the US Consumer Bank in 2020 was +35, demonstrating an increase on our 2019 score^b.
- Our Payments business maintained its position as one of the largest payment processors in Europe^c, and secured significant new client relationships, and retained others, including BT/EE and The Range. We also launched the first phase of our Smartpay Fuse gateway solution – an intermediary merchant service that provides omnichannel transaction processing services – through our relationship with CyberSource, a Visa solution. This complements our existing suite of gateway solutions and enables us to bring best-in-class commerce products to more clients in the UK and Europe.

- In Germany, we continue to be a leading lender in credit cards^d as well as providing loans. This year, we established a new partnership with leading ecommerce provider, Amazon, to offer their customers instalment lending at the point of purchase – a product that has seen increased popularity in the market.
- Our Private Bank continues to strive to become a leading investments house for Ultra High Net-Worth (UHNW) and High Net-Worth (HNW) customers and Family Offices, offering more complex solutions in collaboration with our Corporate and Investment Bank. By leveraging the global reach of our universal banking model to seamlessly deliver capabilities, we have won numerous notable client mandates. We have seen significant inflows into our discretionary investment offering as we deliver continued outperformance, as highlighted by our Multi-Asset Portfolio award at the 2020 Wealth Manager Investment Performance Awards in association with Asset Risk Consultants. Additionally, our sustainable solutions won 'Best ESG Investment Fund: Multi Asset' at the ESG Investing Awards 2020, aligning to our wider sustainability ambitions.

Looking ahead

Across our Consumer, Cards and Payments businesses, we will look to accelerate our strategy to invest in and build world-class technology and digital capabilities. This includes our focus on building out a new platform-based business model, to be launched later this year, to offer differentiated products and services in partnership with our clients, to Barclays' customers.

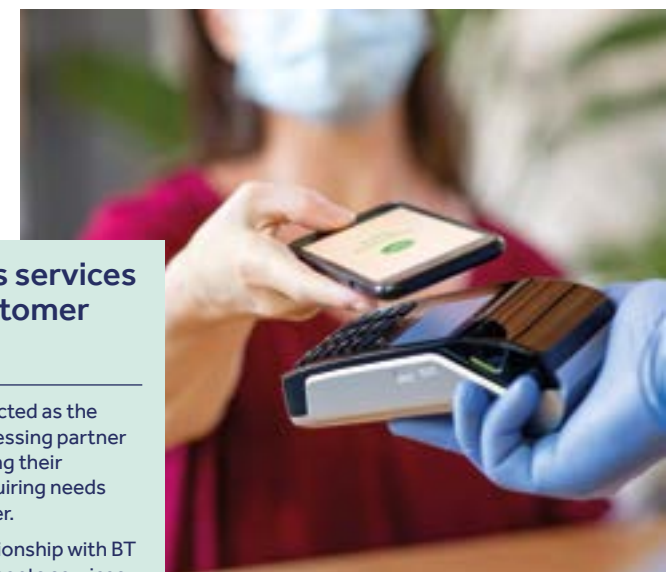
In the US, as we continue to pursue a partnership-centric business model, we are extending our product set to deliver incremental value to our existing partners and win new partners across a broader range of sectors.

Throughout the COVID-19 pandemic, we have seen an increase in the number of customer complaints in the US Consumer Bank, however we have largely identified the root causes and have plans in place to address these going forward.

BT Group – payments services that enhance the customer experience

In 2020, we were proud to be selected as the primary strategic payments processing partner for the whole of BT Group, meeting their ambition to consolidate their acquiring needs into a single, best-in-class supplier.

This follows a long-standing relationship with BT that has provided first-class payments services to their sizeable EE business for over a decade, and we are now exploring exciting new opportunities for additional value added services such as card-linked loyalty and partner offers.



We will drive further scale in our Payments business through best-in-class digital capabilities, expanding and diversifying our customers and partnerships, and unlocking further opportunity in Europe. We will remain closely aligned with the Corporate Bank and Business Banking in Barclays UK to maximise value for clients and leverage our proprietary digitally integrated merchant platforms to deepen penetration.

In Germany, we will seek to continue to expand our Business-to-Business-to-Consumer business and pursue instalment-lending partnerships with other retail merchants.

Through more seamless client journeys for our Private Banking clients, we will aim to drive operational efficiency and develop our existing platforms as part of our digitalisation agenda. We will continue to enhance our offering for UHNW and HNW customers, particularly across Credit and Alternatives solutions, and increasingly focus on our sustainable investment offerings.

Notes

a Nilson Report #1183

b NICE Satmetrix Survey

c Nilson Report #1175

d Deutsche Bundesbank, Advanzia Bank S.A., plus own calculations



For more information
go online at home.barclays

Making a difference for our customers and clients

Supporting black talent makes a better business

I've worked at Barclays in New York for two and a half years after I transferred from London. It has been an incredible journey and coming to America has provided a very different perspective on issues such as #blacklivesmatter.

My day job is as a relationship manager, but my passion role is co-chair of our Black Professionals Forum, which is part of Embrace, Barclays international network dedicated to championing our multicultural workforce.

It's important to support Black talent in the financial service industry – and not just within Barclays. We've created an action plan for colleagues to open up new opportunities to attract, develop and add to our Black talent. It will also help break down the unconscious bias deeply ingrained in all of us.

We are now expanding our plan to other ethnically diverse colleagues. We are also going to enhance our long-standing support for citizenship programmes that are dedicated to tackling racial inequalities in communities.

//
We are working with colleagues, customers, clients and communities to attract, develop and add to our Black talent.

Toks Sotande-Peters
Relationship Director,
International Corporate Banking
New York City

Our people and culture

The strength and success of Barclays is in our people. We want to support their health and wellbeing, enable them to build their career and empower and motivate them to be able to provide excellent service.

Supporting our colleagues

Events over the last 12 months have affected all our lives, and the disruption has been significant. Nevertheless, we have continued to invest in our colleagues in order to strengthen our business and protect our culture. Our people have shown extraordinary adaptability and resilience, and thanks to them so has Barclays.

As ever, our approach to our people is informed by the latest thinking in behavioural and data science, and by our capacity to track effectiveness and progress over time.

Measuring success

Colleague engagement

83%

2019: 77%

Females at Managing Director and Director level

26%

2019: 25%

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

87%

2019: 80%

"I believe that my team and I do a good job of role modelling the Values every day"

94%

2019: 92%

Adapting to challenge

Throughout the COVID-19 pandemic, colleagues around the world have been working incredibly hard to continue to support our customers and clients. Many were designated as frontline or critical workers in the countries in which they work. 70,000 colleagues moved to remote working. At all times, we have worked tirelessly to prioritise each other's safety and wellbeing, as well as to taking all necessary steps to slow the spread of the virus.

We put in place a set of global principles to ensure we were doing as much as possible to support our people. This included instigation of new working patterns and technology. We also helped colleagues cope with some of the personal challenges the pandemic created, including offering paid leave to support self-quarantine, sickness or care for dependants, financial help with childcare and advice made available to help protect physical and mental health. Through our colleague surveys, we have also regularly checked in with our people to better understand the impact that working through the pandemic has had.

Barclays continues to believe that people working together in the same physical location reinforces our culture and helps with collaboration and inspiration. Where possible, and in line with local government guidance, we have instigated gradual returns to the office in certain parts of the business and in certain parts of the world. In time, with the safety and wellbeing of colleagues as our first priority, we envisage more people will return to on-site working. In advance of this we have already put in place additional measures to ensure we are COVID-secure, including risk assessments at our sites and Return to Office Crews to support social distancing and minimise risks.

Over the last 12 months, we have learnt an enormous amount about the benefits and challenges of working more flexibly. Ultimately, we believe this will inform our ambitions for future ways of working.

Hiring the best people

We continue to focus on hiring people with skills that help us accelerate our digital transformation, as well as the fast-changing needs of our customers and clients.

Our people and culture continued

We are investing in our key sites, including our global campuses, strategically placed in both urban and rural areas. At the heart of our hiring strategy is our ability to match locations to the local talent pool in that area. This includes reaching out to local communities and upskilling local students. We are acting swiftly to adapt to changes in hiring demands and volumes because of COVID-19, particularly in customer-facing areas where it is now, more than ever, key that we are providing support.

We retain an emphasis on hiring from within. In 2020, we filled around 36% of role vacancies internally and added a further 961 graduates to our internal pipeline of future leaders. This was one of our most gender diverse class of graduates ever, with almost 40% female. COVID-19 has meant moving all candidates to a virtual experience, including for over 2,500 graduates, interns and apprentices. To ensure individuals feel supported and connected to the business, we have appointed talent coaches and created extra opportunities for virtual networking and collaboration

so that social connections are formed. We also continue to invest in our flagship career development programmes, including our AFTER programme to support those who have been in the armed forces.

