

RELATIVE VALUE INVESTMENTS UK LIMITED LIABILITY PARTNERSHIP

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Business review

The principal activity of Relative Value Investments UK Limited Liability Partnership is to act as an investment partnership. Relative Value Holdings LLC is the Managing Partner of the Partnership. No significant change in this activity is envisaged in the foreseeable future.

Business performance

The results of the Partnership show a profit for 2023 of \$17,165,910 (2022: loss of \$15,543,382). The Partnership had total assets and liabilities as at the end of 2023 of \$2,776,406,653 and \$2,651,373,486 respectively (2022: total assets of \$2,754,696,200 and total liabilities of \$2,646,828,943). Net cash inflow from operating activities for 2023 was \$11,461,601 (2022: net cash inflow of \$3,561,508).

Future outlook

The Managing Partner has reviewed the Partnership's business and performance and considers it to be satisfactory for the year. The Managing Partner considers that the Partnership's position at the end of the year is consistent with the size and complexity of the business. The Managing Partner will continue to monitor the performance of the Partnership and take appropriate action as necessary.

Principal risks and uncertainties

From the perspective of the Partnership, the principal risks and uncertainties are integrated with the principal risks of the Barclays PLC group and are not managed separately. Accordingly, the principal risks and uncertainties of Barclays PLC, which include those of the Partnership, are discussed in the Barclays PLC 2023 Annual Report which does not form part of this report.

Key performance indicators

The Directors of Barclays PLC manage the group's operations on a business cluster basis. For this reason, the Managing Partner believes that analysis using key performance indicators for the Partnership is not necessary or appropriate for an understanding of the development, performance or position of the business of the Partnership. The development, performance and position of the relevant business cluster, which includes the Partnership, is discussed in the Barclays PLC 2023 Annual Report, which does not form part of this report.

Section 172(1) statement

The Managing Partner has acted in the way that they considered, in good faith, would be most likely to promote the success of the Partnership for the benefit of its partners as a whole and this section forms our Section 172 disclosure, describing how, in doing so, the Managing Partner considered the matters set out in section 172(1)(a) to (f) of the Act 2006. The Managing Partner also took into account the views and interests of a wider set of stakeholders:

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

You can find out more about who the Barclays Group's key stakeholders are, how management and/or the Directors engaged with them, the key issues raised and actions taken in the Barclays PLC Annual Report 2023.

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

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STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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 Managing Partner adopts a variety of methods of engagement with different stakeholder groups. The Managing Partner will sometimes engage directly with certain stakeholders on certain issues, but the size and distribution of our stakeholders and of Barclays means that stakeholder engagement often takes place at an operational level.

In addition, to ensure a more efficient and effective approach, certain stakeholder engagement is led at Barclays Group level, in particular where matters are of group-wide significance or have the potential to impact the reputation of the Barclays Group.

The Managing Partner considers and discusses information from across the organisation to help it understand the impact of the Partnership's operations on, and the interests and views of, our key stakeholders. It also reviews strategy, financial and operational performance as well as information covering areas such as key risks, and legal and regulatory compliance.

The purpose of Relative Value Investments UK LLP is an investment vehicle. Due to the nature of the Partnership, no decisions were made by the Managing Partner during the reporting period which required them to have regard to the matters set out in section 172 of the Companies Act 2006.

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

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

Engagement in action

Implementing and Embedding the new Financial Conduct Authority ('FCA') Consumer Duty

In July 2023, the Consumer Duty came into force. The Consumer Duty is a new outcomes-based regulation, designed to ensure relevant financial services firms deliver good outcomes for retail customers consistent with the three cross-cutting rules to (i) act in good faith, (ii) avoid causing foreseeable harm, and (iii) enable and support retail customers; and the four retail customer outcomes relating to: (i) products and services, (ii) price and value, (iii) consumer understanding, and (iv) consumer support.

The implementation of, and ongoing compliance with, the Consumer Duty is the responsibility of the operating entities within the Barclays Group, which includes the Partnership whose Board receives regular updates on the embedding of Customer Duty.

A Consumer Duty lens has been applied in the development of the Barclays Group-wide change programme, Consistently Excellent, with the spirit of the Consumer Duty reflected in the 'world-class service for clients and customers'. The Board of the Partnership has paid particular attention in its meetings to identifying and understanding the needs of customers who may be classified as vulnerable.

Achieving a consistently excellent standard

Barclays continues to focus on delivering to a higher operating standard via the Barclays Group-wide cultural change programme, Consistently Excellent. This programme challenges colleagues to address five key areas Precision, Service, Focus, Efficiency and Diversity of thought – to establish a new operating standard.

This higher standard is becoming part of the Barclays culture and collectively, the Group is working hard to equip everyone with the right skills to achieve this, while rewarding progress. Barclays have incorporated this into its existing Values and Mindset behaviours and as part of an enhanced set of leadership behaviours as well as


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updating its key processes for attracting, retaining and developing talent, planning for succession, and recognising and rewarding performance.

To help create a common understanding across the Barclays Group, Consistently Excellent workshops were held throughout 2023 for senior leaders. In 2024, all colleagues will be invited to attend these workshops.

This report was approved by the board of the Managing Partner and signed on its behalf by:

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TJ Sandhu

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Date: 24/9/2024

Registered number:OC343461