

Barclays Group Operations Limited  
Strategic Report  
For the year ended 31 December 2019

#### Operational risk management

The Company provides many of the operational services required by Barclays' businesses. Operational risk is 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. Examples include: operational resilience, cyber threats, new and emergent technology, processing error and supplier risk (further details of these risks and other examples are described in the Barclays PLC 2019 annual report which does not form part of this report). Operational risk is managed in accordance with Barclays Group Operational Risk policies. The Company has implemented risk controls and devoted substantial resources to developing procedures to ensure that transactions are processed efficiently, accurately and in accordance with the full suite of Barclays Group standards and controls. (Barclays Group standards are described further in the Barclays PLC 2019 annual report which does not form part of this report). Additional information on the financial risks to which the Company is exposed to is included in note 23.

#### Key performance indicators

The Directors of Barclays PLC manage the Group's operations on a business cluster basis. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the relevant business cluster, Barclays Execution (BX), is discussed in the Barclays PLC annual report available online ([www.home.barclays/barclays-investor-relations/results-and-reports/annual-reports](http://www.home.barclays/barclays-investor-relations/results-and-reports/annual-reports)), which does not form part of this report.

#### Section 172(1) statement

The Directors have acted in a way that they considered, in good faith, to be most likely to promote the success of Barclays Group Operations Limited for the benefit of the sole member, and in doing so had regard, amongst other matters, to:

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

The Directors also took into account the views and interests of a wider set of stakeholders, including our regulator, the Government, and non-government organisations.

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

#### How does the Board engage with stakeholders?

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

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

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

The purpose of Barclays Group Operations Limited was to provide efficient, sustainable and quality technology services to the Barclays Group. The Company carries its operation through four branches, which were identified for closure in the Board Meeting held on 26 March 2019. Due to the nature of the Company, no decisions were made by the Directors during the reporting period which required them to have regard to the matters set out in section 172 of the Companies Act 2006.

FOR AND ON BEHALF OF THE BOARD

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Siwda. *Pattinson*  
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Simon James Pattinson  
Director

Date: 16 September 2020

Company number: 6577136

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