People with different perspectives and life experiences make our organisation stronger. We are committed to attracting, developing and retaining a workforce that is as diverse and inclusive as possible. We are an equal opportunities employer and our policies require us to give full and fair consideration to all populations based on their competencies, strengths and potential. As ever, we are increasingly relying on data and analytics so we can understand how to improve our hiring process.

We also know the importance of measuring our progress. In particular, we have set ourselves a number of targets to ensure we are creating a more gender diverse workforce. Our ambition is to achieve 28% female Managing Directors and Directors by the end of 2021. Currently 26% of our Managing Directors and Directors are female, and 29% of our UK Managing Directors and Directors are female.

Developing talent for the future

In response to the pandemic, all development content went virtual in 2020, and we invested a total of £23m in training. We launched e-learning programmes to help people working from home during the COVID-19 pandemic, as well as online training to provide information to help keep everyone safe. Through our regular Here to Listen surveys, we have listened carefully to what colleagues have told us about the realities of working remotely, and tailored our training and support materials accordingly.

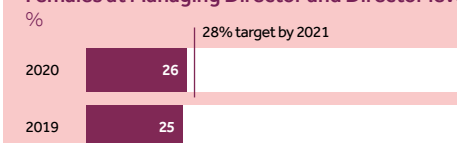
A wide range of development opportunities are available to help colleagues build their careers, delivered through our digital learning platform, Learning Lab, which makes development more available than ever. We also continue to operate our two flagship leadership development programmes: our Enterprise Leaders Programme; and our Strategic Leaders Programme, driven by our 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 have invested in the tools, programmes and technology needed to enable colleagues to work smarter, collaborate more easily and so that we can unlock the power of the connections between our people. In our latest Your View survey, 77% of colleagues told us they have the work tools and resources needed to achieve excellent performance, up 21 percentage points on last year. We also want to help colleagues 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 in all our major jurisdictions.

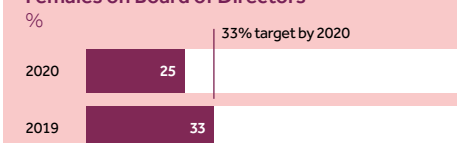
We remain committed to closing pay gaps at Barclays. Our UK pay gaps for 2020 are disclosed at home.barclays/diversity

Female colleagues

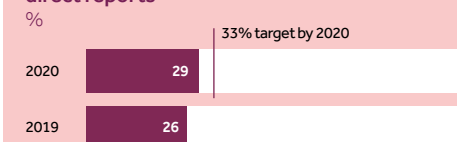
Females at Managing Director and Director level



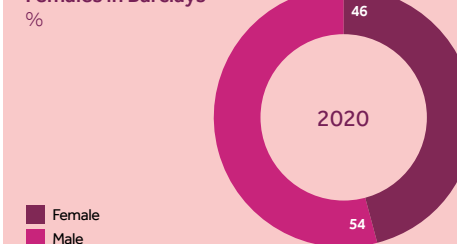
Females on Board of Directors^a



Females on Group ExCo and ExCo direct reports



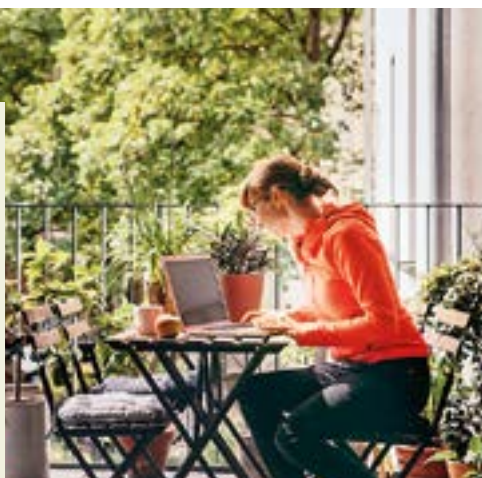
Females in Barclays



Note

^a With the appointment of Julia Wilson (effective 1 April 2021) and Sir Ian Cheshire stepping down from the Board at the conclusion of the 2021 AGM, the percentage of females on the BPLC Board of Directors will increase to 33%. You can read more about gender diversity on the Board in the report of the Board Nominations Committee on page 82 of Part 2 of the Report.

“
Over the last 12 months, we have learnt an enormous amount about the benefits and challenges of working more flexibly. Ultimately, we believe this will inform our ambitions for future ways of working.”



Our people and culture continued

Highlights

Graduate hires

961

Average training hours per annum per employee (payroll)

13

Voluntary employee turnover

6%

Employee turnover

9%

Note

Under the Companies Act 2006, Barclays is required to report on the gender breakdown of our employees, 'senior managers', and the Board of Barclays PLC's Directors. The Group's global workforce was 89,015 (48,447 male, 40,563 female, 5 unavailable), with 495 senior managers (388 male, 107 female), and the Board of Barclays PLC had 12 directors (9 male, 3 female) as at 31 December 2020. This is on a headcount basis, including colleagues on long term leave. Unavailable refers to colleagues who do not record their gender in our systems. 'Senior managers' includes Barclays PLC Group Executive Committee members, their direct reports and directors on the boards of undertakings of the Group, but excludes Directors on the Board of Barclays PLC. Where such persons hold multiple directorships across the Group they are only counted once. The definition of 'senior managers' within this disclosure has a narrower scope than the Managing Director and Director female representation data provided above.

Creating an inclusive and supportive culture

Creating an inclusive and supportive culture is not only the right thing to do, but also best for our business. It creates a sense of belonging and value and enables colleagues to perform at their best. We focus on five areas: disability, gender, LGBT+, multicultural, and multigenerational. Each area is embedded in the business through colleague networks to provide support and advice, create development opportunities and raise awareness of issues and challenges. Membership of our colleague diversity networks is at an all-time high, with over 23,000 colleagues now involved in one or more of our diversity networks. This also influences our people policies, teaching us how we need to adapt to give our people the support they need to succeed.

In 2020, we increased our focus on embedding a culture of inclusion and encouraged colleagues to become allies in the workplace. Through a new toolkit we supported them to take conscious, positive steps to make everyone feel that they belong, and develop empathy towards another group's challenges or issues. In our Your View survey, 84% of colleagues told us they believe we are all in this together at Barclays, while 82% say they believe leaders are committed to building a diverse workforce.

We also closely 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. In 2020, we launched our Inclusion Index, which is one way we have been able to measure how included our colleagues feel. It has enabled us to use data to assess the impact of our initiatives and lay a benchmark for monitoring progress year on year. Our overall Inclusion Index score for 2020 is 76%, while 89% of colleagues say they feel included in their team.

Events last year rightly prompted organisations like ours to appraise what we have been doing to aid the fight against racism, and to ask ourselves whether we can do more. Over recent months, Barclays has worked extensively with its Black colleague forums in both the UK and the US to produce a Race at Work Action Plan. The plan comprises a thorough set of actions that will open up new opportunities to attract, develop, and add to our great Black talent, using data to measure success. From 2021, we will expand our plan to include all ethnically diverse groups as well as actions to enhance our long-standing support for citizenship programmes dedicated to tackling racial inequalities in communities, as well as support of this agenda for customers and clients.

We want to become one of the most accessible and inclusive FTSE companies for all our customers, clients and colleagues. We require managers to give full and fair consideration to those with a disability on the basis of strengths, potential and ability, both when hiring and managing. We also ensure 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. In response to feedback at the end of 2019, we undertook a review of workplace adjustment processes in order to improve our colleagues' experience.

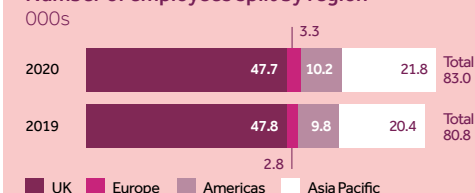
Through our BeWell programme, we continue to provide expert advice and guidance on the practical steps colleagues can take to look after their physical and mental health. In 2020, our Mental Health Awareness e-learning became mandatory, and we regularly check in with managers to ensure they are supporting colleagues' wellbeing. We were also one of the first businesses to sign up to the Mental Health at Work Commitment. In our Your View survey, 83% of colleagues told us that Barclays supports their efforts to enhance their wellbeing.



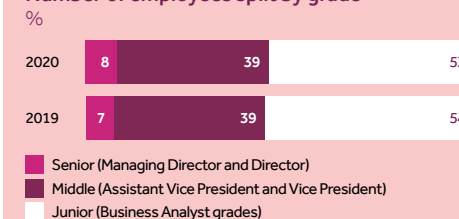
You can find more information in our Diversity and Inclusion report available at home.barclays/annualreport

Employee statistics

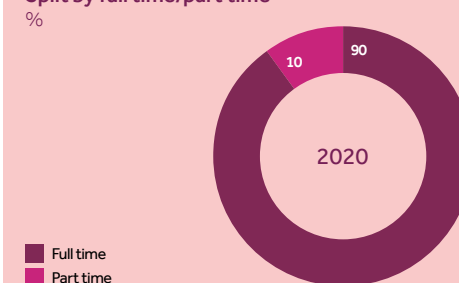
Number of employees split by region



Number of employees split by grade



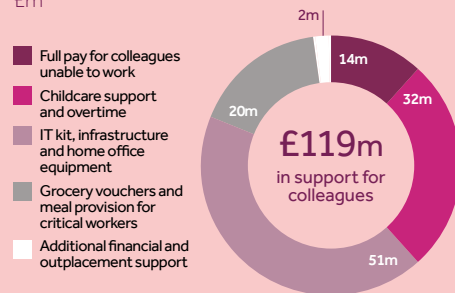
Split by full time/part time



Our people and culture continued

COVID-19 support

Supporting our colleagues £m



We spent £119m in 2020 to support our colleagues during the COVID-19 pandemic

Note

Costs have been taken from multiple sources across our locations. Some of these costs are estimated, and some are reliant on employee self-reporting. The overtime costs include all overtime paid above the normal hourly rate.

A continuous conversation with colleagues

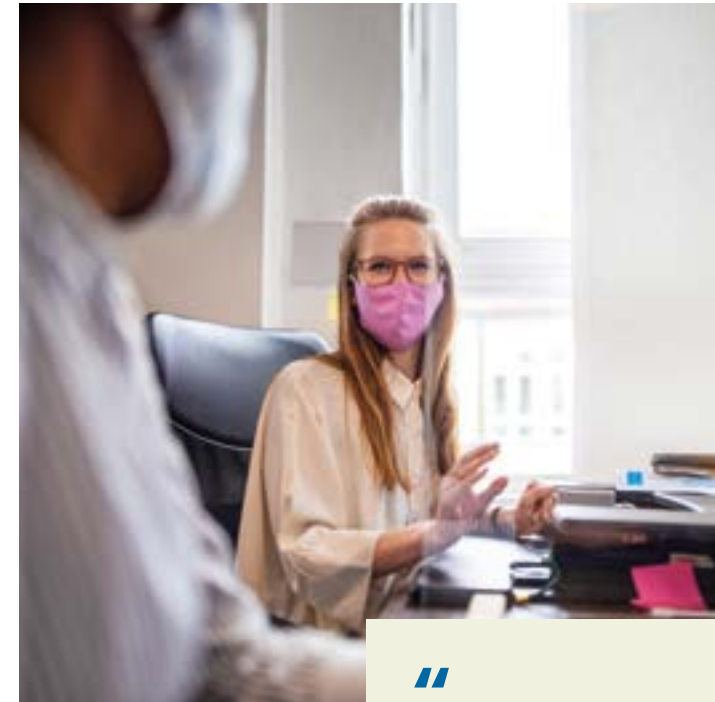
We think colleague engagement should be a two-way exercise, with equal weight placed on listening to our people as it is on keeping them informed. We want to be able to consider our colleagues' perspective when we make decisions, including at the most senior level.

Our regular Here to Listen and Your View surveys are a key part of how we track engagement. In 2020, in part in response to the challenge of the COVID-19 pandemic, we improved the effectiveness and regularity of how we do this.

We saw a 5 percentage point increase in the response rate to our annual Your View employee engagement survey with 67% of colleagues responding. The results showed an increase in our engagement levels, up 6 percentage points, to 83%, and an increase of 7 percentage points, to 87%, of colleagues saying they would recommend Barclays as a good place to work. We were also very pleased to see that our colleagues have continued their focus on customer and client feedback, with 81% responding favourably to this question. In addition, 94% of respondents said they believe they and their teams do a good job of role modelling the Values every day, an increase of 2 percentage points.

Overall, we are encouraged by our ability to work remotely in many more roles than we had previously thought possible. Our colleagues told us that they enjoyed having more flexibility in their lives, with 78% saying they have been able to balance personal and work demands, and 76% saying there is effective collaboration between teams.

With that said, we recognise there are also areas where we need to do more. We saw a 1 percentage point drop to 78% this year in the number of colleagues who feel it is safe to speak up, while colleague feedback also indicates we have room to make our internal processes more user friendly, with only 65% of colleagues saying work processes make it easy for employees to be productive.



Creating an inclusive and supportive culture is not only the right thing to do, but also best for our business. It creates a sense of belonging and value and enables colleagues to perform at their best.

Our people and culture continued

We maintain an engagement approach that is in line with the UK's Financial Reporting Council (FRC) governance requirements. This extends to those who work for us indirectly as well, such as contractors, although in a more limited way. As of 2020, our supplier Code of Conduct requires organisations with more than 250 employees to demonstrate that they have an effective workforce engagement approach of their own.

The results from our surveys are an important part of the conversations our Executive Committee and Board have about our culture and how we run Barclays. We also update the Board and its relevant sub-committees throughout the year.

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 leadership can identify areas of continued strength of our culture and areas of focus for leaders.

In addition to these data sources, our leaders engage regularly with colleagues locally to hear what they think. Where possible this year, leaders visited branches or trading floors to support colleagues during the COVID-19 pandemic. However, the majority of engagement activities moved to virtual forums, with opportunities for face-to-face engagement being more limited due to social distancing requirements, including large-scale virtual town halls, training and development activity, mentoring, informal breakfast sessions, committee membership, ex-officio roles, diversity and wellbeing programmes, focus and consultative groups.

Direct engagement, a 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.

We make sure we are keeping everyone up to date on the strategy, performance and progress of the organisation through a strategic, multichannel approach. This combines leader-led engagement, digital and print communication, blogs, vlogs and podcasts. In response to the COVID-19 pandemic, this year we also provided additional regular updates to colleagues to provide practical advice and support, including via a dedicated COVID-19 intranet page.

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, and other colleague forums. In 2020 we worked together closely with the specific goal of ensuring the safety and wellbeing of our colleagues throughout the COVID-19 pandemic. Unite strongly supported the transition of many colleagues to homeworking, as well as the introduction of measures to protect colleagues working in our branches and offices. As we progress to return more colleagues to work, our union partners remain centrally involved.

We regularly brief our union partners on the strategy and progress of the business, seeking 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 around 84% of our UK workforce and 50% of our global workforce. 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.

Our policies

Our people 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 is 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 home.barclays/annualreport

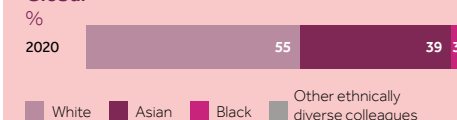
We encourage our people to benefit from Barclays' performance by enrolling in our share ownership plans, further strengthening their commitment to the organisation. The Directors' Remuneration Report sets out updates on remuneration outcomes and developments during 2020, including the implementation of the new Directors' Remuneration Policy approved at the 2020 AGM.



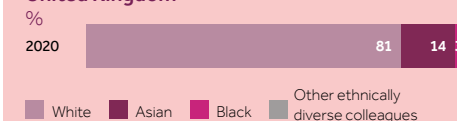
For more information on our Fair Pay Report go online at home.barclays/annualreport

Ethnicity split

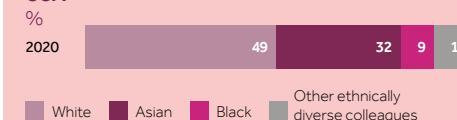
Global



United Kingdom



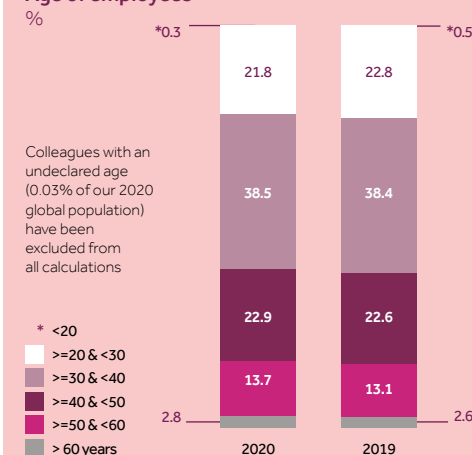
USA



Other ethnically diverse colleagues category includes Hispanic/Latino, Mixed, Native Hawaiian or Other Pacific Islander and Native American. USA and UK relate to Country and not Region. Colleagues with an undeclared ethnicity and/or are based in continental Europe and the Middle East (21% of our global population) have been excluded from all calculations

Multi-generational split

Age of employees



Making a difference for society

A new era in sustainable farming

Cutting-edge technology and analytics allow us to grow a wide variety of pesticide-free food with a longer shelf life, without compromising the highest food safety standards. Plus, we use 97% less water than a regular farm, taking up only 1% of the footprint and delivering 300 times the yield.

Demand for fresh, locally grown, nutritious food is increasing. Thanks to our partnership with Barclays and the Unreasonable Impact programme, 80 Acres Farms can continue to meet that demand. By connecting us to investors, we've been able to build and launch our first fully-automated vertical farm in Hamilton, Ohio. And an additional grant from the Unreasonable Impact COVID-19 Response Initiative helped us get fresh, healthy food to those who needed it most through lockdown.

Like all of us at 80 Acres Farms, I am passionate about enhancing sustainability and food security in farming. By providing fresh food with a significantly reduced environmental impact, we lead the way in the future of farming, with the potential to unlock an exciting new era in agriculture, and, crucially, help tackle climate change.



By providing fresh food with a significantly reduced environmental impact, we lead the way in next-generation farming.

Mike Zelkind
CEO, 80 Acres Farms
Hamilton

Our society and environment

Our success is judged not only by commercial performance, but also by how we act sustainably and responsibly for each other and the long term.

For the common good and the long term

We believe that we can, and should, make a positive difference for society – globally and locally. We do that through the choices we make about how we run our business, and through the commitments we make proactively to support others in our communities to achieve their goals.

We prize sustainability, and are passionate about leaving things better than we found them. We cannot be successful in the long term without recognising that we are at our best when our clients, customers, communities, and colleagues all progress.

Measuring success

Social and environmental financing

£60.9bn

2019: £34.8bn

Operational carbon emissions tonnes CO₂ equivalent

83,072

2019: 134,347

Renewable Electricity RE100 target (started 2019)

74%

2019: 60%

Tackling climate change

We believe Barclays can make a real contribution to tackling climate change and help accelerate the transition to a low-carbon economy.

Our net zero ambition

It is our ambition to be a net zero bank by 2050. We are already net zero in the context of our own emissions; our focus now is on reducing the client emissions that we finance. That starts with aligning our financing with the Paris Climate Agreement – the international treaty on climate change adopted in 2015.

To help us do that, it was necessary to create a methodology that builds on and extends existing industry approaches beyond just lending, to include capital markets. This better reflects the breadth of our support for clients through our investment bank, and we are the first bank to implement such an approach. We call our methodology BlueTrack™.

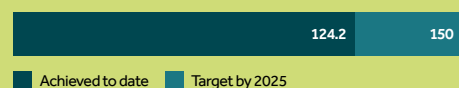
What does 'net zero' mean?

Stopping global warming requires halting further human addition of long-lived greenhouse gases (GHGs) to the atmosphere. This can be achieved by stopping emissions, or by removing the same amount of GHGs from the atmosphere as are added in a given year. Achieving either of these outcomes can be referred to as having reached 'net zero emissions'. We expect to use some level of negative emissions to offset any residual gap-to-net-zero, although our approach is principally focused on emissions reduction.

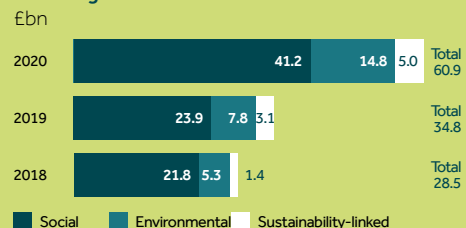
Our society and environment continued

Sustainable finance – performance against targets (2018 to 2020)

Social and environmental financing – against a target of £150bn by 2025



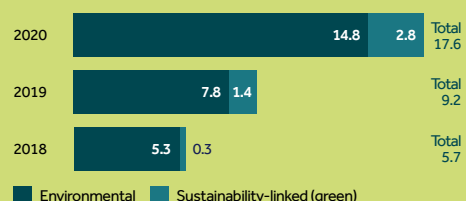
Social, environmental and sustainability linked financing facilitated



Green financing – against a target of £100bn by 2030



Green financing facilitated



Accelerating the transition

We have also committed to providing £100bn of green financing by 2030, to help accelerate the transition to a low-carbon economy. Green financing supports the transition by providing investment that is specifically focused on green activity, including for renewables, energy efficiency and sustainable transport. This includes specific products such as Green Loans, Green Project Finance, and Green Bonds, and there is increasing demand for more innovative products, such as Sustainability Linked Loans and Bonds.

Barclays is committed to two targets for financing under our Framework: £150bn of social and environmental financing from 2018 to 2025, and £100bn of green financing from 2018 to 2030.

We facilitated a total of £60.9bn in total social, environmental and sustainability-linked financing in 2020, up 75% from £34.8bn in 2019.

On a cumulative basis since 2018, we have facilitated £124.2 bn against our £150bn social and environmental financing commitment, and accelerated delivery against our £100bn green financing commitment, with a total of £32.4bn to date driven by growing momentum across our businesses, products and geographies. We hope to continue this acceleration as we work closely with our clients to help deliver the investment required to make the transition.

In 2020, we updated our Sustainable Finance Framework, which sets out our approach to classifying financing as sustainable, and references industry guidelines and principles. We welcome and encourage greater global harmonisation in the way this financing is defined, and will be working with other financial institutions and stakeholders towards this goal.

We also issued the second Barclays Green Bond in October 2020. Funds from the £400m bond are allocated to mortgages on energy efficient residential properties in England and Wales. More than half the funds raised will be allocated to refinance Barclays' Green Home Mortgage products, which are offered to customers at a discount provided their property meets certain energy efficiency thresholds.

Our Sustainable Impact Capital Initiative will invest £175m of equity capital in sustainability-focused start-ups, helping to accelerate our clients' transition to a net zero future. We hope these investments will advance innovative carbon-efficient technologies and supply-chains, and help to develop viable markets for carbon capture and sequestration. Through the initiative, we aim to fill growth-stage funding gaps and help accelerate and scale catalytic and strategic solutions to environmental challenges. As of the end of 2020, we have invested £24m and are actively working on more.

Managing our operational footprint

We use high-quality offsets to eliminate any residual or unavoidable emissions from our own operations, making us net zero today for what are called Scope 1 and 2 emissions.

We are committed to going further to minimise the absolute emissions that we need to offset. As a member of the RE100 initiative, we are committed to sourcing 100% renewable electricity – targeting 90% by 2021 and 100% by 2030 at the latest.

In 2020, we continued our work on improving the operational efficiency of our property portfolio, achieving a total of 8GWh of energy savings. In parallel, we have continued to increase our procurement of renewable electricity to 74% across our operations in the UK, continental Europe, Hong Kong, Japan, Singapore and the US. We are on track to meet our 2021 target.

In combination, these factors have contributed to a further reduction of our Scope 1 and 2 carbon emissions, which now stand at 71% below our 2018 baseline.

Managing climate-related risks

As well as playing our part in accelerating the transition to a low-carbon economy, we also have an important role to play in managing climate-related risks, particularly as a significant institution in the global financial system.

We broadly categorise climate risks into three types: transition risk, physical risk and connected risk. Within these broad categories we identify a number of factors arising from climate change which we monitor over the short, medium and long term. We manage these risks through our Enterprise Risk Management Framework (ERMF). It sets our strategic approach for risk management by defining standards, objectives and responsibilities for all areas of Barclays. It is complemented by frameworks, policies and standards, aligned to individual Principal Risks.

In March 2020 we released our updated Climate Change Statement which sets out our approach to managing the impact of our climate-related activities. We have developed an internal standard to reflect these positions in more detail and, together with other climate-related statements and standards (such as the Forestry & Agricultural Commodities), these now determine our approach to climate change and relevant sensitive sectors. These standards sit under the management of Reputation risk within the ERMF and are enforced through an existing transaction origination, review and approval process.

Our society and environment continued

During the year we focused on augmenting our enhanced due diligence approach for clients in the energy sub sectors covered by our Climate Change Statement, such as thermal coal, oil sands, and hydraulic fracturing (commonly referred to as fracking).

All in-scope clients in these sub sectors are now required to complete a detailed due diligence questionnaire on an annual basis, which is used to evaluate their performance on a range of environmental and social issues, such as use of tailings dams or community engagement approach, for example. This annual review generates a reputation risk rating (low, medium, high), which in turn determines whether further review and client engagement may be required.

As we have undertaken the annual review process, we have evolved our approach to address certain parameters, such as when general corporate purposes conglomerate financing would require enhanced due diligence on business interests that touch these energy sub-sectors (in the case of oil sands and fracking, for example, we apply a 10% of group revenue test, amongst other factors that we consider).



See more about climate change risk management in the Risk Review, pages 159 to 160 of Part 2 of the Annual Report, and within our TCFD Report available at home.barclays/esg



Barclays' position statements are available online at our ESG resources hub at home.barclays/esg



Climate-related disclosures

Barclays welcomes the work of the Taskforce on Climate-related Financial Disclosures (TCFD) to help identify the information needed by investors, lenders, and insurance underwriters to appropriately assess and price climate-related risks and opportunities.

We firmly support the taskforce's view that increasing transparency makes markets more efficient and economies more stable and resilient.

More detailed information about the climate-related governance, strategy, risk management and metrics used by Barclays is available in our dedicated TCFD report.



For more information go to our TCFD Report at home.barclays/annualreport

Our society and environment continued

Measuring success

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

2.33m

2019: 2.31m

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

49,700

2019: 66,600

Unreasonable Impact – ventures supported

163

2019: 124

Supporting our communities

Making retail banking accessible and safe

We want as many people as possible to be able to benefit from access to financial services. We continue to see growing demand from many of our customers for more digital ways to bank, not least as a result of the COVID-19 pandemic. Our investment in technology means millions more customers who have access to digital tools are able to use our online and mobile banking channels to take advantage of accessible features.

We continue to improve our customer experience for those who have accessibility requirements. Our main digital channels are all accredited by AbilityNet, a leading UK accessibility charity. To help encourage and educate our suppliers, partners and corporate clients we have published a supplier guide to accessibility.

We are working to ensure that customers who rely on cash – including older and more vulnerable customers – can still access it and get the support they need from Barclays.

Access to a transactional bank account enables consumers to benefit from bill reductions paid by direct debit and access to cheaper goods and services online. There were more than 614,000 Barclays Basic Current Accounts open at the end of 2020, serving the financial needs of those who wouldn't otherwise qualify for an account.



For more information on our role in our communities please see our ESG Report at home.barclays/esg



We are working to ensure that customers who rely on cash can still access it and get the support they need from Barclays.

We also provide free banking to over 134,000 small, not-for-profit organisations through our Community Accounts, including sports and community clubs, religious groups, and local charities.

To help keep our customers safe, we have invested millions of pounds in multi-layered security systems that protect against fraud and scams. We prevent thousands of attempted fraudulent transactions every day.

To support a comprehensive approach to tackling increasingly common and sophisticated scams, we have been able to play an important role in the creation of the Contingent Reimbursement Model code, which is a step forward in helping to protect customers and reimburse those who have been victims of criminal activity.



Supporting our suppliers

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 88% (2018: 85%) on-time payment by value to our suppliers, meeting our public commitment to the suppliers of 85%.



To see more about how we manage and support our supply chain, please see page 36 of our ESG Report at home.barclays/esg

Our society and environment continued

Building skills, breaking down barriers

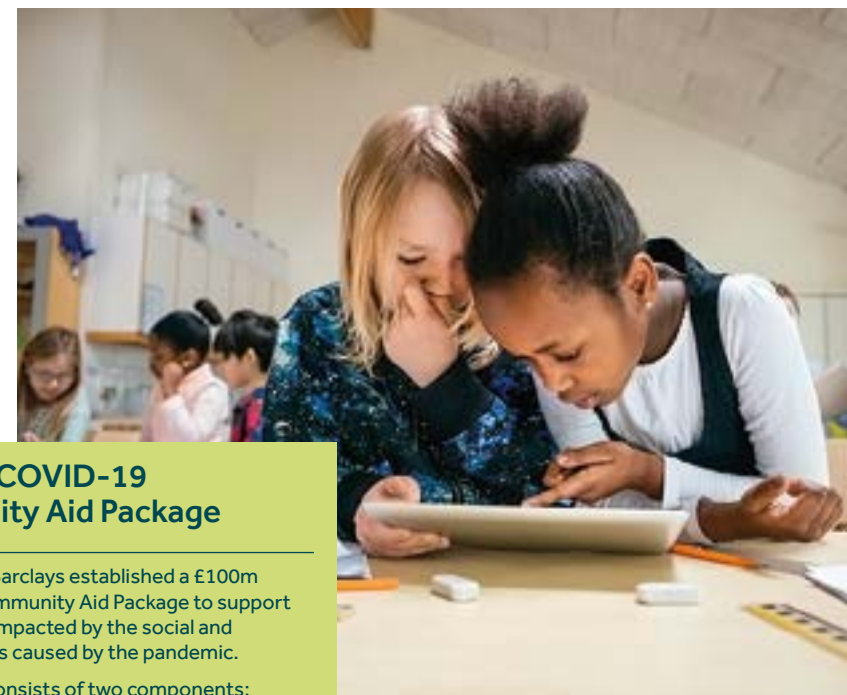
A strong, inclusive economy is a better economy for everyone. A vibrant, skilled workforce ensures that businesses can thrive, and that individuals, along with their families and wider communities, can achieve financial independence and security. We are helping to build skills and break down barriers to work wherever we find them, to enable people to succeed now and in the future.

- **LifeSkills:** Giving people across the UK the skills, knowledge and confidence they need to be ready for the world of work – now and in the future. We have already helped 12.4 million people through the programme since 2013 and we are committed to helping a further 3.6 million by 2022. We have made good progress towards our target, with 2.33 million upskilled through the programme in 2020.
- **Connect with Work:** Providing people from often overlooked communities with vital work skills and connecting them to businesses that are recruiting, including Barclays' clients and suppliers. By the end of 2020 we helped more than 100,000 people around the world into work with more than 4,200 businesses, and successfully adapted our programmes to more effectively support job seekers and our partners facing a new employment landscape in light of the COVID-19 pandemic. We aspire to place 250,000 people into work through the programme by 2022.
- **Eagle Labs:** Our 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:** A partnership between Barclays and Unreasonable Group, helping fast-growing, social and environment-focused companies all over the world 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 163 growth-stage ventures. By 2022, we aspire to have supported 250 high-growth businesses through the programme. In 2020, Barclays and Unreasonable Group launched the Unreasonable Impact COVID-19 Response Initiative that provided US\$2 million in grants for entrepreneurial solutions addressing challenges resulting from the global pandemic.

Supporting our employees and the communities where they work

Alongside these high-impact programmes, we also help 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 by matching their financial contribution with our own.



Barclays COVID-19 Community Aid Package

In April 2020, Barclays established a £100m COVID-19 Community Aid Package to support communities impacted by the social and economic crisis caused by the pandemic.

The support consists of two components: donations to charity partners around the world to support vulnerable people impacted by the crisis; and a commitment to match colleagues' personal donations and active fundraising efforts for their chosen charities supporting COVID-19 relief.

The donations have been deployed through partnerships with trusted charities who are able to have a direct and immediate impact on the communities in which we operate.

Highlights:

- £100m committed, which is supporting more than 250 charities globally. Of the £95m donated to date, £59m is already funding COVID-19 relief efforts
- 9m+ meals provided to vulnerable communities across the US
- 65,000+ hygiene kits distributed to people across Asia Pacific
- 13+ UK NHS hospitals supported to meet the immediate and urgent needs of patients, staff and volunteers.

Making a difference for our investors

Introducing BlueTrack™

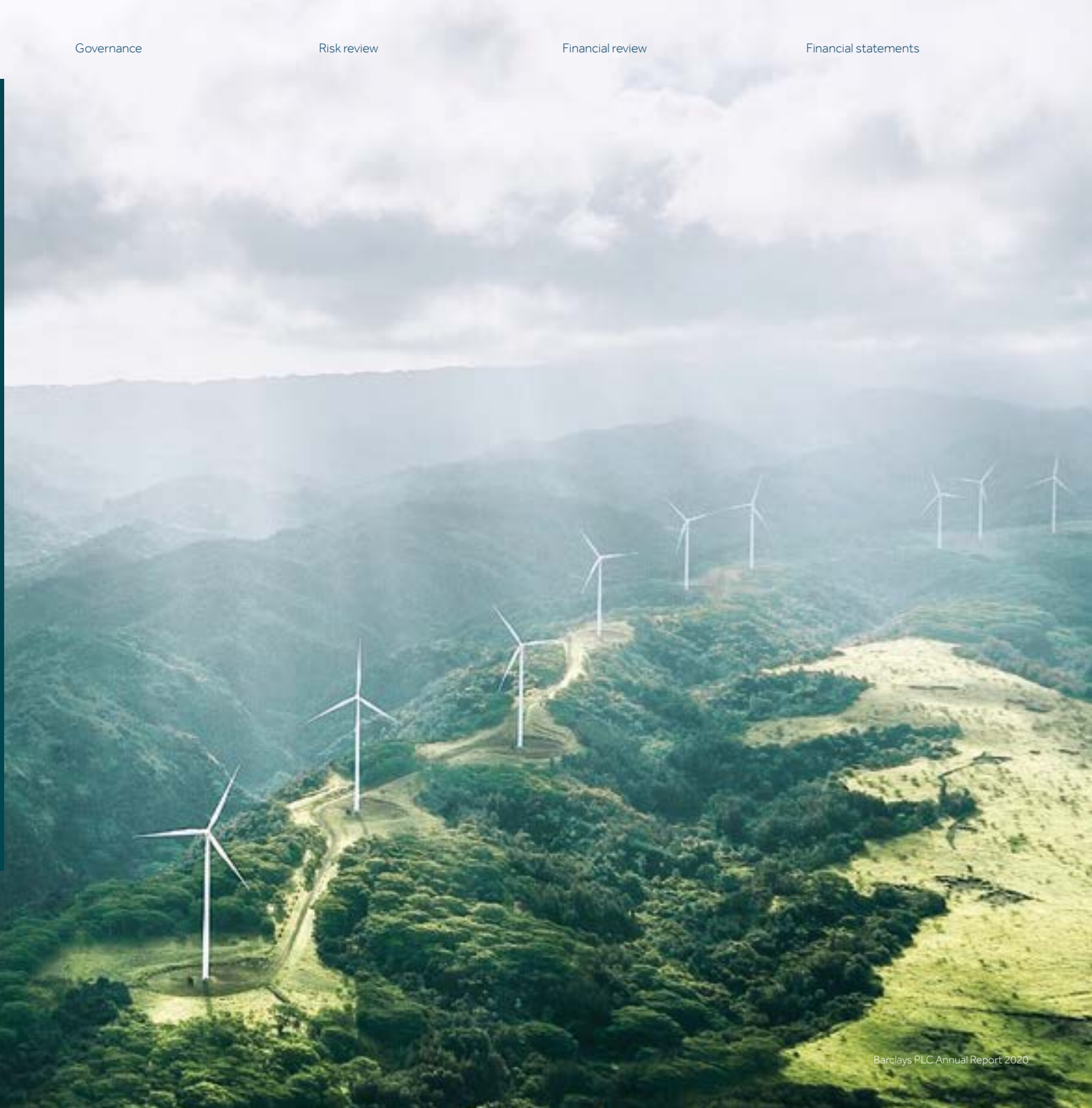
BlueTrack™ is Barclays' methodology for measuring our financed emissions, and tracking them at a portfolio level against the goals of the Paris Climate Agreement using independent benchmarks. We're effectively setting a 'carbon limit' on the activity we finance. Our approach is also helping us to embed climate impact in our financing decisions, so that we can make active choices to re-shape our portfolio.

BlueTrack™ covers capital markets activity as well as lending. It will cover all sectors over time, starting with targets for the Energy and Power sectors, which between them are responsible for up to three-quarters of all emissions globally.

Our Power portfolio emissions intensity will reduce by 30% by 2025, on the way to alignment with the benchmark by 2035; our Energy portfolio absolute emissions will reduce by 15% by 2025, and continue to track the benchmark reduction on an ongoing basis.

Our online dashboard tracks our progress against those targets. It also shows the fuel mix of our portfolios, not just the overall 'carbon limit'. This reflects our focus on the transition to a low-carbon economy, and shows specifically how we are accelerating the shift from higher-emissions to lower-emissions activity.

You can find out more about BlueTrack™, and track our progress through our dashboard, at home.barclays/netzero.



Summary financial review

We continue to build a strong, diversified business that can deliver attractive and sustainable returns.

Preserving our financial integrity

In 2020, Barclays helped support the economy during the COVID-19 pandemic, demonstrating our strengths, our Values and our resilience.

Management focused on preserving the financial and operational integrity of the firm so support for clients and customers, for colleagues and for the communities in which we live and work could be maximised.

Barclays provided over 680k payment holidays to customers, c.£27bn of COVID-19 support to UK businesses^a and helped businesses and institutions access global capital markets, including underwriting c.£1.5tn of new issuance^b. Barclays also waived c.£100m of interest and fees to customers, and committed £100m to a COVID-19 Community Aid Package.

Financial performance in 2020

Barclays' diversified business model delivered a resilient operating performance, allowing capital distributions to shareholders equivalent to 5.0p per share.

Despite the pandemic, Barclays remained profitable every quarter during 2020 and delivered a full year Group profit before tax of £3.1bn (2019: £4.4bn, including a PPI provision of £1.4bn), attributable profit of £1.5bn (2019: £2.5bn), a RoTE of 3.2% (2019: 5.3%) and EPS of 8.8p (2019: 14.3p).

Total income increased 1% to £21.8bn versus prior year due to the following:

Within Barclays International, CIB income of £12.5bn, up 22% due to strong Markets income reflecting market share gains^c in a buoyant trading environment, as well as strong Banking income, resulting in the best ever year on a comparable basis for both businesses^d. CC&P income of £3.4bn, down 22%, driven by lower credit card balances, margin compression and reduced payments activity.

Barclays UK income of £6.3bn, down 14% versus prior year reflecting lower unsecured lending balances and interest rates, and COVID-19 customer support actions, partially offset by mortgages growth.

Pre-provision profits^e were broadly stable at £8.1bn despite the pandemic, benefiting from the Group's diversified business model, which included a strong performance in CIB offset by headwinds in Barclays UK and CC&P.

Credit impairment charges increased to £4.8bn (2019: £1.9bn) due to the deterioration in economic outlook driven by the COVID-19 pandemic. The current year

charge is broadly driven by £2.3bn of non-default provision for expected future customer and client stress and £0.8bn of single name wholesale loan charges. The expected credit loss provision remains highly uncertain as the economic impact of the global pandemic continues to evolve.

Group operating expenses increased 1% to £13.7bn which included structural cost actions and additional COVID-19 related costs, resulting in a cost: income ratio, excluding litigation and conduct, of 63%.

Our CET1 capital ratio increased 130bps in the year to 15.1%, reflecting headroom of 3.9% above our maximum distributable amount (MDA) hurdle of 11.2%.

Barclays understands the importance of delivering attractive total cash returns to shareholders and announced a total payout equivalent to 5.0p per share, consistent with the temporary guardrails announced by the PRA in December 2020, comprising 1.0p 2020 full year dividend and the intention to initiate a share buyback of up to £700m, which is expected to commence in Q121.

Notes

a Total payment holidays granted as at 31 December 2020, business lending and commercial paper issuance data as at 12 and 15 February 2021 respectively.

b Across Equity and Debt Capital Markets in Q220-Q420.

c Coalition Greenwich, Preliminary FY20 Competitor Analysis. Market share represents Barclays share of the Global Industry Revenue Pool. Analysis is based on Barclays internal business structure and internal revenues.

d Period covering Q114-Q420. Pre-2014 financials were not restated following re-segmentation in Q116.

e Excluding litigation and conduct.

Summary financial review continued

Financial metrics

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 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.

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.

Our performance in 2020

CET1 ratio

The CET1 ratio increased to 15.1% (2019: 13.8%), reflecting headroom of 3.9% above the MDA hurdle of 11.2%.

CET1 capital increased by £5.5bn to £46.3bn reflecting resilient capital generation through £7.9bn of profits before tax, excluding credit impairment charges of £4.8bn, and a £1.0bn increase due to the cancellation of the full year 2019 dividend. These increases were partially offset by £0.9bn of AT1 coupons paid and the announced 1.0p full year 2020 dividend. The CET1 capital increase also reflects regulatory measures for IFRS 9 transitional relief, prudent valuation and qualifying software assets.

RWAs increased by £11.1bn to £306.2bn primarily due to higher market volatility, increased client activity and a reduction in credit quality within CIB, partially offset by lower consumer lending.

The Group remains in a strong capital position, acknowledging likely headwinds in 2021 including procyclical effects on RWAs, reversal of regulatory forbearance applied through 2020 and increased pension contributions.

Operating expenses

Operating expenses increased 1% to £13.7bn, including structural cost actions and additional COVID-19 related costs, resulting in a cost: income ratio, excluding litigation and conduct, of 63% (2019: 63%).

COVID-19 related expenses are likely to remain elevated in 2021. However, the Group will continue to drive efficiencies while investing in its franchise where appropriate.

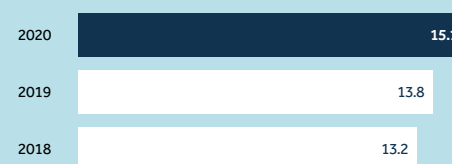


For further detailed analysis of our financial performance in 2020, please see our full Financial review and our Financial statements on pages 239 to 258, and pages 259 to 376 respectively of Part 2 of the Annual Report



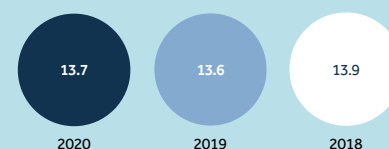
For more information on our global tax contribution as well as our approach to tax, please see our Country Snapshot report available at home.barclays/annualreport

CET1 ratio %



The Group targets a CET1 ratio in the range of 13-14%.

Operating expenses^{a,b} £bn

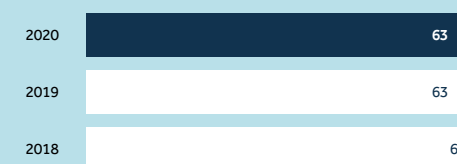


COVID-19 related expenses are likely to remain elevated in 2021. However, the Group will continue to drive efficiencies while investing in its franchise where appropriate.

a Excluding litigation and conduct.

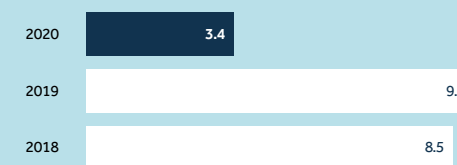
b 2018 excludes litigation and conduct and a GMP charge of £140m.

Cost: income ratio^a %



Cost discipline remains a priority and we continue to target a cost: income ratio below 60% over time.

Group RoTE^a %



Barclays continues to target greater than 10% RoTE over time. However, given the COVID-19 pandemic, a meaningful improvement in returns versus 2019 was not possible due to the challenging operating environment.

Cost: income ratio

The Group cost: income ratio, excluding litigation and conduct, was stable at 63% (2019: 63%), as favourable income was offset by £0.4bn of structural cost actions and additional COVID-19 related costs.

Cost discipline remains a priority and management continues to target a cost: income ratio below 60% over time.

Group RoTE

RoTE, excluding litigation and conduct, was 3.4% (2019: 9.0%) due to lower profit before tax including materially higher credit impairment charges relating to the COVID-19 pandemic and higher operating expenses, partially offset by favourable income.

The Group continues to target a RoTE of greater than 10% over time.

Summary financial review continued

Consolidated summary income statement

	2020 £m	2019 £m
For the year ended 31 December		
Net interest income	8,122	9,407
Net fee, commission and other income	13,644	12,225
Total income	21,766	21,632
Credit impairment charges	(4,838)	(1,912)
Net operating income	16,928	19,720
Operating costs	(13,434)	(13,359)
UK bank levy	(299)	(226)
Operating expenses	(13,733)	(13,585)
Litigation and conduct	(153)	(1,849)
Total operating expenses	(13,886)	(15,434)
Other net income	23	71
Profit before tax	3,065	4,357
Tax charge	(604)	(1,003)
Profit after tax	2,461	3,354
Non-controlling interests	(78)	(80)
Other equity instrument holders	(857)	(813)
Attributable profit	1,526	2,461
Selected financial statistics		
Basic earnings per share	8.8p	14.3p
Diluted earnings per share	8.6p	14.1p
Return on average tangible shareholders' equity	3.2%	5.3%
Cost: income ratio	64%	71%
Performance measures excluding litigation and conduct^a		
Profit before tax	3,218	6,206
Attributable profit	1,638	4,194
Return on average tangible shareholders' equity	3.4%	9.0%
Cost: income ratio	63%	63%

Note

a Refer to the Non-IFRS performance measures section on page 253 of Part 2 of the Annual Report for further information and calculations of performance measures excluding litigation and conduct

Consolidated summary balance sheet

	2020 £m	2019 £m
As at 31 December		
Assets		
Cash and balances at central banks	191,127	150,258
Cash collateral and settlement balances	101,367	83,256
Loans and advances at amortised cost	342,632	339,115
Reverse repurchase agreements and other similar secured lending	9,031	3,379
Trading portfolio assets	127,950	114,195
Financial assets at fair value through the income statement	175,151	133,086
Derivative financial instruments	302,446	229,236
Financial assets at fair value through other comprehensive income	78,688	65,750
Other assets	21,122	21,954
Total assets	1,349,514	1,140,229
Liabilities		
Deposits at amortised cost	481,036	415,787
Cash collateral and settlement balances	85,423	67,341
Repurchase agreements and other similar secured borrowings	14,174	14,517
Debt securities in issue	75,796	76,369
Subordinated liabilities	16,341	18,156
Trading portfolio liabilities	47,405	36,916
Financial liabilities designated at fair value	249,765	204,326
Derivative financial instruments	300,775	229,204
Other liabilities	11,917	11,953
Total liabilities	1,282,632	1,074,569
Equity		
Called up share capital and share premium	4,637	4,594
Other equity instruments	11,172	10,871
Other reserves	4,461	4,760
Retained earnings	45,527	44,204
Total equity excluding non-controlling interests	65,797	64,429
Non-controlling interests	1,085	1,231
Total equity	66,882	65,660
Total liabilities and equity	1,349,514	1,140,229
Net asset value per ordinary share	315p	309p
Tangible net asset value per share	269p	262p
Number of ordinary shares of Barclays PLC (in millions)	17,359	17,322
Year-end USD exchange rate	1.37	1.32
Year-end EUR exchange rate	1.12	1.18

Managing risk

Barclays is exposed to internal and external risks as part of its 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 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.

The Group sets its risk appetite in terms of performance metrics as well as a set of mandate and scale limits to monitor risks. During 2020, the Group's performance remained within its risk appetite limits.

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 Group. 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.

During 2020, Barclays ran a range of scenario analyses to determine potential outcomes of the COVID-19 pandemic which informed management actions. One of the scenarios was a macroeconomic stress test which considered, among other factors, a no deal Brexit and a second wave of the COVID-19 pandemic in which scientific progress was limited to the extent that no vaccine was available throughout 2021. In addition, a Group-wide, exploratory stress test was performed against a severe but plausible climate scenario, testing vulnerability to disorderly transition risks and elevated physical risks. The aim of the tests was to identify key vulnerabilities that were most relevant and material to the Group's business model and geographical footprint. The results of these tests met Group risk appetite.

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



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For further detailed analysis of approach to risk management and risk performance, please see our full Risk review on pages 143 to 238 of Part 2 of the Annual Report

Managing risk continued

The Enterprise Risk Management Framework defines eight Principal Risks

Financial Principal Risks

Principal Risks	How risks are managed	
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>Liquidity risk: 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>Capital risk: 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>Interest rate risk in the banking book: 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

Principal Risks	How risks are managed	
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 managing legal risks.

Viability statement

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

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 the start of February 2021. The WCR is a formal projection of capital and liquidity based upon formal profitability forecasts. 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 formal medium term plans approved by the Board which contain projections of profitability, cash flows, capital requirements and capital resources
- it is also within the period over which internal stress testing is carried out
- it is representative of the period and 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 (see material existing and emerging risks section), in particular those risks which senior management believes 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 48 to 49)
- 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 2023
- considered the Group's medium-term business plan
- 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 stress scenarios
- considered the stability of the major markets in which it operates, supply chain resiliency and regulatory changes
- considered the sustainability of any future capital distributions;
- considered scenarios which might affect the operational resiliency of the Group
- considered factors that may inform the impact of the COVID-19 pandemic, including (among other things), provision and future removal of government and central bank support schemes, changing macroeconomic variables, further waves of the pandemic, successful deployment of vaccines and emergence of new strains
- considered the impact of the Group's ambition to be a net zero carbon bank by 2050 and support its clients' transition to a low-carbon economy

- reviewed the draft statutory accounts and the in-depth disclosure of the financial performance of the Group
- reviewed the possible impact of legal, competition and regulatory matters set out in Note 26 to the financial statements on pages 337 to 341.

Assessment

Risks faced by the Group's business, including in respect of financial, conduct and operational risks, are controlled and managed within the Group in line with the ERMF. Executive management sets 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 provides 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 147 to 158 in Part 2 of the Report.

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 potential to impact viability over the time frame of the assessment but in some instances the risks exist beyond this time frame.

Viability statement continued

These particular risks include:

- The impact of the COVID-19 pandemic has caused disruption to the Group's customers, suppliers and staff globally and it remains unclear how the COVID-19 pandemic will evolve through 2021 and beyond, which from a commercial, regulatory and risk perspective could be significantly different to past crises and persist for a prolonged period. Impacts on the Group could include reduced profitability (from lower income and higher expected credit loss (ECL) charges) as well as the impact the COVID-19 pandemic may have on the management of (among other things) Operational risk.
- 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, uncertainty as to the effectiveness of the EU-UK Trade and Cooperation Agreement and the manner in which trading arrangements will be enforced by both the EU and the UK and uncertainty over current and future provision of financial services to EEA-based clients.
- 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.

- Embedding climate risk into the Group's risk framework in line with regulatory expectations, and adapting the Group's operations and business strategy to address both the financial risks resulting from: (i) the physical risk of climate change; and (ii) the risk from the transition to a low-carbon economy.
- Sudden shocks or geopolitical unrest in any of the major economies in which the Group 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.

Stress tests

The Board has also considered the Group's viability under specific internal stress scenarios. The latest macroeconomic internal stress test, conducted in Q4 2020, considered the potential impacts of:

- a second wave of the COVID-19 pandemic in which scientific progress is limited, with no vaccine available through 2021
- the UK exiting from the EU Withdrawal Agreement on WTO terms
- US political and social tensions and worsening US-China trade relations with escalating tariffs
- increasing EU sovereign risk due to increases in budget deficits.

All of the above 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 climate scenario, testing vulnerability to disorderly transition risks and elevated physical risks. 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.

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, cyber-attacks), adverse outcomes in legal proceedings, competition, regulatory and conduct matters and capital/liquidity events.

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 flight path. These internal 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

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.

Certain of the non-financial information required pursuant to the Companies Act 2006 is provided by reference to the following locations:

<i>Non-financial information</i>	<i>Section</i>	<i>Pages</i>
Business model	Business model	14
Policies	Non-financial information statement	52
Principal Risks	Risk review	48
	Principal risk management	161*
	Risk performance	167*
		* in Part 2 of the Report
Key performance indicators	Key performance indicators	22

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 in 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) that support our key outcomes for all of our stakeholders. Performance against our strategic non-financial performance measures, as shown on pages 22 to 31, 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

<i>Policy statement</i>	<i>Description</i>
Climate Change statement	The Barclays Position on Climate Change 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, oil sands and hydraulic fracturing. 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.
World Heritage Site and Ramsar Wetlands statement	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.
Climate Change Financial and Operational Risk Policy	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. For more information, please see the Risk section on pages 143 to 238 in Part 2 of the Report.
Forestry and Agricultural Commodities statement	We recognise that forestry and agribusiness industries are responsible for producing a range of commodities such as timber, palm oil and soy that are often associated with significant environmental and social impacts, particularly in relation to biodiversity loss, tropical deforestation and climate change. Our Forestry and Agricultural Commodities Statement outlines our due diligence approach for clients involved in these activities, ensuring that we support clients that promote sustainable forestry and agri-business practices while respecting the rights of workers and local communities.

Colleagues

<i>Policy statement</i>	<i>Description</i>
Board Diversity Policy	The Board Diversity Policy sets out the approach to diversity on the Boards of Barclays.
Code of Conduct	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.

Non-financial information statement continued

Social matters

<i>Policy statement</i>	<i>Description</i>
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 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

<i>Policy statement</i>	<i>Description</i>
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, SMEs, 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

<i>Policy statement</i>	<i>Description</i>
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 UN 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 Group being used to facilitate financial crime.

Shareholder information

Annual General Meeting (AGM)

Looking ahead to the 2021 AGM, the Board currently intends to hold the AGM on 5 May 2021 at 11:00am, subject to the ongoing COVID-19 pandemic and any UK Government guidance on social distancing, non-essential travel and/or public gatherings.

The arrangements for the Company's 2021 AGM and details of the resolutions to be proposed, together with explanatory notes, will be set out in the Notice of AGM to be published on the Company's website (home.barclays/aggm)

Guidance on whether physical attendance by shareholders will be possible will be determined nearer the time of the AGM. We will keep the considerable benefits of shareholder engagement in the AGM at the forefront of our planning for the 2021 AGM. Further details will be provided in the Notice of AGM.

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 2020 full year dividend for the year ended 31 December 2020 will be 1.0p per share, making the 2020 total dividend 1.0p.

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.

Dividend Re-investment Plan

Barclays has decided to cease to offer the scrip dividend programme and will no longer offer a scrip alternative for dividends. For those shareholders who wish to elect to use their cash dividends to purchase additional ordinary shares in the market, rather than receive a cash payment, Barclays has arranged for its registrar, Equiniti, to provide and administer a dividend re-investment plan (DRIP).



Further details regarding the DRIP can be found at home.barclays/dividends and www.shareview.co.uk/info/drip

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

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 2020, 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 £26,978 to our shareholders, (2019: approximately £23,000). Since 2015, we have returned approximately £4.2m to our shareholders.

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, the total donated to ShareGift since 2015 is over £461,267.

Key dates

1 April 2021

Full year dividend payment date

30 April 2021

Q1 Results Announcement

5 May 2021

Annual General Meeting at 11.00am

Shareholder information continued

Shareholder security

Shareholders should be wary of any cold calls with an offer to buy or sell shares. Fraudsters use persuasive and highpressure 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. 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

0371 384 2055^a
(in the UK)

+44 121 415 7004
(from overseas)

0371 384 2255^a
(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

To find out more, contact Equiniti or visit:
home.barclays/dividends

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 Shareowner Services:
StockTransfer@equiniti.com or visit adr.com

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

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

Shareowner Services
PO Box 64504, St Paul, MN 55164-0504, USA

Delivery of ADR certificates and overnight mail
Shareowner Services, 1110 Centre Point Curve,
Suite 101, Mendota Heights, MN 55120, USA

Qualifying US and Canadian resident ADR holders should contact Shareowner Services for further details regarding the DRIP

Shareholder Relations

To give us your feedback or if you have any questions, please contact:
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

Alternative formats

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

0371 384 2055^a
(in the UK)

+44 121 415 7004
(from overseas)

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



Note

^a Lines open 8.30am to 5.30pm (UK time) Monday to Friday, excluding public holidays.

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 2020 to the corresponding twelve months of 2019 and balance sheet analysis as at 31 December 2020 with comparatives relating to 31 December 2019. 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.

The information in this announcement, which was approved by the Board of Directors on 17 February 2021, does not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2020, 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 filed on a Form 20-F with the US Securities and Exchange Commission (SEC) as soon as practicable following their publication. Once filed with the SEC, a copy of the Form 20-F will be available from

the Barclays Investor Relations website at home.barclays/annualreport and from the SEC's website at www.sec.gov.

Barclays is a frequent issuer in the debt capital markets and regularly meets with investors via formal road-shows 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.

Non-IFRS performance measures

Barclays management believes that the non-IFRS performance measures included in this document provide valuable information to the readers of the financial statements as they enable the reader to identify a more consistent basis for comparing the businesses' performance between financial periods and provide more detail concerning the elements of performance which the managers of these businesses are most directly able to influence or are relevant for an assessment of the Group. They also reflect an important aspect of the way in which operating targets are defined and performance is monitored by Barclays management. However, any non-IFRS performance measures in this document are not a substitute for IFRS measures and readers should consider the IFRS measures as well. Refer to pages 253 to 258 in Part 2 of the Annual Report for further information and calculations of non-IFRS performance measures included throughout this document, and the most directly comparable IFRS measures.

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, capital distributions (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. Forward-looking 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; the Group's ability along with government and other stakeholders to manage and mitigate the impacts of climate change effectively; 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; direct and indirect impacts of the coronavirus (COVID-19) pandemic; instability as a result of the UK's exit from the European Union (EU), the effects of the EU-UK Trade and Cooperation Agreement and the disruption that may subsequently result in the UK and globally; the risk of cyber-attacks, information or security breaches or technology failures on the Group's business or operations; 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, capital distributions, 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 2020), which are available on the SEC's website at 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.

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Barclays is a British universal bank. We deploy finance responsibly to support people and businesses, acting with empathy and integrity, championing innovation and sustainability, for the common good and the long term.

Our Purpose and Values ensure we are able to deliver for all our stakeholders: for our customers and clients, for our colleagues, for society and for our investors. We're proud to feature some of their stories inside this Report.

For further information and a fuller understanding of the results and the state of affairs of the Group, please refer to the Barclays PLC suite of annual reports available at home.barclays/annualreport



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Barclays PLC Annual Report 2020
A detailed review of Barclays' 2020 performance with disclosures that provide useful insight and go beyond reporting requirements.

Barclays PLC Environmental Social Governance Report 2020
An overview of our ESG strategic priorities and performance, reported against a range of quantitative and qualitative indicators.

Barclays PLC Climate-related Financial Disclosures 2020
An enhanced report aligning to the Task Force on Climate-related Financial Disclosures (TCFD) recommendations in this, the fourth year of disclosure.

Barclays PLC Fair Pay Report 2020
An overview of our approach to pay-fairness and how we implement this in our principles and policies through the themes of our Fair Pay agenda.

Barclays PLC Diversity and Inclusion Report 2020
An overview of the Group's approach to building a more inclusive company, including a progress report on each of our five pillars of diversity and inclusion.

Barclays PLC Country Snapshot 2020
An overview of our global tax contribution as well as our approach to tax, including our UK tax strategy, together with our country-by-country data.

Barclays PLC Pillar 3 Report 2020
A summary of our risk profile, its interaction with the Group's risk appetite, and risk management.